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# MYANMAR IN ASEAN

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# MYANMAR IN ASEAN

# REGIONAL COOPERATION EXPERIENCE

# **MYA THAN**



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E-mail: publish@iseas.edu.sg

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This book is dedicated to my mother and all of those who taught me aspects of life. The country casts a kind of spell over its friends which they cannot break if they would. John F. Cady A History of Modern Burma (1958)

This is Burma, and it will be quite unlike any land you know about.

Rudyard Kipling

Letters from the East (1898)

# **Table of Contents**

List	t of Ta	bles ana	l Boxes	$\chi$
Pre	face			xii
Ack	nowle	dgement	ts	xiv
Abl	reviat	ions		xv
ASI	EAN O	)rganiza	tional Structure	xviii
1.	Introduction: Southeast Asia, Myanmar and ASEAN			1
	1.1	What is Southeast Asia?		
	1.2	Socio-	cio-economic Characteristics of Southeast Asian Nations:	
		A Brie	ef Overview	2
	1.3	Myanı	mar: Geography, Demography and Natural Resources	7
	1.4	What is ASEAN?		9
	1.5	Objective of the Study		9
2.	ASEAN: Evolution of Regional Cooperation in Southeast Asia		11	
	2.1 Evolution of Regional Cooperation and the Formation of ASEAN		tion of Regional Cooperation and the Formation	
			EAN	11
		2.1.1	Objectives of ASEAN	14
	2.2 Political and Security Cooperation		eal and Security Cooperation	15
		2.2.1	Intra-ASEAN Security Cooperation	21
		2.2.2	ASEAN and the Major Powers	22
		2.2.3	The ASEAN Regional Forum (ARF)	23
		2.2.4	ASEAN and Other Regional Organizations	24
	2.3	Econo	Economic Cooperation: From PTA to AFTA and AFTA-Plus	
		2.3.1	From PTA to AFTA	26
		2.3.2	ASEAN Free Trade Area (AFTA)	29
		2.3.3	Cooperation beyond AFTA	36
		2.3.4	ASEAN Investment Area (AIA)	37
		2.3.5	ASEAN Vision 2020	38
		2.3.6	Intra-ASEAN Trade and Investment	39
		2.3.7	External Linkages of ASEAN Economic Cooperation	40

## viii CONTENTS

	2.4	Functional Cooperation	47	
	2.5	The ASEAN Organizational Structure	51	
	2.6	Achievements and Problems of ASEAN	55	
3.	Political and Economic Development of Myanmar: An Overview			
	3.1	Myanmar: A Brief History	59	
		3.1.1 Constitutional Democracy, 1948–61	61	
		3.1.2 Revolutionary Council, 1962–73	65	
		3.1.3 Burma Socialist Programme Party, 1974–88	66	
		3.1.4 Under the SLORC and SPDC, 1988–2001	69	
	3.2	Recent Developments in the Social Sector	76	
	3.3	Summary	79	
4.	Mya	nmar in ASEAN	83	
	4.1	Why Myanmar Decided to Join ASEAN	84	
	4.2	How Ready was Myanmar to Join ASEAN?	86	
	4.3	Myanmar's Participation in ASEAN	88	
5.	Mya	Myanmar-ASEAN Cooperation for Development		
	5.1	Myanmar-ASEAN Political and Security Cooperation	91	
	5.2	Myanmar-ASEAN Cooperation for Economic Development	93	
		5.2.1 Myanmar-ASEAN Economic Relations	93	
		5.2.2 Myanmar in ASEAN Economic Cooperation Schemes	99	
	5.3	Myanmar-ASEAN Functional Cooperation	103	
	5.4	Impact and Implications of Myanmar Joining ASEAN	104	
		5.4.1 Political Implications of Joining ASEAN	104	
		5.4.2 Economic Implications of Joining ASEAN	109	
	5.5	Summary	118	
6.	Conclusion: Issues and Challenges			
	6.1	Issues and Challenges Relating to ASEAN	121	
	6.2 Issues and Challenges Relating to Myanmar's Accession			
		to ASEAN	124	
Pos	tscript		127	
Bibliography			129	

Appendix I:	The ASEAN Declaration (Bangkok Declaration), 8 August 1967	137
Appendix II:	Zone of Peace, Freedom and Neutrality Declaration (Kuala Lumpur Declaration), 27 November 1971	141
Appendix III:	Treaty of Amity and Cooperation in Southeast Asia, Indonesia, 24 February 1976	144
Appendix III (a):	Protocol Amending the Treaty of Amity and Cooperation in Southeast Asia, Philippines, 15 December 1987	149
Appendix III (b):	Second Protocol Amending the Treaty of Amity and Cooperation in Southeast Asia	151
Appendix IV	Declaration of ASEAN Concord, Indonesia, 24 February 1976	153
Appendix V:	Hanoi Plan of Action	158
Appendix VI:	ASEAN Vision 2020	180
Appendix VII:	Treaty on the Southeast Asia Nuclear Weapon-Free Zone	186
Appendix VIII:	Agreement on the Common Effective Preferential Tariff Scheme for the ASEAN Free Trade Area	197
Appendix VIII (a):	Protocol to Amend the Agreement on the Common Effective Preferential Tariff Scheme for the ASEAN Free Trade Area	204
Appendix IX:	Joint Statement on East Asia Cooperation, 28 November 1999	207
Index		211

# List of Tables and Boxes

Table 1.1	Selected Economic Indicators, 2001: ASEAN	3
Table 1.2	Selected Social Indicators, 2001: ASEAN	6
Table 2.1	Number of Tariff Lines in the Tentative CEPT Product	
	List for 2001	31
Table 2.2	Number of Tariff Lines with Tariffs 0–5 Per Cent by 2001	32
Table 2.3	Average CEPT Tariff Rates (1999–2003)	33
Table 2.4	Intra-Regional Export Shares, 1990–98	39
Table 2.5	Intra-ASEAN Trade: Trade Share (1975–2001)	40
Table 3.1	GDP, Per Capita GDP and Consumption (in million kyats)	63
Table 3.2	Sectoral Shares of GDP (%)	64
Table 3.3	Share of Employment by Economic Sectors (%)	64
Table 3.4	Average Annual Growth Rates and Sectoral Shares of GDP (%)	68
Table 3.5	Economic Performance: 1962–88	69
Table 3.6	Economic Performance: 1989–2001	74
Table 3.7	GDP Growth Rates (1989/90–2000/01)	75
Table 3.8	Selected Social Indicators in Selected Countries	77
Table 5.1	Myanmar's Exports and Imports with ASEAN-6	95
Table 5.2	Myanmar-ASEAN Trade: Imports of Myanmar	96
Table 5.3	Myanmar-ASEAN Trade: Balance of Trade	97
Table 5.4	Foreign Direct Investment (Approved) Flow into Myanmar	
	(as of 31/1/02)	97
Table 5.5	Tourist Arrivals in Myanmar by Country	98
Table 5.6	CEPT Scheme of Myanmar	100
Table 5.7	CEPT Product List for ASEAN-10	100
Table 5.8	Trade and FDI Flows between CLMV and ASEAN-6	115

## LIST OF TABLES AND BOXES xi

Box I	Significant Reform Measures in Myanmar	72
Box II	Status of Economic Reforms in Myanmar	73
Box III	Myanmar-ASEAN Environmental Cooperation	106

# **Preface**

The objective of this book is to help tertiary students of economics, history, international studies and economic geography in Myanmar to widen their knowledge of ASEAN and its integration process in general and ASEAN-Myanmar cooperation and Myanmar's accession to ASEAN in particular. Textbooks and reference books in English for university students in Myanmar in all academic disciplines have become rare as a result of the country's isolation since 1962, when the military took over.

Soon after the military takeover, nationalization was introduced in economic and service sectors such as foreign trade, domestic wholesale trade, foreign and domestic banks, industries, fisheries, and mining, under the "Burmese Way to Socialism". Even private hospitals and schools were nationalized as required by the new self-reliance policy.

Consequently, in 1964, the medium of instruction in all academic institutions of primary, secondary and tertiary levels was changed — from English to Burmese. University staff were asked to prepare textbooks in Burmese; many of them were translated from old English textbooks. A number of compulsory textbooks in Burmese were published in the late 1960s and early 1970s but most of these have never been updated.

Then in 1981, English was reintroduced as a medium of instruction at schools and universities but at a very slow pace. The English language was again taught at primary schools despite many obstacles such as the lack of qualified teachers and teaching aids.

After a military coup in 1988, the ruling State Law and Order Council (SLORC) opened up the economy. Part and parcel of the economic reforms included liberalization of foreign and domestic trade, introduction of foreign and domestic investment laws, and private sector development. Thus English has once again become an important medium of communication and is being revived at the universities. The private sector has also been active in opening up English language schools, business schools and computer schools.

Moreover, SLORC (which changed its name to the State Peace and Development Council [SPDC] in 1997), unlike previous military regimes, has a proactive foreign

policy by involvement in international forums, including securing ASEAN membership. Thus interest in the English language has also rapidly grown in the country as the role of English as a language of learning, business, technology, international relations and diplomacy is being recognized.

However, there remains the enormous problem of a lack of textbooks and reference books in English at all levels of education, particularly academic books on subjects related to Myanmar compiled by native scholars. Moreover, due to a lack of foreign earnings, school libraries have been unable to buy textbooks and reference books in foreign languages.

Furthermore, as Myanmar joined ASEAN in 1997, the author feels that students of economics, history and international relations and businessmen should understand the impact and implications of Myanmar joining ASEAN. While there are several articles and book chapters by Myanmar citizens (locals as well as expatriates), these are either not in a book form or not in English.

Hence, it is obvious that there is an urgent need to fill the vacuum created by the lack of reference material in English, particularly on Myanmar's accession to ASEAN, for students, businessmen, scholars and others interested in the subject. The author hopes that this book will help fill the gap in a small way.

This book begins with the formation of ASEAN, its evolution and its integration process. Before it continues to explain and analyse the impact of Myanmar's accession to ASEAN, a brief overview of the country's political and economic development is also presented.

However, there are limitations to this study. There are a plethora of studies on ASEAN in its more than 35 years of existence and the author could not include all aspects of the regional association's operations. As an economist, the author might be biased in his presentation of ASEAN's evolution and the associated issues and challenges as well as his analysis of Myanmar's development, and the impact and implications of its accession. However, he also tries to assess ASEAN and its relations with Myanmar from political and security perspectives.

The author would be delighted, despite these limitations, if readers find this work useful.

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# **Abbreviations**

ADB Asian Development Bank

AEGDM ASEAN Expert Group on Disaster Management

AEM ASEAN Economic Ministers

AEMM ASEAN Economic Ministers Meeting

AFDM ASEAN Finance and Central Bank Deputies Meeting

AFMM ASEAN Finance Ministers Meeting
AFPFL Anti-Fascist People's Freedom Party

AFTA ASEAN Free Trade Area
AIA ASEAN Investment Area

AIC ASEAN Industrial Complementation
AICO ASEAN Industrial Cooperation

AIDC Asian Industrial Development Council

AIEDP Asian Institute for Economic Development and Planning

AIJV ASEAN Industrial Joint Ventures

AIP ASEAN Industrial Projects

AMBDC ASEAN-Mekong Basin Development Cooperation

AMM ASEAN Ministerial Meeting

APEC Asia Pacific Economic Cooperation
APIAN APEC International Assessment Network
APII Asia Pacific Information Infrastructure

ARF ASEAN Regional Forum
ASA Association of Southeast Asia
ASC ASEAN Standing Committee

ASCLA ASEAN Subcommittee on Labour Affairs
ASCOE ASEAN Subcommittee on Education
ASEAN Association of Southeast Asian Nations

ASEM Asia-Europe Meeting
ASM ASEAN Summit Meeting

ASOD ASEAN Senior Officials on Drug Matters
ASOEN ASEAN Senior Officials on the Environment

### xvi ABBREVIATIONS

ASEM Asia Europe Meeting

ASPAC Asian and Pacific Council

ASY ASEAN Subcommittee on Youth ATFOA ASEAN Task Force on AIDS BSPP Burma Socialist Programme Party

BWS Burmese Way to Socialism
CBMs confidence-building measures

CEPT Common Effective Preferential Tariff

CER Australia and New Zealand Closer Economic Relations Trade

Agreement

CMI Chiang Mai Initiative

CMLV Cambodia, Myanmar, Laos and Vietnam

COCI (ASEAN) Committee on Culture and Information COSD (ASEAN) Committee on Social Development COST (ASEAN) Committee on Science and Technology

CSO Central Statistical Organization

DEFAT Department of Foreign Affairs and Trade, Australia ECAFE Economic Commission for Asia and the Far East

EEAU East Asian Analytical Unit (DEFAT)

EPG Eminent Persons Group

ESCAP Economic Commission for Asia and the Pacific (UN)

EC European Commission

EU European Union

FDI foreign direct investment

FTA free trade area

GATT General Agreement on Tariffs and Trade

GEL General Exclusion List (of products under CEPT)

GSP Generalized System of Preferences

HPA Hanoi Plan of Action

HRD human resource development
IAI Initiative for ASEAN Integration

ICT Information and Communications Technology

IPR Intellectual Property Rights
IL Inclusion List (under CEPT)
IMF International Monetary Fund

ISI import-substituting industrialization

IT information technology

MERCOSUR Common Market of the South

MFN most-favoured-nation

NAFTA North American Free Trade Agreement
NBIP non-binding investment principles
NIEs newly industrializing economies
NLD National League for Democracy

NTB non-tarriff barrier NTM non-tariff measure

OECD Organization for Economic Cooperation and Development

PBEC Pacific Basin Economic Council

PECC Pacific Economic Cooperation Council

PMC Post-Ministerial Conference PPP purchasing power parity

PTA Preferential Trading Arrangement

RTA regional trade agreements

SAARC South Asian Association for Regional Cooperation

SADC South Africa Development Community

SC Standing Committee

SEANWFZ Southeast Asian Nuclear Weapons Free Zone

SEATO Southeast Asia Treaty Organization

SEE state economic enterprises

SEOM Senior Economic Officials Meeting
SL Sensitive List (of products under CEPT)
SLORC State Law and Order Restoration Council

SME small- and medium-enterprise

SMEWG Small and Medium Enterprise Working Group

SOE state-owned enterprise
SOM Senior Officials Meeting
S&T science and technology

SPDC State Peace and Development Council
TAC Treaty of Amity and Cooperation (ASEAN)
TEL Temporary Exclusion List (under CEPT)

TFP total factor productivity

TILF trade and investment liberalization and facilitation

TRIMs Trade-Related Investment Measures

TRIPs Trade-Related Aspects of Intellectual Property Rights

TRQ tariff-rate quotas

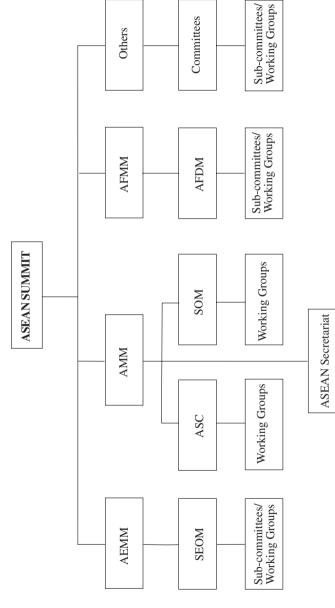
UNDP United Nations Development Program

USDA Union of Myanmar Solidarity and Development Association

WTO World Trade Organization

ZOPFAN Zone of Peace, Freedom and Neutrality

# FIGURE I ASEAN Organizational Structure



AEMM: ASEAN Economic Ministers Meeting

AMM : ASEAN Ministerial Meeting

AFMM: ASEAN Finance Ministers Meeting SEOM: Senior Economic Officials Meeting

ASC : ASEAN Standing Committee SOM : Senior Officials Meeting

SOM : Senior Officials Meeting AFDM : ASEAN Finance and Central Bank Deputies Meeting

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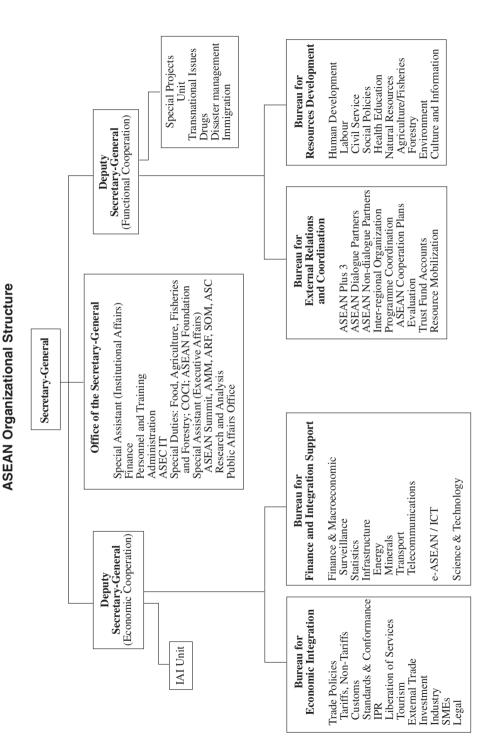


FIGURE II

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