**RESEARCH ARTICLE**  |  **OPEN ACCESS**

# A STUDY OF MYANMAR'S TRADE PERFORMANCE WITH OTHER BIMSTEC NATIONS IN POST TRANSITION PERIOD (2011-2023)

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## ARTICLE INFO

## ABSTRACT

Since the past, the country has cooperated with other countries in economy, and other fields which play a vital role in the development in these days. Countries collaborate on a regional or international level. As a result, Myanmar is a member in regional organisations such as BIMSTEC comprised of seven nations (Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, and Thailand). This paper examines Myanmar's trade performance in BIMSTEC after Myanmar's transition period. It aims to understand BIMSTEC countries' GDP, inflation, and unemployment trends, and to examine Myanmar's trade performance with other BIMSTEC countries. This paper used secondary data on Myanmar's trade with other BIMSTEC countries; GDP, inflation, and unemployment rates in these BIMSTEC countries; and data of exports and imports in US dollars from 2011-2012 to 2022-2023. The collected data is analysed for Correlation, Regression, and One-Way ANOVA, along with data interpretation. According to the study, Myanmar has positive correlation with Bangladesh and Sri Lanka but negative correlation with India, Nepal, and Thailand. It cannot be discovered in the case of Bhutan. Thailand is Myanmar's best trading partner among the BIMSTEC countries, and Myanmar's trade relations are not significantly different with all other BIMSTEC nations.

# INTRODUCTION

Myanmar, a Southeast Asian country with a rich cultural heritage and immense natural resources, has been gradually emerging as a key actor in the regional trading environment. Myanmar participates in international and regional organisations for economic, technological, energy, and other sector cooperation. Myanmar is a member of several regional organisations, including BIMSTEC. Myanmar's membership in this regional bloc has enormous economic and geopolitical ramifications, making it a topic of intense interest and research. In recent years, Myanmar's integration into the global economy has been a notable phenomena. Because of its strategic location between South Asia and Southeast Asia, the country serves as an important trading bridge between these two regions. The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is a regional organisation comprised of seven member states (Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, and Thailand) from the Bay of Bengal region. It is a unique link between South and Southeast Asia. The BIMSTEC region includes 1.67 billion people and a combined GDP of over US $3 trillion (Jahanger *et al*., 2023). BIMSTEC has the potential to transform economies of member countries and to foster a peaceful, prosperous, and interconnected neighbourhood. The path from potential to reality will be successful only if all players and stakeholders work together to play their roles effectively in order to

realise a shared dream of peace, security, and prosperity for this vibrant region. For the better economy, trade is one of the key aspects, especially for developing countries like Myanmar. Favourable trade can aid the country's economic development. In addition, Myanmar's trade performance in BIMSTEC will be examined subsequently. Knowing the trade performance allows the country to consider promoting exports in order to trade favourably with other countries.

*Objectives:* The main objective of the research paper is to study the trade performance of Myanmar with other BIMSTEC nations after Myanmar's transition period (2011-2023). The objectives of the study are

- To understand the trends of GDP, Inflation and Unemployment rate of BIMSTEC nations
- To know the trade performance of Myanmar with other BIMSTEC nations after the transition period of Myanmar (2011-2023).

*Research Questions*

The research questions of this research paper are

(1) How is the trend of GDP, Inflation and Unemployment rate for BIMSTEC countries?

(2) Which BIMSTEC countries have favourable trade for Myanmar and which are unfavourable?

## Hypothesis Statement

$H_0$ 1: There is a significant impact of BIMSTEC on Myanmar's imports from BIMSTEC countries.

$H_0$ 2: There is a significant impact of BIMSTEC on Myanmar's exports to BIMSTEC countries.

$H_0$ 3: There is a significant difference in Myanmar's trade relations (Exports, Imports, Total trade, Trade balance) with all other BIMSTEC nations.

# REVIEW OF LITERATURE

The idea of BIMSTEC as a bridge between South and Southeast Asia is appealing to SAARC's failing narrative. BIMSTEC's connectivity projects make significant development providing a significant boost to integration (Mohan, 2016) and it is an important aspect of India's continuous efforts to map out new paths of geoeconomic cooperation among BIMSTEC member countries in the region and also the completion of a free trade agreement between BIMSTEC countries can be a game changer for boosting trade and investment in the extended region (Chand, 2014). BIMSTEC also emphasize in framing a common identity focusing on connectivity and improved logistics, building BIMSTEC University for idea exchange and trust development and the development of BIMSTEC's soft power appeal in order to make it a more sustainable regional organization (Marwah *et al*., 2023). Almost all the BIMSTEC countries, with the exception of Myanmar and Thailand, have similar cultures, languages and levels of per-capita income which can facilitate the regional trade and observed that India's intra-industry trades in Agriculture among the BIMSTEC countries have pointed out very less potential for trade in all 24 agriculture chapters and suggested the policy makers to reframe the policies for the improvement of the countries' trade balance (Bhardwaj *et al*., 2023). BIMSTEC, a subregional cooperation project that seeks to capitalize on the synergies, complementarities benefits of common geography and history, provides an opportunity for India to strengthen connection with its eastern neighbours in accordance with its basic Look East and Act East agendas and geostrategic importance and the Bay of Bengal community help SAARC also promote a South Asian free trade zone (Rao, 2020).The role of Sri Lanka is also distinct in BIMSTEC with a potential agenda for 2018-2020. Sri Lanka can encourage BIMSTEC to address maritime security challenges other than terrorism and BIMSTEC countries has the responsibility for over 30% of the fishermen in the world (Zylva and Hundlani, 2018) and Sri Lanka, being a sector-in-charge of technology for a pivotal role in the trade and security sectors, is the best country in a good strategic position to strengthen regional groupings in the region and also strong supporter in India (Manoharan and Dhanabalan, 2020).

Forming an FTA within BIMSTEC countries will give positive welfare effect. Bangladesh has a negative welfare effect in the first simulation of full employment but it is the opposite in second simulation of unemployment. Forming a BIMSTEC FTA will be insignificant for Bangladesh with regard to intra-BIMSTEC export generation (Hossain, 2013). Potential economic impact of the BIMSTEC economic cooperation as well as the BIMSTEC FTA could promote the growth for the region but the trade transaction cost is one of the major trading barriers prohibiting the growth of BIMSTEC intra-regional trade (Rahman and Kim, 2015) and Thailand and Bangladesh are anticipated to encounter a positive welfare gain with India while the remaining countries are in opposite (Rahman and Kim, 2016). It will be advantageous for the BIMSTEC countries to form an FTA and it also finds out that the chief determining factors of export performance is both income and price competitiveness (Banik, 2007) but trade openness will also not be favorable for BIMSTEC countries for promoting economic growth since it shows negative significant within the BIMSTEC countries excluding India and Thailand (Towhid and Kiyoto, 2019). India's

overall trade balances across various energy sector were positive and increased among BIMSTEC, BIMSTEC+Japan between 2009 and 2013, tariffs are not a major concern among BIMSTEC and BIMSTEC+1 member countries, and BIMSTEC and proposed BIMSTEC+1 FTA would promote the trade of energy sector items in the regions and all the concerned countries (Banerjee and Dey, 2016). Among BIMSTEC members, organic Agri products had enough scope of potential, the intra-BIMSTEC trade volume is still in its early stages, especially in organic Agri sector which needed to promote and a BIMSTEC FTA would benefit the trade of organic Agri products in these regions in which this process all the concerned countries would benefit (Chatterjee *et al*., 2023). Based on the secondary data, there is bidirectional causality between GDP and export among BIMSTEC countries and the exports led growth and growth-led export in case of BIMSTEC are also supported (Kaur *et al*., 2017) and there is causality between FDI inflows and imports to exports for the region and from imports and exports to FDI inflows. Likewise, there is also causal evidence in the panel for the region during the sample period from FDI inflows and exports to imports (Rahman and Grewal, 2017). In traditional gravity model, the GDP of exporter and importer have high elasticities, distance is highly significant and so is FTA and tariffs are insignificant but in structural gravity model, distance, FTA, contiguity and common language are significant. Despite instances of over-exports in the region, the intraregional exports will result higher than a better BIMSTEC integration and the prospective BIMSTEC exports as suggested by the structural gravity model are significantly higher than the current exports and only Nepal and Myanmar appear to be over-exporting to the region (Sidhu *et al*., 2020).

By using gravity model based on secondary data from 1997 to 2018, Heckscher-Ohlin-Samuelson theorem explained India's trade pattern with other BIMSTEC countries and the independent factors such as GDP, per capita GDP, trade GDP ratio, common border had a significant positive impact on trade between India and country j (other BIMSTEC countries) while tax and distance had negative correlation with the total trade of the nations (Rai *et al*., 2021) and based on secondary data from 1997 to 2019 using gravity model, GDP is consistent and distance is inconsistent, the market size of BIMSTEC countries had insignificant negative impact on trade and there is convergence in INDOBIMSTEC trade indicating that India has trade potential with Bhutan, Nepal, Sri Lanka and Thailand, and China's increasing trade with BIMSTEC countries became a threat to INDO-BIMSTEC trade relation which led to decrease India's trade with BIMSTEC countries (Singh *et al*., 2022). The subregional connectivity projects, like BIMSTEC connectivity projects are important for the development of India's landlocked northeastern region, the insufficiency and ineffectiveness of physical connectivity for the development of trade and business between countries remains limited but better physical connectivity can benefit people in northeast India if it combines with measures to boost people-to-people unity (Srikanth, 2016). Sri Lanka is the best trading partner of India among all the BIMSTEC nations (Saxena and Bhadauriya, 2012), India had the long-run advantage of fully exploiting the potential of economic integration in the Bay of Bengal region (Kaur, 2020) and India can intensify its efforts to intensify the trade and investment relations with the BIMSTEC grouping based on the secondary data using Revealed Comparative Advantage to simple Balassa Index (Raghuramapatruni, 2018). BIMSTEC-India collaboration is required for BIMSTEC nation state economic escalation and the numerous actions such as trade liberalization and facilitation, technological cooperation and the development of regional transport and communication infrastructure should be taken to improve the trade performance (Jyotsna and Neha, 2021). A study by Basu and Soumyapointed out the technological advancements made by BIMSTEC member states and assessed how Sri Lanka has evolved and what obstacles lie ahead for the regional bloc by examining the significance of technology imports and high digital skill levels in the workforce, and how these will contribute to national economic growth and also highlighted member countries can get benefits if they digitise their economies while also establishing relevant rules (Basu and Soumya, 2023).

**Background of Myanmar:** Myanmar (previously known as Burma) is a Southeast Asian country where India and China meet. Myanmar is one of the new and emerging tourist destinations in South East Asia. Myanmar is bordered with China in the north and northeast, Laos and Thailand in the east and southeast, Bangladesh and India in the west. The total area of the country is 677,000 square kilometres. It is composed of 135 national races, with the eight main national races of Kachin, Kayah, Kayin, Chin, Bamar, Mon, Rakhine, and Shan. According to Department of Population of Myanmar based on the 2014 Census, the total population of the country is 56,254,887 people as of October 1, 2023. Myanmar gained independence from the British on January 4, 1948, in accordance with the 1947 Constitution, which is based on the parliament system. The caretaker administration handed over control in 1958. Following the 1960 election, the caretaker government handed over control to the Clean Anti-Fascist People's Freedom League (AFPFL), which was led by former Premier U Nu and gained a large majority of legislative seats. However, in 1962, the military led by General Ne Win staged a coup and overturned the 1947 Constitution. Myanmar's 1974 constitution went into effect on January 4, 1974, and was suspended following a military takeover on September 18, 1988. Myanmar later joined ASEAN in 1947 in order to lessen China's influence. In the same year, Myanmar also joined BIMSTEC as a member of it. The new constitution was then ratified in late May 2008, and two years later, in November 2010, a general election was held for the so-called transition period. According to the 2008 Constitution, the USDP administration led by Thein Sein assumed constitutional executive authority in the country on March 30, 2011. In a 2012 by-election, the National League for Democracy (NLD) candidates led by Aung San Suu Kyi won 43 of the 45 seats up for grabs. Then, in November 2015, a general election for a new term in parliament was held. That election was won by the NLD, and the NLD administration assumed office on April 1, 2016. The NLD also secured an overwhelming majority of seats in both legislative chambers in the 2020 general election. But, the military seized power again on February 1, 2021.

***Background of BIMSTEC:*** The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, in short, BIMSTEC, is a regional organization established on 6 June 1997 with the Bangkok Declaration. When it was established, it was only with Bangladesh, India, Sri Lanka and Thailand (also known as BIST-EC) for economic cooperation but the organization is now known as BIMSTEC and comprises seven member countries with the new admission of Myanmar on 22 December 1997, and Bhutan and Nepal in February 2004. BIMSTEC's headquarter is in Dhaka, Bangladesh. The main objective of the regional cooperation was to promote the economic cooperation between the Bay of Bengal countries. The institutional evolution of BIMSTEC has been gradual, supporting an institutionalised framework for strengthening and enhancing cooperation. As a sector-driven grouping, BIMSTEC began in 1997 with only six sectors (trade, technology, energy, transport, tourism, and fisheries) and expanded in 2008 to include agriculture, public health, poverty alleviation, counter-terrorism, environment, culture, people-to-people contact, and climate change. BIMSTEC cooperation was reorganized in 2021 under the following sectors and sub-sectors led by the respective Member States:

| Bangladesh | Trade, Investment and Development |
|---|---|
| Bhutan | Environment and Climate Change |
| India | Security<br>Sub-sectors: Counter-Terrorism and Transnational Crime, Disaster Management, Energy |
| Myanmar | Agriculture and Food Security<br>Sub-sectors: Agriculture, Fisheries and Livestock |
| Nepal | People-to-People Contact<br>Sub-sectors: Culture, Tourism, People-to-People Contact (forums of think tanks, media etc.) |
| Sri Lanka | Science, Technology and Innovation<br>Sub-sectors: Technology, Health, Human Resource Development |
| Thailand | Connectivity |

**Figure 1.The Official Emblem of BIMSTEC**

# METHODOLOGY

In this paper, the researchers have done a quantitative research design. The data used in this paper are based on the secondary data of Myanmar's trade with other BIMSTEC countries from the period of 2011-2023 and GDP, inflation and Unemployment rate of these BIMSTEC countries from the period of 1997-2022 collected from the Government websites, especially Ministry of Commerce and also World Bank WebsiteStatista Website and IMF Website. The time series data related to the exports and imports for the period from 2011-2012 to 2022-2023 in US dollars. The time series in US dollars can be taken to remove the effects of changes in exchange rate. For the study to be more accurate and scientific and to make the findings logical, the collected data are analyzed by using the statistical tool (E View) such as Correlation, Regression, Tests of Significance and One-Way ANOVA with the data interpretation.

# DATA ANALYSIS

In data analysis section, there are two parts: trends of GDP, Inflation and Unemployment rate of BIMSTEC countries for a period of 1997-2022 after Myanmar has become the BIMSTEC member country and as the second part, trade performance of Myanmar with other BIMSTEC countries for the periods of 2011 (April) -2012 (March) to 2022 (April) -2023 (March) after Myanmar's transition period of 2011. As the first part, the trends of GDP, Inflation and Unemployment rate of BIMSTEC countries: Bangladesh, Bhutan, India, Myanmar (formerly known as Burma), Nepal, Sri Lanka and Thailand are shown in figure 2, 3, 4, 5, 6, 7 and 8.
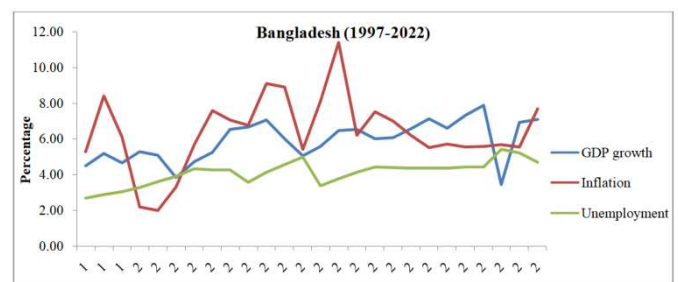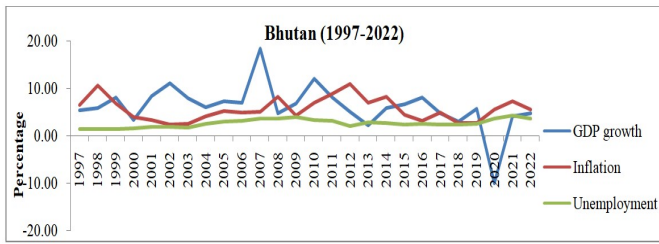


*Source: Authors' Own based on the data from World Bank Website*

**Figure 2. GDP growth rate, Inflation and Unemployment rate in Bangladesh (1997-2022)**

Figure 2 pointed out Bangladesh's GDP growth rate (1997-2022) as a fluctuating trend. The highest GDP growth rate in the last 26 years is 7.88% in 2019, whereas the lowest is 3.45% in 2020 due to COVID-19. Bangladesh had the highest inflation rate of 11.40% in 2011 and the lowest rate of 2.01% in 2001. The highest unemployment rate is in 2020 (5.41%), while the lowest is in 1997 (2.69%).

According to Figure 3, Bhutan's highest GDP growth rate is 18.36% in 2007, before to the global financial crisis, and the lowest is -10.01% in 2020. In terms of inflation, the highest rate was 10.92% in 2012, and the lowest was 2.46% in 2002. The highest unemployment rate is in 2021 (4.33%), while the lowest is in 1998 and 1999 (1.40%).

Source: Authors' Own based on the data from World Bank Website, Statista Website and Asian Development Outlook 2023
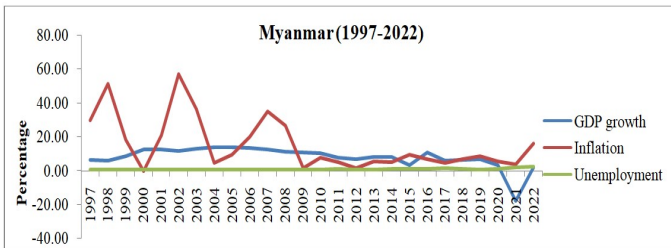
**Figure 3. GDP growth rate, Inflation and Unemployment rate in Bhutan (1997-2022)**
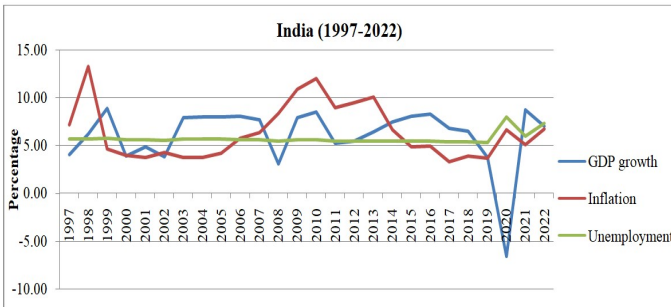


Source: Authors' Own based on the data from World Bank Website

**Figure 4. GDP growth rate, Inflation and Unemployment rate in India (1997-2022)**
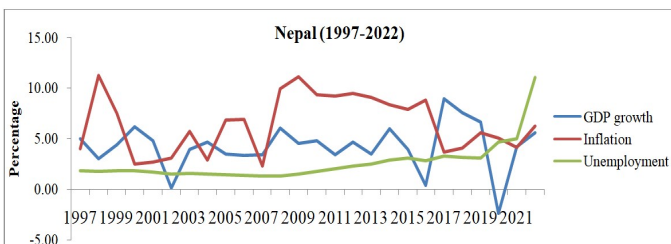
Figure 4 depicts the trends in India's GDP growth, inflation, and unemployment rate from 1997 to 2022. The highest GDP growth rate was 8.85% in 1999, and the lowest was -6.6% in 2020. In terms of inflation, India had the highest rate of 13.23% in 1998 and the lowest rate of 3.33% in 2017. The year 2020 has the highest unemployment rate (8%) and 2019 has the lowest (5.27%).



Source: Authors' Own based on the data from World Bank Website and Statista Website

**Figure 5. GDP growth rate, Inflation and Unemployment rate in Myanmar (1997-2022)**

According to Figure 5, Myanmar's highest GDP growth rate in 2004 is 13.7%, but it is -17.91% in 2021. In terms of inflation, the greatest rate is 57.07% in 2002, and the lowest is -0.11% in 2000. The highest unemployment rate is 2.53% in 2022, while the lowest is 0.5% in 2019.



Source: Authors' Own based on the data from World Bank Website and Statista Website

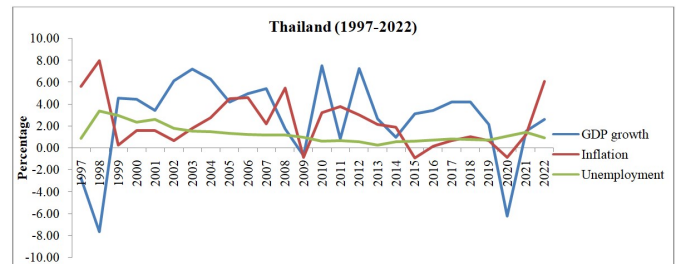**Figure 6.GDP growth rate, Inflation and Unemployment rate in Nepal (1997-2022)**

Figure 6 depicts the trends in Nepal's GDP growth, inflation, and unemployment rate from 1997 to 2022. The highest GDP growth rate is 8.98% in 2017, and the lowest is -2.37% in 2020. Nepal has the greatest inflation rate of 11.24% in 1998 and the lowest rate of 2.27% in 2007. The highest unemployment rate is in 2022 (11.1%), while the lowest is expected in 2008 (1.33%).
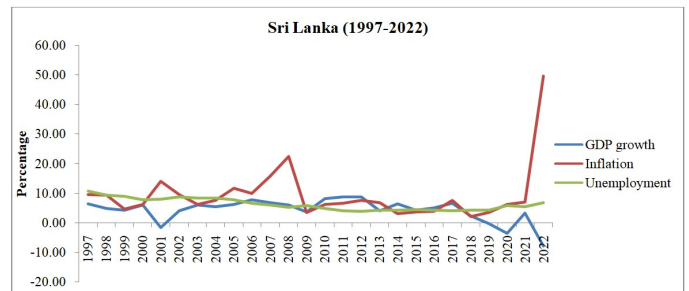


Source: Authors' Own based on the data from World Bank Website

**Figure 7. GDP growth rate, Inflation and Unemployment rate in Sri Lanka (1997-2022)**

Figure 7 shows that the highest GDP growth in Sri Lanka is in 2011, while the lowest is in 2022, with -7.8%. In terms of inflation, the highest rate is 49.7% after the economic and political crisis in 2022, and the lowest is 2.14% in 2018. The highest unemployment rate is 10.6% in 1997, while the lowest was 3.88% in 2012.



Source: Authors' Own based on the data from World Bank Website and Bank of Thailand

**Figure 8. GDP growth rate, Inflation and Unemployment rate in Thailand (1997-2022)**

Figure 8 depicts the trends in Thailand's GDP growth, inflation, and unemployment rate from 1997 to 2022. The highest GDP growth rate is 7.51% in 2010, while the lowest was -7.63% in 1998. Thailand's inflation rate is 7.99%, with the highest being in 1998 and the lowest being in 2015, with a rate of -0.9%. The highest unemployment rate (3.40%) is in 1998, while the lowest is in 2013 (0.25%). Following a description of the trends in GDP growth, inflation, and unemployment rate of BIMSTEC countries from 1997 to 2022, the trade performance of Myanmar with other BIMSTEC countries from 2011-2012 to 2021-2022 is described using the statistical tool as follows.

**Correlation Analysis:** Table 1 summarises the Pearson's correlation results between Myanmar's exports and imports with other BIMSTEC countries, as well as between Myanmar's overall trade and trade balance with other BIMSTEC countries.

**Table 1. Results of Correlation Analysis**

| Variables | Value of r (Exports-Imports) | Value of r (Total Trade-Trade Balance) |
|---|---|---|
| Bangladesh | 0.1493 | 0.9018 |
| Bhutan | - | -1 |
| India | -0.0753 | 0.0915 |
| Nepal | -0.1145 | 0.9964 |
| Sri Lanka | 0.3091 | 0.9839 |
| Thailand | -0.147 | 0.3835 |

Source: Authors' Calculation based on the data from Ministry of Commerce of Myanmar

According to Table 1, Myanmar's exports-imports correlation coefficient (r) with all other BIMSTEC nations has more than 0.149 for Bangladesh and Sri Lanka, indicating positive correlation between Myanmar's exports and imports with them but more than -0.0753 with the case of India, Nepal and Thailand, means negative correlation between Myanmar's exports and imports with them. The correlation between Myanmar's exports and imports with Bhutan cannot be found because Bhutan exported Myanmar only around $0.083 million in 2011-2012 and $0.008 million in 2016-2017 which were not the main exports. The correlation coefficient (r) of Myanmar's total trade-total balance is higher than the correlation coefficient of Myanmar's exports-imports, notably in the case of Bangladesh, India, Nepal, Sri Lanka and Thailand while the results are negative in the case of Bhutan. So, the conclusion for table 1 is that Myanmar has more exports than imports to/from Bangladesh, India, Nepal, Sri Lanka and Thailand whereas Myanmar's imports exceed its exports in Bhutan.

### Regression Analysis

Table 2 summarises the results of the regression analysis applied on Myanmar's exports and imports to/from each BIMSTEC country. The value of Regression Correlation (Beta - β) and Coefficient of Determination ($r^2$), which dependent values explained by independent values, have been calculated to access the overall fit of the model.

**T-Test of Significance**: The hypotheses for testing the influence of BIMSTEC on Myanmar-BIMSTEC trade performance are as follows. The purpose was to testthe significant of growth in Myanmar's trade performance with BIMSTEC countries.

$H_0$ **1:** There is a significant impact of BIMSTEC on Myanmar's imports from BIMSTEC countries.
$H_0$ **2:** There is a significant impact of BIMSTEC on Myanmar's exports to BIMSTEC countries.

To test the above null hypothesis, the 't' value for Myanmar's export to and import from all BIMSTEC nations at the 95 percent confidence level for 12 degree of freedom.

it can be found that there is no rate of change of Myanmar's exports with respect to imports from Bhutan. The values of adjusted $r^2$ estimated for Myanmar's imports from and exports to Sri Lanka and Myanmar's imports from Bhutan are greater than 0.004, indicating that the regression model are fit for more than 4% of the data under consideration and in the case of Myanmar's exports to Bhutan is 1which means that regression model are fit for 100% of the data. But the values of adjusted $r^2$ estimated for Myanmar's imports from and exports to Bangladesh, India, Nepal and Thailand are in negative values with more than 0.067, showing that the regression models are not fit well. The significance value (p value) related with t is greater than 0.05, so we can accept the null hypothesis at 5% significance value. It means that Myanmar's exports/imports (trade) performance with BIMSTEC member countries has changed significantly after the transition period of Myanmar (2011-2023).

***One Way ANOVA:*** To determine whether there is a difference in Myanmar's trade relations with all other BIMSTEC nations or not, One Way ANOVA has been used, and the following hypotheses are developed.

$H_0$ **3:** There is a significant difference in Myanmar's trade relations (Exports, Imports, Total trade, Trade balance) with all other BIMSTEC nations.

The null hypothesis is tested in four ways by applying it on Myanmar's exports, imports, total trade and trade balance.

According to table 3, the results of ANOVA Analysis, the corresponding p-values (sign level) of F-statistic in all four tests are less than 0.05 at the 5% level of significance, so the researcher can safely reject the null hypotheses and conclude that Myanmar's trade relations are notsignificantly different with all other BIMSTEC nations.

# FINDINGS AND DISCUSSION

The study figures out Myanmar had the highest GDP growth rate of 13.7% in 2004, the highest inflation rate of 57.07% in 2002, and the

### Table 2. Results of Regression Analysis and t- Test of Significance

| Variables | Value of β | Adjusted $r^2$ | SE of Estimates | P value | $H_0$ Accepted/ Rejected |
|---|---|---|---|---|---|
| MYANBANGEX | 0.651 | -0.067 | 66.326 | 0.626 | $H_0$ Accepted |
| MYANBANGIM | 0.034 | -0.067 | 15.220 | 0.626 | $H_0$ Accepted |
| MYANBHUTEX | 0.000 | 1.000 | 0.000 | 0.000 | $H_0$ Rejected |
| MYANBHUTIM | 0.000 | 0.004 | 0.023 | 0.327 | $H_0$ Accepted |
| MYANINDOEX | -0.083 | -0.085 | 250.312 | 0.807 | $H_0$ Accepted |
| MYANINDOIM | -0.069 | -0.085 | 228.408 | 0.807 | $H_0$ Accepted |
| MYANNEPEX | -2.707 | -0.077 | 6.720 | 0.710 | $H_0$ Accepted |
| MYANNEPIM | -0.005 | -0.077 | 0.284 | 0.710 | $H_0$ Accepted |
| MYANSRILEX | 3.270 | 0.013 | 12.058 | 0.304 | $H_0$ Accepted |
| MYANSRILIM | 0.029 | 0.013 | 1.140 | 0.304 | $H_0$ Accepted |
| MYANTHAIEX | -0.219 | -0.067 | 881.281 | 0.632 | $H_0$ Accepted |
| MYANTHAIIM | -0.099 | -0.067 | 590.731 | 0.632 | $H_0$ Accepted |

Note: Correlation is significantly at the 5% coefficient level.

### Table 3. Results of ANOVA Analysis

| Variables | F - Statistic | Sign. Level (P value) |
|---|---|---|
| MYANBIMSEX | 154.555 | 0.00 |
| MYANBIMSIM | 94.292 | 0.00 |
| MYANBIMSTT | 284.069 | 0.00 |
| MYANBIMSTTB | 20.416 | 0.00 |

*Source: Authors' Calculation based on the data from Ministry of Commerce of Myanmar*

According to the results of table 2, the value of β in the regression equations of Bangladesh and Sri Lanka is greater than 0.029, indicating that the rate of change in Myanmar's exports with respect to imports from these nations has a positive relationship. In the case of India, Nepal and Thailand, the value of β in the regression equations is greater than -0.005, showing that the rate of change in Myanmar's exports with respect to imports from thesecountries has a negative relationship. But, in the case of Bhutan, the value of β is 0 so

highest unemployment rate of 2.53% in 2022 across a 26-year period (1997-2022). For the lowest values, the GDP growth rate of Myanmar in 2021 is -17.91%, the inflation rate of Myanmar is -0.11% in 2000, and the unemployment rate of Myanmar is 0.5% in 2019. Myanmar's export-imports (trade) performance has the positive correlation with Bangladesh and Sri Lanka but negative with India, Nepal and Thailand. For the case of Bhutan, it cannot be found. Myanmar has more exports than imports to/from Bangladesh, India, Nepal, Sri

Lanka and Thailandbutmore imports than exports from/to Bhutan. There is a positive dependence on the rate of change in Myanmar's exports with respect to imports from Bangladesh and Sri Lanka but negative dependence for India, Nepal and Thailand, and there is no rate of change of Myanmar's exports with respect to imports from Bhutan. In addition, Myanmar's exports/ imports (trade) performance with BIMSTEC member countries has changed significantly after the transition period of Myanmar (2011-2023) and also Myanmar's trade relations are not significantly different with all other BIMSTEC nations. Among BIMSTEC nations, India and Thailand are Myanmar's most important trading partners in terms of total trade (exports and imports). But Myanmar has the unfavourable trade balance with India for some years. So, Thailand is the best trading partner of Myanmar among these all BIMSTEC nations.

**Limitations:** In this study, there was a limitation for trade data. The website of Ministry of Commerce of Myanmar provide only the trade data of Myanmar from the period of 2011-2012 to 2023-2024 (up to August) although the study was intended to use the data from 1997-1998. And the data is not mentioned before the period of 2011 even on other websites, like World's Bank and other data website because there was military regimes in Myanmar before 2011 and they did not have the transparency on data and sometimes even they manipulated the data on paper. If more data are able to be collected, the study can give the better result with more periods of trade data. And this study can be the reference for the further studies about Myanmar's trade.

# CONCLUSION

To summarise, Myanmar's trade performance with other BIMSTEC nations is a complex and dynamic issue with important ramifications for both Myanmar and its regional partners. This research has provided useful insights into Myanmar's trade relations within the BIMSTEC. Myanmar is a key player in regional trade dynamics due to its strategic location, abundant natural resources, and rising integration into the global economy. Myanmar has an opportunity to enhance its trade performance and economic ties with its neighbours as BIMSTEC evolves and strengthens regional collaboration. As the suggestions based on the results of the study, Myanmar should maintain the more exports to Bangladesh, India, Nepal, Sri Lanka and Thailand and try to boost the trade with Bhutan, especially to Bhutan to have the proper trade. Among BIMSTEC nations, India and Thailand are Myanmar's most important trading partners in terms of total trade (exports and imports). But Myanmar has the unfavourable trade balance with India for some years (Fiscal Year 2016-2017 to 2019-2020). So, Thailand is the best trading partner of Myanmar among these all BIMSTEC nations. Any type of cooperation requires goodwill, but economic concerns and national interests are more important than goodwill. This also applies to BIMSTEC nation collaboration. In the coming years, Myanmar will need to engage actively in diplomatic efforts, policy reforms, and trade promotion strategies and stability within the country in order to harness the benefits of regional integration and contribute to the overall prosperity and stability of the Bay of Bengal area. This research serves as a foundation for policymakers, scholars, and stakeholders to better understand and navigate Myanmar's trade dynamics in BIMSTEC, allowing for more informed decision-making for the benefit of all member countries.

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**Appendix**

| Explanation of Abbreviations used | |
|---|---|
| MYANBANGEX | Myanmar's Exports to Bangladesh |
| MYANBANGIM | Myanmar's Imports from Bangladesh |
| MYANBHUTEX | Myanmar's Exports to Bhutan |
| MYANBHUTIM | Myanmar's Imports from Bhutan |
| MYANINDOEX | Myanmar's Exports to India |
| MYANINDOIM | Myanmar's Imports from India |
| MYANNEPEX | Myanmar's Exports to Nepal |
| MYANNEPIM | Myanmar's Imports from Nepal |
| MYANSRILEX | Myanmar's Exports to Sri Lanka |
| MYANSRILIM | Myanmar's Imports from Sri Lanka |
| MYANTHAIEX | Myanmar's Exports to Thailand |
| MYANTHAIIM | Myanmar's Imports from Thailand |
| MYANBIMSEX | Myanmar's Exports to all BIMSTEC nations |
| MYANBIMSIM | Myanmar's Imports from all BIMSTEC nations |
| MYANBIMSTT | Myanmar's Total Trade with all BIMSTEC nations |
| MYANBIMSTTB | Myanmar's Total Trade Balance with all BIMSTEC nations |

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