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MYANMAR DILEMMAS AND OPTIONS

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MYANMAR DILEMMAS AND OPTIONS

**The Challenge of Economic
Transition in the 1990s**

**Edited by
MYA THAN & JOSEPH L.H. TAN**



**ASEAN Economic Research Unit
INSTITUTE OF SOUTHEAST ASIAN STUDIES**

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PREFACE

Many rapid and dynamic changes in the political, social, and economic sectors in the Union of Myanmar have occurred since the present government, the State Law and Order Restoration Committee (SLORC), took over power from the defunct Burmese Socialist Programme Party (BSPP) in September 1988. The most important change has been the government's decision to switch the economy from a "socialist" one to free market capitalism by abolishing the "Burmese Way to Socialism". Furthermore, the words "Socialist Republic" in the official title of the nation have been removed so that Burma has become "The Union of Myanmar" or "Myanmar Naing-Ngan", and the Union of Burma Foreign Investment Law which was promulgated has become a symbol of an "open-door policy". Moreover, border trade with China has been formalized, and fishing and logging rights have been sold to friendly nations in Asia. Many joint venture companies are also being set up in the agricultural, trade and oil sectors.

At the same time, the government has announced that a general election would be held in May 1990 and all contesting political parties would be allowed to start their election campaign three months prior to the election date. This means that the political parties have to formulate and present their policies for public discussion and debate in early 1990. Presumably, all the policies, despite their differences in political and ideological persuasions, would mainly focus on various issues concerning the development of Myanmar.

Although the final shape and outcome of such innovations and initiatives are uncertain, Myanmar is indeed at a critical cross-road in its history and development, and it was accordingly thought appropriate and timely that the Institute of Southeast Asian Studies should get together a group of scholars interested in Myanmar to produce a volume on Myanmar's options in terms of restructuring its economy. It was understood too that such options would have to be set in the context of global as well as regional trends.

The papers in this volume attempt to identify the major issues concerning the role of the state and economic management, the new directions in resource, agricultural and industrial development and the challenges arising from the opening up of the economy to the stimuli of external trade and capital movements.

Contributors to this volume include not only Myanmar economists inside and outside the country but also foreign specialists who analyse the different aspects of economic development in Myanmar from both macro- and micro-level perspectives. However, as in most developing countries, economic data on Myanmar are very limited. Even the scanty official data suffer from weaknesses in terms of accuracy and reliability. Despite these limitations, overall trends may be reasonably accurate and on that basis the contributors have attempted to find a helpful prescription for the development of Myanmar in the 1990s.

Finally, while we encourage all points of view, needless to say, the individual contributors are solely responsible for the facts and opinions expressed in their respective papers, and their interpretations do not necessarily reflect the views and policies of the Institute or its supporters.

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