

Definitions and Dimensions of Poverty and Social Protection in rural and fishing communities: qualitative survey of three regions in Myanmar

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Abstract: current definitions of poverty typically focus on single dimensions such as consumption or asset profile. Findings from this analysis of 161 semi-structured interviews conducted in 12 communities in 3 different regions of Myanmar demonstrate that rural communities conceptualize poverty in multiple dimensions, including socio-economic characteristics, livelihoods and social capital, estimating that over half of households in their communities were considered poor. Causes of poverty included lack of the various livelihood capitals, external factors such as markets and climate change, government policy (rural development, macro-economic policy, market management, land tenure management and investment in agricultural technology and infrastructure) and moral and ethical factors. Access to social protection and safety nets is mostly limited to assistance provided through community based social organizations, with limited access to government or NGO social assistance programmes. Priority interventions required for poverty reduction include tackling the debt burden, empowering access to markets, technology and skills, and strengthening social protection. Unsustainable debt burden is a significant cause and consequence of poverty, affecting an estimated 20-30% of households, with consequent negative impacts such as migration, dangerous or illegal livelihoods, and deleterious mitigation behavior such as reduced food consumption, healthcare and education. Whilst micro-credit was a well-recognized tool for poverty reduction, equal numbers of recipients were considered to be better off as were considered to be worse off after receiving micro-credit, and suggested criteria would imply that micro-credit is suitable only for middle-income households. In analyzing the responses, responders demonstrated an understanding of the link between mismanagement of natural resources and poverty, and the link between appropriate management of natural resources and poverty reduction, although responses differed depending on exposure to natural disasters and disaster response programmes. Typically, fishing communities related issues of mismanagement of waterways to poverty, and were more exposed to natural disasters than other rural communities, where the emphasis was on soil depletion and erosion, and in Chin State, the impacts of deforestation. These findings suggest that a more comprehensive definition of poverty is required both to

measure poverty reduction and to conceptualize response, and poverty reduction programmes should prioritize debt reduction, access to livelihood skills and technologies, market reform, expansion of social protection, review of microcredit approaches and policies, and integration of natural resource management into poverty reduction and rural development programmes. Further research to determine the representativeness of these findings is recommended.

Fishing communities represented 4 of the communities sampled, although it should be noted that even in communities where fishing represents the main livelihood for the majority of residents, each community sampled demonstrated a mixed economy. Fishing community estimates of poverty were higher (61%) but this difference is not statistically significant.

Background: the challenge of measuring poverty (whose poverty are we measuring?)

Recent surveys to determine the degree of poverty in Myanmar have utilized a variety of approaches, such as consumption (UNDP IHLCA)^{1 2}, asset profile (Schreiner)³ and mixed methods (WFP)⁴, each yielding different degrees of poverty. Although quantifiable, objective measures of poverty are necessary to formulate targets and gauge progress, poverty reduction programmes need also to acknowledge the multidimensionality of poverty both in terms of how it is measured, and how it is addressed. “The need for rethinking of methods arises not due to any failure on the part of researchers analyzing poverty to develop their disciplinary toolkits. Rather, the need for some rethinking of methods arises from the complex, multidimensional nature of the concept of poverty itself.”⁵ It is therefore important to be clear what we are measuring when we attempt to measure poverty, as “Different poverty definitions span different “spheres of concerns”, not all of which may be easily measured...should the definition of poverty be confined to material aspects of life, or include social, cultural and political aspects?”⁶ Broadly accepted dimensions of poverty include resource insufficiency (commonly manifest in low incomes and expenditures), vulnerability to adverse shocks such as illness, violence and loss of livelihood, and powerlessness in the political, social and economic life of one’s community and country⁷ (World Bank, 2001). Even within these categories, there is also the need to determine the extent to which we are measuring the “space of utility or resources (broadly adopted by different versions of the monetary approach) or in terms of the freedom to live the life one values (as in the capabilities approach)”. Hence, we can conclude that due to this complexity and multidimensionality, “no single measure, no matter how cleverly designed nor carefully measured, could ever provide an encompassing treatment of so complex a concept”⁸ This means that we need to ensure that our definition, and our subsequent measurement of poverty based on that definition, takes into account the different dimensions of poverty, and therefore uses a range of indicators to attempt to capture not simply the rate of poverty, but the scope and nature of poverty as experienced by the poor themselves. Hence, conceptualization of poverty should include the following aspects: definition of poverty (multi-dimensional) and its causes, identification of key behavioural characteristics of the poor, impact of poverty, access to resources and trends in the quality of services, and identification of mechanisms used by communities in coping with poverty challenges⁹.

¹ http://www.mm.undp.org/content/myanmar/en/home/library/poverty/publication_1/

² Kim, M (2013) Rural Poverty Alleviation in Burma 's Economic Strategy: A Comparative Evaluation of Alternative Interventions to Increase Rural Access to Capital

http://dukespace.lib.duke.edu/dspace/bitstream/handle/10161/6666/KimMariana_MP.pdf?sequence=1

³ Shreiner M (2012) http://www.microfinance.com/English/Papers/Scoring_Poverty_Myanmar_EN_2009.pdf

⁴ WFP (2014)

http://www.wfp.org/sites/default/files/FINAL%20Nutrition%20and%20Food%20Security%20Survey%20of%20the%20Dry%20Zone%20of%20Myanmar-%20June%20July%202013-%20100214_0.pdf

⁵ Barret CB (2005) “Mixing qualitative and quantitative methods in analyzing poverty dynamics” from “Quantitative and Qualitative Methods for Poverty Analysis” Sage/Cornell, <http://www.saga.cornell.edu/saga/q-qconf/proceed.pdf>

⁶ Caterina Ruggeri Laderchi, Ruhi Saith and Frances Stewart (2003) Does it matter that we don’t agree on the definition of poverty? A comparison of four approaches QEH Working Paper Number 107 University of Oxford

⁷ World Bank (2001). World Development Report 2000-2001, Oxford: Oxford University Press.

⁸ Barret CB (2005) “Mixing qualitative and quantitative methods in analyzing poverty dynamics”

⁹ Njeru EHN (2005) Bridging the qualitative-quantitative methods in poverty analysis. Social Sector Program Coordinator, Institute of Policy Analysis and Research (IPAR) <http://www.saga.cornell.edu/saga/q-qconf/proceed.pdf>

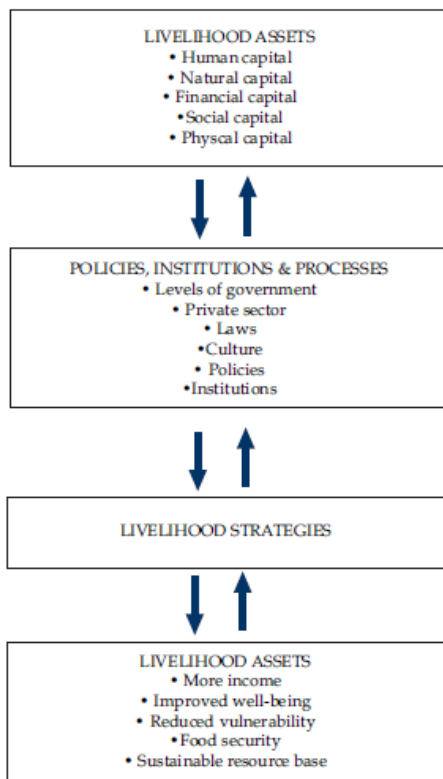
Measuring poverty: some guiding questions

Laderchi, Saith and Stewart pose eight questions/concerns when measuring poverty, including the aspects of multi-dimensionality and the issue of measuring poverty over time, as well as questioning the universality of poverty definitions and the issue of to what extent poverty measurements are subjective of objective¹⁰.

When we seek to assess the usefulness of our current and proposed definitions and surveys of poverty, a number of questions may be useful:

- (1) What does it mean to be poor or vulnerable in this setting? How does this vary across individuals, households, and communities and over time? (i.e., are we asking the right questions of the right people at the right time?)
- (2) therefore, are we using the correct variables and in the right manner? (i.e., which data collection method and what data type(s) will provide the best information to answer our questions?)
- (3) Are our methods robust (systematic) and relevant (suitable to the context)?

Figure 3: The Sustainable Livelihoods Framework



Source: Adapted from Carney (1998), p.5.

Numerous studies have highlighted the value of the Sustainable Livelihoods Framework¹¹ to capture dimensions of poverty not typically covered by monetary-based approaches. The SLF offers a “negotiated set’ of indicators to measure poverty, taking into account people’s views on how they regard the situation.”¹² The SLF also provides a framework to capture not only the presence of assets, but the environment in which they can be deployed for livelihood purposes, and the outcome of that application. When applied in some contexts, poverty was ‘conceptualized as a state of being unable to and this...as a result of the lack of physical resources or social networks or both’

¹⁰ Caterina Ruggeri Laderchi, Ruhi Saith and Frances Stewart (2003) Does it matter that we don't agree on the definition of poverty?

¹¹ Carney, D. (1998). Sustainable Rural Livelihoods: What Contribution Can We Make? Papers Presented at the Department for International Development's Natural Resources Advisers' Conference. Department for International Development (DFID).

¹² Omasa M (2005) Researching Poverty in Rural Kenya: Methodological Problems arising from methods adopted. Institute for Development Studies, University of Nairobi <http://www.saga.cornell.edu/saga/q-qconf/proceed.pdf>

Mapping social protection: concepts and challenges

Another aspect of the survey, which will be covered in more depth in the quantitative phase, is attempting to map the needs and accessibility of social protection for rural communities, with a specific focus on fishing communities. Although rudimentary mapping of social protection needs and service provision has been done, little data is available from the perspective of rural communities. To date, mapping has been undertaken by the Technical Working Group for Social Protection to outline services which exist, at least in theory; mapping of current service provision and generic needs up to Township level has been conducted by SPPRG and the Department of Social Welfare in Sagaing Region, Ayea-waddy Region, Mon State, Kayah State and Kachin State. Data from the household perspective on perceived social protection needs has been conducted in 5 States and Regions using household mapping data, with data showing that nearly one third of households had unmet child health and nutrition needs, 12% of households had needs relating to disability, nearly 40% of households had older persons with significant unmet health needs, and 50% of households had women with significant reproductive health requirements. However, this approach utilized a very limited and fixed set of criteria for 'needs' based on a fixed set of commonly understood health and nutritional needs. This limited the scope of social protection, and excluded a wider range of potential needs. Hence, measuring social protection needs with a broader and more inclusive definition is fraught with challenges:

- Definitions: whilst there is reasonable agreement on the definition of social protection at policy level, the understanding of social protection and social assistance by rural households is limited, and affected significantly by exposure to different types of assistance. Terminology is problematic, as although the currently used term for social protection is clear for policy makers, its meaning is less clear for rural households. Social assistance is often understood as charity handouts for the destitute, or the kind of communitarian activity undertaken by community groups to assist households with social events like funerals.
- Ascertainment of need is also problematic, for three reasons: firstly, linked to the above, households quite rightly may not be able to differentiate between a need which could potentially come under social protection, and more general economic needs. For example: does crop failure constitute a problem to be met through social protection, or through more specific economic measures? To what extent does the inadequacy of some current health and education services constitute a social protection need? Secondly, there is the challenge of need perception based on possibility, whereby a need may be ignored, or remain unacknowledged, for reason that a solution is not available, or where understanding of that need is not complete. A felt need for support for a child's nutrition may only be expressed if there is understanding of what adequate nutrition is like; an expressed need for something like crop insurance may only be expressed if people are aware of such possibilities. Finally, acknowledgement of need for social protection can be linked with a sense of failure and dependency. A recent survey in the Dry Zone had to remove an entire question segment on food security, because one question asking about food scarcity was considered shameful to respond to, and so respondents refused to answer.

- Ascertainment of access is also problematic, as access to that service does depend on people being aware of that service, and that service being physically available and having capacity, and being trusted by the public. Hence, lack of access to a service may be caused by different factors. Hence, direct questions about access to specific types of services are not likely to be helpful in determining the existence or efficacy of those services.

In view of these challenges, questions to ascertain needs and access to social protection were approached in an indirect way, in order to gauge the understanding of the respondents on what they perceived to be social protection needs, and also what types of interventions they were aware of, or had been exposed to, and which were viewed as viable options for those who required assistance. If we simply asked 'what are the social protection needs in your community' the responses would be strongly conditioned by the respondents prior understanding of social protection, or, as was encountered in pre-testing of the qualitative stages, the respondents would shape their answers around the explanation of social protection given to them by the interviewer. Hence, there is a need for a subtle approach which casts a wider net in terms of socio-economic crisis and crisis responses, without differentiating too much at the questioning stage between social and wider economic issues.

Thus, the questions on social protection were framed as follows:

What are the reasons that poor people's situation gets worse?

What should be done/provided to prevent poor households getting into an even worse situation?

What support is available for poor people to prevent them getting into an even worse situation?

This question sequence is designed to enable respondents to articulate needs in terms of issues, potential responses, and accessibility in terms of currently available responses.

Method: A simple tool can be developed to answer three basic questions:

- What are the dimensions of poverty in rural Myanmar? Who is considered poor, and why? What are the criteria used at community level to differentiate poor from non-poor?
- What are the causes of poverty as experienced by poor communities, from their perspective? To what extent is poverty 'caused' by lack of assets, or lack of ability to apply assets, or lack of suitable environment to effectively apply assets, or lack of supportive environment to protect against shocks?
- What are the behavioural characteristics (including social protection options) for poor communities? What do poor people do to survive? What do they do to get out of poverty? What are the available safety nets? What do non-poor do to try and prevent themselves from becoming poor?

The initial semi-structured interviews will be conducted using the following questions, allowing free responses. The responses to all these questions will be analyzed to determine 'high-frequency' responses, which can then be put into the more structured format which can be used for the wider survey.

1. When identifying poor households in your village, what criteria do you use?
2. When considering if a community is poor or not, what criteria do you use?
3. What are the reasons why people become poor?
4. What kind of mindset change is needed to reduce poverty?
5. What do poor people do to try to survive?
6. What kind of assistance can poor people get if they have difficulty?
7. What should be prioritized for poverty reduction?
8. What are the extent and characteristics of unsustainable debt?
9. What is the experience of micro-credit in poverty reduction?
10. What are the key issues for management of natural resources?

In consultation with the Department of Rural Development, three areas were selected for conducting the qualitative stages of the research: Ayeawaddy Region, representing coastal areas; Chin State, representing hilly areas and Sagaing Region, representing central plains. In Ayeawaddy Region, 4 communities were selected in Pyapon Township; in Chin State, 4 communities were selected in Matupi Township and in Sagaing Region, 4 communities were selected in Monywa District. Communities were selected to best represent the different types of rural economy. Fishing communities were represented by the 4 communities in Ayeawaddy Region, selected due to fisheries as being the main reported livelihood. Questionnaire protocols were developed and tested to elicit the information required in an open but structured manner. Researchers were trained in the use of the qualitative survey instruments, use of digital recorders and in recording of responses. The qualitative interviews were conducted in December 2014. A minimum of ten people per community were interviewed, with purposive sampling applied to ensure representation of women, older persons and persons with disabilities. All interviews were recorded manually, and also on digital voice recorders, and subsequently detailed notes were made of each interview. A total of 161 interviews were conducted in the three locations. Analysis was conducted by the Director of Research and the researchers in January 2015, analyzing responses from each respondent to each question, coding and collating into categories representing consensus responses.

Results:

In total, responses were collected and analyzed from 161 respondents. The profile of respondents in terms of age and sex is shown in figure 1.

Figure 1: Demographics of sample (n=161)

%/# of Respondents	%	161	
Male	60%	96	
Female	40%	65	
Age Ranges (under 18)	1%	1	
Age Ranges (18-35)	20%	30	
Age Ranges (35-60)	69%	108	
Age Ranges (over 60)	10%	14	
Reported % of HH poor in community wide	Average 59%	Median 60	Mode 50
Main Occupations	%		
Farmer	46		
Government Employee	1		
Religious Leader	0.5		
Community Leader	3		
Dependent	3		
Seller (Vegetable/ Grocery)	3		
Community Health Worker	0.5		
Casual Labor	34		
No Job	1		
Handmade Bamboo Craft	4		
Livestock	0.5		
Mason	3		
Seller (Clothing)	0.5		

Figure 2: Demographics of respondents from fishing communities (n=40)

%/# of Respondents	%	161	
%/# of Respondents	40	40	
Male Ratio	43%	17	
Female Ratio	58%	23	
Age Ranges (under 18)	3%	1	
Age Range (18-35)	28%	11	
Age Range (35-60)	60%	24	
Age Range (over 60)	9%	4	
Reported % of HH poor in community wide	Average 62.6%	Median 60	Mode 70
Main Occupations	%		
Farmer	22.5		
Dependent	10		
Seller (Vegetable/ Grocery)	7.5		
Community Health Worker	2.5		
Casual Labor	55		
No Job	2.5		

The results of the 'in-depth' analysis is presented here, considering the responses along three main questions posed earlier in this document:

- What are the dimensions of poverty in rural Myanmar? Who is considered poor, and why? What are the criteria used at community level to differentiate poor from non-poor?
- What are the causes of poverty as experienced by poor communities, from their perspective? To what extent is poverty 'caused' by lack of assets, or lack of ability to apply assets, or lack of suitable environment to effectively apply assets, or lack of supportive environment to protect against shocks?
- What are the behavioural characteristics (including social protection needs and options) for poor communities? What do poor people do to try and survive? What do they do to try and get out of poverty? What are the available safety nets? What do non-poor do to try and prevent themselves from becoming poor? This section includes the set of questions into social protection needs and accessibility to assistance.

1. Dimensions of Poverty. In considering the first set of questions, on dimensions of poverty, the assumption behind the questions is that residents of rural communities will be able to articulate opinions on the criteria which they utilize, perhaps sub-consciously, to differentiate poor households from non-poor households. The challenge of such a question is two-fold: firstly, although most people are familiar with the term and concept of poverty, evidence from contemporary research demonstrates a difficulty with properly conceptualizing poverty in specific terms. Hence, considerable time was taken by interviewers to facilitate adequate comprehension of the question in order to elicit responses from responders. A second difficulty was, perhaps not surprisingly, a conflation of three issues: criteria for poverty (characteristics), causes of poverty and consequences of poverty. Analyzing the responses, it was clear that this conflation reflects a reasonable articulation of the lived experience of poverty—namely, that the things which we use to describe the characteristics of poverty are often causes, and consequences, and that likewise, cause and consequence are often cyclical (e.g. lack of education due to poverty, and poverty due to lack of education). This presents perhaps the first key finding of this stage relating to the dimensions of poverty; namely that the findings here suggest that attempt to articulate a clear set of 'causes' of poverty as distinct from 'characteristics' and consequences may be misleading. When asked to consider the proportion of households 'in your community' which are poor, respondents answered with a considerable range (10%-100%) with the overall mean estimate of 58.5%, a median of 60 and a mode of 50 (meaning that the most common response was 50%). In proportional terms, 6% of respondents thought that the poverty rate in their community was less than 30%, and 20% though the rate was over 70%. The majority considered that the poverty rate was between 30 and 50% (39%) or between 50 and 70% (35%). Casual labourers were over twice as likely as farmers to suggest a poverty rate over 70% (32% vs. 12%), but there were no significant differences in reported poverty rates between male and female respondents. Although median and modal responses to poverty rates were higher in fishing communities, respondents in fishing communities were less likely than those in other regions to suggest a poverty rate of less than 30%, with

similar proportions suggesting over 70%. Based on an aggregate result, self-perception of poverty was similar in fishing and non-fishing communities.

1.1 Criteria for poverty at household level

Most respondents were able to articulate a number of criteria which they utilized, albeit in a fairly informal and unsystematic way, to determine whether a household would be called 'poor'. These largely fell into three main categories: economic characteristics relating to income and assets (including housing condition, land ownership) livelihoods and socio-demographic characteristics such as female headed households, widows, economic dependents, lack of education. Economic criteria were not surprisingly focused around 'not enough income' and 'income less than expenditure', as well as assets ('no assets', 'no livelihood assets', 'poor quality housing'). A significant proportion of respondents considered households poor if they did not own land, or in some cases, if their land ownership was below a certain threshold (which varied from area to area). Households with non-working dependents, such as older people, persons with disabilities, or households which were female-headed, or with widows, were also more likely to be considered poor-again with a strong sense of conflation between characteristics and causes of poverty. A number of respondents also described 'lack of education' as a criteria for poverty, and this descriptive had several different meanings. Firstly, it referred to the condition whereby people who are uneducated tended to be poor, and tended not to be able to support education for their children. But it also was used to describe an 'uneducated' mindset, sometimes applied more collectively, whereby uneducated people tend to make worse choices, and be more powerless, perhaps 'feckless' and hence their lack of education contributes to a mindset and behavior which contributes to their ongoing poverty. Of interest was a significant number of respondents in all areas who considered households with high levels of debt to be poor-again, conflation of cause, characteristic and consequence. In a context where high levels of debt are common, there was still a perception that certain levels of indebtedness, or certain patterns of indebtedness are associated with being poor. There were no significant differences in responses between fishing and non-fishing communities, as the sample numbers were too small to determine significance.

In summary, *characteristics used to determine poverty at household level included economic, livelihood and socio-demographic categories.*

1.2 Criteria for poverty at community level

When considering whether their community was poor, compared to others, all responded that they thought it was. In terms of criteria for determining whether a community was considered poor or not, again there was significant conflation between characteristics, cause and consequence. Broadly speaking, the responses can be grouped into four main categories: infrastructure, livelihoods, resource management and social capital. Infrastructure issues which were considered to be relevant to determining poverty were road and transportation-an almost universal response-but also the quality of buildings, including public buildings such as schools, clinics, monasteries and other meeting places. A lack of essential services such as electricity, schools, healthcare and water were also considered to be important characteristics in defining poverty. In terms of livelihood issues, the responses were more specific, however. Although 'lack of livelihoods' and 'lack of work opportunities' were cited, a number of respondents alluded to the positive impact of local businessmen (bosses) who provided work and investment in their own communities, and

that poor communities typically lacked such individuals. Access to markets is an issue, and referred not only to physical access, but also access in terms of lacking information about prices, and being disempowered through the process of multiple 'brokers' and agents involved in selling produce. Villages where the majority of people engaged in casual work were more likely to be considered poor, and interestingly, although migration itself was not regarded as universally negative, most respondents considered as poor communities where there was a high level of migration due to lack of local work opportunities. The lack of a long-term view in agricultural practice referred to two aspects: the negative impact of overuse of artificial fertilizers on long-term soil quality, and, as mentioned by a number of respondents in Chin State, the positive benefits of long-term forest conservation, where certain specifics of slow-growing tree were associated with better soil maintenance. Villages which did not, or could not pay attention to these things were considered poor, as were villages where access to natural resources such as farmland, rivers and lakes was restricted, or where the resources were not long yielding sufficient for sustaining livelihoods. The issue of ownership of waterways was raised in fishing communities in Ayeawaddy Region, where private ownership of fishing rights requires users to pay in either cash or catch, for fishing in certain waterways. This situation was associated with poverty by many respondents-primarily as a symbol of powerlessness. Almost all respondents expressed perspectives on a kind of 'poor mindset' characterized by having weak 'ethical character', 'lack of education' and 'lack of social character'. Whilst difficult to translate directly, the sentiments expressed can be summarized in three terms: firstly, fecklessness, (having no sense of responsibility; indifferent; lazy); secondly, uneducated-and thereby likely to continue in traditional farming practice and be resistant to change; thirdly, that such villages lack positive social capital, in terms of organization, leadership, and a lack of flourishing social organizations. This last descriptive was very common, and most respondents expressed the notion that villages with flourishing social organizations were not poor. It is hard to separate cause and effect here: do more wealthy villages tend to more people with surplus time and money, and so a more fertile ground for collective social action and social capital, whereas in poor villages the daily struggle to survive negates any attempts at forming social organizations? Or does the existence of social organizations, which traditionally provide assistance to households for funerals, and sometimes healthcare and care for elderly, provide a safety net which enables poor households to cope, and hence leads to better organized, more cohesive and more wealthy communities? Respondents also classified as poor communities which had overall 'poor health' and 'low education'.

In summary, *categories used to classify villages as poor include infrastructure, livelihoods, resource management and social capital.*

2. Causes of poverty

2.1 Why do people become poor?

We now consider the second set of questions, considering the causes of poverty, as experienced by poor communities, from their perspective. As was observed in section 1, responses made to the first questions on criteria for poverty also overlapped with causes. Several respondents gave more descriptive answers, such as 'when income doesn't cover expenditure, then you become poor'; however, the majority of respondents gave extensive and articulate comments in this section. These fell into three categories: lack of critical capacity for livelihood; external factors such as markets and climate change and 'mindset' issues

and attitudes. The capacity issues cited as significant causes of poverty correspond roughly with categories drawn from the sustainable livelihoods framework: human capital (lack of skills, and access to skills, to enable alternative livelihood, particularly for young people, resulting in out-migration and a depletion of the rural labour force;; high levels of non-working dependents) natural capital (lack of land assets (and here, there are two factors: land ownership and access, a particular problem in some of the communities in Ayeawaddy and Sagaing Region, and poor quality of land (more a problem in Chin State), financial capital (lack of investment capital, and the very commonly noted response, of the situation where a high proportion of income is spent on debt servicing, due to high interest rates and lack of access to suitable credit instruments in rural communities), social capital (lack of education) and physical (poor transportation infrastructure resulting in inefficient market linkages, and hence non-viable rural livelihoods). One of the most commonly quoted Responses to the causes of poverty was 'lack of own business' – whereby those who had more economic control over their means of livelihood were less likely to be poor-described issues relating to human capital, and perhaps, political capital, relating to the issue of economic empowerment and control. External factors cited as causes of poverty include market factors such as price instability, both for buying and selling commodities, and market instability. The issue of market instability is best illustrated by an account from a community in Sagaing Region, where their crop of watermelon and cucumber would normally be sold via brokers to China. However, when harvest time arrived, they were informed that the agents in China now longer wished to buy their produce, and having no knowledge of alternative markets, they were unable to sell, and lost an entire crop. This illustrates three aspects of 'market instability': the lack of stable, long-term arrangements for producers; the lack of control over the point of sale on the part of the producers; the limited access to information about alternative markets on the part of producers. Climate change and natural disasters were also commonly cited reasons for poverty, being linked to floods, drought and crop failure in rural areas. Although the understanding of climate change is more local, there is a significant awareness of the extent of and nature of changing weather patterns and the impact on rural livelihoods. Finally, once again, mindset and morality were commonly listed as reasons for poverty. The literal translation of 'wrong mindset' again covers three aspects; a stubborn unwillingness to consider alternatives to centuries-old agricultural practices; a lack of long-term planning, and an unwillingness to embrace more co-operative approaches to agriculture which could be more efficient. The moral and ethical issues linked to poverty referred more to issues such as "lack of moral discipline" leading to gambling and alcohol abuse, in turn leading to poverty, as well as the more general 'fecklessness' described in earlier sections.

In fishing communities, the issue of access to waterways and lack of control over markets and prices were significant factors described in relation to poverty. Where land ownership issues are complex, the issue of private control of rivers and creeks is more pressing to freshwater fishing communities, where fees for fishing rights are levied in some areas.

In summary, the *respondents described causes of poverty in terms of lack of the various livelihood capitals, external factors such as markets and climate change, and moral and ethical factors.*

2.2 Mindset issues. Various political leaders in recent times have talked about the need for 'mindset change' in order to achieve national development, yet there has been little substance to their comments. When asked this question, there was broad acceptance that this was a valid comment, and that the

mindset change required involved three aspects: education and knowledge; embracing long-term thinking and change; and changes to governance. Most respondents expressed the need for better education and more access to general knowledge, as well as access to different livelihood techniques and technologies, as well as access to weather information and market prices. Most respondents expressed the need to change strongly embedded habits of planting the same crops in the same way, and being resistant to any change, and the need to embrace more long-term planning, both in terms of agricultural practice, but also in terms of natural resource management. However, many respondents also expressed that a change in mindset was also needed amongst those who manage and govern community affairs, both locally and more regionally. Wider political instability was perceived to lead to poverty, and a need was expressed for more transparent government and administration, more competent leadership at community level, and better leadership to enable stronger unity and co-operation at community level.

When asked what could be done to help change peoples' mindset, respondents suggested improvements to education and provision of training and awareness events to give people a wider perspective; more access to information on weather and markets; improved access to livelihood related knowledge; all-round development at village level (for example, provision of rural electrification would then enable people to read and watch television at night, thus improving general knowledge); improvement of transportation links to reduce isolation; effective and transparent government and administration and stable policies. Of note, an innovative suggestion was made to conduct 'mentoring' of village leadership, whereby experienced community leaders assist new community leaders to develop the skills needed to promote unity and strong social cohesion at village level, akin to some of the work done by humanitarian organizations in some of the communities sampled.

3.3 What makes poverty worse?

In an attempt to differentiate between more 'root' and 'long-term' causes of poverty, and the current dynamics of poverty, we also asked people to give responses as to why they thought that poverty get worse. This also sheds light on understandings of the barriers to escaping from poverty. Again, a common response was also somewhat prosaic: the fact that debt repayments take up so much income that there is nothing left to invest in education, livelihood and social development, means that livelihood is a means of survival only. Other responses here were grouped into four categories: human capital, government intervention, mindset changes and climate change. As noted above, the lack of access to general education was linked with worsening poverty, as was a lack of access to technical knowledge for sustainable livelihoods and agriculture. Many respondents expressed a desire to embrace new forms of agriculture, but simply did not have access to technical know-how. Mindset issues, which will be explored more fully in the next section, included, as before, issues of 'moral discipline' but here also included the observation that a lack of exposure to the wider world, including other areas of Myanmar, had contributed to a limited perspective, and an unwillingness to embrace new ideas. Communities where members had migrated to other areas or countries, and then returned, reported the positive impact of that persons experience on helping to widen the perspective of other community members and 'nudge' change. Government intervention was linked with poverty in three ways. Firstly, the lack of access to markets was linked both to poor transport infrastructure, but also to the perception that agricultural export markets are

controlled by a small number of 'cronies' and as such, the producers are disempowered. This is perceived to be a weakness in government policy. Secondly, financial policy leading to inflation was linked with poverty, where basic commodity prices have increased. Thirdly, there was significant levels of reporting of 'lack of government support'. This typically referred to the need for more active involvement from government in addressing issues of agricultural livelihoods, such as access to credit, crop insurance and land tenure issues, as well as enabling access to technical knowledge to improve efficiency of production and crop diversification. Climate change was also again noted as a common reason for worsening poverty. In summary, reasons for worsening poverty include unsustainable debt burden, lack of human capital, government policy (rural development, macro-economic policy, market management, land tenure management and investment in agricultural technology and infrastructure) and climate change.

3. Protection from harm/Escaping from poverty: what are the protection 'needs' for poor households in rural areas? What are the options available to poor people in crisis? What can be done to protect households from worsening poverty? What should be prioritized for poverty reduction?

3.1 What are the protection 'needs' for poor households in rural areas? (Why does poverty get worse?)

As described in the introductory section, attempts to directly measure 'social protection needs' without either limiting the scope or introducing bias to the process required a more subtle and indirect inquiry process. By analyzing responses to two questions (what makes poor households more likely to get worse? What can be done to protect households from worsening poverty?) we can extract responses which can correlate with an expression of needs, some of which can be categorized as social protection.

A major factor noted in worsening poverty was debt, where Debt repayments take up too much of income so nothing left to invest in education, social events and livelihoods. Access to appropriate credit, particularly for non-livelihood expenditure such as emergencies and health, was a commonly reported 'need'. The need to improve the scope of, quality of and access to essential health services was described by several respondents, although no respondents described a link between health and worsening poverty. Key livelihood initiatives linked to social protection include a minimal household income policy, together with livelihood programmes targeted at youth, reduced migration and reliance on risky or unsustainable livelihoods. Frequently expressed was a need for support to vulnerable groups such as older persons and persons with disabilities, although respondents were not specific in the type of support needed. A significantly frequent expressed need was to provide support to community organizations, which are seen to be a major source and provider of social assistance in rural communities. Perhaps because of a lack of awareness of the instruments, there were no specific mention of interventions such as health insurance, crop insurance, pensions, health benefits, social security schemes, fishery related insurance or assistance, or government emergency assistance. The responses from fishing communities were not significantly different from other respondents, with the overwhelming majority of respondents in fishing communities (90%) reporting debt problems as the key social protection need, followed by education and the need for

protection of livelihoods (waterways). Although debt and debt relief are not always clearly linked to social protection, the relationship as demonstrated by responses from the fishing community has several dimensions. Firstly, debt relating to livelihoods has significant social consequences, as are described later in this study-such as children not attending school, under-nutrition and risky labour. Secondly, lack of social protection and safety nets leads to accrual of debt relating to emergent healthcare and other social needs. Finally, problem debt leads to breakdown in social structures, resulting in limitations in access to further credit, assistance and social benefits. Hence, the issue of problem debt is closely interlinked with social protection, and careful probing also reveals that a significant proportion of household debt is related to unplanned expenditure such as health emergencies.

In summary, social protection needs can be summarized as a need for assistance or appropriate credit to reduce the debt burden from non-livelihood related debt; strengthening of basic health service provision; minimal household income guarantees (which may include support for non-working dependents), support for vulnerable groups and support for community organizations.

3.2 Safety nets. We asked respondents to consider what support is available for poor people to prevent them getting into an even worse situation? Here, respondents described interventions according to the key providers: government, community, NGOs and religious organizations. Very few respondents described anything like formal social assistance or social insurance; however, it was reported that government assistance, either on a personal or community level, included micro-credit, village development loans (such as Ever Green), occasionally assistance grants, provision of some aspects of health and education services, community libraries and sometimes technical and vocational training. Assistance to individuals and households was more likely to be obtained either through community social organizations¹³, which were described to provide funeral assistance, sometimes assistance for emergency healthcare costs, micro-credit, physical assistance, village development activities, support for older persons and persons with disabilities (such as assistance to get essential medicines, assistive devices) and nutrition programmes. In some communities, religious organizations took care of funeral services and provided overall co-ordination of village development. Where NGOs were present¹⁴ (which was in around a third of the communities sampled) these provided training, livelihood skills, micro-credit and assistance for improved water and sanitation.

In fishing communities, access to social protection was limited, with mentions of various government loans schemes, mainly for livelihoods, but no reports of assistance for poor households, older persons or persons with disabilities. The main sources of social assistance reported were from community organizations, relatives and NGOs. Community organizations provided cash and in-kind assistance for household emergencies such as funerals and sometimes health expenditure; relatives were a key source of credit. INGOs were described as provided training in health, livelihoods, and as a significant source of credit for livelihoods. However, there was no mention of any formal social protection services.

¹³ Current research indicates a widespread presence of community social organizations, often called 'Parahita' organizations, which collect and redistribute funds for social emergencies such as funerals and unplanned health expenditure

¹⁴ Three of the four Ayearwaddy communities; none of the Chin State Communities; one of the Sagaing Region communities

In summary, *reported access to safety nets was very low, with the main providers for social assistance at household level being community organizations. The prevalence of access will be tested further in the national sample.*

3.3 Interventions to reduce poverty

We asked respondents to consider what should be done/provided to reduce poverty, looking firstly at priority interventions at household and community level. Responses can be grouped into three main headings: support for livelihood development; strengthening of social protection and community development. An almost universal response was the need for better access to credit. Respondents described the need to be able to access credit instruments appropriate for the usage, with lower interest and flexible repayment schedules. For example, in some areas, the only credit available requires monthly repayments, whereas household income is irregular, dependent on sales of crop or animals on a more seasonal basis. The need for support to establish small businesses, to strengthen links to markets (by increasing access to information and enabling more direct market access, rather than going through the brokers and cartels) and a focus on providing youth with skills and access to livelihood programmes which are linked to the rural economy, to prevent massive out-migration of the rural labour force and reduce the need to engage in dangerous and unsustainable livelihood practice. A strengthening of social protection was also strongly reported, and included the need to support vulnerable groups such as older persons and persons with disabilities, to improve access to and quality of health services and health information, and to establish a system for a minimal household income. Recognizing the value of community organizations, many respondents also requested that assistance be given to strengthening community organizations to enable them in turn to provide more effective and comprehensive social assistance. Overall village development was linked with alleviation of household poverty, and surprisingly, the main items mentioned were not electricity and roads, but a need to promote a better 'mindset' at community level, reducing the prevalence of negative behaviours such as gambling and alcohol abuse, and promoting unity and harmony at community level. Several respondents also strongly expressed the opinion that international assistance should go direct to communities, rather than through development agencies, as this would enable a better and more efficient use of resources, and a better matching of community needs with assistance provided. This was surprising in that the communities where this view was expressed had had no exposure to international assistance. When considering who should do what to reduce poverty, respondents identified responsibility at five different levels: oneself; community level; state/regional government level, national government level and the responsibility of NGOs and international organizations. Responsibilities at individual level focused mostly on changing one's mindset: the need to develop a more long-term view and willingness to accept change; the need to access more training and skills, and the need to develop more financial discipline to save and invest money

At village level, the responsibilities included strengthening linkages with government and government programmes, to enable community members to know more about, and have better access to government assistance (such as Ever Green, agricultural loans); to develop village infrastructure and to take responsibility at community level for protection of natural resources and preparations for disaster risk reduction and mitigation. Key responsibilities identified at the State/Regional government level include rural

development; effective local government; loan programmes; provision of local market relevant vocational training and job creation and promotion effective use of technology for sustainable use of local resources. At national level, responsibilities include wider job creation; more effective and diversified loan programmes; nationally owned factories (rice mills and similar processing- as privately owned ones are more expensive to use), timely and flexible agriculture and livelihood loans; support for livestock, fisheries and agriculture development; effective and transparent government; investment in youth capacity building for the next generation and investment for small business at household level. Activities considered the responsibility of NGOs included livelihood training; investment funds for small business and provision of information about poverty reduction

In summary, priority interventions required for poverty reduction include tackling the debt burden, empowering access to markets, technology and skills, and strengthening social protection.

4. Debt

4.1 Unsustainable debt

Following the widespread reporting of problem debt and unsustainable debt burden as a key contributor to worsening poverty, we asked respondents to consider firstly the proportion of people in their community who had unsustainable debt, and the to consider the social and economic consequences of unsustainable debt. When asked about the proportion of people in their community with unsustainable debt, the question asked them to consider households where the debt burden had essentially become unmanageable and unsustainable, regardless of the relative size of the debt. Respondents could fairly easily visualize households in their community which fit that description, and the modal range quoted was 20-30% of households. Most respondents could cite examples of consequences of unsustainable debt, which fell into four categories: mitigating behavior, deterioration of physical, mental and social well-being and social, economic and legal sanctions. Behaviour to mitigate the consequence so unsustainable debt, or as a survival response to reduced circumstances, involved action such as migration to find work and send remittances to pay off debt; taking on difficult, dangerous or sometimes illegal work; reducing expenditure on healthcare and education (including withdrawing children from school) and reduced food intake. Unsustainable debt burden was linked with depression and was cited as a common cause of household (and sometimes village) conflict. Unsustainable debt led to significant economic sanctions, such as being refused further credit and loss of assets; legal action to force repayment or seize collateral could also lead to debtors fleeing their village; sometimes, those with unsustainable debt also experience social exclusion within their community.

In summary, rates of unsustainable debt are high in rural communities, and frequently result in mitigating behavior which has long-term negative effects on education, health and livelihoods, and is associated with conflict, mental health problems and increased rates of migration and illegal livelihoods.

4.2 Micro-credit: who provides it, and how should it be used?

Current development practice places significant emphasis on micro-credit as a key tool for poverty reduction. However, evidence from small surveys in Myanmar suggests that a significant proportion of recipients of currently available micro-credit packages experience a worsening, rather than an

improvement, in their economic situation as a consequences of increased credit. Hence, this survey sought responses to three main questions:

Who are the common providers of micro-credit?

What are the factors associated with success and failure of micro-credit?

Who should be given micro-credit, and who should not?

In terms of the main providers and types of loans, there were six main types of loan and provider experienced by communities: agricultural loans from the government (Department of Agriculture) typically available to farmers with a certain threshold of land ownership; Evergreen Village micro-credit (a grant of \$30,000 given to rural communities to be used as a revolving micro-credit fund), household/individual micro credit loans from the Co-operative Department; loans of various types and interest rates from community social organizations; loans from local money lenders, typically with high interest rates, but more flexible payment schedules; loans from larger INGO providers such as UNDP and PACT, with typically more standardized payment schedules, criteria and interest rates. When asked what proportion of people using micro-credit were successful, the modal response was 5-33%, and the main reasons cited for success were systematic and disciplined use of the loan fund, use of the loan to expand an existing business (rather than start a new one), sufficient household income (so as not to need to use the loan to meet household basic living costs – “eating the loan”) and a strong and disciplined work ethic. A similar proportion were considered to be worse off after accessing micro-credit (3-30%) and the main reasons cited were inappropriate use of loan fund (for the wrong type of business, or using it for food or health expenses instead of livelihood, or using the loan to try and start new business), lack of sufficient household income (resulting in ‘eating the loan’), a high level of pre-existing debt, a high number of non-working dependents, a lack of financial discipline, and inflexible repayment schedules from the loan providers. This last point reflects the fact that often loans are used to expand livelihoods whose income is seasonal, whereas repayment schedules may be required monthly. Government loans were noted to be more flexible in terms of offering different repayment schedules, whereas NGO providers were considered to be less suited to rural livelihoods. Several respondents noted that recipients of NGO micro-credit frequently had to resort to borrowing from high-interest local money-lenders to pay off the NGO debt, resulting in an increased debt burden.

Further to this, respondents were asked who should, and who should not be given access to micro-credit, in an attempt to target micro-credit more effectively to those for whom it is most likely to confer benefit? This question is already being asked within the wider framework of the ‘Evergreen Village’ revolving fund, whereby communities are being asked to manage a fund of \$30,000, typically using it to provide smaller loans to households for livelihoods. In this scenario, communities are given guidance on how to manage the fund, but standardized eligibility criteria are limited to those who have a national identity card, and those who the community is willing to guarantee. Further criteria are developed by the community themselves, including the size of loan, application of loan, and further eligibility requirements and repayment schedules. In responding to this question, there were two main sets of criteria: eligibility and suitability. In terms of eligibility, most respondents said that all citizens should be eligible, and that priority should be given to poor households, landless and female headed households and widows. However, in terms of suitability, the criteria narrowed to those with a regular income, those with a pre-existing business and those who

demonstrate good 'moral discipline'. In terms of those who should NOT be given micro-credit, again criteria of eligibility and suitability emerged. Eligibility criteria stated would exclude large landowners (over 10 acres) and "big businessmen". In terms of suitability, loans should not be given to those who cannot repay, those who have drug, alcohol or gambling problems, those who do not own land (land for housing- which denotes those who are in some senses non-permanent residents of the community) and those for whom the community would not give a guarantee.

In summary, *more or less equal numbers of recipients of micro-credit were better or worse off afterwards, and common 'suitability' criteria for receiving micro-credit tended to re-affirm the view that micro-credit is most suitable for use by middle-income households to expand an existing livelihood. Based on these criteria, a significant proportion of poorer households, including 'temporary residents' and those with high levels of indebtedness or insufficient household income, would be considered unsuitable as recipients of micro-credit.*

5. Natural Resource Management

A recurring theme from discussions on poverty and causes of poverty was management and mismanagement of natural resources, which in some cases was linked with local natural disasters (such as increased flooding due to lack of water-retaining trees and soil degradation). In this section, natural resources were described as land, rivers, waterways, lakes, oceans and forests. The responses to this action were conditioned by two things: exposure to natural disasters and exposure to activities to respond to, prepare for and mitigate natural disasters. In Chin State and Sagaing Region, the exposure to disasters and disaster risk reduction was more limited, whereas all the communities in Ayeaywaddy Region, where fishing was the main livelihood, had experienced significant impacts of natural disasters, and subsequent disaster response and DRR activities within the previous 5 years. When asked who was responsible for protection of natural resources, respondents typically identified a hierarchy of duty bearers, starting with one's own responsibility, and working upwards through village social organizations, line ministries and government. Schools teachers were considered responsible to educate the next generation on environmental protection, and development organizations and disasters risk reduction organizations were also mentioned as key responsible agents. In terms of what should be done, again the responses varied according to relative exposure to disasters and disaster responses. In areas such as Chin State, where the local effects of deforestation are most visible, respondents recommended more systematic policies for protecting forests and soil/water retaining trees, including the 'cut down one tree, plant two trees' policy. Other interventions included more training on environmental protection, formation of village level environmental protection committees, sign boards in villages to describe environmental protection practice, and safe and systematic waste disposal. Some respondents also noted the link between livelihoods and natural resource protection, whereby a lack of access to skills and technology for more sustainable agricultural and livelihoods results in a continuation of environmentally unsustainable livelihood practice. The recommendation was to invest in developing sustainable livelihoods so that people don't have to resort to practices which are unsustainable. This includes agricultural and economic policy which creates favourable conditions and markets for products which are environmentally sustainable, as well as providing training and investment for more sustainable livelihoods. Linked to this was a need to have stronger networking between NGOs' government and the private sector, with some respondents noting that lack of

regulation of private sector agriculture, fishing and forestry is resulting in significant environmental degradation. Finally, several respondents articulated a core approach to management of natural resources: central planning but household implementation, meaning that there is a need for clear and effective central policies, but that responsibility needs to be given to households to implement policies effectively at community level.

Conclusion:

Findings from this analysis of 161 semi-structured interviews conducted in 12 communities in 3 different regions of Myanmar demonstrate that rural communities conceptualize poverty in multiple dimensions, including socio-economic characteristics, livelihoods and social capital, estimating that around 60% of households in their communities were considered poor. This significantly challenges current definitions and measuring instruments which focus on single dimensions such as consumption or assets. When causes of poverty were examined, analyses demonstrated three key themes: lack of livelihood capital, economic disempowerment and lack of safety nets. The lack of capital included financial, human and social capital, and was most commonly articulated in three key problems: the need for investment in skills and technology, the need to tackle unsustainable debt, and the need for a mindset change not only amongst community members, but also in government. Economic disempowerment was expressed in terms of lack of access to information and markets, leaving rural producers vulnerable to the vagaries of external markets, with no power to seek alternatives. The alarming lack of safety nets at community level confirms findings from other research, where availability and access to social protection is largely limited to informal assistance from community based organizations. Unsustainable debt burden is a significant cause and consequence of poverty, affecting an estimated 20-30% of households, with consequent negative impacts such as migration, dangerous or illegal livelihoods, and deleterious mitigation behavior such as reduced food consumption, healthcare and education. Whilst micro-credit was a well-recognized tool for poverty reduction, equal numbers of recipients were considered to be better off as were considered to be worse off after receiving micro-credit, and suggested criteria would imply that micro-credit is suitable only for middle-income households. Management and mismanagement of natural resources was linked to poverty and poverty reduction, although responses differed depending on exposure to natural disasters and disaster response programmes. These findings, together with the findings on recommendations for priority actions for poverty reduction, highlight the five key task areas for poverty reduction: **increasing human capital for more efficient, effective and sustainable livelihoods**, with an emphasis on diversification and technology; **tackling market access to increase direct access to markets by rural producers**; **increasing access to social assistance**, through a mixed approach of centrally administered instruments and strengthening of existing community systems; **a systematic overhaul of credit to start to address the overwhelming issue of unsustainable debt**, and action to **integrate and co-ordinate natural resource management** into poverty reduction and rural development.

Although the sample size of this initial qualitative research was relatively large, these findings cannot be considered representative of the wider context in rural communities in Myanmar. Further research to determine the representativeness of these findings is recommended.

