
The Risky Business of Transformation

Social Enterprise in Myanmar's Emerging Democracy

JOHN DALE AND DAVID KYLE

Democratic Transformation Is Risky Business

Social enterprises – businesses that trade for a social or environmental purpose – have been gaining currency in the United Kingdom, the United States and many countries of Southeast Asia as well. This chapter examines the emerging social enterprise sector in Myanmar (see Table 4.1), which is poised to expand in the wake of the country's democratic political transition. Increasingly, international development institutions and investors embrace the notion that social enterprises can play an important role in promoting social inclusion and reducing inequality. The collective consensus is that a thriving social enterprise sector might serve as a democratising force in Myanmar. However, the relationship between social enterprise and democracy remains unclear, even where it thrives outside Myanmar. Can social enterprise thrive in societies with weak democratic institutions? And if not, what kinds of basic democratic safeguards are necessary for a sustainable social enterprise sector that might, in turn, strengthen existing democratic institutions and contribute to the creation of new ones?

We suggest that the value of social enterprises in Myanmar lies in its capacity to transform structures of social inequality in ways that deepen democracy in the polity, economy and society. Such a transformation requires democratic experimentation and risk-taking that invites political opposition. A sustainable social enterprise sector will require social entrepreneurs who have sufficient democratic rights, backed by the law *and practice* of the state, to engage in the ongoing risky business of deepening democracy. It also will require conditions in which *all* citizens are free to engage in social entrepreneurship.

Myanmar's general elections in November 2015 culminated in a landmark victory for the country's pro-democracy movement. But the democratic transition is far from over. The new government will face resistance from many camps in its own continuing efforts to advance democracy. The country's transition is not only a struggle for political democracy, but also for economic democracy. And that struggle to achieve both is taking place within a fragmented nation, but also within a rapidly changing global society.

The new government seeks to address the many social inequalities that the Myanmar state has institutionalised in law, policy, rules and regulations over the past decades under the military's leadership. It also will have to do so under rapidly changing economic conditions that threaten to introduce new sources of social inequality. The past legacy of military rule still hampers the ideas and initiatives of individuals, particularly of those who engage in the work of democratic social change. Later in this chapter, we devote special attention to Myanmar's former political prisoners – activists, artists, journalists, students, monks, politicians and others – who remain stigmatised with criminal records for their past efforts to institutionalise democracy in Myanmar. We explain how recent legal reform intended to improve the operational environment for Myanmar's business and civil society organisations (CSOs), combined with existing law, has failed to address the basic conditions necessary for the participation of former political prisoners in the creation of democratically transformative social enterprises.

What Is a Social Enterprise?

Appreciation for the activity comprising social enterprise in Myanmar begins with understanding the practice, scale and transnational ecosystem of support for social enterprise beyond Myanmar. Business with a social conscience is not new. There have been philanthropists as long as there have been exploitative industrialists. What is becoming a rising force are the networks of regional and interregional entrepreneurs – often distinguished as 'social entrepreneurs' – who have the same goal of benefitting society through more profit-conscious and efficient means. Social Enterprise UK, the United Kingdom's national body for the social enterprise sector, defines social enterprise as

a business that trades for a social and/or environmental purpose. It will have a clear sense of its 'social mission', which means that it will know what difference it is trying to make, who it aims to help, and how it plans to do it.

It will bring in most or all of its income from selling goods or services, and it will also have clear rules about what it does with its profits, reinvesting these to further the 'social mission'.¹

Social enterprise has been gaining currency in North America and Europe for a generation. The United Kingdom has more than 60,000 social enterprises, according to a 2009 government study, which contribute more than US\$34 billion to the economy (Bland 2010: 14). But this movement has experienced a particular rise from a new generation of college-educated graduates unable to find employment in the wake of the global financial crisis. These self-employed social entrepreneurs are creating a new vocabulary to describe their practices. Many of them work together through a transnational network of 'social impact hubs' in more than seventy cities spanning five continents that encourage 'creative collaboration', 'knowledge sharing' and 'social networking'. These social entrepreneurs have emerged as a new category of brokers between 'social impact investors' and the social beneficiaries whose lives they primarily seek to transform or the social problems they seek to solve. They work with (and often as) social enterprise 'incubators' and connect their members to businesses, governments and non-governmental institutional investors who serve as 'accelerators', helping them to 'scale-up' their operations in an effort to achieve greater financial sustainability and social impact.

Social enterprises are distinguishable from non-governmental organisations (NGOs). The main difference between them is the revenue model. NGOs rely primarily on foundation grants, public funding and charitable donations to support their programmes and cover their administrative overhead. Social enterprises rely less heavily on donor funds because they create social programmes that are meant to be self-sustaining. Social entrepreneurs invest in social ventures and generate their own revenues to sustain themselves.

A social enterprise is thus, first and foremost, a business, although like an NGO, it constitutes part of the social sector. It has a steady stream of income, and just like any other company, it takes loans, invites capital investments and forms partnerships to expand its business activities. The main goal of an NGO is to create social value, without much regard for the business bottom line, while the social enterprise aims, within a business model, to achieve sustainability in the financial and social (and often even the environmental) sense.

¹ <http://www.socialenterprise.org.uk/about/about-social-enterprise/FAQs>.

The creators of these social enterprises, particularly those in or from the United States, United Kingdom or Western Europe, but increasingly in parts of Southeast Asia as well, say that they inhabit a social frontier, sometimes referred to as the 'emerging fourth sector'. This is a projected space of entrepreneurial action where outmoded laws and inappropriate, old-style legal entities hamstring their socially transformative plans. Increasingly, they are pressuring governments to legislate new laws, particularly new types of hybrid business entities, to provide a more variegated legal structure to this emerging fourth sector.

There are a variety of ways social enterprises may be legally structured. In the United States, social enterprises may be legally structured as non-profit organisations, for-profit companies, co-operatives, micro-enterprises, benefit (or B) corporations, low-profit limited liability corporations (L3Cs) or flexible-purpose corporations, amongst others. In the United Kingdom, social enterprises are classified under the legal form 'community interest company'. Not to be confused with just any 'social business' that may endorse or sponsor a charitable cause or campaign for social change (for example, Body Shop) while selling shares on the stock exchanges of New York or London, the primary objective of a social enterprise's action is social in nature. It is not primarily profit-driven. Again, this does not mean that social enterprises do not generate profits or revenues, but rather that they primarily reinvest any profit to expand or enhance the achievement of the venture's social objectives. The profits do not accrue to owners or shareholders. A social enterprise does not exist to remunerate capital. And social enterprises are audited accordingly. In principle, they are regulated within the terms and boundaries of the legal organisational form through which they are constituted.

More recently, with the encouragement of the Asian Development Bank (ADB) and the Asia-Europe Foundation, emerging economies in Asia have embraced the development of social enterprises. Perhaps the strongest example is Thailand, which has created an infrastructure for social enterprises that is seen as a model in Southeast Asia. The sector has its own representative body, the Thai Social Enterprise Office (TSEO). The sector also has the support of political and business leaders, attracts consistent mainstream media coverage and has established organisational ties to social enterprise sectors in the United Kingdom and other countries.

There is also a rapidly developing social enterprise scene in Malaysia, and Vietnam's Enterprise Law was revised in 2014 to provide a legal definition of social enterprise. According to the legislation, social entrepreneurs will be 'considered for special treatment' in the granting of licences

and certificates. They will also be able to obtain funding, sponsorship and investment from Vietnamese and foreign individuals, enterprises and NGOs to cover their operational and administration costs. Recognising the importance of social enterprises to national growth, the Vietnamese government promised to 'encourage, support and promote the development of social enterprises' (Jenkins 2015).

Social Enterprise in Myanmar

Reflecting the global trend in the rise of social enterprise, Myanmar is now home to many such initiatives. In Yangon, the organisation FXB Myanmar provides vocational training and business opportunities to HIV-positive workers and women rescued from the Thai sex industry and transnational human-smuggling operations (with links to Myanmar) that supply it. Proximity Designs, a manufacturer of locally affordable foot-powered irrigation pumps, has a network of distribution channels to up-country farmers that surpasses those of NGOs and governmental organisations. BusinessKind-Myanmar sells low-cost mosquito netting in malarial and dengue fever regions, and half of its workforce is also HIV-positive. Myanmar Business Executives provides low-interest micro-credit and networking outlets to needy individuals and organisations. What these initiatives have in common is that they use business models to achieve social benefits. These companies produce multiple products and services, have sales strategies and target markets, and even make a profit, though much of that is redirected to social causes. Some receive grants from international NGOs or aid agencies, but the products are generally low-cost necessities accompanied by community-based education instructing how to maximise their effectiveness and/or maintain the technologies. They generally avoid donations and charity, and strive to achieve financial sustainability. There are many examples of these kinds of ventures operating in Myanmar – most of which have emerged in the wake of the 2008 Cyclone Nargis disaster that occurred at the height of the global financial crisis. All of these ventures may be considered social enterprises (see the Appendix).

Yet, in Myanmar, the vast majority of ventures operating in ways that might fit the definition of a social enterprise do not refer to themselves as such. There are many small for-profit businesses that give priority to their social mission, and many NGOs that, under newly drafted Association Laws in Myanmar, are now able and eager to generate revenues or 'transform' themselves into microfinance institutions (Duflos et al. 2013) that

provide investment and training to the many individuals, groups and communities with whom they have been working for decades (when they were funded largely by grants and philanthropic donations).

Unlike its counterparts in the United States, United Kingdom, Western Europe and parts of Southeast Asia, the social enterprise sector in Myanmar is emerging in the absence of legal recognition for such entities – no such legal recognition for social enterprises exists. In a legal sense, all social enterprises in Myanmar operate in the informal economy. Nevertheless, many ventures operating in Myanmar are already self-identifying as ‘social enterprises’. Some, especially those with experience in social enterprise sectors in the United States, United Kingdom and parts of Southeast Asia outside Myanmar, are operating in the hope that, as their practices gain social recognition, acceptance and appeal, they one day will also gain what they perceive to be the benefits of legal recognition.

These benefits extend beyond consideration for special treatment in granting licences and certificates, and the ability to cover operational and administrative costs through local and foreign funding, sponsorship and investment. They help to reinforce the kind of legal entity that distinguishes a social enterprise from existing for-profit and non-profit enterprises. For example, for-profits emphasise shareholder value, yet social enterprises pay more attention to their impact on all stakeholders. For-profit and non-profit legal and tax models are not designed for the simultaneous pursuit of social and financial bottom lines. When founders choose a for-profit form, they have no reliable way of ensuring commitment to the social mission. And board members, mindful of their fiduciary duty, may find it hard to prioritise social and environmental concerns over the interests of shareholders. But legally recognised social enterprises, after identifying the groups that are essential to their organisation’s success and clarifying the value proposition for each, have been able to negotiate unconventional roles, responsibilities and incentives that increase stakeholders’ engagement with the mission – and to have this reflected in shareholder agreements, loan contracts and other financial instruments.

Furthermore, one of the most difficult challenges that social enterprises face is preserving their social mission after an ownership transfer. It is often assumed that owners drive governance, but ownership is a collection of legal rights that can be unbundled and repackaged in creative ways. Thoughtful ownership and governance design can protect the mission over the long term and deepen stakeholder engagement. But this can be difficult in the absence of legal recognition (and accompanying

rights), as well as in the absence of a supportive institutional ecosystem that recognises and values the legitimate differences between for-profit, non-profit and social enterprises.

It is becoming clear that, since 2014, Myanmar is beginning to gain transnational access to a supportive institutional ecosystem that is largely operating outside the country. Social enterprises, or 'for-benefit' enterprises, increasingly are finding access to such a supportive institutional ecosystem (Sabeti 2011). These institutions provide services beyond those of traditionally business-minded legal and accounting firms or consultancies. They represent an emerging inter-organisational field (Warren 1967; Wooten and Hoffman 2013) in which institutional entrepreneurs (Dimaggio 1988; Fligstein 1997; Zucker 1988; Lawrence 1999; Beckert 1999; Maguire, Hardy and Lawrence 2004; Rao, Monin and Durand 2003) are attempting to create a new space, language and identity for the meaningful action of social enterprises.

But the socially transformative power of social enterprises does not lie in its ability to financially 'do better' than traditional non-profit or donor-dependent 'do-gooders'. Such a strategy could amount only to privatising the 'third sector', and possibly marginalising important areas of development that require great courage and risk to address – often over extensive periods of time. Rarely are such endeavours financially rewarding in terms imagined at the outset of most business proposals. Nevertheless, such endeavours can have invaluable unforeseen social gains. Rather, the critical difference lies in the quality of *social innovation* that such a sector might bring to bear on the institutions that generate social inequality.

The promise of social enterprises in Myanmar lies in its capacity to address social inequality in ways that deepen democracy. It is too soon to say whether social enterprises can deliver on this promise. We do not argue for or against the legal recognition of social enterprises in Myanmar. Instead, we raise as a question what foreign advocates of social enterprise and many transplanting social entrepreneurs in Myanmar have taken for granted: can you have transformative social enterprises if you do not have democracy? Or, more pointedly, in the absence of democratic safeguards for all social entrepreneurs, not just some or many, does the promotion of a social enterprise sector simply amount to a new strategy for introducing market discipline to the work that NGOs and other CSOs have been doing for decades? How much risk can social entrepreneurs afford to take in attempting to solve the most durable or pressing problems of inequality under conditions in which their own equality remains legally, politically or culturally unprotected? Despite rhetoric to the contrary, can Myanmar

harness and legitimate the potential power of its emerging social enterprise sector in ways that prevent it from becoming just another means of social and political marginalisation?

What makes Myanmar an interesting case study in the development of the social enterprise movement is that it offers an opportunity to study how not only a social enterprise sector emerges, but also the dynamics of the broader institutional context that shape and are shaped by its emergence. From the perspective of international investors, Myanmar now represents a 'frontier market', ripe for risky, potentially high-yielding investment returns – particularly in the area of Internet and communications technology (ICT) (see Dale and Kyle 2015). Many social enterprises in Myanmar are already incorporating such technology into business plans and their quest to solve social problems.

From the perspective of international development institutions such as the ADB, Myanmar represents a developing economy in Southeast Asia that will have to incorporate frontier technologies and develop public policies encouraging social entrepreneurship and social impact investing as the region shifts its primary strategy for economic growth from export-led, cheap-labour manufacturing to an integrated network of innovation-based knowledge economies. In doing so, it argues that its strongest emerging economies will be able to escape the 'middle-income trap' and revitalise economic growth through qualitative innovation that will make up for the economic drag of these countries' rising wages (and consumption) and concomitantly falling rates of productivity.

At the same time, the ADB envisions the region's emerging (and frontier) economies as being able to bring innovative codified and tacit knowledge – technologies and communities of practice – to bear on its fundamentally agricultural economy. The ADB plans to do so while also laying the infrastructural groundwork in other sectors (for example, cultural heritage and tourism, public health, the environment and especially education and ICT) to leap-frog the development problems that it anticipates (based on past experience) the region soon will face as its cities rapidly become new Asian 'megacities'.

Yangon, Mandalay and even Naypyidaw are on course to become megacities within the next one to two decades (Dale and Kyle 2015). As a result, Myanmar now finds itself awash in financial capital and celebrated as one of Asia's most alluring 'frontier markets'² and potentially lucrative

² The term 'frontier market' was coined by International Finance Corporation's Farida Khambata in 1992, and is commonly used to describe the equity markets of the smaller and

destinations for foreign direct investment, including venture capital investment. Myanmar's government too is garnering substantial credit, loans and investment from regional and global financial institutions.

The social enterprise context in Myanmar is complicated by high levels of investment due to the promise and opportunity of a democratic transition. To fulfil its promise to lead the country towards a more meaningful democratic transformation, Myanmar's newly elected government will have to make tough decisions about how to manage these new economic flows in ways that do not create greater social inequality amongst its citizens. Simply opening the floodgates to flows of global capital will not ensure inclusive or sustainable growth. Indeed, as has been the case for many countries in Asia (and in other regions of the world), such an economic strategy may serve only to exacerbate or deepen existing social inequality within Myanmar.

The New Development Discourse on Inequality

The rise of social enterprise in Myanmar comes at a time of a global shift in development discourse on inequality. In its 2012 Annual Report, the ADB declared that social inequality posed the greatest threat to stability and future economic growth in the Asian region (ADB 2012a: 2, 8). The report begins by highlighting the strength and success of Asia's economies. Over the past twenty-five years, driven mostly by cheap labour, economies in Asia have yielded unprecedented growth rates and contributions to the global economy. Asia is now the growth engine of the global economy. This report also emphasises that, in the past two decades, the drivers of Asia's economic success, such as new technology, globalisation and market-oriented reforms, have served to create disparities not only between but also within Asian countries. In some Asian countries, for example, the richest 1 per cent of households account for close to 10 per cent of total consumption. The ADB notes that 'the widening gap is not only in income, but rather inequality of opportunity and access to public services is also prevalent, and a crucial factor in widening income inequality' (ADB 2012a: 2, 8). This emphasis on inequality reflects a

less accessible, but still 'investable', countries of the developing world. It is understood to be less developed than an 'emerging market', yet more developed than the economies of 'least developing countries'. The frontier, or pre-emerging, equity markets are typically pursued by investors seeking high, long-run return potential as well as low correlations with other markets.

general and significant shift in discourse deployed by international development institutions.

In 2000, when the United Nations announced its Millennium Development Goals for 2030, the focus was clearly on eradicating poverty. Inequality, however, was not on the agenda. The World Bank as well as focused squarely on poverty, as evident in its 1999 report (World Bank 1999). Fifteen years later, and in the wake of a long global financial crisis, international governmental development institutions are putting economic and social inequality on their agendas.

Although slow to acknowledge it, the United Nations, the World Bank, the International Monetary Fund (IMF), the Organisation for Economic and Co-Operative Development (OECD), the British Council and the World Economic Forum have also produced reports over the past two years that highlight the threats that not only poverty, but social inequality, pose to sustainable global economic growth (United Nations 2014; Gill and Kharas 2015; Lagarde 2015; OECD 2015; British Council 2015; World Economic Forum 2015). Recent reports capture this shift in discourse on economic development (British Council 2015: 6–7).

Neoliberal economists have long suggested that global economic growth since the 1970s has overall benefitted both the rich and poor. The rich and poor alike have experienced improved standards of living – even if the rich have experienced greater improvement in their standard of living. The painful exception to this, they acknowledge, by the end of the 1990s was Africa – where the poor have become poorer. Neoliberal economists' concern with *poverty* is that it contributes to conflict and global economic stability. The same economists, however, saw inequality as unproblematic. The fact that inequality was growing substantially during this same period was explained away as a moral trade-off – the necessary incentives required to attract the most productive economic leaders driving the benefits of a larger global economic pie that met a greater proportion of the world's basic needs were understood to trump moral concerns about inequality. Overall, democracy would find more fertile soil globally in a world characterised by greater global economic growth.

Today, however, there is increasing concern that inequality, not just poverty, may also be contributing to conflict and global economic instability. While the British Council has framed this concern in what may sound like moral terms, alluding to an economic democratic deficit, most international development institutions describe the problem in more pragmatic terms. Regardless, the Council's new emphasis on social inequality as a problem for economic growth represents a window of opportunity

for longtime proponents of efforts to address global inequality and more democratic global development.

Driving these international organisations' new development discourse on inequality is a broader vision of the role that innovation can play in revitalising economic growth. The development agencies of the United States, United Kingdom, European Union and, now, Asia are trying to focus not simply on models of 'efficiency innovation' (such as Wal-Mart's strategy of doing more with less – a strategy that does not create jobs but instead replaces them, as in the unfortunate case of Mexico). Instead, they are focusing on models that embed 'efficiency innovation' within models of 'market-creating innovation.' This latter type of model hitches the former to existing growth sectors of the global economy – such as ICT. This strategy of growth has resulted in net job gains for countries such as Taiwan.

Alongside growth, however, this new emphasis on inequality (particularly in developing and emerging economies) is focused on the role that business can play in supporting inclusive economic and social development, and shaping the institutional ecosystems, cultures and mindsets of people in developing countries in ways that contribute to financially sustainable social problem-solving. The idea is to channel 'social impact' investment capital to cultivate 'social entrepreneurship' in the hope of producing new forms of 'social innovation' that can address problems of inequality through the development of financially sustainable 'social enterprises.' As with the focus on poverty in the past, these development institutions still see markets as the source of solutions to social problems, including accessibility to healthcare, education, food – and even inequality.

Yet, there is little discussion at this point of how the social and legal organisation of markets, and relations of production and provision, may *introduce their own sources of social inequality* – even as they work, guided by 'missions with a social purpose', to attenuate social inequalities that stem from other relations. This is not to suggest that only profit-seeking enterprises introduce their own sources of social inequality (through, for example, capitalist/labour relations) that countervail their efforts to attenuate social problems of inequality. Large international non-governmental organisation (INGOs) and even small non-profit organisations are also susceptible to generating new sources of inequality through the ways in which they organise the (unevenly empowered) social relations through which they produce forms of transnational solidarity that span the global North and South (see Dale 2010a; 2010b; 2011; 2013; Bob 2002; Kurasawa 2007).

The point, rather, is that social innovation will require democratic experimentation in the ways that we socially organise (financially, socially and environmentally sustainable) social enterprises to solve the deep-rooted problems of inequality that global economic growth has both produced and amplified.³ Short of such a transformative vision of social innovation, a development agenda that focuses on commodifying social problems in the name of social entrepreneurship and social innovation could be seen simply as a move to hijack the more (but still insufficient) transformative work that social activists have been doing for many decades, or to circumscribe the kind of activism that has focused on corporate accountability in cases where corporations have engaged in abusive human rights practices or extreme environmental degradation.

In Myanmar, international development institutions are promoting social enterprises that are forming primarily in the areas of ICT development, agricultural innovation and tourism-related services. To better understand this new emphasis on developing a social enterprise sector in Myanmar, and to appreciate the promises and perils facing the contested vision of social innovation shaping its currently emerging landscape, we must first understand its relationship to a broader growth and development strategy focused on innovation-based knowledge economies.

Creative Equality? Asian Innovation-Based Knowledge Economies

Myanmar's new government will also have to navigate a rapidly changing context of regional development in South and Southeast Asia. Development financial institutions such as the ADB have begun to frame a regional strategy that seeks to address what it characterises as the looming threat of slowing economic growth rates and social inequality. While countries such as China, Japan, the Republic of Korea and the city-state of Singapore all have been successfully developing innovation-based knowledge economies, most others in the region have hitched their economic growth more singularly to a manufacturing export-led strategy based on a strong supply of cheap labour and natural resources. Although there is no consensus on the definition of a 'knowledge economy'⁴ there

³ For a particularly robust vision of democratic experimentation and the potential benefits of the social innovation movement, see Roberto Unger (2015).

⁴ Indeed, some question whether such a phenomenon is new, or whether it exists at all. The term 'knowledge economy' emerged in the 1960s (see Machlup 1962; Bell 1974; Porat and Rubin 1977). Smith (2002: 6) argues that it is a ubiquitous metaphor, not a useful scientific concept. Roberts and Armitage (2008) challenge the concept's validity by arguing that

have been various efforts to define the concept (see, for example, OECD 1996; Department for Trade and Industry 1998; Smith 2002; Powell and Snellman 2004; Brinkley 2006; Roberts and Armitage 2008). In line with these definitions, the United Kingdom's Economic and Social Research Council (ESRC) argues that the term 'knowledge economy' is used to describe the economic structure emerging in the global information society in which economic success increasingly depends on the effective use of intangible assets such as knowledge, skills and innovative potential (Economic and Social Research Council 2007; on the global information society, see for example Castells 1996). Now, with most low-income countries in the region expected to reach middle-income status by 2020, the ADB is urging these countries to catch up and create knowledge-based economies of their own. Failing to do so, they warn, most of these countries may find themselves stuck in the 'middle-income trap'.

Gill and Kharas (2015) coined the term 'middle-income trap' to describe economies like Asia's that were being 'squeezed between the low-wage poor-country competitors that dominate mature industries and the rich-country innovators that dominate in industries undergoing rapid technological change'. It is a condition in which rising wages and declining productivity (patterns associated with a growing middle class, as in the cases of Thailand, Indonesia, Malaysia and the Philippines) gradually contribute to slower overall economic growth (ADB 2014: 10). This diminishes the economic success that a country has achieved through its prior comparative labour advantage and once-plentiful natural resources.

The ADB is promoting a shift from a manufacturing export-led strategy based on a strong supply of cheap labour and natural resources to a strategy that fosters entrepreneurship within these countries, harnesses and institutionalises their creativity, and regionally integrates these countries' development of innovation-based knowledge economies. The idea behind this economic strategy is that creativity – the formulation of 'functional creations, scientific inventions and technological innovations' (UNCTAD 2008) – plays a critical role in shaping societies and economies. As the ADB succinctly puts it, '[f]ostering innovation, entrepreneurship, and creativity translates into direct and tangible economic

the contemporary economy is characterised as much by ignorance as it is by knowledge. Roberts (2009) extends the case more forcefully in challenging the notion of a 'global knowledge economy', which is characterised by highly uneven development with 'core' and 'periphery' economies to the extent that its meaningful integration is questionable and its utility for developing countries is suspect and likely more hegemonically beneficial to the core economies that promote its development in the peripheral ones.

outcomes' (ADB 2014a: 9). This understanding derives from an accumulating body of research and theoretical models associated with what economists refer to as 'new growth theory' (see for example Romer 1990; Lucas 1988; Burger-Helmchen 2013).

New growth theory, which began to emerge in the 1980s, changed the way that international development financial institutions such as the World Bank, IMF and OECD (amongst others) think about how capital and labour are combined to produce economic output. It suggests that something additional in the economic recipe has the effect of making already-productive economies even more productive. This additional element is technology, or human capital, or innovation. This theory was new in the sense that it tried to *explain* the role of technology within the model rather than *assuming* it, as had the 1987 Nobel Prize-winning research of economist Robert Solow. It is for this reason that this literature is also called 'endogenous growth theory'. New growth theorists Paul Romer and Robert Lucas each suggested, in different ways, that knowledge, in the form of technology embodied in physical capital (Romer 1990; 1994) or in the form of technology as a part of the human capital stock (Lucas 1988), enables economies that have reached a high level of development to sustain or revitalise their growth momentum by increasing the *quality* of their productivity, rather than suffer a kind of inevitable decline in growth.

In 2014, in the wake of its 2012 annual report's emphasis on the threat posed to Asia by inequality, the ADB published two additional reports that elaborate on, and attempt to provide an empirical basis for measuring, the future progress towards the new strategy for Asia's economic growth and development – *Innovative Asia: Advancing the Knowledge Economy* (ADB 2014b) and, with the Economist Intelligence Unit, *Creative Productivity Index: Analyzing Creativity and Innovation in Asia* (ADB 2014c). The first report draws heavily on the World Bank's Knowledge Economy Index,⁵ described in more detail later in this chapter, to measure and compare overall levels of knowledge production within Asian economies. The Knowledge Economy Index takes into account whether the environment is conducive for knowledge to be used effectively for economic development. It is an aggregate index that represents the overall level of development of a country or region towards the knowledge economy. The Knowledge Economy Index is calculated based on the average of the

⁵ The World Bank's Knowledge Economy Index data is available at <http://data.worldbank.org/data-catalog/KEI>.

normalised performance scores of a country or region on four 'pillars' related to the knowledge economy: economic incentive and institutional regime; education and human resources; the innovation system; and ICT.

The second report proposes a new Creative Productivity Index to measure 'progress in fostering creativity and innovation' in twenty-two Asian economies (along with the United States and Finland). Other innovation-related indexes exist, such as the Global Innovation Index published by the World Intellectual Property Organization and INSEAD (one of the world's largest graduate business schools⁶) and the Global Creativity Index published by the Martin Prosperity Institute. But unlike these indexes, the Creative Productivity Index focuses on *efficiency*. The Creative Productivity Index comprises thirty-six input indicators and eight output indicators to measure how efficiently countries turn their creative inputs into innovation outputs, rather than just the overall level of creative inputs. This index measures creative inputs along three dimensions: capacity to innovate; incentives to innovate; and environment conducive to innovation (which also includes corruption and bureaucracy). It measures creative productivity (that is, creative outputs) by considering conventional indicators, such as the number of patents filed or scientific output, as well as a number of broader measures of knowledge creation. This, the report suggests, allows countries to seek the most effective – and affordable – innovation investments, and also captures elements of creativity that are more relevant in less developed countries, for example, agricultural innovation.

Taken together, these reports suggest a strategy in which the ADB already has started investing heavily. The ADB's strategy is to address the region's social inequality relative to other regions of the globe. Furthermore, they seek to address social inequality *between* countries in the region in ways that have implications for social inequality *within* these countries – including Myanmar.

The Measured Creativity of an Imagined Innovative Myanmar

Based on the Knowledge Economy Index and the Creative Productivity Index, we might conclude that Myanmar is a place where knowledge and creativity are scarce commodities. Myanmar ranks near or at the bottom of every dimension measured in both indexes. According to the Knowledge Economy Index, Myanmar does not have an environment

⁶ See www.about.insead.edu/who_we_are/.

conducive to knowledge being used effectively for economic development. The Creative Productivity Index tells us that Myanmar lacks creative productivity. Myanmar's workers and enterprises have little capacity or incentive to innovate. Nor does Myanmar appear to be efficient with what little it has. Myanmar ranks 'low', twenty-second out of the twenty-four countries measured – just below Bangladesh and Fiji, and just above Pakistan and Cambodia. By contrast, Lao People's Democratic Republic ranks 'high' (ninth), just above Singapore, People's Republic of China, Indonesia and Malaysia. In short, it hardly seems likely that Myanmar would be able to compete with other economies in the region by pursuing the development of an innovation-based knowledge economy.

The construction of indexes such as the Knowledge Economy Index and the Creative Productivity Index measures all economies in terms of features associated with a knowledge economy, whether those countries are actually attempting to develop one or not. It then uses these indexes to compare their performance and ranks them in relation to each other as though they are competing to develop knowledge economies. This then lends the impression that there exists a regional or global knowledge economy. The ADB claims, for instance, that Asia is poised to become a leader in the 'global knowledge economy'. Yet, there is significant evidence to suggest that the existence of a global knowledge economy is more a value-laden projection than an empirical reality (see for example Roberts 2009; Graham 2014).

Indexes and ratings like these play a critical, and often problematic, disciplinary role in global governance. The ranking and comparison of states in indexes and ratings like these do not always help hold governments accountable in practice as they may simplify highly complex issues and fail to contribute to genuine reform (Cooley and Snyder 2015: 102). Particularly when these rankings are tied to sources of institutional investment or support, states are more likely to make changes that boost their scores on particular indicators that, while improving their rankings, do not reflect a commitment to the ideal being measured.

Today, the World Bank's vision of 'Knowledge for Development' is about more than filling knowledge gaps in the unevenly developed global economy. It is about putting creativity to work. It is a measured creativity (Kyle and Dale, forthcoming) that disciplines individual economies to more efficiently produce not only knowledge as a commodity, but all commodities – and with the aim of achieving more qualitative economic growth or, better, innovative new directions that can be scaled up to achieve new growing markets.

It is in the context of these reports that the ADB articulates its strategy for escaping the middle-income trap for Asia, which, it asserts, is likely to hold 50 per cent of the global middle class and 40 per cent of the global consumer market by 2020: ‘It is time for Asia to consolidate and accelerate its path of growth. . . . And many developing economies are well placed to assimilate frontier technologies into their manufacturing environments’ (ADB 2014a: 1).

It is also becoming increasingly apparent that this new government will have to confront the ongoing threat that both old and new sources of social inequality pose to the democratic transformation of its institutions – not only to the state, but also the economy and civil society. In this regard, it will have to carefully negotiate a growing international development paradigm that promotes social entrepreneurship and social enterprise as the prescriptive remedy for treating the local symptoms of social inequality caused by under- or mis-regulated global economic growth.

Social Entrepreneurship: Business as Usual or Transformative Agency?

Pursuing democratic institutional change in a climate of international development that is promoting social entrepreneurship raises a host of questions concerning what role the emerging social enterprise sector might play beyond merely attenuating social inequality through the creation of ‘inclusive business’ or ‘business with a social purpose’. In particular, can a social enterprise sector stem the institutional production of inequality? Is it capable of fostering the kind of local democratic experimentation that could generate or unleash innovative social knowledge and practices that enhance the agency of social entrepreneurs – as both workers and citizens? Can such a sector create new, more democratically organised social enterprises and complementary institutions to expand the individual freedom and social wellbeing of those who work for and with them? What are the barriers (and limits) to its capacity to contribute to democratic institutional development? What are its proponents’ priorities in fostering this nascent sector’s growth? What international experience can be usefully applied in Myanmar, a frontier market in the midst of a critical period of democratic transition within an emerging regional knowledge economy?

It is useful at this point to consider what we might mean by ‘social entrepreneurship’. In general, the organisational ventures themselves often are

referred to as 'social enterprises'. But academic and business communities (mostly from the United States and Europe) have devised and distinguished several different conceptions of, and approaches to, social entrepreneurship. In the United States, the emphasis tends to focus on individual entrepreneurs and their creative business talent and leadership skills. In Europe, approaches to social entrepreneurship focus more on the organisation and the broader network in which it operates. In other words, there is a tendency in the United States to focus the agency of social entrepreneurship as the product or trait of atomistic individuals, while in Europe the tendency is to focus on the ways that the agency of social entrepreneurship is socially embedded in organisational and networked structures that enable, constrain or transform it. Nevertheless, Anja Cheriakova (2013) usefully identifies four concepts of social entrepreneurship, or schools of thought, spanning both sides of the Atlantic, each of which focuses on a different aspect of social entrepreneurship.

The first school of thought associates social entrepreneurship primarily with generating earned revenue. It reflects a socially justified commercial vision. This approach considers financial sustainability to be as important as a social mission. In the United States, the Social Enterprise Alliance, which began in 1998 as the National Gathering of Social Entrepreneurs, promotes this concept. According to its website, Social Enterprise Alliance is the largest network of social entrepreneurs and social enterprise practitioners in the United States.⁷ Social enterprises seek to make a profit, or at least not to make a loss (Austin, Stevenson and Wei-Skillern 2006). As non-dividend companies designed to address a social objective (Yunus 2010), they can enhance their effectiveness by competing with commercial businesses in the market.

In Myanmar, where many basic needs have been unmet for so long, many commercial entrepreneurs claim that starting any financially sustainable business yields social benefits and might therefore well be considered a social enterprise. Building Markets is an organisation headquartered in New York that has projects in Afghanistan, Haiti, Mozambique and, as of 2013, Myanmar. Its Sustainable Marketplace Initiative in Myanmar (SMI-Myanmar) leverages the increasing scope and volume of international investment and assistance into opportunities for local small and medium-sized enterprises (SMEs) to grow their businesses and create jobs, 'thereby reducing poverty and guiding the economy on a path to sustainable

⁷ See <https://socialenterprise.us/about/what-we-do/>.

development.⁸ They provide services and work with buyers to break down barriers to local procurement and build the capacity of local small and medium-sized enterprises, brokering their linkages to domestic and international opportunities. In its first three years, SMI-Myanmar helped local businesses win 200 contracts worth more than US\$16 million, trained more than 500 businesses to navigate complicated international contractual standards and procurement requirements, and organised workshops for local CSOs to improve and formalise their local procurement strategies as well.

Complementing this vision of social entrepreneurship, the Myanmar Business Forum provides platforms for public-private dialogue – channels of exchange between the Myanmar government and the private sector, both domestic and foreign – to promote business reform, and to help companies grow and create jobs in a variety of sectors that sorely need them. The Forum consists of seven working groups in the sectors: natural resources; infrastructure; manufacturing/trade and investment; hotels and tourism; services; banking and finance; and agriculture, fisheries and forestry. Each working group identifies a limited number of common and significant issues that are critical to the effective development of the sector, and that require changes in law, regulation, policy or practice.

Impact hubs in Yangon, such as Project Hub and Ideabox, provide co-working space for young entrepreneurs and help them to incubate sustainable business and social enterprise plans. These hubs generate sustainable revenues through monthly membership fees. From the perspective of this first school of thought, all such activity might be seen as social entrepreneurship.

The second school of thought associates social entrepreneurship with social inclusion – typically, but not necessarily, in the formal market – through job creation. The main objective is to create employment for people such as the low-qualified unemployed or the disabled, who are normally excluded from the labour market. The social mission of work integration social enterprises (WISE) is to integrate excluded members into work and society through a productive activity. One example, to which we alluded earlier in this chapter, is BusinessKind-Myanmar, a non-profit organisation that establishes social businesses in poor and neglected Myanmar communities. Their businesses provide valued products and services at affordable prices and create employment opportunities for

⁸ See <http://buildingmarkets.org/our-impact/myanmar>

vulnerable Myanmar women. For example, one of its social businesses, Good Sleep, sells low-cost mosquito netting in malarial and dengue fever regions, and through this venture has created jobs for many HIV-positive Myanmar women. Indeed, these women constitute half of its workforce.⁹

In Myanmar, WISEs like these are not uncommon. Another notable example is FXB Myanmar,¹⁰ which rehabilitates victims of the sex-trafficking industry. It equips them with the tools and training to weave and make furniture, and enables them to work outside the sex industry. FXB has also developed a tailor-made 'mobile' professional training course to reach young girls living in the most remote regions of Myanmar, who do not have access to any of these kinds of services. When the budget allows, they provide these girls with their own sewing machines. Social enterprises like these, while emphasising their social mission to create employment for the low-qualified unemployed or disabled, are still subject to the pressures of competition from for-profit businesses, and internal politics within their own governing structure and associated with their own sources of finance. For instance, Pomelo, a WISE in Myanmar that produced handicrafts made by street children and persons with disabilities, was recently the subject of a 'hostile takeover',¹¹ and claims that its original team of designers is working to create a new social enterprise.

There are also many new WISEs emerging in the hospitality and tourism sectors. For example, Shwe Sa Ba, a hotel and restaurant training centre, and Linkage Restaurant and Art Gallery provide training to financially disadvantaged Myanmar youth who hope to pursue a career in the country's hospitality industry. And the Yangon Bakehouse Training Café trains disadvantaged women in baking and hospitality, and also teaches them 'livelihood' classes.

The third school of thought associates social entrepreneurship with social value and social impact more than revenue generation. That a social enterprise also engages in commerce is beside the point. The idea of doing so in ways that transcend the financial approach of traditional philanthropy is still important (Trexler 2008). But what matters most for this school of thought is the social impact that the organisation has on

⁹ See <http://www.businesskind.org/goodsleep/>.

¹⁰ See <https://fxb.org/programs/myanmar/>.

¹¹ See 'Get in Touch' at the bottom of Pomelo's website: <http://www.pomelomyanmar.org/about-us#our-model>. See also R. J. Vogt, 'Pomelo Founders Squeezed Out', *Myanmar Times* (Wednesday 2 March 2016), at <http://www.mmtimes.com/index.php/lifestyle/19273-pomelo-founders-squeezed-out.html>.

the local community. For example, Green Waves¹² is a social enterprise that has been evolving through a pilot project in Bogalay Township in the Ayeyarwaddy Delta, which was hit hard by Cyclone Nargis in 2008. For this project, Green Waves acquired 100 acres of damaged and abandoned land to be restored to productivity. They employed landless farm labourers from nearby communities, and provided them with training from volunteer visiting experts. They shared the profits from the harvests equitably between the labourers and the Green Waves social enterprise. The farmers they employed used their earnings to secure land as tenant farmers, and Green Waves used its share both to reinvest in the land and to distribute community-level grants to three local villages. They used these grants to start rural social enterprises (mostly livestock breeding), and then reinvested the profits from these enterprises into community education and infrastructure projects. Within three years, this project became financially self-sufficient.

The idea of using social innovation to solve everyday problems with new services and products fits into this school of thought. 'Social innovation' refers to the development of concepts and ideas that meet the social needs of people and that extend and strengthen civil society. Indeed, promoters of this idea of social entrepreneurship understand the concept itself to be a social innovation. More specifically, however, the term has commonly been used to describe how services and products can be made that can solve real problems in society, looking not only to technology as a solution, but also seeking new forms of organisation.

Proximity Designs, for example, winner of both the Skoll Foundation's and Schwab Foundation's Award for Social Entrepreneurship,¹³ began in 2004 as a small social enterprise in Myanmar providing innovative irrigation foot-pumps to rural farmers in 600 villages. Today, Proximity Designs are accessible to 80 per cent of the rural population of Myanmar, a country in which 70 per cent of the population lives in rural areas. They have improved the incomes of roughly half a million farmers. Under their product brand name Yetagon, they now offer 'game-changing, smart designs that are having a major impact'.¹⁴ They have diversified their design and product line of water pumps, and have developed drip irrigation systems, water storage tanks and, more recently, solar lighting products. The co-founders (and co-spouses) Jim Taylor and

¹² See <http://www.greenwavessocialenterprise.org/index.html>.

¹³ See <http://skoll.org/about/skoll-awards/>.

¹⁴ See <http://proximitydesigns.org/products-services/irrigation-products>.

Deddie Aung Din have created innovative short-term financing solutions for rural smallholders in need of crop loans, and have begun spinning these off into Proximity Finance, which provides growers with ongoing access to credit.¹⁵

This concept of social innovation has been related to social entrepreneurship, but not exclusively. All kinds of organisations can be involved, since social innovators strive to build (and socially broker) relationships between previously separated individuals and groups. Like social entrepreneurship, social innovation has been diversely conceptualised. The narrow definition of solving a local problem is more akin to the school of thought that focuses on social impact within social entrepreneurship.

This is related as well to the traditional definition of social innovation that gives priority to the internal organisation of firms to increase productivity. This is also the kind of social innovation that the ADB is focusing on when it uses the Creative Productivity Index to rank countries' progress towards knowledge innovation and development. It is related to the concept of 'disruptive innovation', a term of art coined in 1995 by Clayton Christensen to describe a process by which a product or service takes root initially in simple applications at the bottom of a market and then relentlessly moves up market, eventually displacing established competitors (Christiansen, Rayner and McDonald 2015). More recently, the international development community, including NGO practitioners, philanthropists and research experts, as well as social entrepreneurs, social enterprises and social impact investors, has been deploying the kindred concept of 'disruptive development', to refer to solutions that have a transformational impact on society and that improve lives.¹⁶

Increasingly, the scope and scale of such social impact entrepreneurship have turned to ICT solutions. For example, it has served as a critical dimension of one mode of social entrepreneurship that we have called 'smart humanitarianism' (Dale and Kyle 2015), which promotes a new kind of empathy required for social problem-solving and humanitarian action – one less sentimental, much more technocratic and managerial. Smart humanitarianism emphasises the human-machine partnership via online technologies, apps and expert systems management strategies, and redistributes the cognitive responsibilities of determining and delivering goods for greatest measurable impact with a quid pro quo of reframing inequity.

¹⁵ See <http://www.proximitydesigns.org/products-services/financial-services>.

¹⁶ See <http://www.seattleglobalist.com/event/global-washington-7th-annual-conference-disruptive-development>.

However, social innovation that focuses on the actual process of innovation – how innovation and change take shape – is more akin to a fourth school of thought that defines social entrepreneurship as socially transformative change agents. The focus is on the process of innovation through new forms of co-operation to find sustainable solutions to social problems (Unger 2015). J. Gregory Dees (1998), for example, defines social entrepreneurs as

playing the role of agents in the social sector by adopting a mission to create and sustain social value, recognizing and relentlessly pursuing new opportunities to serve that mission, engaging in a process of continuous innovation, adaptation, and learning, acting boldly without being limited by resources currently in hand, and finally exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created.

The objective is not simply to solve a single social problem, but rather to find sustainable solutions to the causes of a problem within a broader context and embedded in a process of continued learning and community participation. Social entrepreneurship in this sense means creating viable socioeconomic structures and relations that yield and sustain social benefits. As we alluded to earlier in the chapter, this concept of social entrepreneurship is also related to a particular, yet broadly conceived, understanding of social innovation that focuses on the actual process of innovation – how innovation and change take shape. This is a focus on the process of innovation with new forms of co-operation – particularly in a spirit of democratic experimentation (Unger 2015) – to find sustainable solutions to social problems.

Ashoka, now the largest worldwide network of social entrepreneurs, initially defined a social enterprise as ‘disruptive innovation’ in resolving social problems in an entrepreneurial way. It began with a concept of social entrepreneurship more akin to social impact entrepreneurship. More recently, however, it has come to emphasise a new conception of social entrepreneurship as change agents, working to achieve large-scale social innovation, and even what they call a ‘social revolution’. As they describe it Ashoka’s mission has evolved beyond catalysing individual entrepreneurs to enabling an ‘everyone a changemaker’ world.¹⁷ Although self-descriptions like these may represent rhetorical flourish, we emphasise that in practice social enterprises are often guided by more than one of these concepts of social entrepreneurship, not only over time, but concurrently.

¹⁷ See <https://www.ashoka.org/about>.

Some argue that because social entrepreneurship is a hybrid concept – combining as it does the already vague terms ‘social’ and ‘entrepreneurship’ – it will remain a contested concept. Of course, the same can be said of ‘sustainability’ or ‘democracy’ or ‘human rights’, yet this should not prevent us from struggling to give these concepts richer meaning. The implication of this criticism, however, is that social entrepreneurship can never be a category in itself that is separate from non-profit charities and for-profit businesses. Yet, as we have discussed, there are already new legal forms in the United States and the United Kingdom, and South Korea passed in 2006 the Social Enterprise Promotion Act. According to Bidet and Eum (2011), it was inspired by both the British policy and the Italian social co-operative law of 1991, which distinguishes between social enterprises providing social services and WISEs.

There do seem to be limits to how far we can reasonably stretch the concept. We can distinguish the well-established concept of corporate social responsibility from social entrepreneurship. The latter, unlike the former, entails embedding social goals in the organisation’s core objectives. In the corporate social responsibility approach, these goals are added to the overall corporate objectives at different levels. An enterprise that is unwilling to accept a significant reduction in profits in the pursuit of its social goals should not be considered a social enterprise. A for-profit business with a corporate social responsibility strategy does not qualify since it might abandon its social aims if it believed its profits were at stake. The social goal is incidental to (or only instrumentally pursued in relation to) the business model.

The main challenge for social enterprises in Myanmar is to strike a balance between its social and financial mission, and to create new forms and practices that perhaps later – through public dialogue, policy debate, activist lawyering, legislative initiatives, social movement campaigns, transnational advocacy or other forms of influence – can serve as the grounds for deepening democracy, not only in the polity, but in the economy and civil society as well. Myanmar’s social enterprise sector is ripe for such experimentation.

Marginalising a Critical Source of Grass-Roots Social Entrepreneurship

In an effort to govern and regulate what constitutes a social enterprise, some non-profit organisations such as the Global Impact Investing Network (GIIN), as well as brokerage firms such as Acumen, have

developed various impact measurement tools to help entrepreneurs to understand and improve their impact on society. Universities – mostly business schools – are developing courses in social entrepreneurship to show how using a business model can improve the way entrepreneurs generate a social mission to become part of the overall focus of a social enterprise. Typically, these tools emphasise financial sustainability, leaving the ‘social’ problem-framing, research and social impact assessment to the entrepreneur (who is understood to be an entrepreneur in a largely ‘commercial’ sense). Again, these initiatives to govern what constitutes a social enterprise are largely shaped by understandings of social entrepreneurship that are common in the United States – understandings which focus on individual business leadership skills. This raises a question that is vigorously debated in US business schools: Can you really teach people to be entrepreneurs – socially or commercially? And it raises further questions that business schools in the United States are not asking: is it really ‘problem-solving’? Can you just give people the right tools and assume that they will do the right thing? Who is excluded despite the rhetoric of ‘inclusion’? This reduces or oversimplifies what is a social problem or moral problem – or even social inequality itself.

Some organisations go further in attempting to distinguish legitimate from illegitimate social enterprises and social entrepreneurs. For example, Social Enterprise Mark,¹⁸ a UK initiative, is working to set up a certification system for social enterprises (similar to the Kimberly Process that was established to certify non-conflict, or ‘blood’, diamonds). A certification system offers the advantage of encouraging the development of social enterprises. It also persuades mainstream businesses to include social enterprises in their supply chains. In general, a certification system offers a procedure for strengthening a social enterprise’s brand values, positioning and credibility. It creates an improved degree of transparency for customers or clients, as well as for partners, investors and beneficiaries. However, a certification system can also marginalise some social entrepreneurs and their social enterprises. As Cheriakova (2013: 14) has observed, ‘... those who work on promoting social innovation might fall outside the qualification, resulting in them pushing social change further without their efforts being recognized.’ This is an important point, and one that we think has serious implications for social entrepreneurs in Myanmar – in particular, those who have been working as change agents on the political front lines to institutionalise democracy and human rights.

¹⁸ See <http://socialenterprisemark.org.uk>.

Becoming Change Agents: The (Political) Prisoners' Dilemma

Although there are no laws in Myanmar distinguishing social enterprises as a special form of business, the legality of certain kinds of social entrepreneurship – shaped by the remnants of a legal culture that has been forged by decades of repressive authoritarian rule – still plays a critical role in shaping the emergence and vitality of social enterprises. An important way in which it does so is by retaining legal meanings associated with democratic practice that the former military government in Myanmar institutionalised as ‘criminal’. Developing a capacity for critically engaging the state and holding it accountable for addressing not only market failure but also the pursuit of profits at the expense of social and environmental injustice is a fundamental function of a democratic civil society – and it is a pattern not uncommon in even the highest-ranking knowledge economies. But for decades, the military government’s additional practices of socio-cultural (as distinguished from legal) regulation and community intimidation fostered *de facto* as well as *de jure* discrimination against Myanmar’s pro-democracy activists. This pattern continued even under the new civilian government after former President Thein Sein released those designated as ‘political prisoners’. In the months prior to the 2015 elections, both former political prisoners and NGO human rights defenders were being arrested, contributing to a new generation of political prisoners (many of whom were students protesting education reform).

Current efforts to foster and institutionalise social entrepreneurship in the form of social enterprises in Myanmar currently overlook and threaten to marginalise a key social group that represents a significant source of entrepreneurial leadership: former political prisoners jailed for peacefully challenging social and economic injustice in the name of democracy and human rights. As we are writing this, the Myanmar government, including local agents of the state, still discriminates against former political prisoners, refusing to expunge their stigmatising criminal records. Local agents of the state discourage others from associating with them and their families, rendering them social pariahs. The practice of intimidating even the family members of these former political prisoners has been commonly reported to us. This contributes to a culture of *de facto* discrimination in which former political prisoners and their family members suffer. They are blocked from access to travel and hospital care. It is very difficult for them to find employment. The children of former

political prisoners suffer discrimination by association – finding themselves unable to gain acceptance to university despite having passed the national standard exams with high scores.

The strategy of investing in social enterprises in the absence of basic democratic safeguards has already created obstacles for these former leaders of Myanmar's pro-democracy movement, thus robbing the investment strategy of much of its potential for true social transformation. Starting businesses, much less social enterprises, is disproportionately difficult and risky for the very civil society leaders the West seeks to engage. This is in part due to both *de jure* and *de facto* forms of discrimination against former political prisoners. The interaction of existing regulations (for requesting a business incorporation certificate to register a company) and newly revised laws (the Companies Act¹⁹ and the Association Registration Law No. 31/2014), in combination with prevailing laws (the Electronic Transactions Law No. 5/2004, the 2011 Peaceful Assembly and Peaceful Procession Act No. 15/2011, the Myanmar Microfinance Law No. 13/2011, the Telecommunications Law No. 31/2013), has thus far contributed to the marginalisation of former political prisoners, and thus undermines potential efforts to incorporate their social entrepreneurship into the formal economy.

In 2015, the Directorate of Investment and Companies Administration (DICA) began the process of revising the century-old Companies Act. If approved 'as is' by Parliament in 2016, it would mandate that all companies still in operation must be formally registered.²⁰ Private companies and (I)NGOs each initially register under separate laws – both of which have been recently revised. In the absence of any law distinguishing a social enterprise as a unique legal entity, social entrepreneurs seeking to establish a social enterprise must choose between these existing laws when registering their organisations.

Former political prisoners who have criminal records face immediate obstacles when requesting a business incorporation certificate from DICA. Two prior steps are required to do so. First, applicants must obtain a reference letter from the ward chief.²¹ For example, Yangon is divided into four districts and thirty-three townships. Each township is then

¹⁹ The Companies Act is still subject to further revision as of March 2016.

²⁰ See <http://www.luther-lawfirm.com/en/news/directorate-of-investment-and-company-administration-dica.html>.

²¹ World Bank Group, 'Starting a business in Myanmar' (June 2015), at <http://www.doingbusiness.org/data/exploreconomies/myanmar/starting-a-business/>.

divided into a certain number of wards. A ward is the smallest and most local administrative unit, comprising several households. The ward chief (a local agent of the state who is typically familiar with the residents of the ward) provides a letter confirming the address of the new business. The second step is to obtain a signed letter verifying the applicant's criminal history from the township police station.²² Under such local conditions in which *de facto* discrimination is routinely practised by authorities against former political prisoners, formally registering a company can be very difficult. Faced with the choice of formally registering an enterprise versus operating in the informal economy, many former political prisoners choose the latter, hoping that they do not get caught.

(I)NGOs, unlike private companies, must register under the new Association Registration Law No. 31/2014. The Association Registration Law envisions a decentralised registration system implemented by the Ministry of Home Affairs (MoHA), with six registration committees, including at the Union (national) level, region or state level, Naypyidaw Council level, self-administered region or state level, divisional level and township level. Domestic associations may apply at any level, based on their anticipated territorial sphere of activities. INGOs must apply for registration with the Union registration committee. Yet, according to the International Center for Not-for-Profit Law (ICNL), amongst the most significant changes introduced by the Association Registration Law is the replacement of the mandatory registration system with a voluntary registration system.²³ As the ICNL points out, however, whether and how the new law will be implemented remains uncertain.²⁴

This ambiguity has implications for the freedom of expression and advocacy of social enterprises that might choose to register (or not) as NGOs. One of the most significant changes of the political transition period in Myanmar relates to the freedom of expression. When the Censorship Board was abolished in 2012, individuals began criticising the government and CSOs (including community-based organisations, as well as local and international NGOs) began advocating for politically contentious causes. CSOs suddenly found increased opportunity to contribute to law and policy-making.

However, Myanmar's civilian government established subsequent law upon which it relied to hinder the freedom of expression. The

²² *Ibid.*

²³ See <http://www.icnl.org/research/monitor/Myanmar.html>.

²⁴ See 'Barriers to Entry', at <http://www.icnl.org/research/monitor/Myanmar.html>.

Telecommunications Law (Telecom Law), enacted under Myanmar's civilian government in 2013, established the regulatory framework for foreign investment into Burma's telecommunications infrastructure. Section 66(d) of this law prohibits using a telecommunications network to extort, coerce, defame, disturb, cause undue influence or threaten any person.²⁵ Similarly, Burma's Electronic Transactions Law, section 33, criminalises using electronic transactions technology to commit any 'act detrimental to the security of the State or prevalence of law and order or community peace and tranquility or national solidarity or national economy or national culture.'²⁶ Myanmar's military government has used these articles in the past to jail dissidents, activists, CSO leaders and others for merely expressing opinions.

In addition, the Telecom Law, section 77, authorises the Ministry of Communications and Information Technology to order the suspension of telecom services in emergency situations. However, there are no criteria as to what can trigger such a suspension. This allows the government to shut down Internet and mobile communications arbitrarily, which often immediately precedes crackdowns on peaceful demonstrators or other human rights violations (as we witnessed in 2007, for example, during Myanmar's so-called Saffron revolution).²⁷

Freedom of assembly also remains legally ambiguous for social enterprises that might attempt to address issues concerning democratic reform that the Myanmar government (or its influential foreign political or economic advisors) deems too contentious. In 2011, the Peaceful Assembly and Peaceful Procession Act came into force, providing partial protection for the freedom of assembly. The Act proved problematic, however, as it required prior authorisation from the respective police station. Where assemblies proceeded without authorisation, the military government used the notorious section 18 to arrest and imprison organisers and protestors. Some CSOs, including the prominent 88 Generation Students, initiated broad-based public consultation and advocacy processes against the 2011 Act. In June 2014, the Parliament adopted amendments to the Act. Most significantly, the Act now provides that while prior approval is required, the request for authorisation shall be rejected only if the authorities provide 'valid reasons'. In addition, the amendments have reduced

²⁵ See 'Barriers to Speech/Advocacy', at <http://www.icnl.org/research/monitor/Myanmar.html>.

²⁶ *Ibid.*

²⁷ *Ibid.*

the available punishments in case of violation (for example, reducing the imprisonment period from one year to six months).²⁸ The problem is that the term 'valid reasons' is undefined and can be arbitrary.

Finally, the Association Registration Law affirms that 'Any registered domestic organization may accept support in accordance with the prevailing law, provided by a foreign government or international NGO or domestic organization, or any individual.' Under prevailing law, an officially registered domestic NGO can open an account in the organisation's name at the Myanmar Foreign Trade Bank, with approval from the Ministry of Finance and Revenue, and with a recommendation letter from the MoHA. And with a registration number and copy of its registration certificate, a registered domestic NGO may also open an organisational bank account in a private bank. Before the Microfinance Law 2011 was adopted to provide a framework for the licencing and operation of microfinance institutions in Myanmar, there was no clear law or regulation affirming the right of NGOs to conduct income-generating activity. This law has been important to providing the poor and marginalised with financial services. But the Association Registration Law 2014 does not make clear whether *unregistered* domestic NGOs can open a bank account in the organisation's name, or generate revenues.²⁹ The uncertainty of the implications of this law for social enterprises that might choose to operate informally is therefore significant.

This raises an important question for proponents of social enterprises pursuing social inclusion in formal markets as a strategy for reducing inequality. Under what social conditions do informal actors move into the formal economy? Human capital, money and a regulatory environment – are these enough? Informal economies are often filled with actors who have developed strategies of social caretaking that provide certain dimensions of wellbeing – for example, childcare provision – that formal employment may not allow them to sustain. Not all social enterprises operating in the informal sector necessarily want to become part of the formal sector (Williams and Nadin 2011), yet most of the recommendations recently proposed to Myanmar by international development institutions, and even organisations like the British Council, which has conducted considerable research on social enterprises (British Council 2013; 2014; 2015), assume that they do, or that they should. It would seem that the current trend in reforming laws pertaining to the registration of companies are

²⁸ See 'Barriers to Assembly,' at <http://www.icnl.org/research/monitor/Myanmar.html>.

²⁹ See 'Barriers to Resources,' at <http://www.icnl.org/research/monitor/Myanmar.html>.

institutionalising conditions that would make it difficult for viable social enterprises driven by politically contentious transformative democratic visions to continue operating in Myanmar's informal economy.

NGOs in Myanmar that are registering their organisations, and receiving investments to operate essentially as social enterprises, are likewise dissuaded from working with foreign political prisoners. NGOs in Myanmar have long worked informally with political prisoners, drawing extensively on their combination of language skills and social capital (for example, their extensive networks of contacts and influence). But in a changing business climate of increased accountability within newly organised public-private bureaucratic structures (such as INGO Forum Myanmar),³⁰ fewer NGOs are willing to risk the government harassment and threat to the formally registered organisation that could come from getting caught. Increasingly, therefore, NGOs that venture into the world of social enterprise in Myanmar, required by law to add a certain percentage of local Myanmar employees to their workforce, are turning to less risky, but also less democratically risk-taking, citizens of Myanmar.

Some former political prisoners, despite these obstacles, have demonstrated their interest in creating social enterprises. One example of a social enterprise in Myanmar that was started by former political prisoners is Golden Harp Taxi service.³¹ The drivers are all former political prisoners, and they serve mostly former political prisoners. Their business has started to attract foreign clients (including diplomats) who sympathise with their political efforts to democratise Myanmar. Their profits go back into the company to maintain and expand the fleet of taxis – employing more former political prisoners – and to meet the needs of the broader community of former political prisoners and their families. Some of the informal businesses like Golden Harp Taxi, which represent worker integration social enterprises, may be nurturing the conditions for creatively engaging social and economic injustice in the future. These informal social enterprises may also provide a social space for democratic experimentation, and a means for creating new, more socially sustainable relations, practices and identities that cannot be formalised (cf. Yockey 2015).

³⁰ See <http://ingoforummyanmar.org/en/about-us>.

³¹ Interview with Golden Harp Taxi's founders, October 2014, in Yangon. See also <http://www.aljazeera.com/indepth/features/2012/11/201211289210776231.html>.

Towards a Sustainable Democratic Transition

While attending the ATHGO International/World Bank Social Innovation Conference in May 2013 in Washington DC, we listened to the cellphone tycoon Denis O'Brien address that year's competitors, billed as the world's top one hundred prospective social entrepreneurs between the ages of eighteen and thirty. O'Brien is the chairman of Digicel Group, one of the fastest-growing cellphone companies in the world. Born and educated in Ireland, and officially residing in Malta for tax-sheltering purposes, he is one of the world's wealthiest people (wealthier than Oprah Winfrey and Richard Branson). In 2001, he donated US\$3 million to help found Front Line Defenders, or the International Foundation for the Protection of Human Rights Defenders, a human rights organisation based in Dublin, to protect human rights defenders at risk. The organisation has Special Consultative Status with the Social and Economic Council of the United Nations. When one young social entrepreneur in the audience asked O'Brien what he thought about corporate accountability, O'Brien responded, 'Corporate accountability is dead; everyone's a social entrepreneur now.' At the conclusion of the talk, he was rushing to catch a flight to Myanmar – where his private company was competing with more than ninety others for one of the Myanmar government's newly demonopolised telecom licences. Digicel's bid was ultimately unsuccessful, but O'Brien's comment on corporate accountability raises an important question for social entrepreneurs who seek to address the kinds of social inequality that stem from the operations and interests of large and powerful corporations. The social enterprise sector may find that it is easier to attract start-up capital and social impact investment financing when they are targeting the aspects of an 'economic democratic deficit' that stems from the purposive action of undemocratic states than from the purposive action of undemocratic corporations or global financial institutions, or of the international governmental and non-governmental development organisations they influence.

Social entrepreneurship is diverse in its origins and motives, responding to what is seen as government failure or corporate exploitation, or even a civil society that is insufficiently democratic in its modes of practice. Creating a framework of the various aspects that social entrepreneurship should ideally include could help improve understanding of whether and how it could be supported and accelerated by policies and educational systems. Social entrepreneurship should be ambitious, socially innovative and democratically experimental. It must not only generate social impact,

but also must be embedded in a process of continuous learning and participation, by the community, with the aim of becoming a change agent. Revenues and profits should be largely reinvested to fulfil the social mission. Establishing a framework built on such principles could serve to bring substance and order to the social enterprise bubble, a necessity if the concept is to be a serious alternative for commercial businesses and traditional NGOs.

In the absence of particular legal reforms, the focus on social entrepreneurship could undermine rather than bolster Myanmar's efforts to secure a sustainable democratic transition. Former political prisoners, whose only crime was peacefully pursuing democratic change, require basic democratic safeguards that would enable them to participate, without facing threat of *de jure* or *de facto* legal discrimination and harassment in the creative production of social enterprises. Moreover, social enterprises pursuing emancipatory, not just ameliorative, projects targeting institutional sources of social inequality in Myanmar would require similar protections.

If inclusive business development becomes only a project to advance an equal right to work, but not also a right to protection from the inequalities that the organisation of work often creates, then it risks becoming mainly a (false) advertising slogan for business as usual. Myanmar's government should strive for more than social inclusion in its continuing quest for a democratic transformation of its institutions.

The first meaningful legal changes that the Myanmar government can make to improve its prospects of enhancing its socially creative productivity (although this might not be well-measured by the ADB's index) are to release its currently detained and imprisoned persons whose only 'crime' has been to protest against social and economic injustice in the defence or advancement of democratic reforms, and to expunge such crimes from their records. The government could rely on the meticulously managed database of political prisoners kept by the Assistance Association for Political Prisoners (AAPP), a social enterprise legally organised as an NGO founded and operated by former political prisoners.³² These diverse citizens from across Myanmar have already passed the 'social entrepreneurship' test. They have proven their entrepreneurial leadership through their creative action and willingness to take personal risks for a social purpose – to transform political and economic conditions of inequality to achieve a more sustainable democratic society.

³² See <http://aappb.org/>.

APPENDIX

Table 4.1. *A sample of social enterprises in Myanmar*

Organisation name	Description	Type of social enterprise	Legal form	Social enterprise code
Shwe Sa Bwe	Restaurant that also acts as a training centre for disadvantaged youth	Local inclusive business	Private company	1, 2
Golden Harp Taxi	Taxi company in Yangon that helps political prisoners to find work	Political prisoners	Private company	2
Peak Point Travel	Ecotourism company	Repatriates	Private company	1
Yangon Bakehouse Training Café	Trains disadvantaged women in baking and hospitality and provides livelihood classes	Local inclusive business	Private company	3
Linkage Restaurant and Gallery	Restaurant that provides street children with vocational training	Local inclusive business	Private company	3
Sunflowers Art, Organic Dye Textile and Crafts Store	Gallery, art studio, handicraft store that is produced and designed by rural women	Local inclusive business	Private company	2, 3
Proximity Designs	Provides rural farmers access to affordable services that can help increase their income.	Rural development, agriculture	NGO	1, 2, 3, 4

Table 4.1. *A sample of social enterprises in Myanmar*

Organisation name	Description	Type of social enterprise	Legal form	Social enterprise code
Myanmar Business Forum	Public-private dialogue platform to help companies grow and create jobs	Tech start-up	NGO	1
Building Markets	E-learning system that modernises business culture	Tech start-up	NGO	1
Yangon Institute of Economics	Entrepreneurship centre that helps cultivate small businesses and support future business leaders	Tech start-up	Other	1
DuPont Myanmar	Uses science and technology to modify seeds	Agriculture	Private company	1, 2
Pomelo and Helping Hands	Handicraft business that has products made by people with HIV, street children and people with disabilities	Local inclusive business	Private company	2, 3
HarmonEat Cooking Classes	Community programme to teach people how to cook locally sourced food.	Local inclusive business	Private company	3
FXB Myanmar Handicrafts	Provides weaving and furniture-making training to victims of trafficking	Local inclusive business	Private company	2
DevLab	Open office space to support entrepreneurs	Tech start-up	Other	1
Project Hub	Co-working space for young entrepreneurs	Tech start-up	Other	1

(continued)

Table 4.1 (continued)

Organisation name	Description	Type of social enterprise	Legal form	Social enterprise code
Ideabox	Incubator/accelerator network in Myanmar	Tech start-up	Other	1
Opportunities Now	Business skill training and microfinancing company	Tech start-up	Other	1
Shan Maw Myae	Operates an organic farm and produces/distributes fertiliser	Rural development, agriculture	Private company	2, 3
Samrong Yea Mean Chay	Co-operative that benefits farmers	Rural development, agriculture	Co-op	3
Evergreen Group	Invests money to develop local processor enterprises	Rural development, agriculture	Co-op	1
Green Waves	Restores damaged land to productivity	Rural development, agriculture	Foundation	3
Snowball Soy	High-end soy milk business sourcing soybeans from minority producers	Rural development, agriculture	Private company	1, 2,3

Key: 1. Income generation

2. Job creation/WISEs

3. Social value/impact

4. Change agents

Note: We thank Samantha Samuel-Nakka for her research assistance in preparing this Appendix.

References

- Asian Development Bank (ADB). 2012a. *2012 Annual Report: Advancing Regional Cooperating and Integration in Asia and the Pacific*. Mandaluyong City, Philippines: Asian Development Bank.
- Asian Development Bank (ADB). 2012b. *Myanmar in Transition: Opportunities and Challenges*. Mandaluyong City, Philippines: Asian Development Bank.
- Asian Development Bank (ADB). 2014a. *Innovative Asia: Advancing the Knowledge-Based Economy- Highlights of the Forthcoming ADB Study Report*. Mandaluyong City, Philippines: Asian Development Bank.
- Asian Development Bank (ADB). 2014b. *Innovative Asia: Advancing the knowledge-based economy: the next policy agenda*. Mandaluyong City, Philippines: Asian Development Bank.
- Asian Development Bank (ADB). 2014c. *Creative Productivity Index: Analysing Creativity and Innovation in Asia*. Report by the Economist Intelligence Unit for the Asian Development Bank. Mandaluyong City, Philippines: Asian Development Bank.
- Austin, J., H. Stevenson and J. Wei-Skillern. 2006. 'Social and Commercial Entrepreneurship: Same, Different, or Both?' 30(1) *Entrepreneurship Theory and Practice* 1–22.
- Beckertt, J. *Economic Action and Embeddedness: The Problem of the Structure of Action*. Unpublished ms. October 1999. Paper presented at the Stockholm Conference on Economic Sociology, 2–3 June 2000.
- Bell, D. 1974. *The Coming of the Post-Industrial Society*. London: Heinemann.
- Bidet, E. and H. S. Eum. 2011. 'Social Enterprise in South Korea: History and Diversity'. 7(1) *Social Enterprise Journal* 68–85.
- Bland, J. 2010. *Social Enterprise Solutions for 21st Century Challenges: The UK Model of Social Enterprise and Experience*. Publications of the Ministry of Employment and the Economy, Strategic Projects 25/2010. London: Social Business International Ltd.
- Bob, C. 2002. 'Merchants of Morality'. March/April, 129 *Foreign Policy* 36–45.
- Brinkley, I. 2006. *Defining the Knowledge Economy: Knowledge Economy Programme report*. London: The Work Foundation. Available at <http://www.theworkfoundation.com/Reports/65/Defining-the-knowledge-economy-knowledge-economy-programme-report>.
- British Council. 2013. *Social Enterprise Landscape in Myanmar*. Rangoon: British Council.
- Allman, S. and B. Brown. 2014. *Exporting Social Enterprise: A Survey of Overseas Trade by UK Social Enterprises – and how to Foster its Growth*. British Council, Social Enterprise UK.
- Gregory, D., P. Holbrook, P. Woodman and D.F. Angel-Urdnala. 2015. *Think Global Trade Social: How Business with a Social Purpose can Deliver more Sustainable Development*. British Council, Social Enterprise UK.

- Burger-Helmchen, T. (ed.). 2013. *The Economics of Creativity: Ideas, Firms, and Markets*. New York: Routledge.
- Castells, M. 1996. *The Information Age: Economy, Society, and Culture Volume I: The Rise of the Network Society*. Oxford: Blackwell.
- Cheriakova, A. 2013. 'The Emerging Social Enterprise: Framing the Concept of Social Entrepreneurship'. 28 October. *The Broker*. Available at <http://www.thebrokeronline.eu/Articles/The-emerging-social-enterprise>.
- Christiansen, C., M. E. Rayner and R. McDonald. 2015. 'What is Disruptive Innovation?' December. *Harvard Business Review*. Available at <https://hbr.org/2015/12/what-is-disruptive-innovation>.
- Cooley, A. and J. Snyder. 2015. 'Rank Has Its Privileges: How International Ratings Dumb Down Global Governance'. November/December. *Foreign Affairs*. Available at <https://www.foreignaffairs.com/articles/2015-10-20/rank-has-its-privileges>.
- Dale, J. 2010a. 'Democratizing the Production of Human Rights in Burma'. Fall, 6(3) *Global Studies Review*. Available at <http://www.globality-gmu.net/archives/2303>.
- 2010b. 'Poverty & Power: The Problem of Structural Inequality'. January, 39 *Contemporary Sociology: A Journal of Reviews* 82–83.
2011. *Free Burma: Transnational Legal Action and Corporate Accountability*. Minneapolis, MN: University of Minnesota.
2013. 'Internal Affairs: How the Structure of NGOs Transforms Human Rights.' November, 119(3) *American Journal of Sociology*.
- Dale, J. and D. Kyle. 2015. 'Smart Transitions? Foreign Investment, Disruptive Technology, and Democratic Reform in Myanmar'. 82(2) *Social Research: An International Quarterly*, 'Special Issue: From Burma to Myanmar: Critical Transitions' 291–326.
2016. 'Smart Humanitarianism: Re-imagining Human Rights in the Age of Enterprise'. September, 42(6) *Critical Sociology*, 783–797.
- Dees, J. G. 1998. 'The meaning of social entrepreneurship'. Available at <https://entrepreneurship.duke.edu/news-item/the-meaning-of-social-entrepreneurship/>.
- Department for Trade and Industry. 1998. *Our Competitive Future: Building the Knowledge-driven Economy*. White paper. London: Department for Trade and Industry. Available at http://webarchive.nationalarchives.gov.uk/20070603164510/http://www.dti.gov.uk/comp/competitive/wh_int1.htm.
- DiMaggio, P. 1988. 'Interest and Agency in Institutional Theory' in Lynne Zucker (ed.) *Institutional Patterns and Organizations*. Cambridge: Ballinger, pp. 3–21.
- Duflos, E., P. Luchtenberg, L. Ren and L. Y. Chen. 2013. *Microfinance in Myanmar Sector Assessment*. Washington DC and Yangon: CGAP and International Finance Corporation, World Bank Group.

- Economic and Social Research Council. 2007. 'ESRC Society Today – Knowledge Economy Fact Sheet.' Available at <http://webarchive.nationalarchives.gov.uk/20071204130131/http://esrc.ac.uk/ESRCInfoCentre/facts/UK/index4.aspx?ComponentId=6978&SourcePageId=18132>.
- Fligstein, N. 1997. 'Social Skill and Institutional Theory'. 40 *American Behavioral Scientist* 397–405.
- Gill, I. and H. Kharas. 2015. *The Middle-Income Trap Turns Ten*. Policy Research Working Paper 7403. World Bank.
- Global Impact Investing Network. 2015. *The Landscape for Impact Investing in South Asia: Understanding the Current Status, Trends, Opportunities and Challenges in Bangladesh, India, Myanmar, Nepal, Pakistan and Sri Lanka*. GIIN.
- Graham, M. 2014. 'The Knowledge Based Economy and Digital Division of Labour' in V. Desai and R. Potter (eds) *Companion to Development Studies, 3rd edition*. London: Hodder, pp. 189–195. Available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2363880.
- Jenkins, M. 2015. 'It's not Charity: The Rise of Social Enterprise in Vietnam'. 31 March. *The Guardian*. Available at <http://www.theguardian.com/sustainable-business/2015/mar/31/its-not-charity-the-rise-of-social-enterprise-in-vietnam>.
- Kurasawa, F. 2007. *The Work of Global Justice: Human Rights as Practices*. New York: Cambridge University Press.
- Kyle, D. and J. Dale. 2016. *Inventing Scientific Creativity: A Forgotten Space Age Project to Mine 'Psychological Uranium' for War and Profit*. Unpublished ms. Under contract with Stanford University Press.
- Lagarde, C. 2015. *Lifting the Small Boats*. 17 June. International Monetary Fund. Available at <https://www.imf.org/external/np/speeches/2015/061715.htm>.
- Lauer, K. 2008. *Transforming NGO MFIs: Critical Ownership Issues to Consider*. Washington DC: CGAP.
- Lawrence, T. B. 1999. 'Institutional Strategy'. 25(2) *Journal of Management* 161–168.
- LEAP. 2014. *Bridges to Impact: A New Paradigm for Agri-Social Enterprises in Cambodia and Myanmar*. Singapore: LEAP.
- Lucas, R. Jr. 1988. 'On the Mechanics of Economic Development'. 22 *Journal of Monetary Economics* 3–42.
- Lwin, K. 2015. 'Entrepreneur Taps into the Travel Market'. 7 April. *The Myanmar Times*. Available at <http://www.mmmtimes.com/index.php/business/property-news/13953-entrepreneur-taps-into-the-travel-market.html>.
- Machlup, F. 1962. *The Production and Distribution of Knowledge in the United States*. Princeton, NJ: Princeton University Press.
- Maguire, S., C. Hardy and T. B. Lawrence. 2004. 'Institutional Entrepreneurship in Emerging Fields: HIV/AIDS Treatment Advocacy in Canada'. 47 *Academy of Management Journal* 657–679.

- Martin, R. L. and S. R. Osberg. 2015. *Getting Beyond Better: How Social Entrepreneurship Works*. Boston: Harvard Business Review Press.
- Min, K. 2014. 'Yanong Institute of Economics Launches Entrepreneurship Program'. 5 March. *Myanmar Business Today*.
- Oo, M. 2015. 'Local Enterprise Designs Affordable Solar Irrigation Pump'. 25 October. *Myanmar Business Today*.
- Organisation for Economic Co-Operation and Development. 1996. *The Knowledge-based Economy*. OCDE/GD(96)102. Paris: OECD.
- Porat, M. U. and M. Rubin. 1977. *The Information Economy: Development and Measurement*. Washington DC: Office of Telecommunications/US Government Printing Office.
- Powell, W. W. and K. Snellman. 2004. 'The Knowledge Economy'. 30 *Annual Review of Sociology* 199–220.
- Pwint, Z. 2015. 'Helping Hand: Three Social Enterprise Restaurants in Yangon'. 4 September. *The Myanmar Times*. Available at <http://www.mmmtimes.com/index.php/lifestyle/dining/16312-helping-hand-three-social-enterprise-restaurants-in-yangon.html>.
- Rao, H., P. Monin and R. Durand. 2003. 'Institutional Change in Tocqueville: Nouvelle Cuisines in French Gastronomy'. 108 *American Journal of Sociology* 795–843.
- Roberts, J. 2009. 'The Global Knowledge Economy in Question'. 5(4) *Critical Perspectives on International Business* 285–303.
- Roberts, J. and J. Armitage. 2008. 'The Ignorance Economy'. 26(4) *Prometheus: The Journal of Issues in Technological Change, Innovation, Information Economics, Communications, and Science Policy* 335–354.
- Romer, P. 1990. 'Endogenous Technical Change'. 98(5) *Journal of Political Economy* 71–102.
1994. 'Origins of Endogenous Growth'. 8(1) *Journal of Economic Perspectives* 3–22.
- Roughneen, S. and S. Aung. 2014. 'In Burma, Some Ex-Political Prisoners Heed Capitalism's Calling'. 8 February. *The Irrawaddy*. Available at <http://www.irrawaddy.com/feature/burma-ex-political-prisoners-heed-capitalisms-calling.html>.
- Sabeti, H. 2011. 'The For-Business Enterprise'. November. *Harvard Business Review*. Available at <https://hbr.org/2011/11/the-for-benefit-enterprise>.
- Slow, O. 2013. 'Myanmar Ready for Social Enterprises'. January, 24 *Myanmar Business Today*.
- Smith, K. 2002. 'What is the knowledge economy? Knowledge intensity and distributed knowledge bases'. Discussion paper. Tokyo: United Nations University/Institute for New Technologies.
- Trexler, J. 2008. 'Social Entrepreneurship as an Algorithm: Is Social Enterprise Sustainable?' 10(3) *E:CO* 65–85.

- UNCTAD. 2008. 'Summary: Creative Economy Report 2008'. UNCTAD/DITC/2008/2. Geneva and New York: UNCTAD. Available at http://unctad.org/en/Docs/ditc20082ceroverview_en.pdf.
- Unger, Roberto Mangabeira. 2015. 'Conclusion: The Task of the Social Innovation Movement' in Alex Nicholls, Julie Simon and Madeleine Gabriel (eds) *New Frontiers in Social Innovation Research*. New York: Palgrave Macmillan, Kindle Edition, Location 5319–7037.
- United Nations. 2014. *Millennium Development Goals Report*. New York: United Nations.
- Wai, Z. 2015. Building Markets Open Training Center for Entrepreneurs in Mandalay. 9 July. *Myanmar Business Today*.
- Warren, R. L. 1967. 'The Inter-organizational Field as a Focus for Investigation'. 12 *Administrative Science Quarterly* 396–419.
- Williams, C. and S. Nadin. 2011. 'Entrepreneurship in the Informal Economy: Commercial or Social Entrepreneurs?' 8(3) *International Entrepreneurship and Management Journal* 309–324.
- Win, S. 2015. 'US Agricultural Giant Ramps up in Myanmar'. 27 October. *The Myanmar Times*.
- Wooten, M. and A. J. Hoffman. 2013. 'Organizational Fields: Past, Present and Future' in R. Greenwood, C. Oliver, R. Suddaby and K. Sahlin (eds) *The Sage Handbook of Organizational Institutionalism*. Los Angeles: Sage, pp. 130–148.
- World Bank. 1999. *Knowledge for Development: World Development Report*. New York: Oxford University Press.
2012. *International Development Association and International Finance Corporation Interim Strategy Note For the Republic of the Union of Myanmar For the Period FY13–14*. Southeast Asia Country Management Unit.
2015. *Myanmar Investment Climate Assessment: Sustaining Reforms in a Time of Transition*. Washington DC: World Bank.
- World Economic Forum. 2015. *Outlook on the Global Agenda 2015*. Geneva: WEF.
- Yockey, J. W. 2015. 'Does Social Enterprise Law Matter?' 66 *Alabama Law Review* 767.
- Yunus, M. 2010. *Building Social Business: The Kind of Capitalism That Serves Humanity's Most Pressing Needs*. New York: PublicAffairs.
- Zucker, L. 1988. *Institutional Patterns and Organizations*. Cambridge: Ballinger.