made of braided horsehair. The lacquer is applied to this material layer by layer, dried and smoothed, then decorated with coloured patterns and ornaments, and in some cases with gold leaf, and polished. Very different techniques, decorations and designs characterise the different workshops (Fraser-Lu 2000).

- The workshops of artistic stonemasons are concentrated in the larger area of Mandalay and Sagaing. Marble from the Sagyin marble quarry north of Mandalay is used here, primarily to create sculptures of Buddha. Specialised bronze and brass foundries are also located in the area and use traditional techniques to manufacture sculptures, bells and small articles – increasingly for international customers.

- Precious and semi-precious stones are worked into jewellery, sculptures and pearls or are artistically scattered or laid out to create gemstone pictures, particularly in Mogok and Kyatpyin, but also in Mandalay, Sagaing and Yangon.

Many other regional craft centres exist in almost all parts of the country: pottery is manufactured especially in Pakkoku, Sagaing (Khin Khin Soe/Kraas/Yee Yee Than 2016) and Twante, umbrella production is concentrated in Pathein and at Inle Lake. At Inle Lake and in Taunggyi production furthermore centres around traditional Shan bags, valuable fabrics made from lotus plants, handmade paper created from petals, and cheroots and tobaccos. Other special craft traditions include silversmithing and goldsmithing, the textile art of the kalagas, beadwork, and the manufacture of marionettes, musical instruments, chin-lon balls, mats, panels, trays, all sorts of baskets, slate panels, wooden pipes, Pumtek beads and papier-mâché masks and toys.

Little comprehensive work has been undertaken on the spatial focuses or economic and social significance of local crafts, and there are no relevant statistics. Reports on economic performance often fail to even mention crafts. In contrast to many other Asian states that have been transformed by globalised economic development, Myanmar still possesses an enormous store of living and intact traditional knowledge on craft – along with the rich reserves of raw materials this represents the largest endogenous potential of the country in the current transformation process.

Frauke Kraas and Khin Khin Soe
The development of an export-oriented textile and clothing industry in Myanmar after the shift to a market-oriented economy is a young process. Its origins lie in the fact that in the early 1990s state-owned, military-related textile and clothing factories pursuing a policy of import substitution started to produce for the foreign market, after companies from, in particular, Korea and Hong Kong had begun to gain a foothold in Myanmar through joint ventures. Companies that were entirely foreign-owned followed, and they were joined from the mid-1990s by the first domestic private enterprises. This led to a production and export boom at the end of the 1990s; the boom peaked in 2001, when clothing worth 868 million US dollars accounted for 40% of all Myanmar’s exports (Kudo 2009b: 79). The export-led development strategy was temporarily halted by the imposition of sanctions by the USA and western countries in 2003.

The sector’s growth was fuelled by the growing market demand from the European Union (which took approx. 50% of production) and the USA (approx. 45%). The majority of businesses operated on the basis of the cutting, making and packaging (CMP) principle. Production involved conventional technology and low levels of investment. The business environment was favourable, because under the Multi-Fibre Agreement (MFA) there were virtually no import restrictions, and Myanmar had a pool of sufficiently cheap labour. There were also advantages inherent in the CMP system, since it allowed the raw material to be imported at low cost (Kudo 2009b: 81). ‘Myanmar industrialists did not need to concern themselves with the controls surrounding imports and exports, or by tedious procedures, as in other sectors. … they could have access to imported raw materials without “export earnings” under the CMP arrangement’ (Kudo 2009b: 82). Furthermore, the private companies were not competing with the state-owned economic enterprises (SEEs), which meant that the boom under the prevailing conditions of the market-oriented economy could be achieved through self-sustained growth primarily on the basis of market incentives: ‘The government did nothing to promote it, but also did nothing to impede it’ (Kudo 2009b: 85).

Geographically the garment industry is concentrated in and around Yangon, where production takes place in the large industrial zones and industrial parks, especially in Hlaing Tharyar Industrial Zone, Yangon Industrial Park, Shwe Lin Ban Industrial Zone and Shwe Pyi Thar Industrial Zones I and II, with up to 35,000 jobs in each. Other smaller clusters are located in other industrial zones in the former capital city. Outside Yangon only Bago, Thanlyin, Hmaubwi and Pathein are involved in the garment industry. On account of the almost complete concentration on the labour-intensive and export-oriented cutting-making-packaging principle, virtually nothing is produced for the local market. To a very small extent (geographically mostly in inner-city locations), some design and training takes place. The majority of the companies involved are joint ventures or funded by foreign investment; some companies from Myanmar operate in the industrial zones of Hlaing Tharyar, Shwe Pyi Thar, Pyin Mabin, Shwe Pauk Kann Mayangone and South Dagon (all data: statistical details for 2015, MGMA 2015).

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