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Myanmar Country Report

Khin Khin Htwe

Yangon Institute of Economics, Ministry of Education

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Means to avoid marginalizing less developed nations

In an increasingly globalized economy, the economic integration of EAC not only encourages and strengthens the position of member-states in the region but also brings the group closer to EAFTA. Economic integration would, among others, allow countries to focus on their comparative advantages as well as create an attractive destination for FDI. An East Asian integration poses many challenges for countries in ASEAN such as CLMV; on the other hand, it also offers opportunities for a deeper economic integration even to less developed countries such as CLMV. Appropriate resources should be allocated to ensure the full participation of these countries in the integration process.

One important consideration is the diversification of economies among member-countries. To avoid marginalizing less developed member-countries from economic benefits, the development gap between member-countries need to be narrowed down by facilitating programs in physical infrastructure such as transport, telecommunications, and energy networks; human resource development (e.g., by giving training programs, sending technical experts and providing equipment); Information and Communications Technology (ICT) and regional economic integration. However, one has yet to see effective equalizing programs that can truly level the playing field on behalf of less developed member-countries.

Recognizing benefits of integration

Nonetheless, closer and deeper economic integration among member-countries is expected to result in more economic interdependence and shared interests. Further market liberalization also makes economic transaction faster and more efficient. Moreover, economic integration calls for strengthening governmental cooperation in providing a better economic development environment and preventing or mitigating any market crisis. At the same time, Myanmar endeavors to create closer economic integration with ASEAN and EAC by entering into several arrangements, and supports the move toward an EAFTA.