

Giving Trends in Myanmar: More Than Merit Making

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Myanmar, with a human development index ranking of 145 out of 188 countries (UNDP, 2016), has been given the prestigious title as the number one giving nation in the world for three years running (2014-2016) by Charities Aid Foundation, challenging the notion that giving is tied to wealth. Explanations for why this is the case tend to focus on the religious practices of Theravada Buddhism and merit-making. This explanation is only part of the picture, however, and does not account for the similarly high rates of giving by other religious groups in Myanmar or for the failing of other Buddhist nations to equal Myanmar's generosity. I will argue that the low levels of state investment in basic human welfare and the widespread deprivation in the country due to the long years of military rule, coupled with the lack of effective institutions to provide basic social welfare services, are equally strong motivators for charity. At the same time, I will demonstrate that giving trends in Myanmar—even those motivated by compassion or religious duty—are a response to immediate needs that are unmet by government or institutional support. For the vast majority of people, reliance on your neighbor is the only available insurance. Such charitable giving rarely extends to philanthropic giving, which addresses systemic and root causes of poverty rather than targeting symptoms. I provide explanations for the high level of charitable giving in Myanmar, looking at everyday examples of giving in Myanmar from both individuals and local businesses and considering the humanitarian disaster of Cyclone Nargis in 2008 as a case example.

Keywords: Charity; Cyclone Nargis; Giving Trends; Merit-Making; Myanmar



INTRODUCTION

Myanmar has a reputation for generosity. According to the *World Giving Index*, Myanmar has topped the list as the number one giving country in the world for the past three years. Developed by *Charities Aid Foundation*, this index creates a picture of generosity by measuring people's behavior in terms of charitable action, with a special focus on how frequently people help a stranger, donate money, and volunteer their time for charity. In addition to placing first for donating money to charity from 2014-2016, Myanmar placed first also for volunteering time and donating money in 2015, the first country to be placed at the top for two of the three ways of giving since 2010 (Charities Aid Foundation, 2015, p. 5). In the 2016 report they increased their overall score as a result of an increase in both volunteering time and helping a stranger (Charities Aid Foundation, 2016, p. 21).

Myanmar's achievement as the number one giving country in the world is all the more surprising in that Myanmar is one of Asia's poorest countries. The fact

that Myanmar, while ranking as one of the least developed countries in the world, can demonstrate such strong generosity and is, in fact, the leader of the world giving index, confounds conventional wisdom that assumes that people practice generosity out of their abundance. According to data from the *Charities Aid Foundation Giving Report 2016*, 91% of the people in Myanmar donated money during the survey month, yet the Asian Development Bank research suggests that one quarter of the population remains below the poverty line (UNDP, 2015). In other words, whether rich or poor, young or old, and across religious and ethnic lines, Myanmar people give money more regularly than anywhere else in the world. Similarly, Myanmar's excellence in giving is not shared by other ASEAN or Buddhist countries. Apart from Indonesia, there is neither any other ASEAN nor Buddhist country on this list. Additionally, the gap between Myanmar and the closest competitors for the title of most generous nation is wide. Countries ranked from number two through to number ten are within nine points of each other, whereas Myanmar is 16 points ahead of the nearest competitor, the Muslim nation of Indonesia. This data suggests that Myanmar generosity cannot be simply explained as an 'Asian' or 'Buddhist' practice. Ironically, only five of the G20 countries are in the top-ten list of countries in the 2016 World Giving Index (Charities Aid Foundation, 2016).

MOTIVATIONS FOR CHARITABLE GIVING

Brown & Wong (2009) provide a review of the economics literature and summarize two differing explanations for the motivations underlying charitable giving. The 'public goods' model is exemplified by giving based on an anticipated private return to some form of public good, where everyone can benefit (Sugden, 1984; Warr, 1982). In contrast, the 'private consumption' model arises when donors derive utility from the act of giving, often because the public approves of such giving, which may benefit the donor (Arrow, 1972). For example, conspicuous donations or the "look at me" motivation (Dawson, 1988; Guy & Patton, 1989) may signal wealth, thereby enabling donors to interact with people in higher socioeconomic strata, as such networks are advantageous (Glazer & Konrad, 1996). However, Andreoni (1990) notes that donors may also receive a "warm glow" (p. 464) from making charitable contributions if the well-being of others enters their own utility functions, even when there are no social benefits (Andreoni, 2015; Makoto & Kotani, 2011) to donors, and when the beneficiaries of charitable giving are not known to the donors. Research by Guy and Patton (1989) and Dawson (1988) found that individuals donate because of intrinsic reasons such as to enhance their self-esteem, to reap public gratification, and to gain satisfaction and fulfilment through meeting one's obligation to others.

Rose-Ackerman (1982, 1996) proposes that people derive utility from charity only if they personally donate. Complementary research in this area suggests that the utility gains from donating depend critically on the behavior of others. For example, Duncan (2004) argues that many individuals make charitable gifts only if their donations represent large proportions of the total received by a given charity, as a form of "heroism". By contrast, Sugden (1984) suggests that individuals are averse to "freeriding" and hence donate if others in their peer group have also given, even if the amounts involved are very small. Brown and Minty (2008) reviewed giving in the

United States after the December 2004 Indian Ocean tsunami and concluded that most donors were motivated neither by conspicuous giving for social recognition nor by opportunities to partake in ‘impact philanthropy’. Instead, they argue people donated to relief efforts precisely because so many others were also giving to the relief efforts, so they wanted to join the group giving movement and not lose face alongside their peers. Brown and Wong (2009) examined the relationships between news coverage of a major natural disaster and charitable giving for disaster relief, and found a positive relationship (the media factor) between event-driven news stories and levels of giving. Finally, tax incentives for giving can also provide institutional support and convenience for charitable giving.

The limitations of the research summarized above are clear: It is primarily focused on North America and does not consider the specific religious, historical, and community context in Myanmar, where these theories of motivation are only partially relevant. We can expect that the ‘warm glow’ from meeting obligations to others is a universal motivation and relevant to Myanmar, along with the theory of “group think”, as giving is a unifying characteristic of people in Myanmar. But more research is needed to understand the interconnectedness between theories and giving behavior. Media theories and concepts of utility, networking, face saving, and tax avoidance are not sufficient to explain the vast majority of givers in Myanmar. The question remains as to why are Myanmar people such generous givers.

CHARITY VERSUS PHILANTHROPY

Wealth is not new. Neither is charity. But the idea of using private wealth imaginatively, constructively, and systematically to attack the fundamental problems of mankind is new – John Gardner (Pistell, 2014)

Before we can answer the question about Myanmar’s generosity, we must first define the difference between charity and philanthropy. Those who practice philanthropy or charity often share the same motivation: a sense of compassion and a desire to use their resources to help others in need. Yet the method that philanthropic entities and charitable entities use to reach that outcome is different. Charity refers to the direct relief of suffering and social problems, while ‘philanthropy’ systematically seeks out root causes of these issues and endeavors to find a solution (Pistell, 2014). Charity is often the direct relief of immediate needs, such as food, shelter, and health care; demonstrates a compassionate response to dire circumstances; and tends to increase during natural disasters and emergency situations (Charities Aid Foundation, 2016). In contrast, philanthropy is private initiative for public good that focuses on the root cause of the suffering and seeks to find a solution that is not partisan, self-serving, or for private profit, although philanthropists may receive tax-deductible status for making donations. As John Rockefeller said, “the best philanthropy is constantly in search of the finalities – a search for a cause, an attempt to cure evils at their source” (Pistell, 2014). A useful analogy is to consider charity as providing someone a fish, while philanthropy teaches someone how to fish. However, charity and philanthropy should be considered as two sides to the same coin. One is not better than the other: it would be inhuman not to feed hungry children while working out a solution for

world hunger. Both charity and philanthropy are overlapping strategies that come from the same motivation and sense of compassion and that share the same goal. Philanthropy is not an excuse to avoid paying taxes or employing responsible business practices, so that you can ‘win your way to heaven.’ While this paper examines both charity and philanthropy in the Myanmar context, the primary expression of generosity in Myanmar is in the form of charity.

A BUDDHIST NATION AND IMPACT ON CHARITABLE GIVING

The essence of true charity is to give something without expecting anything in return for the gift. If a person expects some material benefit to arise from his gift, he is only performing an act of bartering and not charity . . . The act of true charity is wholesome, has no strings attached, and leaves both the giver and the recipient free (Venerable K. Sri. Dhammananda Maha Thera, KT Care Foundation)

Myanmar’s strong giving has often been associated with the importance of religion in the country. According to the 2014 census data, 87.9% of the population practice Theravada Buddhism, which drives high levels of giving through the practice of *Sangha Dana* or charity, with Christians making up 6.2%, Muslims 4.3%, animists 0.8%, and Hindus 0.5% (Ministry of Labor, Immigration and Population, 2014). However, it would be relevant to note that while the 2014 Census was the first meaningful census in 30 years, the process managed to omit ethnicity statistics and large segments of people living in remote areas, and did not include the large Rohingya population (Callahan, 2017b). Charity is praised by the Buddha in many ways, and seen as “the stairway to celestial realm” (Ministry of Religious Affairs, n.d.). The daily practice of charitable deeds is part of the teachings of Buddhism, in which food, water, and flowers are offered at the monastery and to Buddhist images, and which includes material support, charity, and spiritual guidance to those in need. According to the Ministry of Religious Affairs, every pious Buddhist carries out the meritorious deeds of dispensing charity, observing morality, and practicing meditation. The motivation for giving to others is as important as what is given. Many Buddhists in Myanmar believe that in doing good they will receive good luck or merit. Donating or committing good deeds on one’s day of birth, or on the day of the week that one was born, is considered auspicious. For example, the *KT Care Foundation*, which was established by the Kyaw Thaug family, who successfully run the largest grocery store chain in Myanmar, created a small grants program that provides donations ten times a month in honor of each family member on their respective birthdays (KT Care Foundation, n.d.). Depending on their means, Buddhists will also make other donations, such as inviting the monks to their home and offering food, training their young sons as novice monks, special giving on birthdays and anniversaries to monasteries or private interests such as children’s homes or animal shelters, and donating materials to the monastery. While the amounts given may be small, they still have significant religious meaning and many people give daily, regardless of income level. Monks also collect daily food-alms by going house to house each morning in procession.

Indeed, monks in Myanmar are interconnected with the plight of the poor, and fulfil an important societal role by providing education, food, shelter, medical services, and comfort to the people. For example, monastic schools have been in existence in Myanmar since the 11th century. Using the same curriculum as the government schools but operating under the Ministry of Religious Affairs, these schools fill a significant gap in the education system by providing basic education and religious activities for children from needy families and orphans. Many operate as boarding schools for children from remote areas without access to schooling. The monastic schools are viable through heavy reliance on donations, community support, and a small amount of income generation and parental contributions. In the 2013-2014 academic year there were more than 1,400 monastic schools, providing primary and secondary education to more than 150,000 Myanmar children (Burnet Institute and Monastic Education Development Group, 2014, p. 12). By supporting the monasteries that provide education to children, the community members are able to live by the important Buddhist notion of *parahita*, which involves giving for the benefit or welfare of others.

In recent years, monks have also been more directly involved in political action. In a 2007 event widely publicized in the foreign media as the ‘Saffron Revolution’, thousands of monks took to the streets in non-violent resistance to protest the government’s draconian decision to remove fuel subsidies. The monks turned their alms bowls upside down and refused alms from Burmese military generals, thus symbolically refusing to give the Buddha’s blessings to them and making a strong political statement in a religiously devout nation. The military cracked down violently on the demonstrations, resulting in injuries and deaths as well as imprisonments and torture (Welford & Zieger, 2013). More recently, Buddhist nationalism and anti-Muslim hate speech have been promoted through radical monastic groups, with the Ma Ba Tha, who came to prominence in 2015 by rallying for laws that widely limit religious freedoms, such as requiring women to seek permission from township officials if they wish to change their religion. The leader of the group, Ashin Wirathu, has also incited violence against Muslims, and has a wide following among the majority Buddhist people. While these intolerant and violent views are at odds with the key tenants of Buddhism, the group enjoys widespread appeal in part because of their broader agenda to protect Buddhism against external threats and the propagation of Buddhist faith and institutions through organized religious and social activities in communities throughout Myanmar (Walton, 2017).

Clearly Buddhist religious practices are a contributing factor to Myanmar giving trends, but they still do not answer why Myanmar outscores neighboring Buddhist countries in such a dramatic fashion.

FAITH AND GIVING: EVERYDAY EXAMPLES OF GIVING

Between 2016 and 2017, I collected the following stories through first-hand interviews with 32 people living in Yangon, Shan State, Chin State, and Kayin State. Additional information was obtained from research reports, websites, and newspaper articles. These anecdotes, while not exhaustive, can provide insight into the motivation behind giving in Myanmar. The stories that follow give examples of how everyday people practice charity in daily life. In all cases, names have been changed to protect confidentiality.

Ma Thida Tun is a 53-year-old woman from Mandalay who is married with two grown children. Both she and her husband trained as medical doctors but left medicine in the early 1990s to open a business. Money was tight, but her husband found success in the early 2000s and their economic situation improved over time. For this family, regardless of what they had, they practiced many acts of charity. These included giving alms to monks every day, donations to monastic schools, and celebrating significant events such as birthdays and other auspicious occasions by making donations. As the family has prospered, their giving has increased. They have built several new monasteries and supported the upkeep of other monastic buildings, as well as building pre-schools, elder care facilities, and a hospice for people living with HIV/AIDS. Ma Thida Tun notes that while her husband's family has always given alms to monasteries, it was her own mother's example of giving to social causes outside the monastery, such as providing food and school supplies to children, which also inspired her to give. She notes that, even as a young university student, she would save money out of her meager resources to buy eggs for a local children's home. Her reasons are intrinsic – to share her own resources and meet obligations to others (Ma Thida Tun, 20 October 2016).

Aye Myat Thanda is a 40-year-old woman who runs her own business in tourism in Yangon. Her father died when she was young, leaving her mother to provide for the family. Times were tough, but the changes in Myanmar and the growth of the tourism sector more recently have resulted in new opportunities for her. Every week, Ma Thanda gives money to monks on their alms collection. She also buys flowers to adorn her small Buddhist shrine in her apartment, and volunteers on Saturdays as an English teacher at a local monastic school. On auspicious occasions, she makes additional donations at monastic schools of both food and robes for the monks. The practice of giving is part of her daily life and culture. She speaks of her motivation to pay forward her opportunities, so others can also have a chance to make a better life for themselves (Aye Myat Thanda, 17 February 2017)

One cultural practice I recorded frequently was the tradition of celebrating birthdays by providing a special gift for others. One ten-year-old child attending an international school in Yangon received an end of year award for 'most charitable behavior' for celebrating her birthday by providing a special meal to the children in a monastic school. Yet she was puzzled by the recognition, as she notes this is common practice among her Myanmar peers. Another young office worker took vacation leave on her birthday to bring animal supplies to a local animal shelter. Within the workplace, I have observed that on staff birthdays, the 'birthday holder' will often purchase special treats or lunch for the office. Such is the example of a tradition that includes young and old as well as rich and poor..

Care for orphans is another theme that emerged through everyday stories. One forty-year-old woman shared that while she was an only child, her parents took in seven other children who were orphans. As she was the eldest child, once her studies were finished, she supported the seven adopted siblings for their school and university costs. Many of those interviewed had similar stories of taking care of children left orphaned by disease or disaster, either through directly adopting or through donations to monasteries for the care of children. In many of these cases, their response was inspired by compassion to respond to the needs of these children and to share resources.

The Christian pop singer Daw Chit Thu Wai, who is also a doctor, volunteered to help people in need following Cyclone Nargis, although she would not provide the details of her activities.

According to my Christian beliefs, it is said that ‘when you do a charitable deed, do not let your left hand know what your right hand is doing.’ That’s why I will not tell anything about it because we are not used to bragging about what we do for charity (Sandy, 2011).

Interviews in Kayin state with a group of Kayin Christians and with a Christian pastor from Chin State discussed their community practice of religious tithing on their income to the church, which then uses those funds for the social welfare needs of the people. Both spoke of providing financial and social support to the elderly, widows and orphans, and also supporting youth programs, as motivated by compassion but also in obedience to the teachings of the church.

Other religious minority groups in Myanmar, such as Muslims, also have a strong tradition of generosity known as *zakat*. This is a form of alms-giving taught as a religious obligation, and is at least 2.5% of income, with followers encouraged to give as they are able (see also Fauzia in this issue). As one of the five pillars of Islam, *zakat* is distinguished from charity in that it is taught as a religious obligation and not simply a voluntary gesture. While no data currently exists on *zakat* in Myanmar, it is understood to be significant by local people. For example, the displaced Rohingya population in Rakhine State has received food, shelter, water, and sanitation through *zakat* giving from local Muslims and private donors from the Middle East and Malaysia.¹ Interviews with four Muslim believers in Yangon shared stories of giving to the mosque and religious institutions. Islamic teaching includes almsgiving as a private obligation and seeking credit on earth would diminish from any credit obtained in heaven or in the next life. Asking for information on the effectiveness or impact of that gift then goes against the benevolence of the giver, as it is the individuals’ responsibility to give but ultimately *Allah* will determine the results. Based on research in Indonesia, Parvanova & Fauzia (2013) argues that Islamic giving will never be fully formalized or regulated, because of its origin in the “altruistic and reciprocal nature of people” and collective awareness and “concern for the welfare of others”, as expressed through the traditional practices of Muslims motivated mainly by their faith (Parvanova & Fauzia, 2013, p. 201). The practice of *zakat* contrasts with an institutional approach to philanthropy, in which large sums are given, a foundation is established, and a methodology is established to determine whether funds are achieving the stated purpose. The true amount of *zakat* giving globally will likely never be tracked in such a public display, as it would amount to the giver receiving his/her just award on earth and not in heaven.

Individual acts of charity have also led to collective action. In Yangon, a volunteer group, *Noble Heart*, provides free ambulance services for those affected by road accidents in the city. In 2015, a group of villagers set up a volunteer patrol on part of

¹ There is evidence of giving to religious organizations to support the Rohingya, but no data is available on the amount that reaches them directly in Myanmar.

what is known as the ‘death highway’, a stretch of highway from Yangon to Mandalay which saw more than 450 accidents in 2015, and has been the scene of more than 400 deaths since 2013 (“Conquering the road safety challenge”, 2016). Funded by private donations and with no government support, the goal is to find medical help for these victims of accidents, and decrease the number of unnecessary deaths on Myanmar’s poorly maintained roads. Providing emergency ambulance services to prevent unnecessary death and injuries was described as the mission for this service.

The *Free Funeral Service Society* (FFSS) was set up in 2001, and has grown from a handful of volunteers to 17 hearses and 340 volunteers—including 40 doctors—as well as 50 paid employees. They have supported more than 100,000 funerals since their inception. The *Thukha Clinic* provides free medical care to about 500 patients a day with a staff consisting of 50 specialists who volunteer (Thein, 2011). Notably, in 2006 the director of FFSS, the well-known actor U Kyaw Thu, was arrested for indirectly highlighting the problem of poverty in Burma by helping the poor to perform last rites and bury their dead (McDowell, 2009, p. 5). After this crackdown, however, the FFSS has flourished and has continued to expand their reach of services. The motivation is to give respect and dignity to the dead, and to ensure the giving of last rites as part of the person’s spiritual journey.

Similarly, in 1937 *the Muslim Free Hospital* was established in the colonial city of Rangoon as a small dispensary to care for the poor of Rangoon who had no other access to medical care, with the initial investment provided entirely by other Muslims. From the beginning, the hospital did not discriminate based on religion, ethnicity, or income, and today it is a 160-bed hospital, reaching 500 outpatients a day, and providing in-patient medical care, including surgery, psychiatric services, maternal services, and eye care (Thein, 2011). Muslims in Myanmar donate USD 400,000 a year to run the hospital, and patients pay what they can. If patients do not have money, they pay nothing. According to Tin Myo Win, a department head at the hospital who is himself Buddhist, the Muslim practice of *zakat*, or donating some of their income to charitable causes, is an important source of income for the hospital, along with paid-for treatments and international donations (MacNamara, 2013). Interestingly, this example demonstrates how donors can derive utility from the act of giving, as it is part of a good public strategy to demonstrate how the minority populations also bring benefits to the majority Buddhist population. Another Muslim businessman reported how he also attends and contributes to Buddhist ceremonies and community events in his town, as it is good public relations to be seen as contributing to majority interests and also to have good relations with the leaders of the monastery, who have considerable social and political capital in his small town.

In a small, remote village in north-western Shan State, a group of men have started a new ambulance service to transport sick patients to hospitals in well-equipped centers, thus decreasing avoidable deaths in the community due to the lack of medical care. They pooled their resources to purchase a van and fuel, and set up a mobile number for community referrals. There is no medical staff connected with the service, but volunteer drivers take sick patients to hospital in rotation. When asked, the group advised that even hospitals call them directly for transportation on a regular basis, which the group provides for free. There is no thought that this type of service should be reimbursed or even provided by the hospitals or

through some type of government funding, yet the group argues that by providing this service free of charge, they are making merit. To accept money or to have a formal arrangement with the hospitals would detract from the service mentality of the group (Thorfinn, 2015).

These collective initiatives are a direct response from volunteers who make up for the deficiencies in social services, which are chronically underfunded by the government. This same response is true for citizens of many countries, yet the scale and extent of daily response to the needs of the poor in Myanmar is striking, as is a lack of expectation that government will assist. In contrast to other developed and developing nations, where emergency services are common and medical care is accessible and available, even to the poor, Myanmar citizens charitably fill in the gap left by the lack of basic government services.

GIVING IN TIMES OF CRISIS: THE EXAMPLE OF CYCLONE NARGIS

The inadequacy of government services became apparent to the world in 2008, when a cyclone hit Myanmar, leaving over 140,000 documented dead, two million homeless, and significant human suffering. Cyclone Nargis was the worst natural disaster to hit Asia since 1991 (UNICEF, 2009). The ineffective government response has been well publicized and contrasted to the international tsunami of 2004, when governments and international aid agencies quickly responded. The autocratic government delayed the arrival of international emergency services and supplies for several weeks, resulting in unnecessary human suffering (Selth, 2008). Rescue workers reportedly faced harassment by government officials and some parts of the country remained accessible only by boat (Preston, 2008). In some cases, relief supplies were re-packaged bearing government labels, leaving charitable organizations to question whether they were helping to bolster support of the military junta (Brown & Minty, 2008, p. 6). The government treated aid as a tactic of the West in pursuit of its political agenda. These suspicions were amplified by efforts to use the humanitarian situation in Myanmar as part of the justification for UN Security Council action.

However, the Post-Nargis Joint Assessment (2008) notes that the gravity of the situation brought the best out of the Myanmar people, who shared their wealth and whatever little they possessed. Given the late arrival and limited reach of relief agencies, local civil society organizations provided emergency support to cyclone victims. In the early weeks, aid that kept survivors alive was provided almost entirely by civil society organizations and private citizens, while local authorities often turned a blind eye to such unauthorized relief efforts. People gave generously, and Buddhist monks and other religious leaders made substantial contributions. The Burmese diaspora also gave generously. Many returned home to help in ways large and small. The recorded contributions reached USD 11.86 million, but since many donations were made anonymously and were not officially recorded, it is impossible to put a precise value on the amounts (Tripartite Core Group, 2008, p. 60).

The above example is consistent with the private consumption motivation for charitable giving suggested by Arrow (1972) and Steinberg (1987). We can infer that the average donation was relatively modest and that many members of the community gave, rather than just one or two large donors giving large amounts. Finally,

many donations were made without fanfare, suggesting that donors were motivated more by the ‘warm glow’ and perhaps the desire to do ‘the right thing’, rather than for socioeconomic recognition associated with publicly visible giving (Glazer & Konrad, 1996).

Ultimately the Burmese army (*tatmadaw*) also provided essential aid and services through the mobilization of servicemen for search and rescue operations, evacuations, camp construction, road clearance, and distribution of relief assistance. The business community also contributed substantially in both cash and kind and provided assistance in their areas of competence, such as the building support offered by large construction and engineering firms. The total value of their inputs was USD 68.13 million (Tripartite Core Group, 2008). Some companies received lucrative trade concessions from the junta in exchange for donations to the relief effort.

While the military government of that period regularly used overwhelming force to control the population, they were unable to exert complete control over the Nargis response, partly due to lack of ability or interest to perceived threat from particular segments of the population, and unenthusiastic compliance by the enforcers of regulations (McDowell, 2009). In fact, contributing to relieve the suffering of fellow citizens could be considered an act of civil disobedience, and could also be perceived as a way of demonstrating that the military does not have complete control. Throughout this period, faith-based charitable organizations continued to operate and large numbers of community-based organizations (CBOs) sprang up to deal with less political sectors, such as health and education. Well known political dissidents such as Ma Thida and Khin Zaw Win gave up involvement in explicitly political activities after Nargis to focus on humanitarian causes. The military government saw that local and international NGOs, as well as concerned citizens, could play a role in delivering services to a country chronically underserved by government; space was created for community organizations to spring to life and take action instead of waiting for government permission.

The Impact of the “Nargis Moment”

The impact of the Nargis moment was mixed. The five-year post-cyclone assessment by the World Bank (World Bank, 2014) studied how Cyclone Nargis, the subsequent aid efforts, and the evolving economic conditions affected social capital, the capacity for collective action, intra and inter-village relations, and relations between villagers and their leaders. Better-off families that sponsored religious activities before Nargis were no longer able to afford them, depriving villagers of an important venue through which to strengthen social cohesion between community members. Increased migration among villagers of working age and the need to work longer hours also left villagers with less time to socialize with their neighbors. The report noted the remarkable social strength of Delta villages as they responded to the emergency by helping each other through sharing food, shelter, and labor, building homes, and contributing to rebuilding village infrastructure such as water ponds, roads, and bridges. Aid was critically important in the aftermath of the cyclone, both to save lives and to provide people with a sense that they did not have to face the enormous challenges of recovering from the disaster alone. Much of the initial aid was local, civil society-driven,

and was highly beneficial to the affected villages. In about one-quarter of the villages, however, social relations were poor five years after Nargis due in part to the aid effort. In these villages, there was a noticeable lack of social cohesion. The participation of villagers in activities that had been traditionally communal, such as religious and village development activities, including renovation of roads, monasteries, and ponds, declined. While these activities continued, they were undertaken by smaller groups rather than the community as a whole (World Bank, 2014, p. 30).

There are a number of reasons for the initial strength in social capital. First, development resources from higher levels are scarce. This accentuates the importance of working together at the community level and of carefully prioritizing resources for public goods. Second, in the absence of a state or employer safety net, community members help each other in times of need, which was particularly evident in their response to Nargis. Traditions of reciprocity, evident across Myanmar and across the world, encourage people to help their community members. This distinction cuts across different ethnicities and religions, between genders, between the young and old, and between different income and livelihood type groups (Tripartite Core Group, 2008, p. 2)

THE ROLE OF GOVERNMENT

Trends in Government Revenue and Expenditures

The Myanmar government revenue collection provides inadequate resources for the public sector. The budget of Myanmar is financed by funds from four primary sources: taxation, revenues from natural gas, transfer of surpluses from State Economic Enterprises (SEEs) and other non-tax revenue (various government fees and charges). Myanmar tax revenue netted, until recently, 6-7% of GDP, compared to neighboring countries that collected a minimum 15% of GDP. Vietnam for example had revenues consistently in excess of 25% of GDP (Myanmar Development Research Institute/Center for Economic and Social Development & Crawford School of Public Policy, 2015).

Public tax revenue could be higher if military sponsored corruption did not skim off potential tax revenue earned from the lucrative extractive industries. There is well-documented evidence of lost revenues from a resource curse. The estimated value of the jade business in 2014 was USD 31 billion, of which only one billion in revenue went through legal channels (Dapice, 2016). This figure is half of the entire country's GDP, yet the local population sees little benefit (Global Witness, 2015). Myanmar, Iraq, Nigeria, and Venezuela are all examples of countries that encounter additional difficulties in equitable development as a result of rich natural resources. Jones (2014) and Dapice (2016) explain from a political economy perspective that the elite who control the natural resources become rich with little additional effort, since companies can be hired to drill and export, creating extreme wealth for the elite but little positive impact for the local community. Those with access to this wealth can ignore the rest of the population, creating intense and violent competition for control of mineral revenues and, therefore, power and wealth. Poorly taxed resource extraction has led to significant gaps in government services.

Self-Reliance in the Absence of a Welfare System

What tax revenue did come in was poorly spent. Myanmar's culture of self-reliance is a legacy of the military's indifference to the basic social welfare needs of the population, further reinforced by the current state counsellor's recent speeches that citizens should "muster courage and self-confidence" to take personal responsibility for their own and the nation's solutions and not expect government solutions (Callahan, 2017a). While data obtained from the World Bank (2013) demonstrates that the government is increasing spending on social welfare, defense spending still dominates the national budget, both as a percentage of GDP and as a percentage of total expenditure. According to World Bank figures, health spending rose from 0.2% to just over 1% of GDP from 2009 to 2013, with the increase largely targeting needed staff salary rather than improved services. In contrast, 4.3% of GDP went to the military (ESCAP, 2012).

These findings demonstrate that people used their own resources to provide essential services to those in need. Chronic underfunding of healthcare, education, welfare, and social services have left many gaps that are filled by volunteers giving charitably to meet immediate needs. Government spending on the social sectors is strikingly low by international standards and the lowest in ASEAN. Philanthropic giving, to address the root causes of these issues, is not yet significant.

A GIVING CULTURE AMONG LOCAL BUSINESSES

Myanmar as an emerging market provides many new opportunities for businesses to enter and engage in markets, and in philanthropic endeavors, creating both new job opportunities and a middle class. Research conducted by Welford and Zieger (2013) highlights that Corporate Social Responsibility (CSR) is mainly understood as a philanthropic and fashionable concept, but there is little understanding of CSR in terms of strategic alignment. For example, the Myanmar Investment Commission (MIC), formed under the Myanmar Investment Law as a government-appointed body to approve foreign business investment in the country, places little emphasis on creating tax measures, disclosure and reporting requirements, the inclusion of social and environmental criteria, and public recognition incentives. This is despite the MIC stated objective to "deeply emphasize on social impact" for companies looking to invest in Myanmar. Widger (2015) identifies CSR in Myanmar as a strategy of 'schoolbooks and spectacles', with a focus on the immediacy of the gift but rarely on the causes of poverty. Companies give gifts of schoolbooks, meal to orphanages or homes for the elderly, and medical equipment or glasses for those who cannot afford them. By doing so, companies participate in the redistributive economy, where the spoils of corporate success are shared with those less fortunate.

New domestic foundations have begun to proliferate in Myanmar. Several large Myanmar companies have established their own foundations within the company brand. The *Kanbawza (KBZ) Group* was established in 1994 and controls two airlines, the country's largest private bank, and lucrative jade and gem mining concessions. In 2008, they created the KBZ Foundation which focuses on providing clean water, sanitation, education, and youth development. According to their website, the KBZ

Brighter Future Foundation has spent more than USD 105 million over the past twenty years on charitable giving, although critics note that this is a small amount compared to the vast amount of money KBZ has received through illicit trade in gems and jade. Charitable donations may be part of the new quest for legitimacy in Myanmar. Another large corporate, *Capital Diamond Star Group*, began work in the 1960s as a small trading outfit and now is an international company spanning multiple sectors with more than 7,000 staff. Nevcan Coban, Senior Manager, Group Strategy and Business Development, while presenting at the Asian Forum on Corporate Social Responsibility Conference, 2016, in Naypyidaw, stated that the company has the desire to “give back, with less emphasis on charity and the writing of cheques and more on shared value creation through active engagement in projects that benefit both local farmers and businesses”. Their community website lists examples, such as a high school built in Mandalay; health clinics and donated medicines; rural development supported through building roads and providing water wells; contributions to monasteries and the operation of several contract farming initiatives with local farmers (Capital Diamond Star Group, n.d.). They see business opportunities behind social problems, and see themselves using their business acumen and resources to innovate and find business solutions to poverty (Asian Forum on Corporate Social Responsibility, 2016).

Serge Pun, chairman, *SPA Group*, Myanmar, and his brother, Martin Pun, Head of Corporate Social Responsibility, *Yoma Strategic Holdings*, are considered standard bearers of responsible business practices in Myanmar. They described their approach to philanthropy at the Asian Forum on Corporate Social Responsibility, 2016, as “a rights-based approach, in which we create innovative programs, prototypes and can achieve scale, with a responsible business model that pays living wages, taxes and provides work with dignity.” They emphasize a ‘triple bottom line’ for business that includes impact on their people/staff, the environment, and profit. Their CSR programs respond to emergency response situations with relief supplies, champion inclusive approaches for working with clients who are HIV positive, and provide responsible business workshops and practical support. Mr. Serge Pun has hired 185 Burmese repatriates in his business, who returned to Myanmar motivated by a desire to be part of the recent changes and to help the country advance. Anecdotal evidence suggests that SPA’s experience is similar to others. Across all sectors, there are repatriates returning to work in Myanmar, often with a pay cut, bringing back with them education and work experience from abroad as well as cultural and language knowledge (Asian Forum on Corporate Social Responsibility, 2016). While there is a lack of research in this area, it would be interesting to track the giving habits of Burmese expatriates, including remittances to Myanmar and their giving habits in their host countries, in order to understand the factors that influence their generosity.

The KT Company was formed in 1950 and the family began the KT Care Foundation in 2008, in response to Cyclone Nargis. The Foundation began with handouts but has now moved from individual donations to supporting specific causes, such as health and education services, and emergency preparedness and relief services. They also run a grants program for community based organizations providing social services. Dr. Hannah Kyaw Thauung, who is the daughter of the founder of the KT Company, notes that the foundation is an expression of the family’s priority on education, and over time has shifted from solely looking at the benefits to the community to looking at

mutual benefits of doing business, such as job creation and economic growth. With local language and cultural knowledge, connections with local and international networks, and their understanding of best practices from around the world, the KT Care Foundation sees itself as an expression of their family values, with a long-term vision and increased credibility in the community through giving back. Their culture of giving permeates both business and personal relations, as they use their wealth to respond to the institutional failure in Myanmar. This type of family-led foundation approach comprises 21% of all philanthropic giving in Asia and is growing (Mahmood, 2013).

The practice of ‘crony capitalism’ has resulted in the wealth of the country being in the hands of fewer than twenty families, who became rich with help from the military dictatorship (Ford, Gillan, & Thein, 2016). These families are trying to rehabilitate their images, quietly bringing sons and daughters into the business and consolidating a second-generation elite, creating a ‘crony capitalism turned philanthropist’ situation. For example, Tay Za, considered one of the regime’s top cronies because of his favor with the military government, controls an empire spanning oil and gas, minerals, drugs, timber, and guns. Yet his son Pye Phyo Tayza claims that “everything is different for [Tay Za] now. He is doing a lot of foundation work, and more contributions for society. Less greed” (Szep, 2012). Such statements may represent a change in strategy in an attempt to whitewash ‘black’ money, rehabilitate his public image, and retain influence and legitimacy. One way of looking at these business examples is to consider how much is motivated by the reasons discussed earlier, or whether it is driven by profit. More work needs to be done to compare the giving patterns of responsible businesses and crony businesses and the motivations for each type of giving.

Risks of Private Sector-led Philanthropy

While giving by the people is exemplary, the weak Myanmar state has not developed processes and accountability. As elsewhere, Myanmar must build trustworthy institutions, good regulations, open and transparent organizations, and strong governance so that people can continue to give easily and with confidence that their donations are being used for the maximum benefit. It is this task – building strong state institutions and removing the drudgery of life – which is the challenge for government. Similarly, there is the possibility that those who give the most have the greatest influence and the ability to write public policy, as in corporate America. We must ask whether these individuals are most suited for this task, and whether they are motivated by the cause or by other factors. There is a risk that private funders may determine the future of health care, education, and vocational skills training in Myanmar and become an agent of civic inequality, in which more voice is given to those with power (Callahan, 2014). With the increase in ‘high net-worth individuals’ in Asia (and Myanmar), when will a Bill Gates appear in Myanmar, and will he/she be concerned with political, business, or social interests? Philanthropy cannot be an excuse for tax evasion, or a rationale for not following responsible businesses practices that respect human dignity and basic rights. Likewise, the Burmese government is not used to working in partnership – it operates on the principle that people obey what it says. Old habits, including a military culture, are still ingrained in the new government, as the 2008 constitution guarantees 25% of all seats in parliament to the military. How

can the focus be on inclusive growth and making good choices that do not impinge on the rights of others? This cannot be accomplished through self-regulation. The state is the trustee of public good, and strong institutions for social good and inclusive growth are needed.

CONCLUSION

The ‘urge to give’ is a universal human trait and people in Myanmar, like their fellows across the globe, have multiple motivations to give. They are motivated by their religious convictions; the urge to give back to the community; to pay it forward in return for advantages that they have received, and simply from compassion to help those in need. In the absence of any government safety net, people in Myanmar rely on community connections and relationships to do their best for one another and respond to basic needs in difficult times, redistributing wealth.

With such a weak tax base and major demands on limited resources, there is no doubt that Myanmar will continue to rely on volunteering, charitable giving, and increased philanthropic giving by individuals and businesses. As the economy develops and wealth increases, it will be interesting to see whether the strength of giving in Myanmar will remain consistent. As the state increases its revenues through taxation, and is expected to provide more basic services, will the current sense of responsibility and compassion be replaced by an expectation that government will take on more responsibility? Or will people give even more as their wealth and income increases? The state can support this social transformation through regulations that recognize traditional forms of giving and create an environment where charities can demonstrate their effectiveness.

Myanmar needs peace, development, and democracy, all at the same time. The compassion of the Myanmar people toward their own people is unparalleled and, as the most generous country in the world, more research is needed to understand the factors, both religious and otherwise, which contribute to their shared sense of humanity, in order not to simply do better and give more, but to change the roots of poverty and inequality in communities all across Myanmar – one gift at a time.



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