

GOLD VI

***Case-Based Contribution
to Chapter 4: Commoning***
*GOLD VI Report on Pathways
to urban and territorial equality*

Commoning for land and housing in Yangon

In partnership with:

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Yangon (Myanmar)

CHAPTER

4: Commoning

SUMMARY

The development trajectory of Myanmar after the 2010 elections resulted in explosive urbanization and economic growth rates, accompanied nonetheless by an aggravated housing crisis, expansion of informal settlements and recurring evictions. In just a few years, a group of women squatters and room-renters, supported by a local NGO, came together, started their own savings groups and began to develop their own solutions to the serious housing problems they faced. Using their own savings, supplemented by small grants from donors, these women's savings groups have been able to collectively purchase tracts of inexpensive peripheral land, subdivide them into very small plots, and build their own extremely low-cost houses, with some very basic infrastructure. What began in 2009 with one small project for ten families, grew by 2019 to 12 projects, which provide secure, affordable, appropriate housing to 3,800 of Yangon's poorest citizens (835 families). Along the way, they have surveyed the city's most squatter-rich townships and partnered with microfinance institutions that give housing loans at discounted rates. The case study focuses on three aspects of this model that place it as an innovative commoning practice: collective finance, collective land and government support.

After Cyclone Nargis devastated the Ayeyarwady Delta region in 2008, thousands of migrants who had lost homes and livelihoods flowed into Yangon. This coincided with the declaration of the new Constitution and ensuing elections of 2010. Thereafter, Myanmar's economy opened up to international markets, a rapid development of infrastructure took place in many parts of the country, increased trade and commercial opportunities resulted in improved living standards and a reduction in poverty indicators, particularly in urban centres.¹

However, this development has been uneven, benefiting groups such as the real estate sector, with developers and land speculators having significant gains from new urban and infrastructure projects, while poor communities are being displaced to make way for such developments, aggravating the housing crisis.²

The Myanmar government's preferential response to the growing demand for housing and recurrent evictions has historically been the relocation of communities to peripheral areas or new towns. While these settlements have some degree of tenure security, their infrastructure and quality are still insufficient to address the growing housing deficit. Many urban poor continue to build shelters in squatter settlements along train tracks and canals, and on patches of vacant land. Officially, 7% of Yangon's residents live in informal settlements³ and nearly 2/3 arrived in the city after 2008.⁴

Given that the large majority of informal settlement dwellers are squatters or renters, these communities share the experience of multidimensional poverty and continued fear of evictions.⁵ The fear of eviction, however, brings people together to find solutions to their shared concerns. **The process of**



commoning for land and housing in Yangon emerged in 2009 as the response of thirty women from one of the city's largest townships, who, inspired by similar experiences from the region, organised themselves in savings groups with the support of a local NGO. They collectively scouted for land and using their savings, accessed grants, negotiated loans and collectively purchased suitable plots of land and construction materials. They subdivided the land and collectively built extremely low-cost houses, with basic infrastructure. This process has come to be known in the country as the Community-Led Housing (CLH) model.

Other 11 projects housing 835 poor families have been built following the same model. The senior members of the first housing projects have spread the word, surveyed the informal settlements, trained and built the trust of more poor families to develop similar CLH projects in other wards of Yangon. **This knowledge sharing practice has not only scaled up the model, but effectively contributed to grow this community-level collaboration into a city-wide network of savings groups.**

Here are the women savings group members who designed, built and financed one of the early community-driven and collective housing projects in Yangon, at Pan Thazin.

Source: ACHR

1. World Bank, 2019

2. Forbes, 2016

3. DUHD, 2019

4. UN-Habitat, Myanmar Survey Research, 2019; UN-Habitat, MSR, 2020

5. UN Habitat, MSR, 2020; KNOW Yangon team, 2020

Such groups, the process they have followed and the way they manage resources stem from the desire of people to collaborate and share to meet every day needs. They constitute a *commons*, understood as “communities that decide to manage a resource in a collective manner, with a special regard for equitable access, use and sustainability”.⁶

Three key aspects of this experience of commoning process for land and housing are the collective finance, the collective land tenure and the support of the provincial government:

Commoning through collective finance

“Community-managed savings and funds bring poor people together to design and manage a collective financial resource as a community [...]. The small sums that poor people save together in groups, on a regular basis, with trust and discipline, grows into a much larger financial pool that gives them the power to do things they can’t do on their own – things like housing, infrastructure improvements or community enterprises – and the freedom to manage those loans and financial inventions in their own ways”.⁷

The members of these housing projects all come from backgrounds of dispossession, economic hardship and instability. Due to their lack of documentation or assets that would work as collaterals, they cannot access formal financial services and rely instead on informal loan sharks, whose high interest rates plunge families into ever deeper indebtedness.

The formation of savings groups is a practice of pooling and co-managing resources that

can be understood as a way of turning a private asset – cash – into a common resource:⁸ the pooled funds are used to provide small, accessible, affordable loans for any member who needs it. The credit conditions and fund management rules are fully defined by the group members, according to their capacities and priorities.



The savings groups create not only financial, but social capital. These practices have also been a way of developing trust, self-management capacities, and a mutual support system.

A system that has allowed the groups to access complementary grants and housing loans from microfinance institutions (MFI). From the MFI point of view, the savings network mechanism and the support of the local NGO reduce the risk that lending to “the bottom of the pyramid” represents. For the savings network, the partnership with an MFI is an opportunity to increase their reach and impact. The social capital created through the commoning process enables access to formal financial capital, and the financial capital in turn, increases and strengthens that same social capital.

Womens’ savings and community network meeting in Yangon
Source: ACHR

6. Boltier, 2014

7. ACHR, 2017

8. Meyer, 2018

Commoning through collective land tenure

An important feature of this housing model is collective land tenure. From the first projects, land has been acquired in a collective manner, with collective resources, collective agreements with landowners and shared rights and responsibilities. While collective land tenures of this type are not formally recognized in Myanmar, the *de facto* tenure has always been collective and a step forward in securing land rights for the poor. The land purchased for housing is divided up into small plots, for individual members to build their houses on, but ownership of the land remains collective. Re-selling, renting, pawning or profiting from the house is not allowed. **Collective land tenure works as a powerful protection against market enclosures and strengthens the community's ability to ensure everyone keeps their housing and can pass it on to their children.** Besides greater security, collective land leads to other benefits and other collective systems for community members to look after each other.

Scaling up through partnerships with the local government

In the past few years, this community-driven housing model has caught the attention of the provincial government and brought opportunities to introduce these practices into a large local housing program. Building on the experience of those early community-led housing projects in Yangon, a new scheme was proposed, with the same mechanisms of collective savings and collective land tenure, but using land provided for free by the government. That was the beginning of a new collaborative housing scheme called *Mae Myit Thar*. It was agreed that the new scheme would be piloted with

the construction of 2,000 housing units, on several sites. Communities built under the scheme would have written permission to stay on their “community common land” for an extendable 30-year period, making them legal occupants and entitling them to access public services. A joint committee was set up to manage the new scheme, which included government and non-government actors. The communities would design and build their own houses, with bulk loans from the same microfinance company the savings network had already partnered with.



Word of the new housing scheme spread quickly. Innumerable meetings were held to set up or expand savings groups, explain the loan repayment conditions, and to give training in accounting. Savings group membership soared, as people rushed to save enough to qualify for loans. Members of the earlier housing projects became trainers to the new network members, and also combed the city with local officials to identify possible tracts of public land for housing.

By December 2020, four projects had been completed, over 1,000 poor families were living in permanent, secure housing and several more projects were in the pipeline.

Womens' savings and community network meeting in Yangon
Source: ACHR

The role of the local government in supporting commoning for land and housing

The crucial contribution of free land under the provisional title of “community common land” is a step towards recognizing collective land use rights, as an important mechanism to guard against the dire but persistent practices of forced evictions, market enclosures and gentrification. The program is an example of bottom-up approaches to affordable housing, developed cheaper, faster and at scale.

The scheme has also opened up a dialogue on the need for formal mechanisms to support collective land ownership, as well as the need for development funds which can provide housing loans to communities at much lower interest rates than the commercial microfinance companies.

Before the military coup on February 1st, 2021, a political momentum was building at all levels of government to support the scaling up of the scheme.

Although the continued political support to the process is at risk, the savings network continues to be a source of solidarity, mutual care and resilience in the uncertain times brought by the pandemic and the new political regime.

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In particular, the present paper has contributed to Chapter 4 on “Commoning”, which focuses on the trends and pathways in relation to the governance, planning and provision of access to housing, land and basic services. The chapter explores how local and regional governments can promote approaches focused on collective action that contribute to urban equality.

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