

State Papers of the Sec. Gen. U Thant - Prior to Nov. 1961 - the Burmese Rep. to the UN
speeches, visits, interviews of U Nu, Prime Minister of Burma

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October 16, 1957

H. E. The Ambassador
U Thant
Burmese Delegation
888 Madison Avenue
New York, New York

Dear U Thant:

I am very happy to note that you will speak to members of the Council on Burma's Foreign Policy, Wednesday, November 13th. I am sending the enclosed to you. It may be helpful.

Helen and I both hope that you and the family have recovered from your bout with the Flu.

Cordially,



Frank N. Trager

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from the author.

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Burma's Foreign Policy, 1948-56

Neutralism, Third Force, and Rice

FRANK N. TRAGER

THE second national or parliamentary elections in Burma for the Chamber of Deputies were held on April 27, 1956. The Anti-Fascist People's Freedom League, the majority coalition party in power since independence, predominantly socialist in orientation, ran against the Communist-led National Unity Front and several right-wing opposition coalitions. The AFPFL and allied vote did not measure up to pre-election predictions but it again overwhelmingly captured control of the Chamber.¹ The AFPFL, whose president was Prime Minister U Nu, conducted a vigorous campaign, running on its record. During the campaign rally U Nu urged his party to acquaint "the people with our activities." In fact, he went on to say, "we have not been successful in putting across even one tenth of our accomplishments to the people. In the short period of seven or eight years since independence, the AFPFL have made very remarkable achievements in the fields of education, health, national economy, national unity, public morality and rehabilitation, while at the same time we are busily engaged in the suppression of the general insurrection."² Toward the conclusion of his address he spoke of foreign policy. On this issue he scored the opposition parties as "advocates of one bloc or other [which] will plunge Burma into a holocaust of war as in the case of Indo-China and Korea." He defined the elements of this policy as "not aligning Burma with any power bloc. . . establishing friendly relations with all countries. . . pursuing the cause of world peace. . . a line of action receiving the approbation of even those persons and those countries which had in past criticised our neutral policy and suspected our motives."³

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¹ There are 250 seats in the Chamber of Deputies. Elections were postponed for security reasons in 5 constituencies, uncontested in 36 AFPFL and allied strongholds. At this writing (May 25) information affecting a total of 233 seats is available. The AFPFL and its allies won 169 seats, and together with the probable accession of 7 of the 11 elected independents control 176. The National Unity Front captured 46; three right wing groups (the Arakanese, Burma National Bloc, and Pa'o) won 7. Thus the opposition groups command 57 seats as compared with a maximum of 37 in the previous parliament elected in 1951. If however the votes are totaled and if all the 1956 votes for the independents were to be assigned to the opposition then the latter garnered 44.8 per cent of the vote cast as compared with 46.6 per cent in 1951. See the *Nation* (Rangoon, May 15, 1956) for a useful summary.

² From a speech at the AFPFL Mass Conference, Rangoon, March 4, reported in the *Burma Weekly Bulletin*, IV (March 8, 1956).

³ This is the policy U Nu formulated both in the United States and earlier at Bandung. See his speech of July 1, 1955, "An Asian Speaks About Neutrality." (Washington, D. C., National Press Club), reprinted in *An Asian Speaks* (Washington, D. C., n.d.), pp. 13-18; and *Resurgence, A Collection of Three Speeches*, published by the Directorate of Information (Rangoon, 1955).

What follows is an analysis of this broad definition of Burma's foreign policy, accepted by the AFPFL and the government since independence, January 4, 1948. Since the elections returned U Nu's government for a second five-year term of office, it is most probable that this policy will continue. (The post-election cabinet changes have, if anything, reinforced this policy.) Thus there is added reason for the analysis.

Foreign policy in Burma has been and is the outcome, first, of the ideological position of its leaders, and second, of the practical necessity of solving its major economic problem: exporting rice—currently at the rate of two million tons per year, roughly two-thirds of its largest prewar total—to earn the foreign exchange required for imports designed to round out the domestic Pyidawtha or Welfare State program.

The present leadership of Burma has its roots in the prewar Thakin nationalist movement first organized as the "We Burmans Association," the Dohbama Asiayone, developing out of the University of Rangoon student strike of February 1936. The Thakins were then as now anti-imperialist, ardent nationalists. At their fifth Annual Congress in May 1940 they adopted the Leninist position on war: turn an imperialist war into a revolutionary nationalist struggle, the main enemy (capitalist overlordship) is at home! Thus when World War II broke out the Thakins first fought the British—"English difficulties are our opportunity"—and later joined them in the successful attempt to win national freedom. It was then, in August 1944, that they formed the coalition party known as the Anti-Fascist Peoples Freedom League led by Socialists and Communists and their supporters in the peasant, trade union, women's, youth, and ethnic organizations.

The attainment of independence failed to preserve the unity of the coalition.⁴ Conflict between the Socialists and Communists over the road to power, that is, the strategy and tactics of completing the nationalist revolution against England, occurred almost from the beginning of the AFPFL. These issues were formulated largely in terms of foreign policy. The intra-coalition conflict erupted into a full-scale Communist insurrection in 1948.

During the first days of the Republic, while Prime Minister U Nu strove to maintain "leftist unity," he none the less vigorously defended the bases of the Nu-Attlee (and Bo Letya-Freeman Supplementary) Agreement of 1947 against the Communists. The Agreement called for the use of a British Military Mission in Burma. He coupled this position with a declaration of Burma's "friendly relations" with the U. S. S. R., as well as the United Kingdom and the United States.⁵

⁴ *The AFPFL or The Communist Party, Who Is Right?* (Rangoon, 1952), a collection of documents published by the AFPFL as a mimeographed pamphlet in Burmese. For a fuller discussion see the author's chapter "Insurrectionary Movements" in *Burma* (New Haven, 1956).

⁵ Speech on June 13, 1948, "The Nature of Leftist Unity," *Towards Peace and Democracy* (Rangoon, 1949), p. 117. Negotiations with the British had proceeded rapidly. On Dec. 20, 1946 Prime Minister Attlee invited a Burmese delegation headed by General Aung San to London. Their talks ended in an Agreement (Cmd. 7029) for the election of a self-determining Constituent Assembly in April 1947. Following the assassination of the Socialist

The appeal for "leftist unity" did not prevent the insurrection. The Communists wanted close ties only with the U. S. S. R. Their expulsion from the AFPFL and the armed insurrection against the government did not yet insure internal agreement on foreign policy and other issues.

There still remained a vigorous "left wing" faction within the government and the Party. On May Day, 1950, this group, led by Thakin Lwin, the President of the Trade Union Congress, Burma, proposed that the latter join the Moscow-dominated World Federation of Trade Unions. The government felt that its neutrality policy would be jeopardized by this new move at the very time when it was seeking American and Commonwealth aid. It justified the appeal for aid on the ground that it would accept aid from any quarter "without strings"; and particularly at this time when it was fighting an armed Communist insurrection. The crisis deepened when Burma, as a loyal supporter of the United Nations, voted with the majority of the General Assembly on June 27, 1950, to condemn the North Koreans as the aggressors against the South Koreans. (It is instructive to note that India and Indonesia both abstained on this vote.)

The Thakin Lwin faction in the AFPFL used the government's anti-North Korean UN vote as the platform for an open and vigorous attack on Prime Minister Thakin Nu when Parliament convened in September 1950. The League responded by expelling Lwin and his co-worker, Thakin Hla Kywe, Vice-President of the TUCB. This led to a new split when, in December 1950, Lwin, Hla Kywe, and approximately forty other leaders in the AFPFL, formed a new party, the Burma Workers' and Peasants' Party (BWPP)—charging Thakin Nu and the Socialists with being "serfs of the capitalo-expansionists and . . . deviationists from the creed of Marx and Lenin." This aboveground Communist party—in all but name—fought a losing battle. (Today it is part of the National Unity Front, ostentatiously keeping alive the fiction of its independence while responding regularly to Chinese or Russian propaganda themes.) The government retained or secured control of the mass organizations of labor, peasants, and women, easily surmounting this political attack on its organization. However, the issue of foreign policy once again became sharply accentuated precisely because Burma agreed to accept U.S. economic aid by signing an agreement in September 1950. Fears were aroused that Burma would get pulled into one or the other "power blocs." Thakin Nu's government maintained its position by voicing its strong support for the policy of neutralism—i.e., favoring neither bloc, accepting aid from whatever source provided "such aids . . . do not affect directly or indirectly the sovereignty of our country."⁶

There can be little doubt that Burma's foreign policy at this time, 1950–51, was an unstable compound of internal concern and external fear based on a desire to avoid "entangling alliances." Though suspicious of the West as the seat of

leaders Aung San, Thakin Mya, and others, Thakin Nu completed the negotiations with Attlee. In October, the Nu-Attlee treaty was signed to provide for the transfer of sovereignty to Burma on Jan. 4, 1948 (Cmd. 7240, London, Oct. 17, 1947).

⁶ Thakin Nu, *From Peace to Stability* (Rangoon, 1951), p. 154, from speech at the Union Youth Rally, Jan. 8, 1951.

imperialism, the Burmese leadership found itself in genuinely friendly relations with the existing Attlee and Truman regimes. Further, it was suffering directly from Moscow-influenced Communist insurrections; and as always, there was the fear of China and the 800 to 1000 miles of unprotectable border.⁷ But the friendly overtures to and from the West had to be balanced. Burma became the first country to recognize the Chinese Communist regime and called attention to that fact as well as her advocacy of the "return of Formosa to the new Chinese government" and her withholding recognition from Bao Dai's Vietnam.⁸ She and India joined the U. S. S. R. and her satellites on February 1, 1951, in the vote against the UNGA Resolution branding Communist China as aggressor in Korea.

That this was done not without some "anxiety" was revealed by two important declarations: the first by the Prime Minister in a speech delivered in Parliament on March 8, 1951; the second by U Kyaw Nyein, Cabinet Minister, party leader, and leading socialist theoretician, in an interview on March 30. Thakin Nu analyzed the content of the anxiety as: fear of attack from China in support of local Communists; fear of the opposition charge that Rangoon Port and Mingaladon Airport reconstruction were designed to accommodate Anglo-American military craft; fear arising from the issuance of a recent map "produced by the Communist Chinese Government" showing a considerable encroachment "into our territory." He then proceeded to quiet these fears which he had so sharply defined: "I give the House this assurance that the relations between the Chinese Government and Burma are very cordial. . . [the Burmese Ambassador to Peking had ascertained that] the Chinese Government had not time to draw [a] new map and had only reproduced [an] old map." Everything could be settled "between Asian countries like China, India, and Burma . . . through normal diplomatic channels." He concludes this section of his address:

We have got this assurance. Let me therefore request the Hon'ble members not to get scared of any news from any source. Although our Union is a tiny mite compared to other nations, we need not fear anything so long as truth and justice are our guiding principles. From whatever quarter our Union may be threatened, we will not be single-handed in our resistance against such threats because truth and justice are on our side.⁹

⁷ The Burmese Government issued an official release on March 2, 1956 about the first Sino-Burmese Conference on border questions, held Feb. 7-8, 1956 at the town of Lweje. The festivities of the occasion, the repeated reference to the Sino-Burmese endorsement of "the Five Principles of Peace," and the exchange of large cultural delegations between Peking and Rangoon did not seem to add up to more than a decision for the two governments to explore the possibilities of opening discussions. See Foreign Broadcast Information Service, March 5, 1956. During the summer of 1956 the Burmese Government admitted, after the English-language daily, *The Nation*, broke the story, that Chinese Communist troops were quartered to the south of the disputed boundary area. *The Nation* would hardly have handled the story without Government aid. Prime Minister U Ba Swe has already sought the diplomatic intercession of India, has been promised aid from Thailand, and has apparently resolved to take the issue to the UN General Assembly.

⁸ *From Peace to Stability*, pp. 153-154.

⁹ *From Peace to Stability*, pp. 197-198. "Internal and External Problems," speech in Parliament, March 8, 1951.

U Kyaw Nyein reinforced the Prime Minister a few days later when he declared:

Small nations always mistrust bigger ones, especially those close by. For years past, every Burman has mistrusted China, whether under Mao or Chiang. They also mistrust India; for that matter they also mistrust Soviet Russia and even America. We don't consider China a menace, but we accept a possibility of China one day invading us. We are not alone in this concern. Our neighbors will also be perturbed as our fate may likely be theirs. We are entering into closer relations with India, Pakistan, Indonesia, and are trying to find a formula for peaceful co-existence in this part of our world. We don't want to do anything that will provoke China, but if she does invade, I am confident that the national spirit of our people will stand firm against her. We don't want Communist Russia or Communist China, but being a small nation, we must find ways and means of avoiding embroilment in power blocs.¹⁰

THE ASIAN SOCIALIST CONFERENCE

"To find a formula for peaceful co-existence in this part of the world" has been one of the chief tasks of theoretician U Kyaw Nyein. To this end, he and his socialist colleagues and the government itself took the initiative in bringing into existence the Asian Socialist Conference of January-February 1953.¹¹ This event, rich in significance, has been too little understood.¹²

That it should have taken place at all was in itself a mark of the great change in Asia. When Lewis L. Lorwin published the first edition of his *Labor and Internationalism*¹³ in 1929, Asian anti-colonial and nationalist movements—forerunners of today's Socialist parties—got short shrift from their European counterpart. The European parties in 1925 "hailed the awakening of the great masses of the Chinese, Indian and Mohammedan world" but unfortunately did not extend themselves to pursue the kind of aggressive anti-imperialist policy propagandized by Moscow. Events of the late 1920's in China, India, and Northern Africa forced the Socialist International to discuss the issues of political and economic self-determination for Asian and African peoples, but though agreeing on general expressions of sympathy, the national parties in pre-World War II days found themselves either too preoccupied with European problems or too fearful of disturbing "the basic relations of their home countries with their colonial dependencies."

All the more remarkable that there should be an Asian *Socialist* Conference

¹⁰ From an interview on March 30, 1951, quoted in U.S. Foreign Service Dispatch, *Review of First Four Years of Burma's Independence*, June 20, 1952.

¹¹ An account, with full texts of resolutions, names of delegates, etc., appears in *Burma*, III (April 1953), 7-22. All quotations and references are from these texts.

¹² For a prime example of this failure to understand, see D. J. Saposs, "The Split between Asian and Western Socialism," *Foreign Affairs*, XXXII (July 1954), 588-594. Saposs exaggerates the role of the Japanese Socialists in this group; without evidence he cites the Burmese as friendly toward Russia; he is completely in error on several other Burma matters and concludes that Asian Socialism is an "obstacle to the strengthening of democratic forces." What he means is that Burma among others has not been willing to join the Manila Pact.

¹³ A publication of the Brookings Institute (New York, 1929), p. 682. Also see pp. 319, 321, 434, 440-441.

and that it should deliberately seek to invite comrades from the European parties and the present Socialist International. Some 200 delegates, fraternal delegates, and observers from fifteen countries were present. None were invited from the U. S. S. R., Communist China, and satellite countries. Clement Attlee as a former Prime Minister through whose efforts Burma achieved independence was the lionized figure at the Conference. He, Moshe Sharett of Israel, then Foreign Minister, and the Yugoslav delegation of Milovan Djilas and Ales Bebler were the representatives of European socialism who sought organizational ties between the Asian group and the European International. These ties were rejected by the Asians as being unnecessary or undesirable at the time.¹⁴ However, the political import of the very presence of the Yugoslavs, who had been personally invited by U Kyaw Nyein during a European trip in 1952, and at a time when Stalin was still alive and unforgiving of Tito and Titoism, was missed in the West though it foreshadowed the political direction of the Conference.

The important decisions and resolutions of the Conference were these:

(1) The Declaration on Principles and Objectives of Socialism," which overtly condemned and rejected Communism in general and its particular "totalitarian form in the Soviet Union and its satellites." (There was no mention of China.) At the same time, the resolution called for "our struggle to supersede Capitalism and Feudalism by Democratic Socialism."

(2) The resolution on "Asia and World Peace" reemphasized that Asian Socialists would seek to accomplish their ends by "their unflinching determination to ensure that such a solution be arrived at by democratic means and be conducive to the strengthening of democracy."

(3) World Peace was found to be threatened by "colonialism, political spheres of influence"—the tendency towards the division of the world "into two power blocs" which also threatens the functioning of the United Nations—and economic disequilibrium."

(4) The Asian Socialists—while rejecting "the so-called world peace movements" (i.e., Eastern bloc) see themselves as "serving the cause of peace . . . in arresting the process of polarization (between the power blocs) and in working as much as is in their power to enable the United Nations to function in strict accordance with the letter, spirit and universal character of . . . the Charter." In doing this, these countries do not mean to adopt the view of "ideological neutralism" which is defined as "the policy of sacrificing the liberty of other peoples or nations to one's own selfish interest. They are committed to the defence of democracy against all threats, internal as well as external."

(5) The Conference specifically rejected Communist amorality on the issue of means and ends, and condemned capitalist-feudal "bigoted separatism," i.e., racialism, segregation, forced communalism, etc.

¹⁴ *Socialist Asia*, III, Nos. 9-10 (1955) discusses editorially the differences between the Socialist International and (the nine parties of the) Asian Socialist Conference. The differences arise primarily from "their approach to the problem of colonialism and freedom of the dependent peoples." This in turn affects their views on world peace and world reconstruction. However they had resolved to co-operate and had set up in July 1953 liaison machinery for this purpose.

(6) All vestiges of colonialism were roundly condemned. Specifically, Malaya, Uganda, Kenya, South Africa, and North Africa were mentioned. But except for an oblique paragraph in Section 6 of the resolution, "Freedom Movements in Colonies," there was no mention of Indo-China.

The latter omission was most significant. Burmese leaders and many others in Asia had no use for French hegemony in Indo-China. They originally believed that Ho Chi Minh and many of his Vietnamese supporters were fighting a battle for national liberation. (They were not alone in this belief during 1946-47.) They regarded the French-controlled struggle in Indo-China and the restoration of Bao Dai as leading to failure in this long drawn-out anti-Communist fight. However, they refrained from mentioning Indo-China in the enumeration of Asian countries to be liberated from imperialist control because they were equally condemnatory of the "imposition by force from outside of totalitarian regimes upon countries in Europe and Asia."¹⁵

These then were the formulæ for "peaceful co-existence" in Asia which the Burmese leadership and government adopted at the beginning of 1953. It should be noted that Burma as a government was actually represented in the Conference. No other Asian nation with the possible exception of Israel was so represented. Burma's neighbors, India, Pakistan, Indonesia, and Ceylon, with whom she tries to concert her foreign policy, were present with high dignitaries (e.g., Jayaprakash Narayan and Soetan Sjahrir) but not governmental representatives. Thus it is safe to say that the first Asian Socialist Conference has meant more to Burma and her top echelon leadership than to other Asian countries. It is a notable bench mark for understanding her foreign policy.¹⁶

Reference was made at the beginning of this paper to the Leninist views on imperialism espoused by the Thakins. It is therefore of major significance to note

¹⁵ *Socialist Asia* (Aug. 1954), pp. 1-2, editorially welcomed "the cease-fire in Indo-China. It regarded the 'liberation of Laos and Cambodia from the threat of communist occupation and from the shackles of French imperialism as the most impressive consequence of the [July] Geneva agreements. . . Vietnam, however, continues to remain a tragedy. Dr. Ho Chi Minh for instance has promised the Communists a complete liberation of the country south of the 17th parallel from the 'continued' strangle hold of the 'imperialist warmongers.' What that exactly means is not difficult to predict . . . the fate of the Vietnamese, Cambodians and Laotians depends more on the countries of Asia pursuing an independent foreign policy than on the sincerity and desire for peace and co-existence of the Sino-Russian and Anglo-American blocs." Buddhist Burma immediately recognized Buddhist Laos and Cambodia; arranged an exchange of visits with the Cambodians; used her good offices to get India to recognize these countries; and otherwise acted as if she were saying to Ho Chi Minh, "Don't move westward!"

¹⁶ Subsequent meetings of one kind or another have been held roughly on a semi-annual basis, e.g., Hyderabad, India, in Dec. 1953; Kalaw, Burma, May 1954; Tokyo, Japan, Nov. 1954, etc. At the India meeting it was agreed to set up an Anti-Colonial Bureau as part of the Secretariat. *Socialist Asia*, originally a monthly, now a quarterly, has been published as the organ of the Conference; in Nov. 1955 *Jana*, the Ceylon monthly news journal, carried the announcement that a "publishing house of the Asian Socialist movement (approved at the Tokyo Meeting) . . . with Branches in India, Indonesia, Japan and Israel" will soon be started. All these organizational arrangements are so far conducted from the Secretariat located in Rangoon. The second Asian Socialist Conference has been scheduled for Bombay, Nov. 1956.

the change in these views which appears emphatically at the May 1954 Kalaw Asian Socialist Meeting. Both U Ba Swe, then Burmese Minister of Defence and Chairman of the Asian Socialist Conference, and U Kyaw Nyein, at that time Acting Foreign Minister as well as holding other portfolios, were in attendance. These men are the Socialist and trade union leaders of their country. U Kyaw Nyein spoke on the opening day of the conference in his capacity as Chairman of the Anti-Colonial Bureau's Coordination Committee. He condemned "not only that typical 19th and 20th century colonialism or imperialism, which is the consequence of the growth of capitalism but also . . . colonialism in another form. We may call it neo-colonialism or new-imperialism. To my mind both types of colonialism are dangerous. In fact, the Soviet type of imperialism is, perhaps even more degrading and even more dangerous, because it is more ruthless, more systematic and more blatantly justified in the name of world communist revolution."¹⁷

This ideological revision had been foreshadowed by events in Burma but had not been previously and publicly argued. On May 24, the very day that Kyaw Nyein offered his thesis, the Rangoon daily, the *Nation*, reported that the Communist Party of Assam had stationed a liaison officer with the Burma Communist Party headquarters in the Kachin State—a move designed to prepare for a Kachin autonomous Communist State, detached from Burma and inspired, like the similar arrangement with respect to Thailand, by the Peking-Moscow axis.¹⁸

Thus by the summer of 1954—at a time when the Burmese could feel that the government had surmounted the worst of the Communist insurrection and had received crucial UN support in its effort to rid itself of the internal danger arising from the presence of 10,000 to 12,000 Kuomintang troops who were using the eastern reaches of the Shan State as a base of futile operations against Communist China and troublesome operations against the Burmese—the major elements in Burma's foreign policy had been clearly and ideologically formulated. Prime Minister U Nu accepted the word "neutralism" or "neutrality" to name it, though he was aware that it had "acquired a distinct and unfavorable semantic coloration."¹⁹ Repeatedly he has defined the word in terms of its "negative" and "positive" aspects. Kyaw Nyein has preferred to name it "this idea of Third Force—neutral Force" which he equates with democratic Socialism.²⁰

¹⁷ All quotes from *Socialist Asia*, III (June 1954), 9–11.

¹⁸ The remarks were not casual. They immediately occasioned a vigorous debate between Kyaw Nyein and Rammanohar Lohia, a leading Indian Socialist delegate. The latter wished to condemn equally all imperialisms. He rejected explicitly what he called the application of socialist "lesser evil" analysis to the problem. The debate continued. See for example Asoke Mehta, "To Distinguish [between imperialisms] Is Not to Choose," *Socialist Asia*, III (Aug. 1954), 6–8. Kyaw Nyein's position was overtly supported by Prime Minister U Nu at the first meeting of the Five Colombo Powers in May 1954. At this meeting U Nu joined his counterparts from Pakistan and Ceylon who rejected the "line" advanced at that time by Prime Minister Nehru. The majority group insisted on formulating a policy which named Communism, along with imperialism, as a danger to peace.

¹⁹ *An Asian Speaks*, p. 13.

²⁰ See for example two speeches by U Nu both published by the Ministry of Information, "For World Peace and Progress" (July 19, 1954) and "War and Its Consequences" (Sept.

Whatever the name, the content had remained consistently the same. Third Force or neutralism stood for avoiding of all forms of commitment to either "power-bloc"; rejecting all military or military-related pacts, e.g., SEATO; maintaining in so far as possible friendly or correct relations with all nations; being vigorously and outspokenly critical of internal and external Communism; being undeviatingly critical of all forms, including the Soviet, of imperialism; being committed to the UN as an instrument of peace in the political and socio-economic realms; and being generally committed to the ideology of Democratic Socialism as the proper vehicle for domestic life and external relations.

The Burmese nationalists and Socialists have long since recovered from, if they ever had, any infatuation with Moscow—the civil war launched by the Communists helped to cure that. Their disillusionment with Moscow has been pointed up by their studious cultivation of the Yugoslavs even while Stalin was alive. Kyaw Nyein spent a month in Yugoslavia in 1952 in partial preparation for the Rangoon Socialist Conference meeting. Military missions were exchanged between the two countries in 1952–53; and no foreign dignitary, including Prime Minister Nehru, has received the kind of reception accorded Tito on his visit to Burma.²¹

The Burmese attitude to Moscow is a "correct" one; at best it is utilitarian. And it is on this issue that divergences between Burma and India may be observed despite the general agreement which seems to pervade their foreign policy. Some may argue that New Delhi is geographically nearer to Moscow than Rangoon and hence the latter can afford a stiffer attitude. Such argument, if correct, would have to be reversed as between New Delhi, Rangoon, and Peking, for Rangoon is nearer Peking. But geographical factors, influential as they are, do not fully explain these divergencies. Influential Indian opinion seems to hold the view that the Asian interests of the U. S. S. R. are better served by having a strong, non-Communist, though friendly India, along with Communist China. Hence Moscow and New Delhi can have more than correct relations. Burmese anxiety, noticed above, refers to maps and territorial encroachment, but behind this ancient border conflict²² there is the genuine fear that China's hungry millions need the *lebensraum*, rice, and water of the rich, underpopulated, "Indo-Chinese" peninsula. There is ample room in this area which now has a population of less than seventy million and which exported between six and seven million tons of rice in the peak pre-World War II years. The Burmese do not believe that Moscow has any power to affect the course of this Asian problem—except adversely. Further, her fears and anxieties have been deepened by the armed Communist rebellion, known to have been inspired by Moscow which began in March 1948; and by the fact that Communist China had been and may still be a

13, 1954); and U Kyaw Nyein, "To Prefer Is Not to Choose," *Socialist Asia*, III (June 1954). The first speech by U Nu and the article by Kyaw Nyein were reprinted in the *American Socialist Call*, XXII (Oct. 1954).

²¹ See *Burma Weekly Bulletin*, III, Nos. 41–42 (Jan. 5, 12, 1955). However, the Burmese Socialists have not followed Tito in the latter's renewal of Soviet ties.

²² The Burma Research Project, New York University, has just completed a modest Chinese language bibliography on Burma (1930–50). It was found that approximately half the number of all entries were devoted to the border question.

training ground for Burmese Communists who presumably were to play a role in the Chinese-sponsored "Free Shan-Thai" and "Free Kachin Movements," i.e., devices for political-ethnic encroachment in Burma. Thus Rangoon-Peking relations are more than correct, they are studiously cultivated—reflecting, as it were, their pattern of a thousand years of uneasy history.

In short, Burma acts internationally in terms of her ideological pattern. The shift in the analysis of imperialism and the experience of a Communist insurrection are the "new" key factors making for such changes as have occurred. It is useful also to note that in speaking of the former, Kyaw Nyein has reminded his Socialist comrades of their failure to recognize what he called "the new disease, the new monster," Fascism, when it appeared in Italy and Germany. He also parenthetically, reminded them of the Communist strategy and tactics embraced in the phrase "social fascism," which sought first the defeat of the German Socialists and only then the defeat of the German Fascists. Since Burma, however, has also condemned the Western variety of imperialism from which she had suffered, her anti-Communism does not automatically urge her to an alignment with the Western nations. Hence she avoided joining the Manila Pact, but even in this case her negative action was much less pronounced than India's. India was hostile to the Pact; Burma was not unfriendly. So she seeks an alliance among those nations who have recently won their independence, and among those peoples, particularly in the underdeveloped areas of the world whose nascent nationalism gives rise to independence movements, the Asian-African bloc. With these nations and peoples she meets both on the elite-party level—the Asian Socialist Conference, and on the governmental level—the Bandung Conference and the United Nations.

Obviously these alliances and meetings mean little power, in the military sense; but not so little in the moral sense. The Third Force, morally and politically, is an instrument for protection and advancement in the absence of other force. It may be rather unwieldy at various times; it may even offend some Westerners who "see" only the more ruthless imperialism of Communist powers and therefore expect a "with-me-or-against-me" response from the self-styled "uncommitted" nations. But it is a conceivable and viable policy which European Socialists invented and which they could not apply. Burma thus far has been more successful.

If the Socialism of Burma's leaders laid the cornerstone for her kind of foreign policy, their pragmatic adaptability in the world today is responsible for the building up of that policy. This latter has been illustrated in the fact that Burma was the first Asian nation to recognize Red China and Cambodia and Laos, to terminate U. S. economic aid, to conclude a peace treaty with Japan,²³ and a mutual assistance, non-military agreement with Israel. She successfully enlisted the aid of the United Nations during the unhappy experience with the Chinese Nationalist troops; and is now preparing to go to the United Nations again over the Chinese Communist invasion of her North and Northeast borders.

²³ U Kyaw Nyein negotiated the Treaty with Japan. *Burma Weekly Bulletin*, III, No. 33 (Nov. 1954), for the text. Also see *Burma Weekly Bulletin*, III, No. 26 (Sept. 1954).

But the chief example of this pragmatic adaptability may be seen in connection with Burma's foreign economic policy without which she cannot realize the kind of internal program she offers to her nineteen million people. In 1952 the Burmese government adopted an eight-year plan of social and economic improvement. It is called Pyidawtha, the Happy Land or Welfare Plan. Briefly it calls for net capital investment of 7,500 million kyats (approximately \$1.5 billion) in order to raise per capita consumption about 9 per cent over the prewar level. One third of this investment must come from export earnings in foreign currency, loans, reparations, and grants when and if available.²⁴

FOREIGN POLICY AND RICE

Under British colonial administration Burma became the leading exporter of rice (3.3 million tons per year) in the world. But whereas rice in prewar Burma accounted for approximately 47 per cent of export earnings (with oil, metals, and teak the next three in importance) today rice accounts for more than 80 per cent of such earnings, though in volume it does not quite reach two-thirds of prewar. The remainder is divided among a variety of products no one of which amounts to 5 per cent. It is reasonable to suppose that the ratio between rice and other export products will improve in terms of the latter. However, the improvement cannot greatly affect the ratio in the remaining years of the present eight-year plan, ending in 1960. Thus rice is the key to Burma's export earnings and her foreign economic policy.

Burma's recovery of her rice export trade boomed through the Korean war period and then backslid alarmingly. World prices of rice (and other primary products) declined sharply, especially in terms of prices of manufactured goods which have to be imported. Prewar buyers of Burmese rice (e.g., India took more than half of the prewar export total and is currently taking half of that) have replaced it with home-grown or imported substitute grains. Other food grain exporters, particularly the U. S. (wheat and rice) and Canada (wheat), have captured some of Burma's former markets. The Burmese, not without some justification, "say that the United States is, in effect, dumping its surplus rice in countries that are traditionally Burma's best rice customers."²⁵

Danger signals in 1954 in terms of unsold carry-over rice stocks and lower world prices keenly aroused the Burmese government. Even after discounting the fall in prices following the end of the Korean war boom, a buyer's market in

²⁴ See the author's *Towards a Welfare State in Burma, Reconstruction and Development 1948-1955* (New York, 1955) for a full discussion of this. Burma has recently negotiated a stabilization loan of \$15 million with the International Monetary Fund and two loans totaling \$19.35 million with the International Bank for Reconstruction and Development. These loans, plus that of India, reparations from Japan, and aid grants from the U.S., the Colombo Plan, and the UN have contributed to the foreign currency requirements of Pyidawtha. But the total of such money, amounting to less than \$400 million, falls far short of the need. The Burmese Government and press have welcomed recent United States aid action: the sale of approximately \$20 million of surplus agricultural commodities for local currency and a currently negotiated long term loan for approximately \$25 million.

²⁵ *New York Times*, May 2, 1956, dispatch by Robert Alden from Rangoon.

rice continued to dominate world trade in that commodity. No one expected that the Korean war "high" of £80 per ton would continue. But the fall to £60 in 1953, £50 in 1954 and £40 in 1955 (and slightly below that in 1956) gave substance to Burmese alarm. Carry-over rice stocks and a new exportable surplus in 1954 of approximately 1.5 million tons added up to 2.3 to 2.5 million tons for export. Delivery contracts for 1954 with India, Japan, Ceylon, the Ryukyus, Mauritius, Indonesia, etc.—conventional trading partners—accounted for only 1.6 million tons. Foreign exchange reserves which had steadily increased from 1949 sharply declined from the peak of 1.27 billion kyats in June 1953.²⁶ The difficulties faced in 1954 were duplicated in 1955. Carry-over rice stock and the new crop again added up to a total of exportable rice at least equal to that of 1954.

The consequences of the rice export problem had to be met by drastic steps at the cabinet level. A new Ministry of Trade Development was organized, headed by one of the ablest administrators in the cabinet, U Raschid, a Muslim, a businessman, and a comrade-in-arms of Prime Minister U Nu ever since the 1936 student strike. The State Agricultural Marketing Board, which handles more than four-fifths of all government-to-government rice contracts, was reorganized. Between 200,000 and 300,000 tons of low grade, broken, and spoiled rice was written off from carry-over stock. A vigorous international campaign to dispose of approximately two million tons of rice in 1955 and again in 1956 was undertaken while at the same time the government imposed import restrictions and slowed down the rate of capital investment in various Pyidawtha development plans. At this writing the crisis appears to be "solved."

But to do this Burma has had to redirect her patterns of trade. On the one hand Japan, as a consequence of the Japanese Peace and Reparations Treaty, has become a leading rice buyer, more than doubling her prewar volume. On the other hand, the Sino-Soviet bloc has vigorously moved into the picture. A series of agreements with China, the U. S. S. R., East Germany, Hungary, Czechoslovakia, and Rumania have been negotiated. These agreements have and will dispose of Burma's surplus stocks on what have been called, "clearing account arrangements." Loosely, these are barter, not cash sales. Burma disposes of rice but she must take reciprocal quantities of Sino-Soviet bloc goods and technicians. In November 1954 Burma and Communist China signed the first, over-all protocol, which, together with three separate contracts signed on March 28, 1955, disposed of 150,000 tons of rice per year payment for 80 per cent of which would be made in Sino-Soviet bloc goods, the balance in Sterling. This was followed on July 1, 1955 with a similar agreement with the U. S. S. R. Originally this was for a three-year period, involving 150,000 to 200,000 tons of rice per year. However, when Anastas Mikoyan visited Burma at the end of March 1956, he negoti-

²⁶ The decline was registered partly by falling rice prices but also by payments for increased imports for the Pyidawtha plans, repayment of debts to the United Kingdom and India, and purchase of government shares in the Burma Oil Corporation Joint Venture. For a fuller discussion see Saul Nelson, "Domestic and Foreign Trade," in *Burma* by Frank N. Trager and Associates (New Haven, 1956).

ated a Supplementary Trade Agreement and a protocol extending the period to 1960. Within those years Burma agrees to deliver annually 400,000 tons of rice for "Soviet machinery, equipment and other goods as well as rendering technical and other services."²⁷ No cash exchange is indicated. Similar agreements were signed with Communist Germany and Czechoslovakia in February 1955 for unspecified amounts of rice; on February 21, 1955 with Hungary for 20,000 tons,²⁸ which was increased to between 50,000 and 70,000 tons when a new agreement was signed on May 5, 1956; on February 7, 1956, with Rumania for three years at the rate of 20,000 tons.

The net effect of this situation is to tie a significant portion, probably as much as 35 per cent by volume, of Burma's export rice trade to Sino-Soviet bloc goods and technicians. It is rather interesting to note that Hungary announced on November 3, 1955 that some 9,000 tons of her Burmese rice had been sold to French West Africa. The irony of this item is compounded when viewed against the facts of related U. S. policy. On March 13, 1956 the International Cooperation Administration announced that it purchased 10,000 tons of Burmese rice (about \$1,000,000) for shipment to Pakistan (under the authority of the Mutual Security Act of October 1954, Section 402, as amended by M.S.A. 1955, Section 8). Payment was to be in American technicians. The score board would read: Sino-Soviet Bloc, a minimum of 620,000 tons, versus U. S., a maximum of 10,000 tons.²⁹

It is certain that the Burmese are aware of the implications of these barter deals with the Sino-Soviet bloc. In the annual ministerial address to the Burma Chamber of Commerce (the "European" Chamber, one of four) on February 8, 1956, the Minister of Trade Development remarked: "Many of our friends keep on reminding us of the difficulties of such arrangements. Some of them even tell us that there are 'hidden dangers.' We are not unaware of the difficulties and implications involved. Our position is that we have rice to sell and we must sell it if we are to survive." Somewhat plaintively he went on to say that "we are willing to sell all our rice for cash" so that Burma could buy imports at competitive prices but "it may yet take some time before we can dispose of all our rice for cash." And "it is not for us to go into the motives of our customers."

But "motives of customers" are certainly involved in the issue of foreign policy. Just as Ceylon, democratic, friendly to the West, member of the British Commonwealth, was forced into a rubber agreement with Communist China in

²⁷ *Burma Weekly Bulletin*, V, No. 1 (April 5, 1956).

²⁸ *Burma, The Eighth Anniversary*, VI, No. 2 (Jan. 1956), 24-25.

²⁹ Since this is not an article about U.S. or Free World policy it may be irrelevant to cite such intriguing data; one additional item is nonetheless offered. On the same day (and same page) the *Burma Weekly Bulletin*, IV, No. 46 (Feb. 16, 1956), announced the Burma sale of 20,000 tons of rice to Rumania, it also carried the story of Burma's purchase of \$21 million of American surplus agricultural products. The purchase was made under the enterprise of Americans carrying out the Congressional intent of Public Law 480, the Agricultural Trade Development Assistance Act. During the summer of 1956 emerging possibilities of rice sales for cash pointed toward a diminishing dependence on barter deals with the Soviet-Sino bloc.

August-September 1952 because she could not dispose of her rubber profitably with the West—rubber which must be sold at good prices in order to enable her to buy about 500,000 tons of necessary food grains per year—so Burma in order to dispose of her export rice has had to seek a direction and terms of trade which necessarily affect the course of her foreign policy. To survive and retain her "well-known policy of neutrality in international affairs" is what she wishes to do.³⁰

It is certain that she will try to do this. That is, she will pragmatically adopt her present foreign economic policy to the immediate needs of disposing of rice. Thus she gains a respite from internal disaster while she is afforded the opportunity of working out the long-range terms and direction of "trade for cash." But this presupposes that Burma will succeed in diversifying her exports; become less than 80 per cent dependent upon rice for foreign exchange; succeed in creating modest indigenous industry which will further conserve foreign reserves; and otherwise acquire the external capital, goods, and services to complete the modest, but somewhat slowed-down Pyidawtha plan indicated above. This is indeed a formidable burden placed upon the policy of a young, newly independent country still suffering from the blight of extreme war damage and armed Communist and other insurrection. Democratic international and national incentives may be blunted by the exigencies of trade and the enforced accommodation to scores, if not hundreds, of technicians imported from totalitarian countries. Certainly the Burmese ideological basis for a Third Force or neutralism which Kyaw Nyein has so clearly described runs the risk of dilution. Six hundred thousands tons (and more) of Communist-bought rice is a heavy weight in the present scales of foreign policy. But not heavy enough to change the policy.

³⁰ U Raschid, "Address to the Burmese Chamber of Commerce," *Burma Weekly Bulletin*, IV, No. 47 (Feb. 23, 1956).

October 16, 1957

H. E. The Ambassador
U Thant
Burmese Delegation
888 Madison Avenue
New York, New York

Dear U Thant:

I am very happy to note that you will speak to members of the Council on Burma's Foreign Policy, Wednesday, November 13th. I am sending the enclosed to you. It may be helpful.

Helen and I both hope that you and the family have recovered from your bout with the Flu.

Cordially,

Frank N. Trager

Burma - America Relations.

Will Washington bungle over KMT issue?

(From a correspondent)

It is a commonplace of observation that Burma-America relations are not as good as they ought to be. I would not say that the relations have deteriorated; on the whole the relations have been friendly, but they are lacking in warmth.

Well-wishers of Burma-American amity were delighted when America offered, and Burma accepted ECA. Burma sent more statescholars to the United States than ever before, and more Burmese leaders, soldiers and professors were encouraged to visit America, under American sponsored programmes, and observe American way of life. These Americans who visited Burma - Senators, Judges, journalists and just ordinary tourists - were impressed with Burma's sincere desire to be friendly with America. Justice Douglas ^spoke of "Burma's unique method of building a democratic way of life." Democratic leader Stevenson eulogised Burma and described its present leaders as "earnest and honest young men." Columnist Alsop ^reserved a small cheer for Burma which he denied to other countries of South East Asia.

Against this background of warm feelings and sympathetic understanding, KMT problem has constituted and still constitutes a constant source of irritation for the two countries. This KMT problem has also provided an excellent propaganda material to the local Communists. Thakin Than Tun and Thakin See found the KMTs in Burma a far more effective weapon for propaganda than all the works of Lenin and Stalin put

together. Indeed, the KMT aggression against this country is the most brazen-faced arrogance ever exhibited in any country after World War II. Formosa chuckles with delight at the "exploits" of Lini's men. The world was made to believe that the "Nationalist irregulars" would play a big role in attacking Mao's mainland once Chiang gave the signal. In fact the so-called anti-Communist army once penetrated Yunnan a few score miles but they were so badly mauled that the remnants dared not approach the Chinese frontier again.

For four years 12000 KMTs lived on the land, harrassed Burmese villages, assaulted womenfolk and committed all conceivable crimes usually associated with indisciplined armed bandits with no decent authority higher up to account for their actions. When the history of these unwanted men in Burma comes to be written, a good deal of space shall have to be devoted to General Claire Chennault's CAT planes which shuttled back and forth between Taipeh and Monghsat, replacement of Ambassador Stanton by General William J. Donovan as Ambassador to Bangkok in the midst of Four-power parleys, and the manner in which American arms meant for Formosa arrived in Monghsat, and the operations of South East Asia Corporation with its branches in Manila and Bangkok. Formosa has never attempted to conceal the fact that the CAT is the Nationalist Civil air fleet which has been operating by virtue of a contract between the Chinese Nationalist Government and the partnership of General Chennault and Whitting Willawer now American representative in Hongkong.

When Burma's complaint was heard in the U.N. General Assembly in March 1953, responsible American opinion sensed the inevitable ^{or}would reaction which would discredit America's Far Eastern policy makers. Washington Post urged the State Department to take all necessary steps to get Chiang

evict his men from Burma. President Eisenhower assured U Nu that he was deeply sympathetic towards Burma "in this unfortunate matter", and that his Government was also making its best efforts to bring about a peaceful solution. He expressed the hope that Burma would accept the sincerity of the United States' endeavours in the problem, and that she would cooperate as far as possible, in all matters relating to the withdrawal of the KMT troops from Burma.

Vice-President Nixon, after his brief sojourn in this country, was more explicit. He declared that the KMTs have no business to be in Burma. The language, it will be noted, is the language of Sri Nehru and of Krishna Menon. Senator Alexander Smith, Chairman of the Senate Sub Committee on the Far East, after an observation tour of the Far Eastern countries, reported in January 1964, "The presence of Chinese Nationalist troops on Burmese soil constitutes a discouraging irritant. I hope very much that our Government will continue to use this influence, both in the United Nations and with the Nationalist Government, to bring this controversy to a satisfactory conclusion."

Of course Washington got things moving and Bangkok Four Power Military Conference came into being. As a result of these parleys, long-drawn-out evacuation proceedings took place. The first phase of KMT evacuation, however, made the neutral journalists at Tachilack rub their eyes. The so-called "hard-core" of KMTs withdrawn from Burma comprised a few score teen-agers and human derelicts with "arms" ranging from ^{rusty} Musty daggers to unserviceable rifles, obviously from junk heaps. The "arms" were, however, solemnly destroyed, under terms of agreement, by the American ordnance officer who was visibly perturbed at the nature of his work.

Perhaps, Formosa got a broad hint from Washington that the former's silly little game wouldn't do, and evacuation proceedings became more brisk and the hard-core looked like the real thing. Cease-fire deadlines were extended time and again by Burma, and it took 120 days to evacuate an assorted medley of some 5000 unwanted guests, men, women and children.

While this slow motion was going on, General Li Tsi Feng, Lini's deputy and "the untamed jungle general", declared that he and his men would "fight for our anti-communist cause to the last drop of blood, regardless of pressure to evacuate Burmese territory."

It In the meantime, monsoon was approaching, and once ~~monsoon~~ breaks, it is practically impossible to launch major operations against the KMTs. So, with the termination of the last cease-fire deadline in five specified areas, Burma army launched major operations on March 2. Monghsat, the Capital of KMTs in Burma fell to the Union forces on March 20.

[For some unknown reasons, Bangkok voiced uneasiness at Burma's successes. The Bangkok press deplored Burma's alleged violation of cease fire agreement, ~~and of Thai territory.~~ Rangoon promptly denied any violation, ~~of cease fire agreement or of Thai territory.~~ Bangkok papers displayed with banner headlines "the operations of 100,000 Burma army" just across the Thai frontier, and announced with a certain show of glee that the Karen and Mon rebels had declared an independent Karen state with Myawady as the Capital.

The Burmese town of Myawady lies directly opposite the Thai town of Maesaut and a small river separates the two. In fact Myawady was in the hands of Karen rebels since 1949 when they proclaimed Karen state for the territory they held. Now one wonders why the Thai press raked up the five-year old Karen rebel proclamation. All these five long years Maesaut has been serving the Karen rebels as Hongkong

The Burmese people are born democrats and they had learned to detest dictatorship in any shape or form. The Communist ^C ^S setbacks in Burma, which have no parallel in any other country in South East Asia, are in a large measure due to the people's resistance to the totalitarian way of life, and it needs no astrologer to predict that Communism as a political creed is doomed in this land of pagodas. In America's Crusade against international Communism, Burma is playing a significant, though silent, part. Burma plays her part not for American dollars. Her ^C consistent refusal of American military aid and her abrupt termination of T.C.A.(ECA) agreement are cases in point. America has poured and is still pouring billions of her precious dollars in other parts of the world in defence of democracy. In Korea she had even sacrificed tens of thousands of her gallant sons for the same sacred cause. But she is apt to forget that in a young Republic called Burma, both the Government and the people are building a democratic way of life on her own without an eye on American tax payers' pockets. This exceptional phenomenon stands out unmistakably in the vast net work of American foreign entanglements.

Many small countries have become, since the termination of World War II, new additions to the vast Communist empire. Still more countries are threatened to follow suit. Just think what would happen to Greece or Turkey, Austria or Germany, Korea or Indo-China, if American aid were withdrawn.

When Burma proclaimed independence in January 1948 the predictions of the pessimists were dire indeed. Today Burma's record shows that she has dealt with her native Communists far more effectively and decisively than have the two remaining major colonial powers in Asia, France and Britain in Indo-China and Malaya.

Many countries are still desperately fighting Communism and the Communists, backed up by America's powerful resources in Men, materials and technical know-how.

Burma is fighting her own single-handed with unmistakable results for all the world to see. Competent observers opine that Burma's internal Communist problem would have been solved long ago if she had only been spared the KMT problem. Burma does not lay the blame at the door of America for her KMT problem. Burma has only solicited America's good offices to exert whatever influence it can over Chiang Kai Shek to withdraw the KMTs from Burma. Burma believes that America does exert its influence over Formosa to that end. In the circumstances, the lightening successes of the Burma Army over KMT marauders should gratify Washington. But the indications are that Far Eastern policy makers of America are bungling over the issue.

If America bungles, one thing is certain: Burma will be lost to her. Many well-wishers of Burma-American friendship will only have to deplore American intransigence. Burma will certainly turn anti-American on that score, but under no circumstances will she join the Red camp, because she knows only too well that such a step will be jumping from the frying pan into the fire.

Many sceptical Americans believe that Burma is already anti-American. They may point out to a section of the Burmese press as proof of that assumption. But they need to distinguish between anti-Americanism as a general attitude and anti-American point of view over particular issues. Has the American Embassy in Rangoon ever been a target of mob violence or mob hysteria even in the worst of circumstances? Tokyo, Calcutta, Colombo, Rome, Beirut and several other cities have experienced such demonstrations in the past.

It is high time that America correctly assesses Burma's silent contribution to the cause of democracy. It is gratifying to know that American diplomats in Rangoon from

Ambassador Sebald down to the Chancery man have the correct perspective of Burma's problems and her methods of dealing with them. But one wonders if Washington is not viewing Burma's KMT problem through Formosan glasses. If America bungles in her Burma policy as she does in certain other areas, then she will only alienate her silent ally, young and weak though she may be.

Let the American tax payers know the truth about the billions of dollars drained on Formosa for no other purpose than keeping alive a regime whose only occupation appears to be to shout, "To the Mainland!" Rulers of America know fully well that Chiang's cry is only a cry for the moon. But Chiang's face must be saved anyhow. Is he not one of Asia's most outspoken opponents of Communism?

Let the American tax payers also know that there is a country called Burma which is fighting its own ^Communists effectively in her own way without fan fare, and without a cent from Washington. Let the American tax payers choose which is the better ally: an outmoded charlatan without vision and a progressive democrat who refuses to believe that the world is made up of all blacks and all whites. The choice is between Chiang and Nu.

I think it will make for greater Burma-American understanding if America can send out here an impartial observer like Justice Douglas or Bernard Baruch or any man of public standing who is not running Chiang Kai Shek as a business. Let the American tax payers know the real unvarnished truth about Burma.

SINO-BURMESE FRIENDSHIP.

(By U Nu.)

It is heartening to reflect that centuries-long friendship between China and Burma has been consolidated and strengthened in the last few years, due mainly to the incessant efforts on the part of both the peoples of the People's Republic of China and of the Union of Burma. Since the signing of the Joint Statement of the two Prime Ministers in Rangoon on June 29, 1954, the friendship between the two countries has grown from strength to strength.

It will certainly be appropriate to recall the facts of history. In the course of the past two thousand years of recorded history, China and Burma enjoyed peaceful relations, interrupted by only two or three conflicts. This fact in itself is a standing testimony to the nature of friendly relations between the two countries. Trade flowed smoothly and cultural exchanges were evident in several spheres. The Chinese are endearingly termed as "Fauk-phaw" (born together) by the Burmese, and there are traces of Chinese influence in Burmese life and customs, and I believe the Burmese also exert considerable influence over Chinese life and customs, especially in areas close to the Burmese border. The present-day Burmese jacket is unmistakably Chinese in origin, and one can find many traces of Chinese culinary influence in many Burmese dishes.

Besides these mutual impacts, China and Burma have one great thing in common. The vast majority of the peoples of the two countries profess Buddhism which in turn exercises a very marked influence over the cultures of both. In architecture, literature, paintings and music, Buddhism has been an unfailing source of inspiration in both countries.

When China was torn by feudal war lords and Burma fell under the domination of foreign imperialists, mutual interest and cultural interflow received a setback. It was a period of stagnation and darkness, one shut off from the other. But with the withdrawal of colonialism from Burma and the institution of a People's Republic in China, things began to move once again and mutual interest was evinced by both China and Burma.

Our two countries are at present adopting different methods to reach our respective aspired goals. There are ideological differences between the two, but it is now recognised that each method is necessitated by the peculiar circumstances prevailing in each country. This fact was recognised by me as Prime Minister of the Union of Burma and my esteemed friend Mr. Chou En-lai, Prime Minister of the People's Republic of China, when we signed, on behalf of the two governments, a Joint Statement in Rangoon, on June 29, 1954. We expressed our agreement that the now-well-known five principles should be the guiding

principles for relation between China and Burma. It may perhaps be relevant to reiterate them.

1. Mutual respect for each other's territorial integrity and sovereignty,
2. Non-aggression,
3. Non-interference in each other's internal affairs,
4. Equality and Mutual benefit, and
5. Peaceful co-existence.

We firmly believe that if these principles are observed by all countries, the peaceful co-existence of countries with different social, economic and political systems will be ensured, and the threat and fear of aggression and interference in internal affairs will give place to a sense of security and mutual confidence. This joint statement not only restores the traditional friendship between our two countries, but also arouses in the hearts of the peoples of both China and Burma an abiding sense of mutual respect and esteem and a genuine desire to see each other enjoy progress and prosperity. The spirit behind this statement opens a new and auspicious chapter in Sino-Burmese relations.

Since then, a constant stream of cultural, literary, industrial, agricultural and military missions has been exchanged between the two countries and the friendly cooperation has been further strengthened.

I visited the People's Republic of China in November-December 1954, and the extraordinarily warm reception I received both from the leaders and the people of that great country has convinced me of the sincere goodwill and affection entertained by China towards Burma. I was also greatly impressed by rapid strides made in industrialization, the cleanliness of towns and villages and the discipline of the people. Both the leaders and the people of China are anxious to understand Burma and the Burmese people, in the same way as the leaders and the people of Burma are anxious to understand China and the Chinese people.

At the conclusion of my visit to China, a joint communique was issued by me and my esteemed friend Premier Chou. We expressed our satisfaction at furtherance of friendly relations between our two countries; we reaffirmed that the five principles of peaceful coexistence were unalterable principles guiding the relations between our two countries and we reaffirmed that China and Burma should continue to maintain close contacts so as to strengthen the friendly cooperation between the two countries.

Many impressive results accrue from this communique. Consulate-Generals were mutually established in Kunming and Lashio, a Sino-Burmese air service was opened between Rangoon and Kunming and a post and telegraph agreement was concluded between the two countries.

Trade also developed. China agreed to import annually from Burma 150,000 to 200,000 tons of rice, from 1955 to the end of 1957, and during the same period Burma agreed to import from China such industrial installations and equipment as well as articles of daily use that China could supply. With a view to improving the conditions under which the nationals of one country reside in the other, we agreed that each country encourage its own nationals residing in the other country to respect the laws and social customs of the country in which they reside and not to take part in the political activities of that country.

The most important result of the new relations between China and Burma is the present negotiations between the two countries to settle the question of incomplete delimitation of the boundary line between China and Burma. China's proposal is receiving the closest attention of the Burmese government and I believe that an amicable settlement will be reached very soon.

So far, two border conferences have been held, the first in Lweje on Burmese side and the second in Mangshi on the Chinese side. These conferences certainly help to strengthen the friendly relations and understanding between the peoples residing in border areas, and I am sure further similar conferences are essential for the consolidation of this friendship

and understanding.

In all her dealings with Burma, China has never displayed any trace of Big Power Chauvinism. We donot always see eye to eye on some international issues, and that is of course only natural. On recent developments in Hungary for instance, our views differ, but we fully recognise the fact that each of us is entitled to its own point of view, and such differences in no way affect the very friendly relations which exist between our two countries.

.....

1. Democratization Programme.

A silent revolution was launched in Burma with the passage of the Democratic Local Government Act in 1953. The aim of this legislative action was to revolutionarise the whole administrative machinery both in rural and urban areas.

In this country, as in India, Pakistan and Malaya, the term local government is restricted to organs consisting wholly or partly of local non-officials and concerned with the promotion of local amenities. During the British regime these organs comprised municipal and town committees and district councils. All the districts in Burma were divided into village tracts, usually about 50 to a township, and a village headman was appointed to each village tract, with power to try petty criminal and civil cases. In 1924, an amendment was made to the existing Village Act. This amendment required the Deputy Commissioner, before appointing a headman, to ascertain the wishes of the villagers by means of an election, and gave the headman the assistance of an elective village committee for the trial of cases. The village headman was empowered to decide civil disputes up to the value of Rs. 5/- (one dollar) and to try petty cases of assault, theft, mischief, criminal trespass and such other offences as might be specially notified. Ordinarily his powers were limited to imposing a fine of Rs. 5/- (one dollar)

or confinement for 24 hours. Under the Act as amended in 1924, village committees, periodically elected with the village headman as chairman, were constituted for the performance of these functions. ^{Report} ~~Reort~~ to the village court thus constituted was optional. The orders of the village tribunal in criminal matters were subject to revision by the Sub-Divisional Officer or Deputy Commissioner. In civil matters there was no appeal, but in certain circumstances there might be an application to the local Township Judge for revision.

Under the new Democratic plan, the place of the village headman was taken by an elective village council, normally of five members, with a chairman chosen by the members from among themselves. All the previous functions of the village headman as a judge, magistrate, police officer and revenue officer devolved upon the Council, along with his general responsibility for the promotion of welfare. For each village tract there was constituted a Village Court consisting of all the members of the Village Council. The new plan proposed to allow greater autonomy to the Council in the disposal of village affairs, and to give greater authority to the Council in the disposal of criminal and civil cases than the former village committee possessed. The intention was that the village court should dispose of matters so far as possible in an informal manner by mutual agreement. The new plan aimed at the restoration of the vitality and sense of participation of the village community which had disintegrated under foreign rule.

Another new feature of the plan was to invest the Village Court with power to demand security for keeping the peace, or for being of good behaviour. The conferment on the Village Court of such power should no doubt promote harmony in the village and help to reduce the excessive criminality of Burma by dealing with the problem at its source.

The most important change, however, was in respect of location. Formerly most petty cases were sent up for trial before a magistrate, usually the local township magistrate. In many cases the town is as far away as twenty miles or more from a village, and means of communication are primitive. In the new Act it was laid down that cases triable by the village court shall be tried only by that Court. Thus, the powers of the Village Court were far greater than those of the former village committee. They were empowered to impose a fine of Ks.30/- (six dollars) or to sentence an offender to useful labour up to one month; or to simple or rigorous imprisonment up to one month. A village court could be specially empowered to impose a fine up to Ks. 200/- (40 dollars) and of imprisonment up to six months. There is no appeal against an order of a Village Court in certain specified cases, but the District Magistrate may call for the record to ascertain whether or not the judgement is "in accordance with justice".

One main defect of the British system of Local Administration was that members of the various councils and committees were expected to do and pay for many things that they did not want to do, while there was no adequate supervision or control over their conduct of affairs or over the expenditure of their funds. The biggest flaw was that there was no organic link between the central government and the local councils, or between urban and rural administration, or between the district council and the villages..

The new plan aimed to link all the local councils within a district in one organic whole and to create machinery for the effective promotion of welfare and to supply the requisite funds. As stated earlier, each village elects a Village Council, normally of five members. Each ward in a town elects a Ward Committee of three to five members, and each Ward Committee sends representatives to an Urban Council. The Village and Urban Councils are integrated in a Township Council comprising one representative of each Urban Council. Each Township Council is represented by four to eight members on the District Council.

The various councils are graded in regard to their authority; the Village and Urban Councils are subordinate to the Township Council, and the Township Councils are subordinate to the District Council which is directly subordinate to the Ministry of Local Government. Each Council is expected to comply with

all lawful orders from superior authority but otherwise has full liberty to promote local welfare and to the full extent to which it can provide the requisite funds. Provision is also made for two or more villages to join forces for any common end. On this plan all the local communities within a district are linked together in one organic whole for the promotion of common welfare, while the spirit of emulation and competition between the Councils is expected to encourage them to undertake more than the prescribed minimum requires.

One defect of the former system was that the local councils were supposed to manage their own affairs but they were not equipped with the administrative machinery for effective operation. Under the new plan necessary remedies were provided. The former Deputy Commissioner, for instance, relieved ~~of~~ ^{of} magisterial and revenue functions, becomes the Chief Executive Officer of the District Council and should exercise supervision over all branches of the administration. He is responsible to the Council for giving effect to its policy with due efficiency. Thus, under this new plan, each local Council is both an instrument of local government and an agent of superior authority. If, for example, the Health Ministry decides that there should be a tube well in every village, it can have the work done departmentally or by the Village Council as its agent. The intention is that, so far as possible, all work in connection with the public welfare should be conducted by local councils, either

as agents of superior authority or on their own initiative.

When the Act was enacted by Parliament in 1953, it was envisaged to introduce this new plan in gradual stages throughout the country. The primary intention was to enable every citizen of the Union to exercise his or her democratic right to the full. Certain devices were therefore, contemplated to ensure that the machinery works on democratic lines as an instrument of popular government and not merely of party government. The franchise to these local bodies is the same for elections to Parliament; there is adult suffrage at the age of 18 subject to certain specific disqualifications. One distinctive feature of the franchise at the local elections is that appearance at the polling station has been made compulsory, because it is recognised that in a democracy voting is a duty and not a privilege. This system of compulsory voting should provide an adequate safeguard against power falling into the hands of a clique, due to the possible neglect of the majority to take the trouble of voting. Again, it has been the experience of history that a would-be dictator usually seizes power by obtaining control of the military or armed police. To prevent such a contingency, the Act provides for the creation of a village police force and a village defence force which shall be under the control of the local authorities, so that there should be an effective means to prevent a

coup d'etat that has no general support among the public.

Now, four years have elapsed since the passage of this historic Act, but for a variety of reasons the plan has been introduced only in ten districts, but only in two has it been in operation. Chief among the difficulties is the conflict between local self government and centralised departmentalism. Steps are, however, being taken to reconcile various departmental activities with the spirit of local self government, and it is expected that a solution will be found in the not ^{too}~~so~~ distant future.

Another obstacle in the implementation of the scheme is the difficulty of providing the various councils with sufficient funds for efficient operations. This aspect is receiving the attention of the Government in the formulation of the present Four-Year Plan. The first step in solving this problem has been taken in the decision that land revenue shall be allocated to local bodies, and not to the central government as in the past.

2. Insurgent Rehabilitation

The formation of Rehabilitation Corps, mainly for surrendered insurgents, was first announced by Prime Minister U Nu on the floor of the House

(Parliament) on 28th September 1949. Its main features are:

- (a) It is organized on the same lines as the army.
- (b) It helps in the implementation of various rehabilitation schemes.
- (c) The members of the Corps are trained in technical and industrial spheres.
- (d) Regular education is imparted to them.
- (e) Military training (elementary) is given.
- (f) The minimum period of service in the Rehabilitation Corps is two years.

On the 11th September 1950, Rehabilitation Corps Act was enacted in the Provisional Parliament. The first Corps was formed with 520 young men including surrendered insurgents, able-bodied unemployed, refugees, ~~ex~~ members of ~~ex~~ People's Volunteer Organization and young volunteers from the States.

The Corps was gradually expanded and at present there are 8 battalions and two auxilliary companies specialising in carpentry and masonry. Approximately 20 per cent of the personnel are surrendered insurgents comprising communists and members of the Peoples' Volunteer Organization. Each member of the corps is supplied with uniforms and granted a monthly allowance of K. 80 (about 16 dollars), besides enjoying free medical attention, social amenities and sports. Among the vocational and technical training imparted are the following:

1. Elementary surveying.
2. Carpentry.
3. Masonry

4. Leather tanning.
5. Brick making.
6. Construction work.
7. Poultry farming.

Many of the country's pyidawtha building projects were entrusted to the Rehabilitation Corps, and up till now various construction projects to the value of K. 250,00,000 (twenty five million kyats or approximately five million dollars) have been undertaken by the Corps. Among the more important works accomplished are the military airfield at Hmawbi, Mass Education Headquarters buildings, Myoma School extensions and Army quarters at Hmawbi.

3. Peasants.

Section 30 of the Constitution of the Union of Burma established the basic policy regarding the crucial issue of land ownership and tenure. It provided:

- (1) The State is the ultimate owner of all lands.
- (2) Subject to the provisions of this Constitution, the State shall have the right to regulate, alter or abolish land tenures or resume possession of any land and distribute the same for collective or cooperative farming or to agricultural tenants.
- (3) There can be no large land holdings on any basis whatsoever. The maximum size of private landholdings shall be determined by law.

In an agricultural country ^{like} ~~the~~ Burma, land is the crux of all problems. The peasant problem means in essence the problem of equitable land distribution and the expansion of agricultural credit. Chettyars, South Indian money lenders who came to Burma mainly during the second half of the 19th Century, were most prominent in the picture during the British regime. They supplied a major share of the agricultural credit, but their interest rates of 24 to 36 per cent per annum resulted in widespread land foreclosures. In the circumstances, ^{agrarian} ~~aggrarian~~ debt and widespread peasant distress became acute. By 1941, nearly half the land in Lower Burma was in the hands of non-agriculturists and in the principal rice growing districts the proportion was much higher.

When the communists went underground in March 1948, they could rally considerable peasant support with their well-known slogan "Land to the tiller!" In the areas they occupied, even temporarily, all agricultural lands were seized without paying compensation, and distributed to the peasant.⁶ The situation ~~was~~ exploited to the full, but the bitter campaign of hate against the land owners and hasty measures resulted in alienating the support of petty land owners and faulty distribution which in turn alienated the support of agriculturists.

As early as October 1948, The Land Nationalization Act was passed by Parliament, in conformity with the

Constitution. Equitable compensation was assured to the landowners and distribution of land to bona fide agriculturists was envisaged. In 1952 Pyidawtha (Happy Land) Conference passed resolutions on land nationalization and on the adoption of an Agricultural and Rural Development Plan. The Burmese Parliament passed an amended Land Nationalization Act which provides for nationalization of private holdings in excess of specific limits and their distribution to cultivators who are to work these lands as state tenants, and for encouraging cooperative societies and collective farming.

Unsettled conditions in the country ^{were} ~~was~~ mainly responsible for the slowness of implementation of the land nationalization programme. During the fiscal year 1953-54, land nationalization and redistribution could be carried out in only one township in each of the eight districts. A total of 142,737 acres in 167 village tracts were redistributed to 19,225 families. During the first eight months of the fiscal year 1955-56, however, action was accelerated. Land was nationalized and redistributed in 678 village tracts, in 33 townships in 28 districts. Over 600,000 acres were redistributed to almost 60,000 families. During the fiscal year 1956-57 about one tenth of the total land to be redistributed has passed into the hands of the agriculturists.

Agricultural credit is the other major problem tackled by the government. After the war

the Chettyars, who had before the war been a major source of credit, did not come back to Burma and their absence aggravated the situation. The peasants had no other source than the government to turn to. From 1947 to 1954, agricultural loans issued by government totalled about 160 million kyats (£33.6 million) but repayment amounted to less than 90 million kyats.

In 1953 the State Agricultural Bank was opened with the aim of replacing the system of direct government loans to agriculturists. During 1953-54, the Bank issued loans totalling 5.3 million kyats, of which 1.3 million were extended through fifty village banks, and the remainder through Cooperatives. For 1954-55, total loans rose to 12.5 million kyats. In that year about 20 per cent of the total loans of the government to farmers were made through the State Agricultural Bank.

4. Labour.

Burma's labour force in relation to its population is comparatively large. Of nineteen million people in the population, about eight and a half million, or forty five per cent, are classified as workers. In terms of actual work, however, Burma's workers are not employed whole-time. It is officially estimated that the total number of partially or totally idle workers in 1952 amounted to 2.75 million workers, or about one third of the labour force. This accounts

for the exceptionally low labour output.

Some salient facts relating to labour in Burma: The first Director of Labour was appointed in 1946 . Labour Legislation Advisory Committee was set up in July 1947.

Burma became a member of I. L. O. in 1948.

The more important new Acts and amending Acts enacted are:

- (a) The Employment Statistics Act, 1948.
- (b) The Minimum Wages Act, 1949.
- (c) The Employment and Training Act, 1950.
- (d) The leave and Holidays Act, 1951.
- (e) The Factories Act, 1951.
- (f) The Shops and Establishment Act, 1951.

Amending Acts:

- (a) The Trade Disputes (Amendment) Act, 1947.
- (b) The Factories (Amendment) Act, 1948.
- (c) The Trade Dispute (Amendment) Act, 1948.
- (d) The Mines (Amendment) Act, 1949.
- (e) The Trade Unions (Amendment) Act, 1949.
- (f) The Payment of Wages (Amendment) Act, 1949.
- (g) The Work men's Compensation (Amendment) Act, 1951.

Some of the important effects of these legislations are:

- (1) Hours of work in factories have been reduced from 54 to 44 per week.

- (2) Over time work in factories is paid at double the time rate instead of $1\frac{1}{2}$ or $1\frac{1}{2}$ as previously.
- (3) Provisions have been made to permit Trade Union subscriptions to be deducted from wages only with the consent of the workmen concerned.
- (4) Payment of Wages Act has been extended to Warehouse, Hotels, Cinemas and Theatres.
- (5) Government has been invested with statutory powers to collect statistics from employe s relating to the welfare of workers and their conditions of work.
- (6) Minimum wages have been fixed in respect of any class of workers.
- (7) The hours of work in mines have been reduced from 10 to 8 per day.
- (8) Provisions for paid holidays, earned leave, casual leave, and sick leave for various categories of workers have been made.

Labour is organized into Trade Unions. Just before independence two labour organizations sprang up under the names of the Trade Union Congress (Burma) and the All Burma Trade Union Congress. The latter was, however, short-lived. In 1951 a rival body to T. U. C.(B) was formed under the name of the Burma Trade Union Congress, but its organization and activities received a set back very soon due to its pronounced pro-communist sympathies.

5. Women's Organizations.

The only nation-wide women's organization is the Women's Freedom League, one of the original components of the AFPFL when it was first organized. It is still affiliated to the AFPFL. Another women's organization called the Women's Union, sympathetic to the new illegal Communist Party, is now defunct.

6. Youth Organizations.

There are at present two all-Burma Youth organizations: the Union Youth Organization and the All Burma Youth League. The U. Y. O was formed in February 1950 under the guidance of the People's Peace Central Council and the leadership of the Hon'ble Prime Minister U Nu. On the 15th March 1951, the Union Youth Affairs Council Act was passed by the Parliament. Under this Act, the Chief Justice of the Union of Burma and the Minister for Education and the Chairman and Vice-Chairman respectively of the Central Council.

The Council aims at providing facilities so that youth may lead a full life. It aims at providing opportunities for the development of the body, mind and spirit. Scouting, first-aid, fire-fighting, defence training and citizenship training are some of the more important courses imparted to Union Youths.

The All Burma Youth League is the older organization. Soon after the Japanese occupation of Burma, a group of patriotic young men happened to meet in Rangoon and hit upon the idea of forming a youth organization. The result was the formation of what was then called the East Asia Youth League (Burma) on the 28th June 1942. The aim was social service and youth improvement. When the resistance movement against the Japanese started many of the members of the league took active return of the British to Burma the activities of the League came to a standstill for a few months. Then it was resurrected as "The All Burma Youth League" on the 20th September 1945. It joined the AFPFL as a constituent body. Apart from being a constituent body of the AFPFL, the ABYL did not take any active part in party or power politics but bent its energies on the social service activities of the AFPFL such as "Grow more food" campaigns, welfare and relief work, etc.

But when the communist insurrection was at its height in 1949, some leaders of the ABYL wavered and even openly criticised the AFPFL for having adopted stem measures for the suppression of the insurgency. Thus another youth organization the Union Youth League - came into being with the blessing of the government. It is a non-political, non-party organization, devoted solely to the moral, mental and physical training of Burma's youth.

MISSIONARIES AMONG THE HILL PEOPLES

BY

THISSA.

No one can be insensible to the great wave of religiousness which has swept over the country during the past year. Leadership by a Premier who believes in influence through universal love and prayer, the Burma Buddhist missions for countries abroad as well as for areas such as the Chin Hills, above all the arrival of Sacred Relics from Ceylon and India and their journeys of state to all the main centres of Burma, have brought a deep-seated happiness in a great many cases, a surge of religious emotion everywhere, and owing to this, a general impression that the country must be heading for better times. Hence the title of this article should sound pertinent. But such has been the history of organised religion in Burma during the past 75 years that the article itself, being on Missionaries among the Hill Peoples, must deal almost exclusively with Christian missionaries.

This has always been a controversial subject for the Buddhist intelligentsia of the country. They have had a prejudice, vague but fairly strong, against the activities of these missionaries, yet being for the most part tolerant and easy going, they have shrunk from expressing this prejudice freely, for one glance would show that along side evangelical activities the Christian missionaries have set up schools, dispensaries, orderly village communities and agricultural settlements, with all sorts of amenities like free gifts of books, clothing, scholarships etc. for the converts. Therefore the rational rejoinder in the mind of the Buddhist to his instinctive prejudice has been "Is it right to deprive the hill peoples of such benefits just because it is the Christian missionaries and not we who offer them?" and "Can there be much wrong with these Christian men and women who, although teaching a creed alien to our own thought, give up their lives to doing good among a foreign people?" So the topic has been shelved in the minds of the majority.

Yet this is a subject which cannot be ignored. Like all problems starting or thriving in our midst it deserves a close and unprejudiced examination before it is too late. After having lived among the hill peoples and in touch with missionary acquaintances and friends for the past five years, I offer (with the hope that the friends remain friends) my findings for what they are worth.

Missionaries tend to operate far more actively and numerous among the hill peoples than among the valley people. Although there are missionary settlements among the Burmese and Shans whom we may at present call valley peoples, these, when considered in proportion to the total population of the race concerned, are negligible compared to the number among the hill peoples.

The hill tribes are considered a "rich field" for missionary activity, much as a virgin forest, an unexplored field of research, or an underdeveloped market is to a lumberman, scientist or industrialist. The hill tribes, when western influences first came to this part of Asia, had not attained the development of a settled administrative authority emanating from one centre and throwing a homogeneous influence over a large area, such as the Mon, Burmese and Arakanese under their Buddhist kings or the Shans under their Sawbwas had done. Under these systems had grown up a comparatively full and variegated social life, in every detail of which the influence of Buddhism had become impregnated, to produce a religio-social structure which was difficult to dislodge or the satisfactions of which were difficult of being added to. Kingship or

Chieftainship was irretrievably bound up with religion, not because the source of authority was considered divine so much as because the Eastern peoples, hill or valley, had not yet come to understand the secularisation of any function of importance. Thus religion was still synonymous with culture.

The hill tribes had not had this homogenising influence of religion, culture and administration combined. Even where tribes like the Taung-thus are classified as predominantly Buddhist, the Buddhism is strongly overlaid with their own local tribal traditions. Such traditions, for example, as the Karens tribes had of Yuah and the Great Book, which incidentally, lent themselves so easily to Christian interpretation. Hence the term animist comes to be applied to so many of the tribes, the animism or spirit worship being in fact nothing more or less than a particular tribe's way of fulfilling the desire toward off evil, call down good, and experience the exaltation of being at one with the unknown and immaterial which every human being in direct touch with Nature feels. This need for spiritual comfort is indeed strongest among our hill peoples whose gropings towards a force greater than materialistic humanity are undistracted by the sophistications of town life. It is precisely this need and this groping which Buddhism from a central, highly developed source has ignored, and which Christian missionaries, on the other hand, have seized upon so readily as rich pasture.

One reason why Buddhism has adopted this policy is that under British rule, there was an interdict on Burmese Buddhist activity in the "scheduled areas." Another has been the comparatively unassertive nature of Buddhism itself. A philosophy which is not dogmatic, which believes in live and let live, is almost certain to be non-proselytising if left to its own steam. Tolerance necessarily speaks a clam indifference towards the convictions of others.

If the Buddhist majority are so tolerant, why then should they object to the activity of Christian missionaries among peoples whom they have ignored so far? The truth is that in Christianity as offered to its converts, there are two elements. There is the spiritual message of Christ; and there is the administrative and organising authority behind such Churches as are powerful and rich enough to endow these far-flung missionary activities.

Let me explain to the Buddhists in this country what a "Church" means. It is conceivable that Burmese Buddhists who embrace as brothers all fellow Buddhists including those from Tibet, China and Japan, where the Buddhism flourishing differs more fundamentally from Burmese Buddhism than do a dozen Christian sects from each other, and who would, without a sense of anything unorthodox, contribute to and worship in the pagodas put up by the Buddhists of those countries, might find it difficult to understand the idea of a Christian Church.

Christian Churches, all of whom share the fundamental doctrine of there being one, true, omnipotent Creator-God, the divinity of Christ and his death on the cross as a loving sacrifice for the sins of mankind, make so much of their differences of superficial ritual and non-fundamental doctrines as to have made of a "Church" an organisation controlled, financed, and attended only by those who subscribe to its particular rituals. The adherents of such an organisation are said to belong to this Church and they do not belong thus to any other; indeed if they are fervent supporters of their Church they will not, if they can help it, have anything to do with any other. This will seem a strange idea but we must remember that Westerners like to make a success of anything they undertake, and the insistence on correct details of organisation which we do not yet apply even to our material projects, let alone to the spiritual field of religious experience, is by them used alike for industry and for Church organisation.

To make such a Church most successful, therefore, it must number more adherents than any other Churches (that is to say, a good Baptist wants more Baptist than Anglicans, and both want more of their own kind than of Roman Catholics.) So that we get them operating, as it were, in rivalry with each other. "The thirst for Christian education" notes a prominent Baptist missionary, "having grown to such an extent among the Eastern Karens, many had determined to secure this from any who would give it to them. Their first choice was teachers from the Society which had been ministering to them. Hence their appeal to the American Baptist Missionary Union for a permanent teacher. If the Missionary Union would send this help they were content. Otherwise they would apply to other missionary bodies. This meant the Ritualists with all their evils" (Italics are mine). He therefore urged on the authorities in Boston the sending of a man as a matter "of utmost importance". Note that the heathen Karens did not observe the fine distinction between Christian and Christian, hence my justification for explaining at length what a "Church" implies.

This means, in effect, that when Christianity is offered to converts, the pastor and the particular source of authority behind him, that is, the "Church", become as important as the doctrine, and is, indeed, an inseparable part of the doctrine. Whether consciously or not, this attitude is ingrained in the missionary himself. As for it being echoed by his flock, the impression of it being so among members of Churches in western countries is gathered only from reading novels of life in those countries, but that the converted hill tribes here identify the religion with their particular Church and its ministers is beyond doubt. The truth is that Eastern peoples cannot respect or pay reverence lightly. When the body of the Mongpaw Sawbwa, a leader who had hardly had time to make his qualities known to the public, was sent from Rangoon to the Shan States, people gathered in every railway station en route, at all hours of the night, in order to shikho the passing train. On arrival in the Shan States the ceremonies were such as to make an American remark, with perfect correctness, that more fuss was being made than when President Roosevelt had died. Hence the tendency, strongest of all among the hill peoples, when they "believe" and are filled with the rapture of a newly acquired doctrine, to have instilled in their hearts also, an allegiance to what is really an institution founded, financed, led and operated by alien sources. The senior official of the American Embassy (now no longer here) who dined in state with KMD leaders in Taunggyi and remarked on their courtesy and other virtues, should not have found it worthy of remark. Had his Shan and Burmese hosts on a previous occasion been similarly conditioned they too would have impressed him as courteous and fine.

The citing of this example does not intend to single out the American Baptist Church as the particular Church affecting its adherents thus. But it is true that Protestant pastors, unlike the Roman Catholic priests and nuns (representatives of the other equally powerful mission in Burma) marry and lead fully normal lives, they do not renounce the world, they keep in touch with their country and its greatness. Hence, whereas the Roman Catholic leaders (drawn from several countries) receive such veneration as is given to a phongyi, these Protestant pastors (usually drawn all from the same nation), especially where imbued with the American "drive", emphasis on success in terms of tangible results, and the aura of a "higher standard of living", enjoy the prestige and authority of a wundauk min or local chieftain among their converts.

There is, moreover, the particular mentality of hill peoples to be reckoned with. All our hill tribes before conversion are in a primitive stage of mental development. There is nothing to check their fervour for an idea, they enjoy all the zeal and passion of totally impulsive humanity. To these people is taught a doctrine that there is but one true

God as revealed to a particular sect of people, and that to be considered his worshipper you must be enrolled as such in a particular manner, in a particular organisation, others being wrong and wicked and beyond redemption. This is not to say that the last phrase is meant to describe what lies in Christianity, nor that it is even what the pastor himself believes or teaches. The average European looks on Christianity as his religion inherited with all its cultural history from generations of Christian forefathers, and he is calm about his acceptance of the doctrine, either taking his faith for granted, or regarding it as a satisfactory vehicle for the religious expression of his race. The Burmese, Chinese, or Japanese convert also, will have had a background of intellectual thought against which to imbibe the doctrine.

But when this same doctrine is taught to primitive tribes, quite a different attitude results. (*) "My God is right, and yours is wrong". It is our duty to regard you as not belonging to us," which in primitive thought can denote an enemy actual or potential. Let me quote Dr. Alonzo Bunker, an American Baptist Missionary who worked for many years among the Karens of Toungoo and Karenni. "In the thought of the more intelligent natives of the East, where the Gospel of Christ has been proclaimed, mankind is composed only of 2 classes - heathen and Christian, the former rejecting Christ and His Gospel while the latter humbly accept both." This remark was made at a time when the tribes were still in the foraging and inter-tribal warring stage. Through the ages, men even when they have developed beyond this stage, have fought for their gods. Is it not dangerous, therefore, if these bands of converts are left to entertain this "intelligent" idea, this invidious distinction, surrounded as they are on all sides by men who have "rejected the Gospel?" And must we not be particularly heedful of this potential danger when we are trying against all odds to weld our peoples into a Union?

* Footnote. The American Baptist Lahus and the Roman Catholic Kaws used to chant this at each other, until with the advent of Japanese in 1942, and consequent evacuation of American Pastors while Italian priests remained, the Kaws were to be heard shrieking these words in triumphant vindication of their claim.

But let us look more closely into the process of proselytisation. The missionary works in a small and well-defined field. This is unavoidable at first perhaps, because our tribal units all have different dialects or languages, and the new missionary can learn only one language at a time to preach in, and is thus led to confine his activity to one particular tribe. But even after long residence, during which diverse peoples could be gathered under one roof, this differential attention and segregation continues. There is thus definite partisanship, applied to strictly marked spheres of activity. Take as an example the tribes round the hills of Loimwe, a hill station 19 miles away from Kengtung, capital of the largest Shan State. Though the two tribes of Kaws and Lahus who live on neighbouring slopes traverse the same area in their daily journeyings, it is established that the American Baptist Mission confines its activities to Lahus, and the Roman Catholic Mission its activities to Kaws, neither mission being interested in the Shan majority of which the State is composed. The differences between the Kaws and Lahus will at this rate be perpetuated for all time. But worse than this will be the differentiation of both from the Shan majority who by the circumstances of history have won the rule of the State.

In the Shan States, where the British imposed an indirect rule and preserved the Sawbwa system in its ancient forms, the administration, like that of the Burmese Kings, is still Buddhist

(*) Here is a doctrine which every primitive mind grasps at once.

in its offices. The headmen of villages and their followers, for example, who come from far-off valleys on foot to pay in dues, report and confer with the Sawbwa, do so when they come in on the four religious pwes of Tagu, Waso, Thadingyut and Tabaung. So that the religious ceremonies of these four festivals are inextricably bound up, in their minds and in actual practice, with the paying of homage to the central ruler, the duties of each tract of villages in keeping up the capital city, and equally with a week each time of social gatherings in the company of their countrymen from distant villages which they can never hope to visit. And as is the case with all eastern peoples, the first, last and most ubiquitously practised part of these religious, political and social activities, is the falling down in obeisance before ruler, monks, elders, with hands folded as in prayer, with the receiving of blessings in return. Now when any of these practices, all of which form one whole, are forbidden to the converts of a Christian sect, then it is clear that not only will that sect be deprived of much social life, but that it will be gradually alienated from the central political authority also. It is vain to expect a primitive mind to differentiate between what is to be rendered to Ceasar and what to God unless he is carefully trained to do so from the start. Where religion plays so large a part in the mind of a people, religious allegiance is likely to be all their allegiance.

In this connection, that is, the interference of conversion with local customs, it is interesting to note the words of a Baptist missionary. "There have been, and of necessity always will be, two distinct features of missionary work as viewed from a material or spiritual standpoint. The root principle of all such work is of Divine origin. It has its birth and rise in the heart and work of Jesus Christ, the Son of God. Being Divine, it cannot be subjected to human rules and reasoning. Nor can it be understood in its working by those who do not thus receive it. Hence we claim that all reasoning about the "Naturalisation of Religion" to certain races, or its adaptation to the thought and customs of different nations, is contrary to the very genius of Christianity, because they are all "of the earth, earthy."

Here, in the words of the same Dr. Bunker previously quoted, we see why, claiming a divine authority for his actions, the Christian missionary has enforced the totally man-made dictums of his particular administrative organisation, and has, accordingly, clothed the women of the sultry Pacific Islands where semi-nakedness might be more beneficial; or forbidden the drinking of zoo amongst the Chins, whose indulgence in this wine although deplorable, is at present necessary at certain periods to their economic structure of apportioned shares of food and drink; or condemned as sexual orgies the dances of Africans who dance to express their creative faculties and their need for physical activity as well as for spiritual exaltation; or again, forbidden ancestor worship in China where it has been found to be the best guarantee of a stable social structure; or still again, classified as an act of worship our most ordinary act of respect which we pay to parents, monks, teachers and elders, and extend to national leaders, the ashes of Mahatma Gandhi and such like.

Such exclusion of local traditions from the life of a people already different from their neighbours in racial origins and language lead unavoidably to two results. The knitting together of the converted sect into a tight phalanx, living, it must be recorded to the credit of the missionaries, model Christian lives, clean, industrious, co-operative and obedient to their pastor; and with this knitting together, a consciousness both within the sect and among the surrounding unconverted majority, of the body as a differentiated, alien and potentially hostile bloc. These are inevitable trend as will be seen in the end results of past missionary activities.

Summing up the good work of the American Baptist Missions among the Karens, Mr. John Stuart, once Managing Proprietor of the Rangoon Gazette, wrote: "They have fostered the idea of Karen nationality, have taught them that they are as good as the Burmese, and under British law have equal rights with anyone else. In a word, in a generation or two, they have been changed from hunted savages into civilised men and women, leading orderly, cleanly and God-fearing lives." Here, in a few lines, is the summary of all the good work the missionaries do, and in doing, the problem they present to this already too divided-up small nation.

When the British pacification of Burma after the conquest of Mandalay seemed a well-nigh hopeless task owing to the guerilla activities employed everywhere at the same time by bands of Burmans, these settlements of Christian converts were armed by a reluctant civil authority on the insistence of the missionaries, and used with success to subdue the "Wave of rebelliousness and lawlessness". Dr. Vinton, one of the missionaries, wrote with pride of the result achieved, so much beyond the expectation of the administrators. "No one had gauged the unifying power of Christianity, or guessed that these loose grains of sand (the clans) had been welded into a terrible weapon."

That is past history, but that the process of conversion during the three or four decades since has followed the same trend can be gathered from the remark made by Dr. Gordon Seagrave, himself a former missionary, in his book *Burma Surgeon Returns* (written in 1945 or later), that if there is one thing the missionaries have not done it is to teach their converts that they are all Burmese (i.e., inhabitants of Burma). Since then, the converted Lahus in Kengtung State are already giving strong signs of duplicating the "Karen problem" (which is considered by Christian foreigners to be now of such proportions that we must invite U.N. to mediate). These ABM trained Lahus who are said to make good soldiers, loyal, obedient etc, over and above the shiftless Shans, already find it irksome to be under the rule of a State of which they form but 10% of the population, and among the half dozen or so peoples of which they were formerly but one like any other, posing no "minority" problem.

At best, therefore, the end results of missionary activity as conducted up to now means that inter-tribal differences which exist among all hill peoples of Asia owing, in past centuries, to lack of communications and commerce, and of a strong central authority which could give a homogenous education and government are in this modern age, when remedies are at last to hand, being perpetuated, to form small "nations" of peoples who cannot support themselves beyond subsistence level, who through the Anglo-Saxon pride in being the universal "champion of the under-dog", are being protected from being taken advantage of by the more cunning Burmese. Will this protection continue for ever? More important, should it continue? It is a protection which ensures at the same time that the converted tribes are being nursed in a culture and philosophy alien to all around them. At a time when the peoples of Asia, after blind and unprofitable worship of only Western traditions and ideas, are in an attempt to find again a fuller mental and spiritual life, reviving their own neglected traditions and arts, the orientation of these small bands towards that self-same altar of total western superiority is to begin. A day will come when with the withdrawal of the protecting influence these peoples will feel lost, insecure, resented and resentful, because of the different development they have gone through. This has happened as we all know, and can happen again to other peoples besides the Karens.

At best then, these converted communities will make a peaceful transition from "savages" into useful Christian citizens, alien but worthy. At worst, in times of national crisis, they can be used by unscrupulous or interested parties as a "terrible

Weapon" welded by the "unifying power of Christianity".

What is the solution? Are we to banish foreign missions, ban the teaching of one of the world's noble faiths, and deprive the hill and other Christians of the benefits which they have enjoyed? Let us, instead, make two appeals.

One is to the Buddhists in the rich valleys of Burma and the Shan States. They already spend more money on ahlus and religious endowments than do their neighbour Christians, but this money is always spent in their own towns. Let a prospective kyaungdaka, instead, establish a kyaung in some frontier village which does not enjoy the fullness of a Buddhist life. Let his neighbours and he send their regular hsunsayeik for the upkeep of this kyaung and its pongyis, and in consultation with relevant advisers devise a scheme for having a small school and health centre under the shadow of the kyaung, as well as for periodic ahlus, feeding of the villagers, shinbyu ceremony for such lads as are drawn to the kyaung. A proportion of the money spent on the periodic ahlus, hsun-kways, shinbyus and lighting festivals in any prosperous Delta town or the Inle Lake area is quite sufficient for this purpose. The donors, as good Buddhists may rest satisfied that once they have established pongyis and a thriving kyaung, the influence of the religion will surely permeate every branch of life as it has done of its own accord elsewhere. This is not to advocate a rivalry to the Christian missions, but to give the hill peoples, so poor and so lacking in material and social pleasures, a chance to develop in a suitable culture and environment which, while civilising them will gradually bring them into a condition when they can communicate and compete with the millions in the country, instead of needing perpetual protection and championship.

The second appeal is to the propagators of the noble religion of Christianity. We appeal to them to consider the difficulties of our infant nation of diverse tribes and races, and to sacrifice many of their successful methods of conversion as used in the past, so that their converts may benefit ultimately. We ask them to extend their good works to several language groups; not merely to declare the settlement open to all while concentrating on one particular tribe, but to strive to include all. To encourage the keeping up of local traditions, no matter how superstitious or heathen these may seem; not to brand them as religious, since every thing eastern people do may in that case be called religious. To teach the converts that their first duty in this world is to feel neighbourly towards their non-Christian neighbours, as stressed by a Christian, Mr. Furnival, not long ago. Finally, with their aptitude for teaching and conditioning a people, to essay the task of introducing into the minds of these simple and fervid hill peoples, a measure of the tolerance of a more mature civilisation, that, for example, which makes Krishna in the Bhadvadgita announce to Arjuna:

Even those who, contrary to the scriptures, worship alien gods are, provided they do so with faith, in reality worshipping me.

Only, since they live in a Buddhist land, we would substitute, as more in keeping with the spirit of the Buddha's teaching, for the words "are ... in reality worshipping me," "are in reality treading a right and noble path".

.....

Copy In: -

H. E. U Thant.

IMMEDIATE

Through the Ministry of Finance and Revenue (with reference to its U. O. No. Ka 9/026 of 11.9.57).

No. 56 Nga Hta 57, Part. Ka
GOVERNMENT OF THE UNION OF BURMA
FOREIGN OFFICE

From,

Maha Thray Sithu Mr. J. Barrington,
Permanent Secretary,
Foreign Office.

To,

The Accountant General,
Burma,
Rangoon.

Dated the 11th September 1957.

Subject:- Delegation of the Government of the Union of Burma to the Twelfth Regular Session of the General Assembly of the United Nations to be held at New York commencing from September 17, 1957.

Sir,

I am directed to convey the sanction of the President to the despatch of a Delegation to the Twelfth Regular Session of the General Assembly of the United Nations to be held at New York commencing from September 17, 1957. The Delegation will consist of:-

- | | |
|--|------------------|
| 1. H. E. Sithu U Thant,
Permanent Representative of Burma
to the United Nations,
New York. | Leader |
| 2. H. E. Sithu U Aung Soe,
Ambassador to the United Kingdom,
London. | Alternate Leader |
| 3. The Hon'ble Justice
Maha Thiri Thudamma U Thaung Sein,
High Court. | Member |
| 4. U Hla Kyaing,
Parliamentary Secretary,
to the Hon'ble Deputy Prime Minister
and Minister for Foreign Affairs | Member |
| 5. U Sein Win,
Parliamentary Secretary,
to the Hon'ble Deputy Prime Minister
(National Economy) | Member |
| 6. U Ko Ko Gyi,
Parliamentary Secretary,
to the Hon'ble Deputy Prime Minister
(Social Affairs) | Member |
| 7. U Thet Tin,
Secretary,
Kachin State Government | Member |
| 8. U Than Hla,
Counsellor,
Burmese Embassy, Washington. | Member |

2. (1) Sithu U Thant, Sithu U Aung Soe and U Than Hla will be treated as on duty and will draw pay and allowances in U. S. dollars and in Pound Sterling respectively, admissible to them, under the Foreign Allowance Rules.

(2) The Hon'ble U Thaung Sein will be treated as on deputation from the day he leaves his headquarters. The pay of the Hon'ble Justice, during the period of his deputation, will be regulated under proviso (b) to F. R. 51 (1) and will be drawn in kyats in Burma.

(3) Members of Parliament will, for the period of their stay in New York, draw salary in Burma as Members of Parliament in Kyat.

(4) In addition to the pay and allowances admissible to him H. E. U Aung Soe will be entitled to 15 (fifteen) U.S. Dollars plus free accommodation and the other members of the Delegation, except the Leader, will be entitled to 10 (ten) U.S. Dollars plus free accommodation for each night spent away from their headquarters, other than during air voyage. "Free accommodation" means that Government will defray:

(i) the cost of accommodation (less cost of food) provided by the United Nations authorities concerned or, if this arrangement is not made,

(ii) the rentals for apartments occupied by the delegates provided that such rentals are approved by His Excellency the Permanent Representative of Burma to the United Nations, New York.

3. Each member of the Delegation, other than Foreign Service personnel, will be entitled to an outfit allowance of K.666.00 (Kyats six hundred and sixty six only), provided such allowance has not been drawn on previous occasions during the last three years. The outfit allowance should be drawn in Kyat from the Office of the Accountant-General, Burma, on a simple receipt quoting this letter as authority.

4. The personnel of the Delegation will travel by air from their respective posts to New York and back and all the booking for the air passages from Rangoon should be made through the Union of Burma Airways, otherwise this sanction is deemed to be invalid for the representatives leaving from Burma. The amount representing the total cost of the above-mentioned air passages is payable strictly in advance from the Accountant General on a simple receipt quoting this letter as authority supported by passage demand bill from the Union of Burma Airways.

5. The cost of passages less the amount as may be reimbursed by the United Nations will be borne by the Government of the Union of Burma.

6. The period of deputation in respect of members of the Delegation will not exceed 100 (one hundred) days.

7. Funds for the purpose of meeting contingent expenditure, accommodation charges, daily allowances, etc., during the period of their stay in New York will be met from advances drawn from the Office of the Permanent Mission of Burma to the United Nations, New York.

8. I am to add that the Permanent Secretary, Foreign Office, will draw from your Office the Kyat equivalent of U.S. dollars 20,000.00 (Dollars twenty thousand only) and make arrangements, (after obtaining necessary exchange authorization from the Director, Foreign Exchange Control Sub-Committee Economic and Social Board, Rangoon)

to remit the amounts in question to the Permanent Mission of Burma to the United Nations, Special Account with the Chase National Bank, 79th Street Branch, New York as advance to the Burmese Delegation to the Twelfth Regular Session of the General Assembly of the United Nations.

9. The Office of the Permanent Mission of Burma to the United Nations, New York, will be responsible for the proper administration of the advance and will render separate accounts to this Office within a period of one month from the date of departure of the delegation from New York for Rangoon. The accounts should be supported by payee's receipts and vouchers or disbursement certificates. After careful scrutiny, the Foreign Office will countersign and forward the accounts to the Accountant-General, Burma through the Ministry of Finance and Revenue.

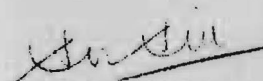
10. All remittances abroad on account of the Delegation must be conducted only through the State Commercial Bank, Rangoon.

11. All insurance, made in Rangoon must be effected with or through the Union Insurance Board only otherwise this sanction shall be deemed to be invalid. The insurance should be in accordance with the instructions contained in Finance and Revenue Memorandum No. 38 Ba Ma (2) 52, dated the September 8, 1953.

12. (a) The expenditure involved by this sanction on the pay of officers is debitable to the heads of accounts to which their pay is normally debitable in the accounts of the Government of the Union of Burma.

(b) All other expenditure on the delegation will be debitable to the head "20. General Administration.-D. Secretariat Establishment.-h. Foreign Office - (5) Deputations and Delegations", funds under which will be provided by reappropriation under the sanction of the competent authority in the accounts of the Government of the Union of Burma.

I have the honour to be,
Sir,
Your obedient servant,


(SOE TIN)

for Permanent Secretary,
Foreign Office.

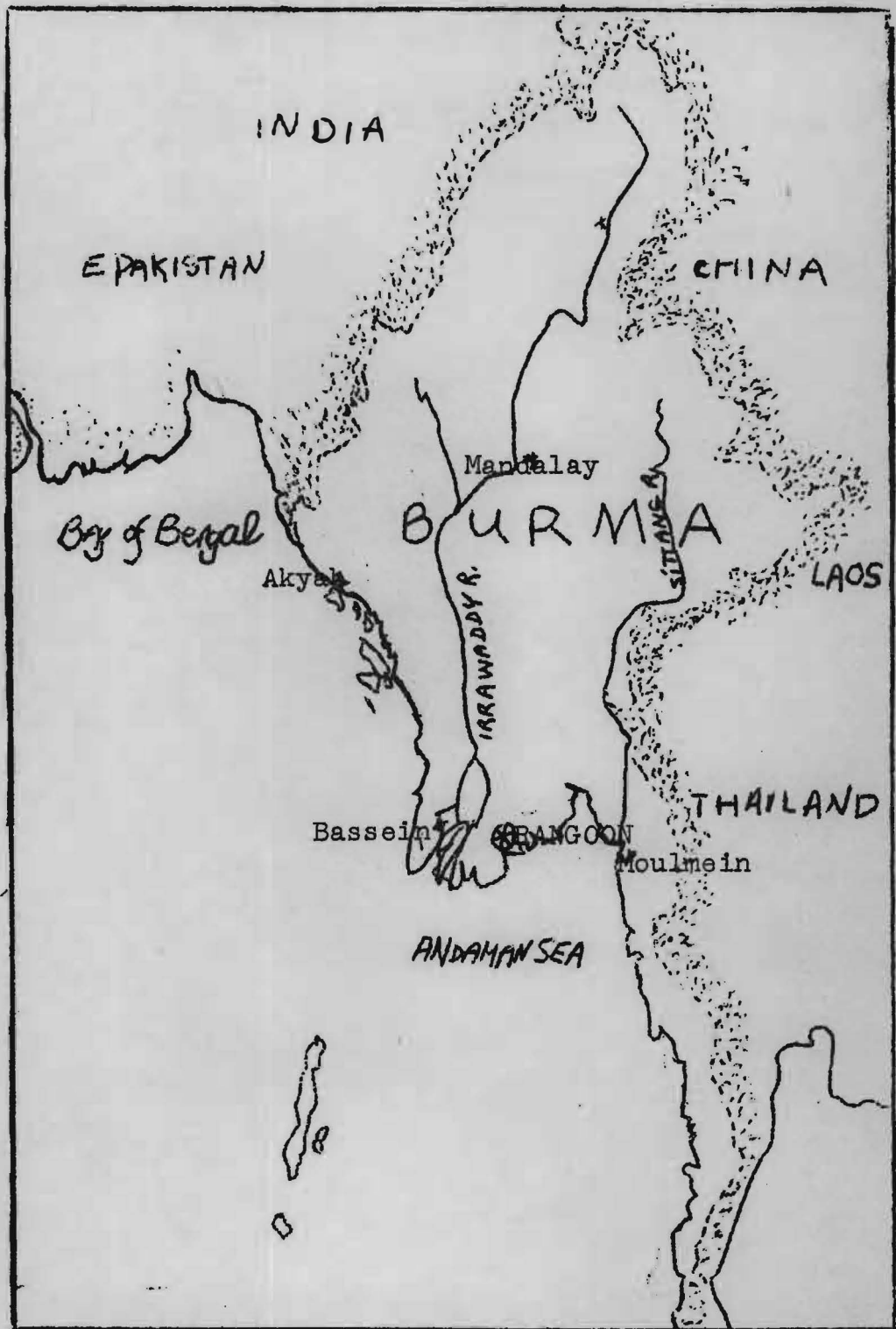
Copy to:-

1. Ministry of Finance and Revenue, (with 5 spare copies)
2. The Secretary, Chamber of Deputies, Parliament
3. The Secretary, Chamber of Nationalities, Parliament
4. Burmese Embassy, London
5. Ministry of Judicial Affairs.
6. Registrar, High Court
7. Office of the Permanent Mission of Burma to the United Nations, New York. That Office will arrange

for the reimbursement of cost of air passages incurred by five members of the Delegation for the United Nations. The cost of air passages for five members will be intimated in due course.

8. Each of the members of the Delegation.
9. Union of Burma Airways, Rangoon.
10. State Commercial Bank, Rangoon.
11. Union Insurance Board, Rangoon.
12. Personnel Section, Foreign Office.
13. Finance and Budget Section, Foreign Office.
14. Protocol Section, Foreign Office.
15. Passport Section, Foreign Office.
16. File No.56 Nga Hta 57 Part Ga (Accounts File)
17. *Burmes Embassy, Washington.*

The
New
Burma



THE NEW BURMA

Between the darkening green of the forest-clad slopes of mighty mountain ranges and the crystal clear blue of the shimmering seas, is the country of Burma known of old as Suvanna Bhumi (the golden-earth) and in classical literature as Sonaparanta (the golden-land). Burma in reality forms a part of the sub-continent of Indo-China and is a meeting place of two of the world's great civilizations - China and India - both of which she inherited and fused together, developing a unique culture of her own.

BASIC DATA:

Area: 261,789 sq. miles, slightly less than Texas.

Neighbors: Northeast, People's Republic of China; East, Laos; East and Southeast, Thailand; West, India and East Pakistan.

Mountains: Southward extensions of the Himalayas separate Burma from her neighbors and divide the country into a series of broad river valleys, running north and south.

Rivers: There are 4,000 miles of navigable rivers and canals, which form the chief means of inland transport. Principal rivers are the Irrawaddy, the Sittang, and the Salween.

Railroads: Burma railways, supplementary to the waterways, suffered severely as a result of World War II, and the present route mileage is 1,777 as compared to 2,059 in 1942.

Roads: There are about 47,000 miles of village track, and otherwise about 1 mile of road to 10 square miles of country.

Principal Cities: Rangoon, Capital and chief seaport, (Pop. 737,079); Mandalay, cultural and commercial center, (Pop. 185,867); Moulmein (Pop. 102,777); Bassein (Pop. 77,905); Akyab (Pop. 42,329); seaports and commercial centers.

Climate: Rainy season, mid-May to mid-October. Normal temperature range is 60 to 100 degrees (U.S., 2 to 103).

Average annual rainfall; 200 inches along parts of southern coast and in northern mountains; 100 inches in the Irrawaddy Delta (Rangoon); 80 inches in the hills of the west and east; 25-40 inches in Central Burma, known as the Dry Zone (U.S. averages: Iowa, 32 inches, Alabama, 62 inches, Los Angeles, 14.5 inches).

Population: About 19,000,000, mostly rural.

Religion 86% Buddhist, 2% Christian, remainder mostly animist (chiefly remote hill people.) Burma's Buddhism does not have caste or class distinctions. The practice of religion is encouraged, freedom of worship guaranteed by the state.

Education: A unified school system has been established, with free education up to the university level. Nearly 50% of Burmese are literate, which is very high for Asia. (U.S. literacy rate, 97.5%) English is taught as a second language. Health: Burma's health facilities were rudimentary before the war. Most of these were destroyed, leaving Burma with one of the world's lowest levels of health. Infant mortality: 300 per 1000 (U.S., 28); life expectancy at birth, about 20 years (U.S., 68.5). Eradication of disease, construction of health facilities, and the training of health personnel have top priority in the Government's development program.

HISTORY:

At various times in pre-colonial days, Burmese kingdoms extended well beyond the present borders. It was during one such period of expansion that the Burmese encountered the British in 1824, in the valley of the Bramaputra in India.

The British conquest continued in three stages, and in 1885 Burma was annexed to India. The Burmese culture was then roughly about 1400 years old.

Uprisings that followed the annexation were crushed, but opposition continued underground. It burst into the open again in the 1920's and in 1931 there was another armed uprising known as the "Saya San Rebellion." Demands for self-Government persisted and reforms were introduced. But the reforms were not adequate to meet the political and economic situation of the times. Burma was therefore in a state of great unrest and agitation when World War II engulfed her. Burma during the war was occupied by the Japanese who first were regarded as liberators, and later were fought by the Burmese underground when they realized the nature of their conquerors. After their liberation from the Japanese, they negotiated their independence from the British. Burma declared her independence on January 4, 1948. On April 19, 1948, Burma's application for membership was approved, and she became a member of the United Nations.

PEOPLE AND CUSTOMS:

The Burmese comprise three main branches, Tibeto-Burmans, Mon-Khmers, and Tai-Chinese, and are closely related to others of the Mongoloid peoples who inhabit southeast Asia, the Chinese, the Malays, and the Thais, among others.

The Burmese festivals are mainly religious in origin, but are full of mirthful enjoyment and good fellowship as well as piety. For example, there is the Burmese New Year, or Thingyan, in April, also known as the Water Festival. It runs for 4 days, and the Burmese splash water on friends and strangers alike, and indulge in a round of merriment. On the fourth day, after three days of water-throwing, parading, singing and dancing, the New Year is ushered in, when the Buddha images are ceremonially bathed and Buddhist monks are lavishly entertained.

The Burmese people are extremely hospitable, and a favorite Burmese entertainment is a Pwe, an open-air musical play which can run for eight hours or more, from evening till dawn. These are usually given in honour of some occasion, such as a wedding, with everyone welcome to observe the actors, singers and dancers hired by a family. Burmese are very considerate of others, and a birthday celebration is usually one of thanksgiving by the parents for having received their child. If presents are given, it is the child celebrating the birthday who gives, rather than receives, presents, usually to a monk or group of monks, who are invited to the house for a feast. Burmese are very respectful to their elders, and a title or position of a relative according to age is always used in addressing a person.

Burmese dress is very simple and colorful. Both men and women wear ankle-length longyi (pronounced laanjees), like sarongs with a mandarin style blouse or jacket usually of white, although women often wear colored ones, with side buttons, sometimes made of gold or precious jewels. Tong sandals are worn on the feet, and Burmese women often wear flowers in their long, beautiful hair, which is twisted in a large top-knot, and then hangs loose.

GOVERNMENT AND POLITICS:

Constitution: The Burmese Constitution starts off with this preamble: "WE, THE PEOPLE OF BURMA...To maintain social order on the basis of the eternal principles of JUSTICE, LIBERTY, AND EQUALITY and to guarantee and secure to all citizens JUSTICE, social, economic and political; LIBERTY of thought, expression, belief, faith, worship, vocation, association and action; EQUALITY of status, of opportunity and before the law... DO HEREBY ADOPT, ENACT AND GIVE TO OURSELVES THIS CONSTITUTION."

(Burmese women, incidentally, have full equal rights -- economic, social, political, as they traditionally had in Burmese society. They serve in Parliament, on the judicial bench, in the professions, on equal terms with men.)

Form of Government: The Constitution establishes a system of checks and balances, much like that in America. Like America, the Union of Burma is a federation of states, each with its own legislature, which is responsible for all matters not delegated by the Constitution to the national government. As with the U.S. federal judiciary, Burma's courts are independent and non-political. The parliamentary system, however, is modeled after that of the British. The Parliamentary system is made up of:

1. PARLIAMENT. Members of the Chamber of Deputies, like members of the House of Commons, are elected by popular vote (there are 250 seats.) Adult suffrage is universal. Members of the Chamber of Nationalities (corresponding roughly to the British House of Lords or French Senate) represent racial or nationality groups. The Burmese, who comprise more than two-thirds of the population, have 53 seats in the upper house, the minorities have 72.
2. The PRESIDENT, whose function is roughly equivalent to that of the French President, is elected by Parliament.

3. The PRIME MINISTER, who is the head of the Government, is the leader of the majority party. He is nominated by the President, confirmed by the Parliament.

Politics: The A.F.P.F.L. (Anti-Fascist People's Freedom League), is the dominant political organization, controlling about 80% of the seats in the Chamber of Deputies. It is made up of: 1. Socialists, Non-Communist members of the P.V.O. (People's Volunteer Organization), a local militia formed in 1945-46. When the Communists tried to seize power in May, 1948, they induced some units of the P.V.O. to join them; the rest remained loyal; 2. Trade Union Congress (Burma); 3. Burma Peasants Association; 4. Minority and Racial Groups; 5. Independents. The Opposition is composed of: 1. Independents not affiliated with the A.F.P.F.L.P.V.O. (the group which joined the Communist insurrection.) 2. B.W.P.P. (Burma Workers and Peasants Party, an extreme left-wing organization.)

The COMMUNIST PARTY was outlawed by Act of Parliament in 1954. At the height of its political strength, in 1946, it captured five out of 250 seats in the assembly of the provisional government. In 1948, before the Communist-led uprisings began, they were expelled from the A.F.P.F.L. at its national convention, where U Nu denounced them as disloyal subversives.

Note: President of Burma: U Win Maung
Prime Minister of Burma: U Nu

THE ECONOMY:

Policies: Burma's constitution calls for the establishment of a socialist state. At the same time, it recognizes the rights of private property and encourages initiative. Major transport service and a number of industries are government-owned and operated. The rice trade is a government monopoly. But Burma welcomes foreign capital and management and has entered into partnership arrangements with a number of foreign firms.

Resources: Potentially, Burma can be one of Asia's most prosperous nations. She has more than enough arable land, large deposits of coal, oil, and many minerals, great hydroelectric potential, vast reserves of timber. Several of her surplus commodities are in world demand; properly developed they can earn the foreign exchange needed for large-scale development.

Production: Burma is an agricultural nation, and about two-thirds of her worker population are engaged in cultivation, mainly rice production, and stock raising. The other crops include sesame (Teel or gingili), cotton, ground-nuts (Peanut, monkey-nut or pulses), food grains other than rice, chillies, tobacco, sugar-cane, wheat, betel-nut and Palmyra palm. Burma is world-famous for her Teak, and stands first among the world's exporters of teak. Minerals are found in abundance, and include petroleum, her most valuable mineral asset, wolfram, of which she is the world's largest producer, and lead and tin, of which Burma was the sixth and eighth largest producer, respectively during pre-war times. Burma also produces silver, pottery clay, zinc, copper, nickel, antimony, Jadeite, iron-ore, gold, amber, rubies, and sapphires.

Problems: Pre-war, Burma's economy was never fully developed. War caused extensive damage to the already inadequate economic and social facilities. For example, 50% of the plant, equipment and rolling stock of the Burma Railways was destroyed. Post-war insurrection added to the damage and hampered efforts to reconstruct. Now, for the first time, Burma is producing as much as she did before the war --- but the population has increased by about two million.

PLANS AND PROGRESS:

Shortly after independence, a short-term reconstruction program was set in motion. Simultaneously, the services of American Engineers and economic consultants were sought from the U.S. through E.C.A.

The U.S. paid for a two year survey of Burma's resources conducted by the American consultants, and spent some \$15 million on technical assistance and construction projects. U.S. aid was terminated by Prime Minister U Nu in March, 1953, however, when he decided to appeal to the United Nations in order to gain the removal from Burma of 12,000 Chinese Nationalist troops.

The long range plan, which is now being implemented by Burma without aid, calls for the building of a new economy capable of dynamic growth. At the same time, far-reaching programs were drawn up in the fields of health, education, housing, social security and other public services.

In general, the economic and social development plan sets the highest goals that are feasible for the next few years within the limitations of Burma's economic, financial and manpower resources.

Examples:

Agriculture: a 77% increase in production over 1951-52 is the goal. Laws were passed to: 1. End landlordism by first nationalizing the land (with compensation to the owners), then distributing it to farmers; 2. End usury through a system of government agricultural credit; 3. Stabilize prices through a government directed market system. Large projects have been started to increase the acreage under cultivation, improve farming methods and develop new crops. Production has steadily increased, except in 1954 when Upper Burma suffered a severe drought.

Power: The plan calls for construction of four major hydroelectric projects to supply abundant cheap electricity for all of Burma. The first phase of the big Balu Chaung power and irrigation project will bring cheap power to most of the towns of Burma in 1957. Many communities have already been lighted for the first time by electricity.

Industry: The plan provides for the manufacture in Burma of everything that can be made economically, without the imposition of "protective" tariffs. It includes many products, ranging from light steel to antibiotics and cigarettes.

Several important projects have been completed, many are in the planning or construction stage.

Minerals: The plan calls for exploration and development of Burma's rich mineral deposits. Production of coal has already begun at one large project. Oil wells and refineries are to be rehabilitated and expanded by the British company which operated them before the war, under a 50-50 arrangement with the Govern-

ment.

Transport: Tremendous progress has been made in rehabilitating and expanding the rail, highway, inland, and ocean water transport systems, and the U.B.A. (Union of Burma Airways.)

Health: The plan calls for construction of 401 hospitals with 18,318 beds by 1960. Many of these are already under construction, including a big, modern Union Medical Center in Rangoon. Work is being pressed on maternity and child health centers, 120 rural health centers, clinics, and the development of a school health service. The education of doctors and other health personnel has been speeded up. Vitamin pills have been distributed free by the Government and a campaign launched to promote the eating of vitamin-rich, unpolished, rather than polished, rice. The U.N. World Health Organization aided in development of the Government's health program.

Education: Since the war, Burma has expanded and improved Rangoon University and constructed hundreds of new schools throughout the country. There are now ten times as many schools as there were when the war ended, and the construction and teacher training programs are just getting into high gear, with attention being paid to adult education, as well as to education of the young. The Government has sent several hundred students abroad since independence. At least half go to the United States and 300 were studying at various American universities in 1956.

BURMESE ART:

The pursuit of dancing is a distinctive art, and in Burma it has always gone with music in the various kinds of Pwes (dramas.) There are two kinds of dances; the individual dance, often seen at Pwes and religious ceremonies, and the anyein pwes, or group dances, which are seen at special functions or at theaters, and which demand special training. Burmese music is not written down, for many Burmese are born musicians, and have a remarkable sense of tempo. Traditional melodies are passed from generation to generation. Some instruments used are a series of gongs, a Burmese xylophone, and the Burmese version of the harp, called the Saung. Burmese craftsmanship is noted, especially for the wood, ivory, and especially teak carvings, incorporating scenes from life and religious motifs. Also famous is Burmese silverware, as well as the beautiful traditional lacquerware, boxes, plates, vases, in black and gold and red, with scenes of figures and foliage. In Burmese sculpture and architecture, the Buddha and the Pagoda are the prime forms, which have produced some of the loveliest of eastern art.

BURMESE LITERATURE:

The Burmese people have a wide and extensive literature which is considered the richest in Burma and India. Burmese literature from the Pagan dynasty (11th century A.D.) has been enriched by translations from Pali and from Sanskrit. Religious literature takes the predominant place, followed by works on astrology, astronomy, law, medicine, poetics, drama and fiction. At present the Burma Translation Society.

is making a wonderful contribution to society by translating into Burmese much needed technological knowledge, encouraging the growth of Burmese literature, and producing many needed textbooks for Burmese schools.

BURMA AS A MEMBER OF THE UNITED NATIONS:

Admitted: April 19, 1948, 58th member of the United Nations to be admitted, at the Second Special Session of the General Assembly.

Delegations:

Burma considers the U.N. to be of great importance, sending some of her most qualified diplomats and elected officials each year as members of the delegations to the U.N. Burma first established a Permanent Mission to the U.N. on February 16, 1953.

Committee Memberships:

Eritrean Commission	Elected at 4th General Assem.
Collective Measures Committee	" " 5th " "
Ad Hoc Committee on Prisoners	" " 5th " "
Commission of Status of Women (ECOSOC)	" for 3 years 1952-54
Committee on Information from Non-Self-Governing Territories	" for 3 years 1954-56
Transport and Communications Comm.	Appointed by ECOSOC for 3 years 1956-58
Trusteeship Council	Elected to serve for 3 years 1956-58

BURMA'S INTERESTS AND AIMS IN THE UNITED NATIONS:

Burma at the U.N. has tended to be intensely interested in the problems of economic development, economic planning, especially in reference to those countries referred to as the "under-developed" nations and areas. Also in this area is her interest in the development of Atomic Energy for peacetime uses and industrial applications. When the question of human rights arises, Burma is again extremely interested, and has manifested much concern with the problems of political freedom and development in the Trust territories and the Non-Self-Governing territories, as well as in the general world of human rights. As part of her expression of interest in the welfare of peoples of the Trust and Non-Self-Governing Territories, Burma, as a member of the Trusteeship Council offers scholarships for higher learning to students from these areas, to study at her Universities.

Politically, Burma in the U.N. maintains her role as a neutral nation, belonging to neither of the power blocs, but striving continually to be an independent nation working in concert with other nations to attain the universal goals of peace and security.

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ECONOMIC DEVELOPMENT OF BURMA AND
THE ROLE OF THE UNITED STATES.

(For delivery by Ambassador U Win before the Annual Conference of the Far East-America Council of Commerce and Industry, Incorporated, New York City, October 4, 1956)

Mr. Chairman, Honoured Guests, Friends,

I am grateful to the Far East-America Council of Commerce and Industry for the honour of the invitation extended to me to address the Annual Conference. I appreciate the opportunity of speaking to so many leaders of American industry and commerce who are interested in economic developments in Southeast Asia and the Far East.

Many of you who have been following the course of Burma's economic development must be familiar with economic trends in my country. I believe all of you are hopeful that our programme for economic and social development now moving ahead, will be successful. I should like to speak briefly on the major problems that have confronted us, the extent of our progress to date, and the outlook ahead. In addition, I should like to indicate the extent to which the United States has been of economic help to us.

Let me begin by stating that while Burma has made very substantial economic progress during the past few years, we still have not recovered our prewar level of production. This is not surprising when it is realized that our economy was severely damaged in World War II - - our total output was reduced by nearly half - - and was further disrupted by the internal insurrections which started soon after Burma's independence in 1948. It was not before 1950 that we were able to break up completely all organized attempts to overthrow lawful authority by force and bring these insurrections under control. Meanwhile, Burma was in a state of economic paralysis. The modest economic gains we had made during 1946 and 1947 were wiped out. Thus, our rehabilitation did not truly get under way until 1950. Even then, insecurity caused by the scattered splinter groups of those rebels roaming within our borders, precluded any significant progress for some time.

We are now making every effort to wipe out these remaining traces of lawlessness as quickly as possible. In a country such as ours, the size of Texas, and covered with mountains and dense jungles, this is no small undertaking. Experiences of even small-scale guerilla activities during the

last war and in post-war Malaya show what a drain they could be on the resources of a country. By following a policy of ^{AS}persuasive reasoning and the use of appropriate force where reasoning has failed, we have tried with some success to restore law and order, and each of the past five years has seen ~~steady~~ ^{STEADY} improvement. But until the last vestiges of lawlessness in our own midst are overcome, we cannot realize our full potential for growth. Our Honourable Prime Minister, U Ba Swe, has placed security at the top of the list of priorities of his administration.

We have come a considerable distance since 1950. Our total production has grown from an annual volume of less than \$700 million to more than \$1 billion. Adjusted for price changes, total production is approximately one-half again as large as in 1950. Our increase in real output during this period has averaged nearly 8 percent per year. Part of this gain can properly be characterized as rehabilitation, but part is definitely expansion. Total security would permit a rapid completion of the rehabilitation work so that we could concentrate fully on new and enlarged economic activities.

We have maintained one of the highest rates of capital investment in the world during the past five years with approximately one-fifth of our output going into capital formation each year. This proportion is about twice that of 1950. It will take some years before we reap in full the harvest of this investment. Meanwhile, it has importantly influenced the raising of the level of our real output by nearly \$300 million.

Our agricultural output has increased about a fourth since 1950 and rice exports, our main foreign exchange earner, have grown by 800 thousand metric tons. We are now producing one and a half times as much timber as in 1950 and much larger quantities of tungsten, lead and zinc. We are also making steady progress in crude oil production and refining.

Larger volumes of industrial products are being produced -- cement, sugar, cotton yarn, cigarettes, and other commodities. Very soon, our new pharmaceutical plant, sugar mills, tea blending and packing plant and jute mill will be making significant contributions to domestic production; so will our first steel mill and our tile and brick factory. As resources become available we will gradually broaden our industrial base so that foreign exchange earnings and savings will make possible ever larger imports of capital goods to increase further our productivity and our production.

In the field of power, production and consumption has increased very sharply. Only 17 of our towns were supplied with electricity in 1950. Now, over 250 towns and 200 villages are electrified. In the Rangoon City area, electricity use has more than doubled since 1951. We are now building with the help of Japanese reparations an 84,000 KW capacity hydroelectric facility which will provide ample power for further economic development.

Transport agencies are carrying a rapidly expanding volume of freight and passengers, as our economic recovery continues and ~~law and order~~ ^{law and order} is ~~steadfastly~~ ^{restored} ~~restored~~. During the past year our railways carried 30 percent more passengers than prewar.

Construction continues at a high level as new hospitals, schools, public buildings, and essential housing are brought to completion, along with factory buildings, warehouses, offices, bazaars and other essential facilities.

To carry out this programme of economic expansion has required improvement and modification of existing institutional and administrative mechanisms, establishment of new forms and new procedures, adaptation and experimentation. We have not been content merely with finding solutions to present problems but have sought to affect changes in attitudes and techniques that will prepare us for future problems. Thus we have moved in the direction of providing adequate facilities for vocational, technical, scientific, and managerial knowledge and training. Our whole educational programme has multiplied as fast as personnel and facilities could be mobilized. We have been mindful of the need to reconcile the urgent, immediate priorities with the equally demanding necessities of the years to come.

Improvements such as I have described are seldom achieved without dislocations of one sort or another. ~~Usually~~ ^{usually} ~~inflationary~~ forces build up as supplies for consumption fail to keep up with increases in spendable income. Burma was fortunate until 1955 in achieving economic expansion without impairing her economic stability, despite the increase in national income and money supply. However, the conversion of the rice market in 1953-54 from a seller's market to a buyer's market seriously reduced our receipts from rice exports. Unfortunately, the rapid decline in rice export prices coincided with the period when we gained ~~of~~ real momentum in our development expenditures, particularly capital import expenditures. Our foreign/^{exchange} reserves consequently declined at a precipitous rate.

My government took a number of steps to arrest and reverse the trend. We cut in half the value of existing import licenses and introduced other import restrictions. Exchange controls were tightened. Where possible we reduced governmental expenditures, delayed the initiation of some low^{er} priority essential new projects, deferred procurement, and otherwise sought to reduce our external payment. Measures were adopted to increase more quickly the production of commodities that could be sold in world markets or would save or conserve foreign exchange expenditures on imports. We increased security measures in timber producing and mining areas so that larger supplies could be moved for export. We pushed hard to sell as much rice as we could at reduced prices. When we found insufficient response in cash markets, we concluded a number of rice barter deals.

Regrettably, at the very time we were trying to sell our huge exportable rice supplies for cash, the United States, with record grain stocks of her own felt obliged to seek ways and means of disposing of her rice and other competitive grain surpluses through increased exports.

Import restrictions in Burma led to some hoarding and speculation and spiraling prices, at first in non-essential goods, and later even in basic necessities such as textiles and other consumer goods.

This was the economic situation twelve to eighteen months ago.

There were several courses of action or combinations of action open to us. We could continue or even tighten our import restrictions and risk an even more rapid rise in prices. We could cut back sharply our development programme. We could seek loans and other assistance from abroad.

We moved on all fronts to alleviate the situation.

Our decision was to curb such capital expenditures as would not interfere too seriously with the progress of our economic and social development programme. Even after pruning our capital programme, we were left with a sizable gap in the resources needed for the reduced programme to maintain essential imports, bring down the cost of living, and strengthen our foreign exchange position. We determined to request assistance from external sources.

Today, a year later, our economic situation has vastly improved.

The foreign exchange position has been greatly strengthened. Foreign exchange reserves are more than \$30 million higher than a year ago. True, the drawing made earlier this year from the International Monetary Fund accounts

for almost half of this increase. However, significantly, the balance of the increase ⁽²⁾ presents a surplus of receipts from abroad over payments.

The improvement in our foreign exchange position reflects the success of the measures we took to curtail development expenditures and non-essential imports. It also reflects the emphasis we gave to our drive for larger exports of rice, minerals and timber. Probably larger imports of essential goods at the cost of a smaller rise in foreign exchange reserves would have been preferable, but hindsight is always easier than foresight.

One of the first things we did last Fall to increase our foreign exchange resources was to arrange a \$42 million sterling loan from India to be used as and when required. This was followed by our drawing of \$15 million from the International Monetary Fund. We did not find it necessary to draw on the Indian loan but the fact that it was available added strength to our foreign exchange position.

We also reached agreement earlier this year with the United States to buy \$21 million worth of raw cotton, canned milk and other surplus agricultural products to be paid for in our own currency. The cotton is to be processed in Japan, India, Western Germany and the United Kingdom, and will enable us to import large quantities of cotton textiles from these countries. These imports will help considerably to bring down living costs.

Another important development was the negotiation of two World Bank long-term loans, amounting to \$19 million, concluded in May of this year. These are the first World Bank loans to my country and they will serve to improve our harbour and rail transport systems.

I would like to comment on one other favourable development, namely, our rice sales. Burma exported about 1.9 million metric tons of rice during the past year. This was one-sixth over the preceding year and half again as much as was shipped in 1954. The increase in shipments is the result of our realistic pricing policies which have stimulated a larger demand for our rice. It also reflects not only our limited initial success in improving rice ^{quality} and storage facilities but also the more pronounced success in improving loading and shipping practices. The postwar record volume of rice shipments in 1955 and 1956 have cut into our rice carryover stocks. We hope to export two million tons in the year ending September 30, 1957, resulting in the return to a position of minimum workable stocks. To maintain that level of exports, our paddy output must increase.

Not so soon

The one serious unfavorable development during the past year was the further increase in the prices of consumer goods. While their rise was slowed down, they remained at too high a level. We wanted no part of a runaway inflation and had made plans earlier in the year to import and distribute abundant supplies of essential goods for private use. However, we ran into all sorts of implementation and administrative problems affecting procurement and distribution. Corrective measures have been taken not merely to expedite the inflow of essential goods and to distribute them effectively but also to minimize hoarding and speculation. I am happy to state that the prospects for reasonable price stability have brightened and the prices of a number of essential commodities declined this summer. Inflation has still ^{remain a threat} ~~to be checked~~, but we have every reason to expect that our people will, over the coming year, have available a sufficient supply of essential goods at much lower prices.

Taken as a whole, the year that just ended on September 30, 1956, may be described as one in which we experienced moderate economic progress despite financial difficulties of no small magnitude.

Our progress to date however leaves no room for complacency. My country must develop much more rapidly if we are to come anywhere near the goals of our eight-year Development Programme. Midway through our programme we are far behind the rate of growth necessary to approach our 1960 target. The goals we set for ourselves in 1952 were optimistic but, certainly, not ^{over} ambitious. They were to a large extent realizable, had total security prevailed and had the rice prices not fallen so sharply. Yet, despite these two important adverse ^{factor} ~~conditions~~, we have marched forward steadily and we will keep going ahead expanding our level of exports year after year.

We have recently completed a reappraisal of our development programme with the objective of arriving at a schedule for the next four years commensurate with the resources likely to be available to us. We have evaluated the progress and needs in each sector of the economy, the rice marketing outlook, the availability of foreign exchange resources, the requirements for internal financial stability, and have related further plans to these and many other factors.

We shall concentrate on getting maximum production from our new industries already established or about to be completed. Renewed and vigorous efforts will be made to accelerate agricultural, timber and mineral output to

increase our exports and to achieve realistic export targets. We shall confine new or additional investments to essential projects which will contribute most fully to our overall economic growth. The Government of Burma will intensify its efforts to wipe out the lawless elements that have hampered the development of the nation. Greater emphasis will be placed on training an increasing number of our people for managerial and technical positions.

Our projected programme for the next four years with its increased stress on the production and export of primary products is more directly developmental in character than has been the pattern of expenditures in the past two years. The pattern of capital expenditure has been modified to bring sectors into better balance with each other, with the needs of our people, and with projected available resources.

Planning is a continuous operation and we shall, as we have in the past, adjust and rephase our expenditures to conform to available resources as changes in priorities or in project costs become apparent. Hence, our programme for the coming years continues to be a flexible one. We now have a programme that presents a realistic challenge to the people of my country. With the economic and technical cooperation of our friends who are interested in our growing economic strength and continued security, we shall be equal to this challenge.

I mentioned earlier the agreement we signed this year with the United States to purchase \$21 million of surplus agricultural commodities. This agreement represents a resumption of economic cooperation between the United States and Burma.

It will be recalled that we signed a technical aid agreement with the United States in 1950 under which about \$20 million was spent. We found it necessary to terminate this aid programme early in 1953. A number of projects started under this programme have been continued by the Government of Burma.

The agreement that we signed this year for the purchase of United States surplus farm products makes available to us essential consumer goods. Further, it makes it possible for us to borrow back some of this currency to develop our economy further, should we desire to negotiate with the United States for its use.

A second agreement was reached this summer with the United States under which we shipped a million dollars worth of rice to Pakistan, the proceeds

of which Burma will largely expend to recruit American technicians in the fields of agriculture, industry, engineering, and other areas. A fifth of this sum will be spent for the training of Burmese students abroad. The importance of this training cannot be over-emphasized because, like all under-developed countries, Burma is very short of technicians in all fields ~~and~~ ^{help} ~~and this agreement therefore fills our need for the~~ ^{agreement} ~~infilling supply of technicians in the immediate future.~~

We are also negotiating a long-term loan agreement under which the United States will make available \$25 million for specific projects in our development programme.

Such economic and technical assistance is always welcome to my country. It provides resources of which we are terribly short and will help us achieve a more respectable standard of living the more readily. For the United States, it represents a willingness on its part to cooperate with us in developing our economy even though some of our policies may ~~not be the~~ ^{diff.} ~~same as theirs.~~ It is to be hoped that American investors, seeking newly developing markets for their capital and know-how, will follow the lead of the United States Government and consider the opportunities and investment incentives that exist in Burma.

As you know, we have steadfastly adhered to the principle of non-alignment with any bloc of nations and friendship with all countries. We have formed no military or economic alliance with any country or group of countries. For this reason we have been called by some an "uncommitted" nation.

We are however definitely committed in certain ways. In our foreign affairs we adhere unswervingly to a policy of independent, I stress the word "Independent", neutrality. Burma does not adopt an attitude of strict neutrality on world issues which are the subject of dispute between the two blocs; she judges each issue on its merits and determines her attitude on the basis of such judgment. In our domestic affairs, we are committed to a programme of economic and social development without sacrifice to individual liberty. We are committed to raising our living standards - - and are in fact doing so - - by using methods that are in the democratic tradition. The Government of Burma is aware that it may thereby run the risk of not making progress quickly enough. It is quite some risk choosing the democratic methods of economic development, because we in all under-developed countries have to ~~catch up~~ ^{catch up} with the twentieth

century ~~rapidly~~ and the need for rapid progress cannot be over-emphasized. Nevertheless, we think too much of the dignity of man to sacrifice this dignity and our democratic way of life on the altar of economic improvement.

Our commitment to democratic government and the preservation ✓ of individual freedom leaves no room for ^a non-democratic approach to Burma's problems. But it does permit government enterprise in the development of our economy in the interest of our nation. In holding this view, we are not doctrinaire. We are committed to a policy of democratic socialism, but we have made clear that in many sectors of the economy private enterprise will have a free hand and will be encouraged and assisted. We wish there were more entrepreneurial and management talent in Burma for the development of all enterprise. That is why my Government is providing guarantees and incentives for foreign investment.

The positive interest on the part of the United States, and its ✓ willingness to find ways and means of lending support to our economic programme so that we can move vigorously ahead, is most encouraging to my country. The degree to which such assistance can be translated into projects that can help overcome the shortage of capital and technical resources in Burma will directly influence the pace and success of our development. ✓

My brief review of United States participation in Burma's economic development would not be complete were I to omit mention of the activities of foundations and other groups which have been doing important work in our country. The Ford Foundation has been of no small help in the field of public administration, rural village development, and in training teachers for vocational high schools. We are indeed grateful for all this assistance.

I have given you a quick look at our development progress and problems and have indicated the "how" and "what" of United States participation. I have described the evidences of closer economic relations. Closer economic relations should bring an increase in trade between the United States and Burma.

Few countries in the world are as dependent on a high level of ✓ international trade as we are. Our exports are normally equal to about a fourth of our total production, compared, for example, with less than 5 percent in the United States. Burma's internal stability and economic and social progress, indeed the strength of her Government, is greatly affected by her ability to maintain a high and growing level of trade.

Exports from the United States to Burma will expand during 1956- 57. ✓

Burma hopes to be able to find growing markets in the United States for her timber and other raw materials.

In closing, Burma approaches her ninth year as an independent nation with confidence. The economic adjustments and readjustments that she has had to make have not weakened but strengthened her. Her economic and social development programme is now being held within fiscal limits as never before. Her available resources are tightly budgeted and programmed. Should Burma have the good fortune to augment these resources as a result of economic cooperation with friendly countries at governmental and other levels, her programme has sufficient flexibility to absorb the additional resources without endangering her internal stability. Lower prices for essential goods in 1957, increased security, and other measures will vastly strengthen her internal structure.

Many problems still remain to be overcome before we achieve that progressive technology that is the categorical imperative of a dynamic, expanding economy. We are determined to push vigorously ahead. With good fortune and good management of our resources, we shall make even greater progress towards this objective in the years to come.

Thank you, ~~for your kind attention.~~

Washington D.C.

October 1, 1956.

TH/nn.