

# On the Frontier of Urbanization: Informal Settlements in Yangon, Myanmar

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Yangon is Myanmar's commercial hub and its magnetism intensifies as the central government's political and economic reform process gathers steam. Yangon, like Mumbai in India and Shanghai in China, is and will be the driving force for Myanmar's integration into the global economy. The upsurge in new construction in Yangon's center and proliferation of industrial zones on its periphery have been a big draw for unskilled in-migrants from rural areas, especially the delta. But do the newly arrived poor find what they seek in Yangon? This paper looks at the situation of Yangon's poorest residents, the slum dwellers. It explores what happens to hopeful migrants once they have entered the city limits, and along the way it discovers that other poor residents, priced out of the inner-city are also migrating to other parts of Yangon in search of more affordable living situations.

Yangon is the primary city in Myanmar, over 4 times more populous than the next largest city, Mandalay. Yangon is noted for its sprawl: it covers an area equal to that of Bangkok, even while Bangkok is home to nearly 1.5 million more people. The

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current population of Yangon is 5.2 million, having grown by 0.7 million since 2006, at an average rate of 1.9% per year. But urban growth is accelerating and the Japan International Cooperation Agency (JICA) estimates Yangon's growth rate at 2% from the present day forward.<sup>2</sup> At this rate of growth, Yangon will double in size by the year 2040, catching up with trends across Southeast Asia.<sup>3</sup>

Myanmar is often perceived to be a rural country. Estimates in 2014 put the urban population as between 29 and 34% of the total population.<sup>4</sup> If the 2010s trend of urbanization in Myanmar continues, the urban population will exceed the rural by the year 2040 (the world as a whole crossed this threshold in about 2005). The pace of urbanization is picking up in Myanmar in part due to the recent political and economic opening of the country, which in 2016 was leading to unprecedented levels of foreign investment as companies began to arrive to take advantage of the "frontier market" with cheap labor and abundant natural resources. Property values have skyrocketed in some parts of Yangon as the supply of available housing and commercial space was not adequate to meet the increased demand brought by internal migrants to the city, along with foreign businesses and their executives.<sup>5</sup> Economic disparity will likely continue to increase as the newly gener-

<sup>2</sup>Yangon's population growth peaked at 3.7 percent per year in the period 1939-1951. In the following three decades the rate slowed, but in recent years has been picking up again.

<sup>3</sup>Japan International Cooperation Agency, Yangon City Development Committee (JICA and YCDC), *The Project for the Strategic Urban Development Plan of Greater Yangon*, Final Report 1, Part-II The Master Plan, April 2013.

<sup>4</sup>Myanmar Department of Population, *Population and Housing Census of Myanmar, 2014: Provisional Results* (Yangon: Ministry of Immigration and Population, 2014), 6.

<sup>5</sup>There are many reasons for the sudden rise in property values: increased demand (due to increased migration and immigration), increase in Foreign Direct Investment, use of land and property as investment in lieu of a stock market, and land speculation, to name a few.

ated wealth will go first to local elites and foreign business partners, even as the cost of living increases for everyone in Yangon. Nonetheless, the new businesses and industries will generate much needed new jobs, which will, in turn, encourage even more people to migrate to Yangon. Given the high rate of poverty and landlessness in many rural areas, it is assured that migration to the city will increase as people seek better opportunities. One recent study shows that until about 2005, many migrants to Yangon were individuals, whereas more recently whole households are likely to migrate, presumably with intentions of more permanent relocation.<sup>6</sup> But with the cost of housing and cost of living in Yangon already high and rising, most migrants to the city settle in the periphery. Informal settlement is already taking place around the sites of industrial estates that are themselves in the peri-urban areas. But for workers who need access to central Yangon or its sub-centers, settlement in peripheral townships results in long commute times which are a huge burden in terms of both time and money, especially given the outdated bus system. According to the Seoul Institute, inner city buses move only 0.5 miles per hour faster than walking speed, on average.<sup>7</sup> Some try to resolve this by squatting in the inner city, but it is clear from history that these squatters will eventually be forced to relocate to the periphery. It will be important to pay attention to how the Yangon City Development Committee (YCDC) handles inner-city squatters in the future, as forced relocation may be more difficult for the government to carry out under the new democratic system.<sup>8</sup>

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<sup>6</sup>Maxime Boutry, *From Rural to Urban Poverty: Some Thoughts on Coping Strategies and Evolutions in Political Transitional Context*, Unpublished report, 2014.

<sup>7</sup>Win Hlaing Tun, presentation at Seoul Institute Conference, March 2014. Without any intervention, all traffic will come to a virtual stand-still by 2030 or 2040.

## The History of Slums

Informal settlements, historically known as slums, have existed for centuries but became much more widespread with the advent of the industrial revolution when factory jobs lured laborers off the farms and into the cities in large numbers. Scholarly treatment of the issue gained traction in the 1960s, first with scholars who blamed the poor for their own inability to access formal housing, and later with scholars who argued that squatting was in fact a rational response to the phenomena of rapid urbanization, migration and the resulting housing shortages. In 1968, John Turner argued in favor of granting land tenure to squatters, contending that the resulting sense of ownership would lead residents to upgrade their own settlements. While this is undoubtedly true, more recently (and after many slum upgrading experiments worldwide), scholars have increasingly questioned whether the formalization of slums is truly in the best interest of residents because titling can increase the value of land beyond the reach of the same socioeconomic group it purports to help. This can happen in two ways. One way is when landlords realize the higher rent earning potential of the newly titled properties and respond by increasing the rent, forcing out tenants who cannot afford the increase. The other way is when existing residents realize that they can only benefit from the rise in value of their newly titled plot by selling it, thus replacing themselves with

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<sup>8</sup>YCDC was formed in 1974 and reformed with additional responsibilities in 1990. It is responsible for development work in Yangon including preparation of new towns, administration of lands, and the construction, repair and demolition of formal and informal settlements. José A Gomez-Ibanez, Derek Bok and Nguyen Xuân Thành have proposed introducing more high-density, low-cost housing in central Yangon. DHSHD had begun such a program from 1997 through 2000, but it was ended for reasons as yet not made public. José A Gomez-Ibanez, et.al. “Yangon’s Development Challenges,” Harvard Kennedy School, Ash Center for Democratic Governance, 2012. <http://ash.harvard.edu/files/yangon.pdf>.

wealthier residents who can afford the higher price and leading to gentrification of the area before long. Hernando de Soto is a well-known advocate for providing full legal title to squatters.<sup>9</sup> His main argument is based on evidence showing that titling greatly increases the market value of squatters' plots, value that squatters could theoretically use as collateral for bank loans. But for a variety of reasons, this has not worked out in practice. Instead, lending institutions continue to see these residents as too risky, even after titling. As discussed above, a more common result of the sudden granting of full legal tenure is the raising of land values, which are then passed on to tenants, many of whom cannot afford to meet the costs and are displaced in favor of higher income groups.<sup>10</sup> Or, in a process known as "downward raiding," wealthier outsiders and speculators buy plots from squatters in anticipation of a titling scheme. Meanwhile the original residents will likely squat in a new location, giving rise to a new slum. Other informal settlers may instead resist titling because they (understandably) fear the many costs and responsibilities associated with property ownership: taxes, building code compliance, municipal fees for trash collection, etc.

Slum upgrading (in-situ upgrading of existing informal settlements) and sites and services schemes (government provision of land with access to services), with or without titling, became popular alternatives to public social housing in the 1970s and 1980s. These schemes were embraced by local governments and often financed by the World Bank and other multilateral donors.<sup>11</sup> Sites and services schemes not only cost

<sup>9</sup>Hernando de Soto, *The Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else*. New York: Basic Books, 2010.

<sup>10</sup>Geoffrey Payne, "Urban Land Tenure Policy Options: Titles or Rights?" *Habitat International* 25 (2001): 425.

<sup>11</sup>Patrick Wakely and Patricia Riley, "The Case for Incremental Housing," *Cities Alliance Policy Research and Working Papers Series No. 1*, 2011.

much less than public social housing, but also give government control over the resettlement location while giving the residents the ability to construct their own dwellings according to their resources and particular needs. But beginning in the 1990s, sites and services schemes came under criticism as benefitting only the better-off within squatter settlements due to elite capture by landlords and land speculators and for being located on land too far from urban centers resulting in burdensomely long commutes. While multilateral donors have funded slum upgrading and housing consistently, bilateral donors' support has declined dramatically since 1990, in part because of the complexities mentioned above<sup>12</sup>.

Until the 1960s, slums were considered to be uniform and little attempt was made to differentiate between them, or to create typologies. This has changed. Beginning in the 1960s researchers such as Charles Stokes and John Turner distinguished between “slums of hope” and “slums of despair.” Alejandro Portes went a bit beyond the dichotomy of good and bad slums and observed a “dual community” within the slum where “the ends of downward careers and the beginnings of upward ones coincide within it” (Portes 239). Portes also went to great pains to identify what gives one settlement a neighborly “we-feeling” and another not. In particular, he found that the struggle and dangers endured during an organized “land invasion” by squatters created strong community cohesion and deep psychological investment in the newly claimed territory. Alan Gilbert and Ann Varley observed that titling programs may undermine community solidarity by promoting individualistic solutions to economic and social problems.<sup>13</sup> Collective or communal titling may be a better

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<sup>12</sup>Michael Shea, *Multilateral and Bilateral Funding of Housing and Slum Upgrading Development in Developing Countries*. Washington, DC: International Housing Coalition, 2008.

solution, but a detailed analysis of this option for urban informal settlements is beyond the scope of this paper.

### **Planning for Urbanization: The Role of Government**

Based on the prediction that Yangon's population will increase from its current 5-6 million to at least 10 million by 2040, the recently drafted Yangon Master Plan proposes new areas of urban expansion including new town centers, and major investments in transportation. The Master Plan targets infrastructure, particularly transportation, water supply, and garbage disposal. However, it does not address land use planning which is at a greater level of detail.<sup>14</sup> Land use planning is a process whereby land for low cost housing should be identified for future development. The increasingly unbearable and unrealistic commuting conditions highlight the importance of allocating residential land for low-income workers in the city center. Clearly transportation needs to be improved as well, and the Master Plan has proposed a Bus Rapid Transit (BRT) system.<sup>15</sup>

Land use planning as a process is still in its infancy in Myanmar, and in Yangon in particular. But YCDC created a planning department and by 2016 had recruited up to 50 new staff, an indication of its commitment to the function. The UN supports YCDC and the Department of Human Settlements and

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<sup>13</sup>Alan Gilbert and Ann Varley, *Landlord and Tenant: Housing the Poor in Urban Mexico* (London: Routledge, 1991); Carmen Gonzalez, "Squatters, Pirates and Entrepreneurs: Is Informality the Solution to the Urban Housing Crisis?" *The University of Miami Inter-American Law Review*, 40, no. 2 (Winter, 2009): 239-259.

<sup>14</sup>The Master Plan makes only perfunctory reference to the two new land laws passed in 2012. While these laws will affect central Yangon minimally, the laws will certainly affect the peri-urban areas included in the Master Plan development zone and that are the focus of this proposed study.

<sup>15</sup>But JICA and YCDC cannot agree on how the BRT system should be built. Naomi Gingold, "Yangon's Development is Key" *The Irrawaddy*. 11 September 2013.

Housing Development (DHSHD), which is also involved in urban planning.

Since prevention of slum conditions is less costly than upgrading or relocating a slum later, the best policy would be one that prevents the further growth of slums by setting aside sufficient land for low income housing throughout the city. Planning and policy need to be addressed early so that land may be identified for low income communities prior to the influx of squatters and before speculators purchase and re-sell land at higher prices. For example, a minimum plot size of 40 x 60 feet is unrealistic and unaffordable for lower income households.

There is no new legislation to specify what compensation will be given to persons displaced by infrastructure projects such as the ones proposed by JICA. The Land Acquisition Act of 1894, still in effect, stipulates that compensation for compulsory acquisition of land will be made at market value plus thirty percent.<sup>16</sup> However, market value can be difficult to determine in Myanmar where land administration and hence land valuation has been based on tax value rather than market value.<sup>17</sup> A further complication is that the laws do not specify any protection to landholders who lack documentation, even if that land has been in a family for generations. For instance, in a recent land acquisition for an industrial park, farmers who were unable to show documents received only one quarter of the compensation given to farmers with documents.<sup>18</sup>

<sup>16</sup>"In addition to the market value of the land...the Court shall in every case award a sum of thirty per centum on such market value, in consideration of the compulsory nature of the acquisition" 23 (2) Land Acquisition Act, 1894.

<sup>17</sup>Furthermore, compensation should be given not only for the market value but also for the loss of livelihood. Keith, et.al. "Compulsory Acquisition of Land and Compensation", *FAO Land Tenure Studies* 10, Rome: Food and Agriculture Organizations of the United Nations, 2009.

<sup>18</sup>Zarni Mann, "New Industrial Park in Burma Draws Ire of Farmers, Monks," *The Irrawaddy*, October 7, 2013.

Land speculation is one of the biggest problems facing peri-urban Yangon. In Myanmar, land is often held as an investment and a hedge against inflation because financial institutions are not well enough developed to attract and channel domestic savings into more productive sectors. This use of land as investment fuels speculative activity and drives up land prices. In order to control speculation, the government needs to gather precise land-ownership data. The JICA Master Plan is itself very likely to be fueling speculative land purchases within the development zone defined by the Master Plan. For example, in Dala Township, land values doubled after the announcement that it would be the site of a new urban center, and values are now ten times higher than they were two years ago.<sup>19</sup>

YCDC does not have a long-term plan for its growing squatter population. Nonetheless, YCDC's plan to establish sub-centers, 6 in all, to reduce the need for travel to the central business district will not only ease traffic for everyone, but also will result in less hardship for the very low income people in the periphery who need better access to health care, education, and marketplaces.

Two governmental bodies, YCDC and DHSHD manage urban land in Yangon. YCDC administers private land and DHSHD administers government land. However, YCDC (as every government department and ministry) owns land that it holds for various actual and anticipated uses. The longstanding practice of the government was to relocate residents from inner-city slums to the periphery. Concerns about urban sprawl led to reassessment of this practice in 2006. From this point higher-density solutions closer to the central business district were considered. Permits for high-rise apartment

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<sup>19</sup>Myanmar Times, "Second City Speculation Sees Land Prices Double," *Myanmar Times*, September 1, 2014.

buildings were issued, but few for low-income occupancy. Then in mid-2014, DHSHD announced it would address the shortage in low-income housing nationwide, and US\$97 million was set aside to build low-cost housing in the 2015-16 fiscal year. Dagon Seikkan Township is slated to be the largest recipient of this housing at 10,080 units.<sup>20</sup> But as of 2016, even the lowest-cost “affordable” units have been sold for about US\$20,000<sup>21</sup> a sum few working class families can afford without an installment plan and/or low-interest loan. DHSHD would do well to consider less costly alternatives to the construction of public social housing units, such as slum upgrading and sites and services schemes. Many authors have noted that the approach of too many national and municipal housing authorities is to clear slums and then build housing. This approach almost never works because the cost is too high for the government, which, in turn, makes the units too expensive to be an option for slum dwellers.<sup>22</sup> A better alternative would be to provide land with access to water, sanitation and electricity and then allow squatters to build their own dwellings. In addition to lower cost, such sites and services schemes allow residents greater control over their living conditions.

One current example of “affordable housing” is the 900 units under construction by DHSHD and Crown Advanced Construction Company in an area adjacent to Ward 67. At US\$20,000 each, none of the informal residents of Ward 67 will be able to afford these units, aside from a few Heads of 100 Households. Nonetheless the 1500 informal dwellings that comprise Ward 67 are all scheduled for demolition to make way for similar “affordable housing.” As the *Myanmar Times*

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<sup>20</sup>Noe Noe Aung, “Yangon Region Unveils Low-Cost Housing Plans,” *Myanmar Times*, January 12, 2015.

<sup>21</sup>Nilar A Nge Htwe, “Yangon’s Urban-Development Plans are Self-Defeating, Critics Say,” *Myanmar Eleven*, September 22, 2014.

<sup>22</sup>Wakely and Riley, “Case for Incremental Housing.”

reported, “Some city residents are already dismissing the affordable housing projects as gifts to the rich. The only people who will benefit from them are the construction companies given the contracts to build them, the speculators who snapped up parcels of land around them before they were (publicly) announced, and the select few who will be able to buy units, most of whom will have links to the government.”<sup>23</sup>

### **Yangon's Informal Settlements**

Very few informal settlement areas remain in inner-city Yangon, especially in the historical downtown area. Squatters have been removed over years to make way for the development of office buildings, hotels and apartment buildings. The settlements that remain are very small, consisting of only a few households, or they are comprised of port workers, railway workers, or other direct or indirect employees of government who enjoy a de facto tenure security.

Outside the downtown area, the situation is quite different. There are many small pockets of slums (15-60 households) scattered throughout the zone between the inner city and the periphery, an area referred to in this study as the “mid-city.” The largest slum areas (accommodating many hundreds of residents and often one to two thousands) are located in the periphery of Yangon.

Official figures show that only 37,683 of Yangon’s 5,156,646 residents (0.7 percent), are squatters. However, a 2012 estimate suggested that 10 percent of Yangon residents were squatters, about 500,000 people.<sup>24</sup> Up to 3 times as many households in Yangon are not squatters but are still informal in some way. Informality in this latter sense includes homes built on illegally subdivided land, homes in violation of zoning ordinances,

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<sup>23</sup>*Ibid.*

<sup>24</sup>Gomez-Ibanez, et. al “Yangon’s Development Challenges,” 9.

apartments that are unauthorized additions to existing structures, and so forth. But these residents generally face no threat of eviction. In fact, not all squatters are at risk of eviction. When squatters are protected by powerful, well-connected landlords who illegally subdivide their land in order to profit by informally renting parcels, there is little risk of eviction as long as the squatter pays rent on time.

For the purpose of this paper, the term “slum” refers to an informal settlement area where residents not only lack legal claim to their land or housing and lack basic urban services, but also live in precarious conditions and are at risk of eviction. These settlement areas may be very prone to flooding during the rainy season, and due to their crowded conditions, use of highly flammable building materials (e.g., thatched roofs) and use of wood for cooking fuel, they are also prone to fire in the dry season.<sup>25</sup> Typical slum dwellers live in substandard housing with over 5 family members living in a one-room hut (the average in this study was 5.4, compared to the Yangon average of 4.4 members per household). Average hut size is 15 ft. by 20 ft. Conditions may be visibly squalid with open garbage dumps and inadequate latrines resulting in foul odors. Pit latrines are generally used but rarely maintained. Most residents let them fill up until the rainy season when flood waters clear out the latrines’ pits or holding tanks, resulting in very unsanitary conditions.

It should be noted that all dwellings occupying plots that do not have formal title are considered illegitimate in Myanmar. Most, but not all, residents of such dwellings are at risk of eviction. This contrasts with cities in several countries where housing and land informality are the norm and eviction is a very rare exception. Egypt, where over half of all settle-

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<sup>25</sup>From 1985-9 there were 1106 fire outbreaks in these areas which lead to the destruction of 7737 dwellings. JICA and YCDC, section 2, 181.

ments are informal, is an example of such a country. There, the sheer scale of informality puts it beyond the government's ability to manage it, and additionally, political considerations prevent the government from acting against slum dwellers. In Myanmar, land informality is less widespread, but the vulnerability to eviction of informal settlers is much higher.

In most cities around the world, informal settlements are located on land that is owned by the government. This may be because squatters perceive that public institutions, which have a weaker sense of ownership or opportunity to gain financially from the sale or rental of land, are less likely to evict squatters than private and commercial landowners.<sup>26</sup> It is also not politically expedient for a government to be seen evicting its urban poor when its ministers have made rhetoric about helping the poor, many of whom are also voters. In Yangon, most squatters have also settled on government owned land, simply because government is the largest landowner. But squatting on government land does not make eviction less likely in Myanmar. In fact, the opposite may be the case. Authorities frequently evict squatters from government-owned land. Authorities consider squatters to be "migrants" and not legitimate residents of the city. Also, democracy is very new in the country, and in any case squatters are not likely to be considered an important voting block as many lack the correct documents to be able to vote. In a few areas visited by the researcher, residents lacked formal title or government-authorized tenure, but faced little or no threat of eviction because they were squatting on private land owned by powerful or politically connected landlords. As stated above, these landlords illegally subdivide their land in order to profit by informally renting parcels. There was little risk of eviction for these squatters as long as they paid their rent on time.

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<sup>26</sup>Wakely and Riley, "Case for Incremental Housing."

In 2016, Hlaing Thayar had the highest total number of informal settlers of any township (16,000 persons according to government figures), and Dagon Seikkan Township had the largest proportion of informal settlements at 7.6 percent of the total township population.<sup>27</sup> But these are official government figures; anecdotal evidence suggests a much higher percentage. Also, the definition of “informal settlement” varies. For instance, in Nagyi Ward in Shwe Pyi Tha Township, UN Habitat has found that 38 percent of all households have legal claim to their land. But this claim is based on tax receipts, not on official title (or lease, if the land is classified as urban/“La Na 39” land) so it is unsure whether these claims will ultimately be respected by the government.<sup>28</sup> There are many gradations of tenure insecurity in Myanmar. Some informal settlers face immediate eviction, while others face no immediate threat and can expect to remain where they are for another decade or more. Most find themselves somewhere in between. But all residents interviewed were keenly aware of their level of tenure security or insecurity, reflecting the fact that eviction was an everyday reality in Yangon, not just a theoretical possibility.

### **History of Informal Settlements in Yangon**

In 2014 there was a new effort to create more urban land in the periphery of Yangon. In September 2014, the Mayor of Yangon announced that the city limits would again be expanded, this time by 30,000 acres. The Mayor was attempting to continue a decades-old government practice: to expand the city’s boundaries in order to accommodate new migrants as well as squat-

<sup>27</sup>Data from YCDC, 2012. Dagon Seikkan also has the highest percentage of households with living spaces less than 200 square feet (average of 4-7 persons per household).

<sup>28</sup>“La Na 39” land, under article 39 of the 1953 Land Nationalization Act, is agricultural land which the government has leased, usually for the purpose of building houses.

ters relocated from informal settlements downtown.<sup>29</sup> The military government created 6 new townships in the late 1980s in this fashion: North, South and East Dagon; Dagon Seikkan; Hlaing Thayar and Shwe Pyi Tha. In the 1950s, a similar process had created the townships of South Okkalapa, North Okkalapa and Thaketa. But, in a sign that the old days of decisions taken at high levels without consultation or transparency were coming to an end, public outcries about awarding the contract for the expansion without any transparency or competitive bidding process led the Mayor to suspend the expansion 2 weeks after it was announced. Still, the case is illustrative because even before the Mayor's plan was made public, land prices surged in the expansion area, and speculators purchased land from farmers. With the new right to sell land handed to farmers by the 2012 Farmland Law, farmers may oblige speculators' offers in exchange for quick cash and the right to continue farming the land until it is sold to a developer. But of course farmers are not always fully informed about the expected high value of the land, and speculators are poised to make far more money than the farmers.

The rate of rural to urban migration is on the rise and the prospect of Yangon's population doubling within the next 25 years is disturbing given the current state of urban problems (traffic congestion being only the most obvious). But it should be remembered that during a nearly equivalent period of time, from 1941 to 1965, the city's population tripled. The area of the city expanded dramatically, and mostly towards the north due to the physical restrictions of rivers and swamps in other directions. The first major slum clearance of inner-city Yangon occurred in the late 1950s. The population of lower Myanmar

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<sup>29</sup>The mayor was acting on the YCDC/JICA "Master Plan" dividing the city into 7 sections. The 30,000 acres in question were to comprise the Southwest section, or "new town."

had been swelling since the late 19th century due in part to increased production of rice and the corresponding increase in the demand for labor, in the Yangon and delta regions. Following World War Two and independence, many rural areas were affected by political instability and conflict, which resulted in a further influx of people seeking security in the urban centers. Correspondingly, the squatter population also increased. Rangoon's squatter population, said to be 50,000 in 1951, was over 300,000 by 1958.<sup>30</sup> While previous governments had hesitated to move squatters involuntarily, the new military regime moved nearly one third of Rangoon's population to three new satellite townships in the late 50s and early 60s.<sup>31</sup> Sites-and-services plots were created in the satellite townships of South Okkalapa, North Okkalapa and Thaketa to accommodate the relocation of these squatters. At the time, these townships were at the periphery of the city. UN Habitat reported in 1991, that a total of 60,000 plots were provided, and although they suffered from inadequate services, especially drainage and sanitation, they had merged into the socio-economic fabric of the city.<sup>32</sup> The Housing Department attempted to replicate the squatter clearance and relocation of the late 1950s in the late 1980s, by which time the proportion of squatters in the inner city had again reached the levels of the late 1950s. But this second relocation seems to have been more rushed and more politically motivated than its predecessor. In the wake of the 1988 crackdown on political dissent, squatters living around pagodas and monasteries (which were staging points for protests) were forcefully relocated to the

<sup>30</sup>Than Than Nwe, "Yangon: The Emergence of a New Spatial Order in Myanmar's Capital City," *Sojourn: The Journal of Social Issues in Southeast Asia* 13, no. 1 (1998): 95-96.

<sup>31</sup>Yin May, F, "Greater Rangoon: A Study in Urban Geography," master's thesis, Department of Geography, University of Rangoon, 1962.

<sup>32</sup>UN Habitat, *Human Settlements Sector Review-Union of Myanmar* (Nairobi: The United Nations Centre for Human Settlements (Habitat), 1991): 11.

new townships at the urban fringe.<sup>33</sup> Although there are no publicly available official figures, it has been estimated that 450,000–500,000 people were relocated from the city center.<sup>34,35</sup> Six townships were created by the military government in the late 1980s to resettle squatters relocated from downtown Yangon: North, South and East Dagon; Dagon Seikkan; Hlaing Thayar and Shwe Pyi Tha. A total of 97,730 plots were created in these new townships, as well as in existing townships.<sup>36</sup> Not all residents of the new towns were involuntarily relocated. Civil servants were awarded plots of land for long years of service; investors purchased luxury housing in gated communities such as FMI City in Hlaing Thayar. But many squatters, victims of fires and middle-class people evicted from their homes suffered great hardship in their new semi-rural locations lacking basic amenities.

In 1991 UN Habitat noted these new resettlement locations were on low-lying ground and adjacent to major waterways, making them subject to seasonal flooding. This created an ongoing hygiene problem still observed today, where pit and septic tank latrines flood in the rainy season, and contaminated water flows into residential plots. Nonetheless, in 1991 UN Habitat postulated that the overall resettlement program was “potentially promising” and that if the new settlements were “sensitively handled by a government which recognizes the role of community participation and acknowledges the urgency of remedial priority actions and the importance of self-

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<sup>33</sup>Myanmar is not the first country to use eviction as a means to political ends. The most famous in the history of urban planning might be that effectively carried out by Baron Haussmann in Paris in the 19<sup>th</sup> century. There are many more recent examples, such as the Dominican Republic under the leadership of Balaguer in the late 1980s.

<sup>34</sup>Ian Morley, “City Profile Rangoon,” *Cities*, 31 (2013): 601–614.

<sup>35</sup>Mya Maung, *The Burmese Road to Capitalism: Economic growth Versus Democracy* (Westport, CT: Praeger, 1998): 41–43.

<sup>36</sup>UN Habitat *Human Settlements*.

sustaining operations and maintenance systems, the new townships could develop into balanced and well-managed communities.”<sup>37</sup> In the section on Dagon Seikkan below, the researcher will consider this prognosis in light of the current conditions found in that township.

Much more detailed data is needed about informal settlements in all townships generally, but perhaps especially peri-urban areas which are relatively new and growing the fastest. The situation is further complicated because cadastral maps and land title registers have not been kept up to date with the fast rate of change in these areas of population influx. While the Farmland Law 2012 is addressing title in rural areas (farmland), no new legislation or other initiative is targeting urban areas, and those living in the fast growing periphery face the greatest risks of eviction by lacking formal title.

### **Methodology for Field Research**

This research is based on analysis of secondary sources, interviews of experts and YCDC authorities, household surveys and focus group discussions. Surveys and individual interviews included 51 individuals (not including focus group discussion participants). These were 5 experts and authorities, 6 key informants, and 40 residents. The researcher met weekly with the Department of Urban Planning at YCDC during most of the 10-week period of intensive field research (December 2014–February 2015). Follow-up research was conducted sporadically through February 2016 to ensure the currency of the original findings.

During the field visit to Yangon from December 2014, approximate locations of informal settlements and resettlement areas were determined in consultation with YCDC staff, NGOs and independent researchers, and through use of Google

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<sup>37</sup>*Ibid.*, 64.

Earth satellite images. These images were extremely useful in identifying possible informal settlements especially in the mid-city areas where they were hidden amongst formal settlements. Satellite images revealed the lack of a street grid and smaller size of dwellings, both telltale signs of informal settlements. The contrast between the formal and informal areas was clearly visible in the satellite images. These locations were then verified on the ground before beginning the process of selecting study areas.

The criteria for selection for informal settlement areas for this study were as follows:

- The majority of residents are squatters (land informality)
- Majority of households are in the lowest income bracket
- Residents lack access to government-provided basic services (water, sewerage, electricity, waste disposal)
- Households are under threat of eviction

All interviews took place in squatter areas within the 2015 city limits. The formal and informal settlement areas just outside the city limits were outside the scope of this study. However, these rapidly growing areas include villages that are now functionally part of the city, as well as new settlements encroaching on agricultural land can also be considered part of Yangon's periphery.

The researcher conducted 42 interviews in December 2014 and February 2015. All interviews for this study were conducted personally by the researcher with the assistance of an interpreter.<sup>38</sup> Semi-structured interviews were conducted with 38 households, following a standard questionnaire with a varying sequence of questions, with the addition of informa-

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<sup>38</sup>The author continues to be grateful to the 38 households which invited him into their homes for interviews that lasted over one hour each. He was not turned away by a single household, in spite of not offering any compensation, or any direct benefits as a result of participation.

tion and themes brought up by respondents, and not pursuing questions that respondents were reluctant to answer.

Table 1: Locations visited in January and February 2015:

Township	No. of households interviewed	Total households in selected areas (estimate)
Dagon Seikkan	9	1500
Hlaing	9	60
Thaketa	8	60, 30, 20 (three areas)
Kamayut	2	80
Hlaing Thayar	10	Hundreds
<i>Total:</i>	38	

The questionnaire consisted of multiple sections covering basic information about the household (no. of persons in the household, ages, relationships, etc.), condition of housing (floor area, latrine, cooking area, informal payments, relationship to the builder), migration (place of origin, number of years in current house, threat of eviction), employment, debt and coping strategies, level of access to basic services, healthcare, and education.

In addition to the individual household interviews in the table above, three focus group discussions were held: one within an informal neighborhood in Dagon Seikkan, another in Hlaing Thayar, and a third in a semi-formal neighborhood in Hlaing. Interviews of key informants in the study areas included the Ward Administrator and two Heads of 100 Households in Dagon Seikkan, two Heads of 10 Households in Thaketa, one Head of 10 Households in Kamayut, and members of the YCDC Township office in Hlaing. Key informants at the central level included the Director of Urban Planning at YCDC and an Assistant Director. In addition, the researcher met with representatives of several NGOs and international organizations working with the urban poor in Yangon (UN Habitat, WFP, UNICEF, Pyoe Pin, Save the Children, Free Funeral Service

Society, Women for the World, Yangon Heritage Trust, Green Lotus, and Going Forward Together). The researcher met weekly with the Director of Urban Planning at the Yangon City Development Committee and urban-poverty specialist Michael Slingsby (formerly of UN Habitat) who had lived and worked in Yangon for many years.<sup>39</sup>

### **Challenges and Limitations**

The emphasis was on qualitative research. The sample size was too small for significance in quantitative research. Qualitative research cannot provide reliably generalizable results. A second phase of adding quantitative research to the qualitative research which forms the basis of this paper is in development.

There is a grave lack of literature in urban studies on Yangon. Very little has been written about urbanization in Myanmar generally. For this reason, this study relied greatly on primary sources, particularly household surveys and interviews with experts. Sources of demographic data included the UN-managed Myanmar Information Management Unit (MIMU) website, the 2014 Census (conducted by the Ministry of Population and Migration with support from UNFPA), the Project for the Strategic Urban Development Plan of the Greater Yangon (better known as the YCDC/JICA City Master Plan), and additional data given by YCDC.

Demographic data from MIMU and from the Census was available down to the township level, but at the time of writing, ward and village level data was not yet available. For the ward level, the researcher was given access to some YCDC data, but it was given by township and ward officials without verification by headquarters. Unfortunately, few township and ward level officials would freely admit to a large number of

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<sup>39</sup>All ethical guidelines set out by Harvard University Committee on the Use of Human Subjects, which approved the research proposal, were followed.

squatters in their jurisdiction as this could reflect poorly on their administration. Furthermore, commonly Ward Administrators were involved in attracting squatters by turning a blind eye, or even colluding with informal real estate agents on illegitimate sales and rentals. Due to these informal business interests, some Ward Administrators may have concealed the true number of squatters under their jurisdiction. While independent verification of the YCDC data was beyond the scope of this study, the numbers of squatters by ward and township appeared to be greatly underestimated in some cases.

Another challenge of this topic is its condition of continuous change. When this research study was first conceived, in October 2013, the researcher assumed he would be able to study slums located in or very close to the Central Business District. But by the time of field research in January 2015, those slums had nearly all been cleared. The informal settlement areas chosen for this study may no longer exist when and if this researcher, or another researcher, has the opportunity for follow-up research.

### **Findings on the Periphery:**

#### **Dagon Seikkan and Hlaing Thayar Townships**

Two periphery townships were included in the research: Dagon Seikkan and Hlaing Thayar. They are roughly equidistant from the central business district, Dagon Seikkan being about 8 miles northeast of the city center and Hlaing Thayar being about the same distance to the northwest.

Dagon Seikkan has a convoluted history beginning about 1991, when DHSHD appropriated land from farmers and gave it to Motion Picture Association members, apparently to reward the Association's past loyalty (and in expectation of future loyalty) to government interests. Initially 350 plots (60 x 40 feet) were granted on a 60-year lease, but without services (water, electricity, etc.). The evicted farmers, dispossessed of

their farmland, were entitled to housing plots as compensation, but in practice local officials accepted bribes in exchange for granting the plots to outsiders as well.<sup>40</sup> At the same time, a few much larger plots were also created for former Army generals (100 x 100 feet). But a short time later, DHSHD attempted to relocate these new grantees in order to build the ASEAN Hotel. Some accepted the relocation, some declined and received compensation of 200,000 kyats instead, and still other refused to move. The 11 grantees who refused to move were ultimately allowed to stay, as the hotel project was never realized. The other grantees sold or rented their plots (some informally subdivided). When the ASEAN Hotel project was abandoned, some of the evicted farmers were allowed to return as renters. Squatters evicted from the city center began to settle on vacant lands, and around this time the government ceased collecting rent from the farmers. A Head of 100 Households estimated that by 2005 there were 500 dwellings, by 2010 1,570, and in 2014 about 3,500 houses. Almost all were informal, and many were built and rented out by the Heads of 100 Households who function as informal landlords and real-estate developers, with the apparent complicity of the Ward Administrator. Development unfolded on a first-come, first-serve basis like settlers on a frontier. Those who arrived later had to buy or rent from the squatters who came before.

### *Dagon Seikkan*

Dagon Seikkan Township (pop. 120,000) is one of Yangon's fastest growing periphery areas. The township has the highest proportion of informal settlements against the total township population, at 7.6 percent according to government figures.<sup>41</sup> The length of time in residence of the households in this

<sup>40</sup>San Thein, "Htantabin and Dagon Myo Thit," unpublished white paper. 2015.

<sup>41</sup>YCDC, 2012.

survey, which focused on Ward 67, varied widely from a few months to 18 years. All were squatting on YCDC land. The surveyed households reported migrating from rural and urban areas in equal numbers. Many moved from Dawbon or Thaketa Township (townships closer to Yangon center) when development in those townships has caused rents to rise. Some were evicted from Thaketa, some were priced out of the rental market, and others had to give their land to a moneylender when they could not pay their debts. Most of the migrants from rural areas came from the Ayeryawaddy Delta; at least a few of these displaced by Cyclone Nargis in 2008.

At the time of writing, eviction notices were being issued because DHSHD has plans to build “affordable housing” on the site, as it was already doing in adjacent sites. None of the households interviewed will be able to afford a unit of this affordable housing. Nonetheless all 1500 informal dwellings that comprise the research ward in Dagon Seikkan were scheduled for demolition to make way for similar affordable housing. There was evidence of new construction of informal dwellings in early 2015, in spite of repeated issuance of eviction notices in some parts of the ward. It seems that the new occupants were hoping that by erecting a structure, they would be able to claim a share of any compensation or relocation assistance offered by the government.

Some evictions have already been carried out. In early 2014, 50–60 homes were demolished in what appeared to be a pilot eviction or simply a warning to prepare other residents for evictions on a much larger scale. In January 2015, during the period of this field research, about 560 people from 140 homes were evicted in the adjacent Ward 168. But the futility of these evictions became immediately apparent when many of the evictees erected temporary shelters—tarps held up with poles—on the same site the next day. Others were absorbed

into other parts of the ward or adjacent wards. It is unknown whether some moved to other Yangon townships or outside the city limits.

Perhaps aware of the serious complications arising from evictions, DHSHD has been working with NGO Women for the World in Dagon Seikkan. In a non-financial arrangement, the NGO carried out a survey of 200 households. The purpose of the survey was to determine which squatters have been in residence the longest, and therefore should be spared from eviction or given compensation. It could be that DHSHD recognized that squatters were more trusting of community-based organizations than of government. In addition to having greater trust of the communities they represent, these organizations, close to the community, could better advocate for solutions benefiting residents.

According to the YCDC Urban Planning Unit, a relocation site had been selected, but it was both smaller and further away from the central Yangon than the current Ward 67. Furthermore, only squatters in residence for 10 years or longer would be considered for resettlement. No services would be provided at the new site, but title would be given in the form of 30- or 60-year lease<sup>42</sup>.

### *Hlaing Thayar*

Hlaing Thayar is reputed to be the fastest growing township in Yangon in terms of both formal and informal settlement populations. It is already the most populous township in Yangon with nearly half a million residents and has the highest squatter population of any township (YCDC gives a figure of 16,000 persons, but the actual number is likely to be far greater). Hlaing Thayar Township was created in 1993 to house

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<sup>42</sup>Interview with Dr. Toe Aung, Director of Urban Planning, YCDC, January 2015.

squatters relocated from downtown Yangon. But the residents never got proper access to water and sanitation. Most have not received any documentation of land use rights, making them vulnerable to eviction. Taken as a whole, Hlaing Thayar seems to have a “wild west” quality—a highly dynamic township with as many perils as opportunities. Exclusive gated communities are adjacent to squatter areas large and small. Little community sentiment is apparent in the township, even in the informal areas, perhaps owing to the recent and highly mobile population, and the wealth inequalities observed.

Wealth inequality is not only a feature of the peri-urban townships on the whole, but also within the informal settlements of Hlaing Thayar and Dagon Seikkan. The standard of living is much higher for residents who control water supply sources (wells, pumps and distribution networks), as well as for those who control sources of electricity such as generators. Heads of 100 Households have a financial advantage over their neighbors due to profits from informal real estate transactions. Greater wealth is also visible among those who reside alongside the main roads in the settlement as these huts double as shops and workshops that sell goods and services to other residents in the area. These services include professional lending. Several interviewees reported taking loans from these roadside residents; a fairly lucrative business given the standard 20% monthly interest charged by professional lenders. None of this should be a surprise, as such inequalities are a reflection of the larger society, and these large informal settlement areas can best be thought of as “cities within the city.” But the observation is included here to refute any presuppositions that slums are uniformly poor. Also, wealth inequality has been linked to social tensions.<sup>43</sup> By contrast, social cohesion was observed in

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<sup>43</sup>United Nations, Dept. of Social and Economic Affairs, *Inequality Matters: Report of the World Social Situation* (New York: United Nations, 2013) 70-72.

the “mid-city” informal areas studied, and is discussed in the relevant section below.

Migration from the rural Ayeryawaddy Delta has been largely responsible for the population growth in Hlaing Thayar. This migration increased after Cyclone Nargis ravaged the delta in 2008. Many of the migrants ended up in informal settlements here, some hundreds of times larger than the small “pocket” slums seen in mid-city townships. Some have sprung up nearly overnight. The researcher examined Google Earth historical imagery dating back to 2007, and noticed an apparent “land invasion” that occurred between 7 and 15 November 2013.<sup>44</sup> On the former date, open fields are seen. Days later, hundreds of squatters have moved in. By moving en masse, squatters may be relying on the security of numbers to make evictions technically and political difficult. In case of this settlement in Hlaing Thayar, it is likely that the open fields had a single owner who invited a large-scale influx of new informal rent-paying tenants. So the landlord too, benefits from this

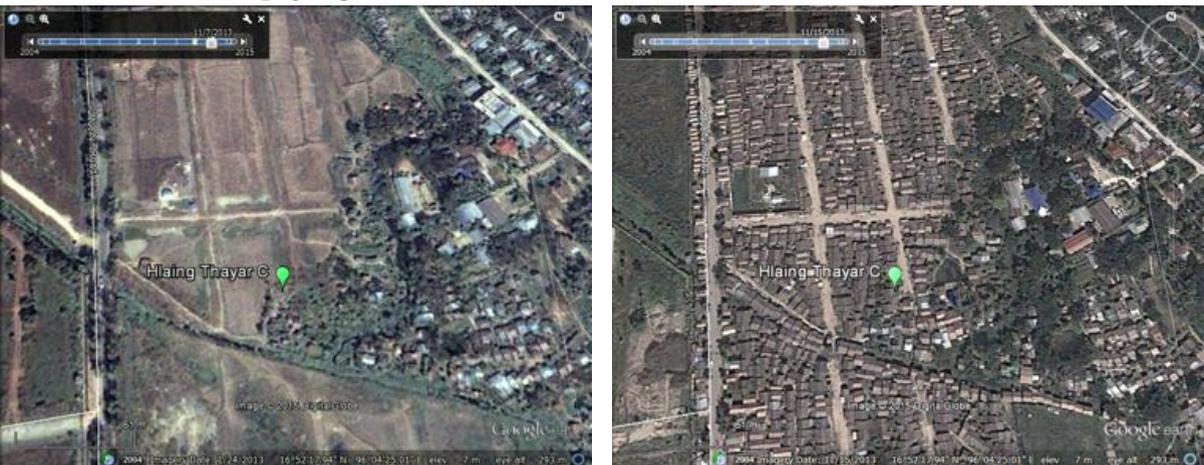


Figure 1: Satellite images of Hlaing Thaya before and after Nov 2013

<sup>44</sup>The term “land invasion” typically describes an organized movement of squatters onto low-value public land. The practice was especially common in Latin America during the 1960s-80s.

security in numbers. Interviews with key informants on the ground confirmed that around 500 households moved into the area at one time. During household surveys in other parts of Hlaing Thayar there were anecdotal accounts of local political aspirants organizing such “land invasions” to garner political support among a large number of local residents.

Evictions were also carried out regularly and sometimes on a massive scale in Hlaing Thayar. On 15 January 2014, 4000 huts built by squatters in Hlaing Thayar were demolished under orders of the divisional government.<sup>45</sup> The rapid cycle of squatting and eviction in this township creates many challenges, including for researchers; it is difficult to research such a fast-moving target. But Hlaing Thayar’s dynamism makes it an ideal place to study the motivations behind migration today in Myanmar, and other researchers have been looking at the “push and pull” factors that underlie the migration to Hlaing Thayar from rural areas.<sup>46</sup> But not all the new migrants are from rural areas. Some are squatters who were cleared from the inner city, and others were formerly formal owners and renters who were priced out of the inner city due to the rising rents and cost of living there.

The poster pictured in Figure 2 is frequently seen on the front of squatters’ homes in Hlaing Thayar. It refers to the 2008 Constitution, which allowed citizens to move from one part of the country to another without having to request permission (Chapter VIII, Article 355: “Every citizen shall have the right to settle and reside in any place within the Republic of the Union of Myanmar according to law”). Residents seem to believe it provides some measure of protection against eviction,

<sup>45</sup>Ye Htut, “Burma Needs Policy for Squatters: Ye Htut,” *The Irrawaddy*, March 14, 2014.

<sup>46</sup>See Maxime Boutry, “From Rural to Urban Poverty: Some Thoughts on Coping Strategies and Evolutions in Political Transitional Context,” unpublished report, 2014.

although the 2008 Constitution does not authorize squatting or illegal subdivision.

A recent informal study by UN Habitat also tentatively found that Hlaing Thayar has the highest occurrences in Yangon of disease related to poor environmental conditions and lack of water & sanitation facilities (diarrhea, dysentery, malaria and tuberculosis). Hlaing Thayar



Figure 2: Poster with a citation from the 2008 Constitution

has the highest occurrences of diarrhea among all Yangon townships. It also ranks 2<sup>nd</sup> for malaria and 3<sup>rd</sup> for dysentery.

According to the YCDC/JICA Master Plan (2013), Hlaing Thayar had 868 factories and workshops, second-highest among the 39 Yangon townships. Most industrial zones were created in the late 1980s and early 1990s, and were located in periphery townships like Hlaing Thayar. The factory jobs are one of the “pull factors” that lure migrants from rural areas, especially landless farm laborers whose work is very seasonal. The prospect of a job that offers stable employment year-round is very appealing to this group who have little or no income for many months of the year on the farms. It is no wonder that they would choose to squat near to the factories to avoid high travel costs. A recent study in neighboring Htantabin Township interviewed factory workers who regarded their new jobs as “clean” (than’) and more “civilized” (yin kyay”) compared to having to work in the muddy fields under the rain or under the

sun.<sup>47</sup> Yet, this research found only a small minority of squatters benefitted directly from factory jobs. None of the respondents in this study had a regular, formal factory job, and few even knew of someone in their ward who held such a job. One woman interviewed worked temporarily at a factory; another sold food to factory workers. Respondents said that factory jobs had a minimum educational requirement that put these jobs beyond their reach, or that factories only hired workers between the ages of 18–25 and in perfect health. So although the new industrial zones attract migrants they do not seem to be supplying the hoped-for regular jobs. Instead, most informal residents of Hlaing Thayar only benefit indirectly, by providing services sold to factory workers such as ready-made food.

### **Findings in the “Mid-City”: Thaketa and Hlaing Townships**

Thaketa and Hlaing townships are located neither in the inner city, nor in the periphery, but rather somewhere in between, in what this researcher has termed the “mid-city.”

#### *Thaketa Township*

Thaketa Township is geographically close to downtown Yangon, situated just to the east, although access is somewhat inhibited due to having to cross the Panzudaung Creek by bridge. The township was formed when the government relocated squatters from the inner city in the late 1950s and 1960s. The relocation programs at that time were relatively well managed: 30- and 60-year leases were given to many residents, and services were provided in some places. Decades later, a new generation of squatters is springing up. As rents and cost of living rise in Thaketa, many households are being “priced

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<sup>47</sup>Maxime Boutry, Khin Pyae Sone, Tin Myo Win and Sung Chin Par, *Land Dynamics and Livelihoods in Peri-urban Yangon: The Case of Htantabin Township*, GRET Studies: Understanding Rural Land Issues to Engage Comprehensive Policy Dialogue in Myanmar, Yangon: GRET-LIFT, 2016.

out” of the rental housing market and are ending up as squatters within their native township. Historical imagery from Google Earth shows that many of these squatter areas came into existence during the same time period that rents doubled.

The researcher visited 3 informal areas in Thaketa. All 3 areas were relatively small in size, comprising between 30 and 60 households each, and all were built on YCDC land. The researcher and translator found a noticeable sense of community unity in these three areas, perhaps owing to their small size and longer-term residence (average of 8½ years in the location). Most of the squatters were originally from Thaketa itself, which may have helped create affinity. The threat of eviction was relatively low due to good relations with the local authorities. Elsewhere this threat can create divisions where longer-term squatters feel they have more rights than the recent arrivals. Finally, it may be that a greater communal sense is possible in a neighborhood where incomes are more or less equal. As previously discussed, the larger periphery settlements had a greater variation in income. Wealthier residents include the Heads of 100 Households, the owners of wells and electrical generators, and residents along major roads having home-based businesses.



Figure 3: Informal settlements in Thaketa, 2007 (L) and 2015 (R)

The sense of community here was observable in several ways. Most obvious was the way that neighbors visited each others' huts during the interviews. During the interviews, it was revealed that small loans were sometimes given between neighbors with no or very little interest. In Thaketa Area A, the Head of 10 and Head of 100 Households (latter is outside the community) had helped residents by providing them a formal address for purposes like school matriculation. In Area B, the Head of 100 Households, supported by the Heads of 10 Households, have taken responsibility for cleaning the area and drain clearing, by organizing volunteers. In contrast, Heads of 10 and 100 Households on the periphery seemed adept at leveraging benefits from their positions, but without carrying out any of the community responsibilities of their positions, aside from occasional dispute resolution between neighbors. Possible explanations for the difference are that the study areas in Thaketa were much smaller in size than those in Hlaing Thayar, and also they were older and more stable: the squatters in Thaketa averaged 11 years in their current location versus 5 years in Hlaing Thayar. Due to the much larger size and higher turnover of the population in Hlaing Thayar, the informal settlement areas were less cohesive and the Heads of 100 Households were correspondingly less concerned with the well-being of residents.

Another advantage to squatters in mid-city areas was the availability of water pirated from the municipal supply. In Thaketa Area B for instance, the municipal water supply was right in front of the informal settlement, so access to water was both easy and free. The reservoir, about 100 yards square and 50 feet deep, was the primary water source for 5 wards in Thaketa. The water appeared very clean, containing abundant aquatic flora, and some households drank the water without boiling. This was in contrast to the periphery townships, where

most water was delivered by two paid services: drinking water in large bottles at 200 to 400 kyats per day and washing water in barrels at 400 to 600 kyats per day. A little known fact in the formal community is that the cost of water is less for formal households than for informal households in peripheral areas, because in such areas water has to be carted in containers, which is very inefficient and adds the cost of carriage to the cost of the water.

In Thaketa it was easy to observe that the decision to squat is a rational choice in the vast majority of cases: almost all households interviewed here were squatting as a direct result of rising rents. They reached a decision point—they could either move out and become squatters in order to continue to have enough food and be able to pay school fees, or they could continue paying rent, but not both. If they chose the latter, then negative coping strategies would have been necessary—cutting back on food, keeping children out of school, and so forth.

### *Hlaing*

Hlaing is unlike the other townships selected for this study. It is not a resettlement township, but is part of the original city of Yangon. Another “mid-city” township, it is located north of the city center, between Inya Lake and the Hlaing River. The site chosen for interviews is located around an abandoned waste water treatment plant on land owned by Ministry of Education. A distinguishing feature of this area is that it is located very near the railway station, which allows commuting to the central business district within half an hour. To put this in perspective, the trip would be well over an hour by car, due to traffic. In spite of this convenient transportation option, the most common job was laundering clothes and housecleaning in the adjacent middle class apartment buildings. In the survey

sample, 5 individuals were working in the adjacent middle class apartment buildings, 4 were working outside the ward, and 3 were working inside the informal settlement area itself.

The authorities cleared this area every April, at which time residents would temporarily flee to the periphery (Hlaing Thayar), but would come right back as soon as it was safe to do so. The shacks were made of inexpensive materials so they could be erected again without great expense. In addition to the annual clearance by YCDC, the non-resident informal landlords operating there threatened to evict non-payers. There were two informal landlords operating in the 40 household area.

### **Key Findings**

There is a long history of migration from the countryside to the city in Yangon as in most other cities. The factors pushing rural dwellers towards Yangon include the poor economic conditions of landless farmers in the countryside who have suffered stagnating wages and seasonal unemployment. These migrants come to Yangon seeking more stable, year-round employment. Some have also fled drought or environmental disaster. For instance, in the aftermath of Cyclone Nargis, many former delta residents fled their homes and farms and sought safety, food, shelter, and new livelihoods in Yangon. Given that landlessness was also high in the delta, it is unsurprising that 4 of 7 households interviewed in Hlaing Thayar originated from the delta. Some have also come seeking improved healthcare and education which can also be considered “pull factors.”

Most migrants from the inner city to the periphery in this study were former inner-city residents who were pushed out by rising rents or eviction. To a lesser extent there are also “pull factors” at play, as when inner-city residents are attracted by factory jobs located on the periphery. Of course

not all migrants to Yangon's periphery are squatters. Some are formal residents who could no longer afford rising downtown rents, and found cheaper rents in the periphery. Others had sold the family home, often after the death of parents, for needed cash. There are even wealthy residents who, seeking to escape the chaos of downtown, move to gated communities in the periphery, such as the housing estate built by First Myanmar Investment (FMI Garden Development) which is adjacent to a large informal settlement area in Hlaing Thayar.<sup>48</sup>

The households interviewed in periphery townships were more likely to originate from rural locales. In particular Hlaing Thayar had many migrants from the delta, presumably due to proximity. The most frequent reason cited for migrating was to seek better employment. The majority of households interviewed in mid-city townships originated from inner city areas. The push factors of eviction and rising rents predominated in Thaketa, while the pull factors of better work, healthcare and education predominated in Hlaing.

Migration was somewhat more frequently the result of events that occurred in the place of origin (government relocation/slum clearance, poor conditions or natural disaster in the rural area, etc.) rather than by factors that would normally attract or "pull" rural dwellers into the city: employment prospects, better access to services, and so forth. Nonetheless, all townships studied presented a mixed picture of urban and rural origins and both pull and push factors were at play in motivating migration.

This research also finds the inner city as preferable because of the better transportation options and improved access to water and electricity supply, when pirated from the municipal networks. Specifically, mid-city slum dwellers faring

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<sup>48</sup>FMI Garden Development is a self-described "master-planned gated community" housing 7,000 residents.

Table 2: Push and Pull Factors for Rural and Inner-City Emigrations to the Periphery<sup>49</sup>

	<b>Rural Emigration to Urban Periphery</b>	<b>Inner-City Emigration to Urban Periphery</b>
<b>Push Factors</b>	Drought and natural disaster	Eviction, slum clearance
	Land loss / Landlessness	Rising rents
	Seasonal unemployment	Resettlement of civil servants
		Sell house for needed cash
<b>Pull Factors</b>	Regular, year-round employment	
	Perceived demand for factory labor	Perceived demand for factory labor
	Village-based migration networks and improved communications between village and city (mobile phones)	Cheaper land
	Improved healthcare	Cheaper rent
	Improved education	

better than their counterparts in the periphery due to better access to services and shorter commute times held true for the households interviewed. The improved transportation in the mid-city townships was the result of access to the circular train line in Hlaing Township which cut travel time to the central business district by more than half. Even those who did not use the train had better access to marketplaces (for either selling their wares, or sourcing wholesale goods) and hospitals (in the case of serious illness, complicated pregnancies, etc.) than did their counterparts on the periphery. Interestingly, despite the better transportation options, only about 1 in 6 of the mid-city respondents travelled outside their township for work, whereas the figure was about 1 in 3 for respondents in the periphery. This is due to mid-city squatters having more opportunities for work in adjacent middle-class neighbor-

<sup>49</sup>Table modified from Boutry “From Rural to Urban poverty.”

hoods. Middle class neighborhoods were not in such close proximity to informal settlement areas in the periphery. On the other hand, access to clinics and schools was mostly the same for each location.

None of the respondents had a regular factory job in the periphery despite of the presence of industrial zones there. The research found many who could be said to be benefitting indirectly from the presence of these industrial zones and their workers, by vending food to factory workers, for example. In focus group discussions, the researcher posed the question of why there were not more people working regular factory jobs. The response was that these jobs have a minimum educational requirement that puts these jobs beyond their reach and that factories only hired workers between the ages of 18 to 25, and in perfect health. The informal settlement on the periphery was like a “city within the city,” with its own informal economy. Much of employment was generated by the informal settlement itself: water distributors, money lenders and informal real estate brokers were at work, and vendors sold produce and goods to other squatters in neighborhood markets. In fact the financially better-off squatters engaged in precisely these activities. They owned the wells and pumps and enjoyed a local monopoly on water. They lent money to other squatters, a service for which there was continuous demand. So, while the industrial zones may attract migrants seeking regular year-round employment, this research casts doubt on whether the zones are meeting expectations with the actual supply of regular jobs. Instead, the results of this research suggest that proximity to middle-class neighborhoods was more strongly correlated with steady employment opportunities for this population than is proximity to factories. In both of the mid-city townships studied, there was a high incidence

of employment in helper jobs for middle-class residents; maids, security guards and the like.

The small size, long history, and resulting neighborly sensibility of the inner-city settlements make them more conducive to communal title. Eviction would be traumatic for the residents, and also bad for YCDC's relationship with the public. And eviction only leads to squatting in another location. The evicted squatters lose not only their homes, but usually also their livelihood. Finally, evictions of informal businesses (micro-businesses such as vendors, tea stalls, etc.) that happen to be located on the contested land can be just as devastating as evictions of informal dwellings.

The historical practice of the government was to clear squatters from inner city Yangon and relocate them to the new towns at the periphery. This practice is not sustainable due to government's inability to extend basic urban services to the extension areas and due to increasingly unbearable commute times. This was validated through direct observation of conditions on the ground, media coverage, and through analysis of the JICA/YCDC City Master Plan. Commute times were lengthened by the government's 2012 decision to reduce import tariffs on automobiles, increasing the number of cars on the road by many-fold without any commensurate improvement of public transportation services. Construction of flyovers was undertaken after the fact, but the traffic situation is due to worsen over the following 10 years before any improvements are seen, even if all the remedial measures proposed by JICA in the JICA/YCDC City Master Plan, such as establishment of bus rapid transit, are implemented.

## **Conclusions**

Unlike other countries (e.g., India, Egypt) where informality was the norm in many cities and largely tolerated by government, eviction was a constant threat in Myanmar. For this

reason, all but the most destitute households in this study stated that tenure security was their highest aspiration for the future. The decision to squat was usually a rational choice: many households interviewed were squatters simply as a result of rising rents. The decision point for many came when they could either move out and become squatters with enough food and able to pay school fees, or they could continue paying rent, but not both. If they chose the latter, then negative coping strategies would have become necessary—cutting back on food, keeping children out of school, and so forth. Understanding their logic can help authorities to work with squatters rather than at odds with them, in the search for solutions.

While local media reveals that eviction normally results in squatting by the same people at new locations, other aspects of informal settlements are much less obvious. Upgrading a slum, for instance, can lead to rise in the land value which creates risk of elite capture by slumlords (informal landlords) who may simply raise the rent when a slum area is upgraded, forcing the poorest renters to move. Along the same lines, the offer of a relocation package to long-term squatters can lead to a sudden increase in squatting in the same area by new squatters who think they can get in on the deal. There can be unintended consequences to every decision taken on informal settlements, so planners must carefully think through all scenarios before acting, and must implement safeguards to mitigate unintended consequences. When eviction is not an imminent threat, then titling is not likely to be the top priority for very poor households. Instead the poorest households will be more concerned about job security and access to enough food and water. Once households have achieved a minimum level of income and access to basic services, they may prioritize titling as their most important aspiration.

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