



UN Secretariat Item Scan - Barcode - Record Title

Page

37

Date

12/06/2006

Time

2:11:31 PM



S-0882-0001-37-00001

Expanded Number **S-0882-0001-37-00001**

Title **Items-in-India - R. Jaipal**

Date Created **12/08/1969**

Record Type **Archival Item**

Container **S-0882-0001: Correspondence Files of the Secretary-General: U Thant: with Heads of State, Governments, Permanent Representatives and Observers to the United Nations**

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Signature of Person Submit

22 August 1969

Dear Mr. McDiarmid,

The Secretary-General would be grateful to you if you could arrange to have the enclosed personal and confidential letter delivered by safe hand to Mr. Jaipal.

With many thanks and best regards.

Yours sincerely,

Lucien L. Lemieux

Mr. John McDiarmid  
Director  
United Nations Office  
New Delhi  
India

PERSONAL AND CONFIDENTIAL

22 August 1969

Dear Jaipal,

I thank you for your kind letter of August 12. I share your misgivings about the contemplated plans of our friend, but I have not heard from him for sometime.

Thank you also for your concern about my recent illness and about baseless rumours regarding my "resignation". You must have noticed that I have put out a categorical denial to these rumours. I am now fully restored to good health and I am planning a trip to Africa early in September.

With best wishes and fond regards.

Yours sincerely,

U Thant

Mr. R. Jaipal  
Ministry of External Affairs  
New Delhi 11  
India



Personal & Confidential

विदेश मन्त्रालय, नई दिल्ली-११  
MINISTRY OF EXTERNAL AFFAIRS  
NEW DELHI-11

August 12, 1969.

Dear

*U Thant*

I went down recently to Banaras to meet U Nu and Bo Let Ya. I had lengthy discussions with U Nu, which were in continuation of my earlier discussions in Bombay and New Delhi.

U Nu and family flew to Bangkok on the 6th of August. You may be aware of his future plans. I must confess that we have serious misgivings and we have advised him to exercise maximum patience and restraint. I thought I should let you know this in case he turns to you for advice. I found him fit and fully recovered but he was not well informed about the international situation today.

We were most worried and concerned about your recent illness and especially about rumours that you may resign. However, we are very happy to know that you have been restored to good health and that you will serve out your term.

With kind regards and all good wishes for your health and success,

Yours sincerely,

*Rishi Jaipal*

(R. Jaipal)

His Excellency U Thant,  
Secretary General of the U.N.,  
New York

# Ex-Premier Nu Assails Burmese Regime as Fascist

Special to The New York Times

BANGKOK, Thailand, Aug. 11—U Nu, who still regards himself as the legal Premier of Burma, today denounced the regime of Gen. Ne Win, now ruling his homeland, as fascist.

He said the Government had disrupted the economy, provoked revolt in minority areas and suppressed the rights of the people, who he said are liable to secret arrest and indefinite detention at any time.

His criticisms of the Government were the strongest the former Premier has made so far. His own administration in Burma was ousted in 1962 in a quick coup d'état staged by General Ne Win, who was then the Defense Minister and commander of the armed forces.

Mr. Nu and members of his Government were imprisoned after the coup and General Ne Win set up a military administration, which has been in control in Burma ever since, with the avowed aim of steering the country along "the Burmese way to socialism."

Mr. Nu and his colleagues were released from detention in 1967 and 1968, and he and a number of his supporters were permitted to leave Burma.

## Many Ex-Aides Present

The former Premier has been in India in recent months while others who were in or closely associated with his administration have come to Bangkok, where Mr. Nu joined them last week.

U Nu, a Buddhist, has announced that he has come here as a religious leader to make contact with Buddhist organizations and Buddhist leaders in Thailand. He was invited by Thailand's Premier, Gen. Thanom Kittikachorn.

One of Mr. Nu's activities here will be to inspect work done to reconstruct a Buddhist shrine destroyed in the ancient Thai capital of Ayutthaya by Burmese invaders in the 17th century.

Before the 1962 coup, Mr. Nu had arranged for Burma to rehabilitate the structure.

The 62-year-old Mr. Nu spoke frankly about the Ne Win Government in an interview today. At a news conference Saturday



U Nu

net may have resigned or been repudiated by Parliament.

Mr. Nu asserts that although the term of the Parliament that voted him into power has expired, constitutionally he remains head of government until a new Parliament can be elected and he or someone else has been confirmed in office by its members.

In response to a request from General Ne Win, Mr. Nu, before leaving Rangoon for India, submitted his views of what should be done to change and improve the situation of the Burmese Government.

He proposed that the Government be turned back to him as the rightful chief executive and that available members of the former Parliament be convoked as a constitutional assembly. He said that if General Ne Win agreed to observe civil rights and other constitutional provisions, he would be named President, an almost entirely ceremonial post.

New elections would then be called and Mr. Nu, under the proposals, would retire to Benares in India.

General Ne Win rejected these proposals, with others from released political prisoners suggesting ways to restore parliamentary government. Mr. Nu said today that he still stood by the main elements of his program.

He characterized the "Burmese way to socialism" that General Ne Win is trying to establish, with its all-inclusive nationalization of almost every economic activity, as a false socialism.

The presence here of Mr. Nu and other influential opponents of the Burmese Government is regarded as indicating a hardening of attitude among them as a result of General Ne Win's unwillingness to modify his regime in response to the recent proposals for change.

three days after his arrival in Thailand, he was discreetly non-committal. Thai officials have said that he was here under the usual conventions applying to expatriates—that they should not engage in political activities while being given haven.

Mr. Nu was reticent about his plans but said he would probably be in Thailand for another week or two.

He insisted that legally he was still Premier of Burma since under the Burmese Constitution, which General Ne Win has abrogated by force, a Premier continues to hold office until a new Government has been formed, even though his Cabi-

## U NU VOWS FIGHT TO OUST NE WIN

Ex-Burma Chief Would Use  
Force if Necessary

LONDON, Aug. 29 (AP)—Former Premier U Nu of Burma vowed today he would oust the general who deposed him and said that he was "quite prepared to resort to violence."

He indicated he would begin his comeback move from Thailand, after visits to New York, Washington, Tokyo and Hong Kong to rally political and financial support. He said he already had been in touch with groups in Burma who have been Prime Minister, General Ne Win.

"I agree my call to the Burmese people to overthrow the usurper Ne Win could result in violence," the graying, 62-year-old Mr. Nu said in an interview. "But I am quite prepared to resort to violence to overthrow a tyranny, just as Buddha was."

Mr. Nu led the former British colony to statehood in 1948 and served as Premier until 1962. Secretary-General Thant of the United Nations was once his press secretary.

His chief of staff, General Ne Win, staged a coup in 1962, jailing Mr. Nu and his Cabinet on the grounds that they were leading Burma to political, economic and religious chaos.

### In Exile Since 1967

Mr. Nu was freed in 1967 and has since been living in India and Thailand.

Mr. Nu said General Ne Win had spurned his repeated offers of cooperation for the restoration of democracy in Burma.

"Now I can no longer sit by and see things going from bad to worse," he said. "I am compelled to resort to other means to save my country."

"Our plans have still to be hatched. This we will be doing soon when we go to Thailand."

Mr. Nu said he would be prepared to work with Burma's various Communist groups "if they are ready to join us in the task of ridding Burma of Ne Win's tyranny." He added that if he succeeded in ousting Ne Win, he would improve relations with the Chinese Communists, although he would "not kiss their feet."

Mr. Nu said Peking became embittered with Ne Win after 103 Chinese were "massacred" in Rangoon two years ago. He also charged that some members of the Burmese Army recently defected to the Chinese, but he gave no details.

# Prospects of U Nu's Drive In Burma Held Uncertain

By TILLMAN DURDIN

Special to The New York Times

HONG KONG, Aug. 31 — Prospects are considered highly uncertain for the campaign just launched by U Nu to oust General Ne Win from his dictatorial control of Burma.

The success of the campaign may largely depend on whether elements of the military forces turn against the general.

Whatever happens, the banner of opposition that former Premier Nu has raised seems likely to bring further disruption and privation to an impoverished country already afflicted with Communist and minority rebellions and oppression and mismanagement.

Knowledgeable sources believe the brigadiers and colonels now running Government departments and economic enterprises in Burma like their new civilian roles and will remain united in trying to keep General Ne Win in power.

## Discontent in the Field

But there is known to be discontent among the officers and men who are fighting grueling antiguerrilla campaigns and who do not enjoy the prerogatives of office jobs.

In his anti-Ne Win movement Mr. Nu has the support of a number of popular former military officers — some still in Burma and some in Thailand and elsewhere—and these may be able to arrange defections from General Ne Win's ranks.

Efforts in this direction are expected to be directed by Bo Letya, who is with Mr. Nu in London. Mr. Bo Letya was a successful guerrilla fighter for Burmese independence against the British and Japanese and a Minister of Defense in the first post-independence government formed by Mr. Nu in 1947.

He did not stay in government office long. He became a successful businessman and a behind-the-scenes political operator in the succession of democratic governments that held power in Burma after independence.

## Fatalist Mood

There is deep discontent among the people of Burma with the Ne Win Government. Its suppression of civil rights and the economic depression caused by its nationalization of virtually every economic activity—even down to small retail enterprises—have caused resentment and general poverty.

But the majority lowland Burmese, having lived with civil strife and disruption since the country became independent, are weary and apathetic and will not easily respond to a call for resistance to the tough Ne Win Government. The prevalent mood among this element of the population is fatalism.

Mr. Nu is popular with the Burmese masses but much of

his appeal comes from his reputation as an austere, dedicated Buddhist. He is regarded as a devious but not particularly tough or practical political leader.

His opposition movement will have widespread support, particularly among the hill-dwelling minority peoples—the Shans, the Kachins, Karens, Arakanese, Mons and Chins—who make up about a quarter of Burma's 28 million people.

Mr. Nu is an advocate of wide autonomy for the minorities, whereas General Ne Win has attempted to maintain strong central control over them. As a result the General has faced widespread revolts.

The bitterest of these insurrections is among the 500,000 Kachins of the far north, guerrilla allies of the United States against the Japanese in World War II.

General Ne Win's ruthless efforts to suppress the Kachins is reported to have made them implacable opponents of any sort of rule by the lowland Burmese who control the Rangoon Government. The suppressive measures have included the bombing of towns and villages and brutal punitive action against the civil population.

Some Kachins have turned to the Chinese Communists for help.

## Problem of Support

The Shan rebellion has recently been less vigorous than previously. The Karen insurrection, however, is reported to have gained impetus lately.

However, if Mr. Nu relies too heavily on the minorities, particularly if this means military dependence, he will lose support among the majority lowland Burmese, whose support is essential to bring him back to power.

General Ne Win is unlikely to bow to peaceful political pressure and resign. Violent action by Mr. Nu's supporters therefore seems inevitable.

Mr. Nu said recently that he did not want this, but his supporters say that he will accept it if necessary, and they have made plans for insurgent activity. They would hope to control a "liberated" area just inside Burma along the Thai border as soon as operations began.

Presumably, Mr. Nu would proclaim himself head of the Government of Burma at the border headquarters. He contends that General Ne Win, who took power in a coup d'état in 1962, is a usurper and that he is still legally Premier.

There is a possibility, however, that the disruption that would be caused by Mr. Nu's forces would be capitalized on by the Communist rebels, who still have guerrilla forces in lower Burma and in the north along the China border.

# After 8 Years of Dictatorship, Burma Gives Her People Little Basis for Hope

**By HENRY KAM THOM**  
*Special to The Star Free Press*

**PANGLOSS**, Burma, Aug. 22.—After eight years of military dictatorship, many Burmese fear for the future of their country and the mood among the people is deeply pessimistic. High officials in the past, Burma, a lush and beautiful

*The prospect is despairing for young, idealistic people such as this political aware-ness, has been to work as one of the great walking dead, one of the grab and almost careless principal streets of downtown Rangoon, he whis-pered: "Burma is a no-hope country. Conditions are very*

camp. It's like a concentration camp. Nonetheless, while the military gave occasional drastic proof of their intention not to ease up on the rens, there is widespread agreement among those who are fervent opponents of the Government that they are safe in their minor jobs and that it is easier now to be in opposition, albeit futilely.

"First No Win was very thin-skinned," a former prisoner said in the censored underground press. "The new deems

U Nu—who had run the country after independence from the British in 1948: "I spent for a period from 1958 to 1960 during which General Aung Mye Thaw, then leader of the government, took over his living quarters in a village near a village in a village in Bangkok and calling for rebellion."

**Threat is belittled**

The campaign by the 63-year-old Aung Mye Theik is not considered a serious threat by supporters of the Government or opponents of the Government. The opponents, many of whom were imprisoned without trial by General Ne Win after his 1962 revolution, say that Aung Mye Theik and were released in 1968, and the other hand, the United

in effect, that economic socialism may be talked about only amid affirmations that something will be done about them. There are many Burmese and foreigners, however, who believe that nothing can be done about them—that they are inherent in Burma's geography and in the national fabric. The most optimistic remark

**Little More Than Basics** The economic failures are there for all to see whether they are talked about or not.

## Black Market in Burma Keeping Coffee Sweet

**'A No-Hope Country'**  
Foreign observers agree that only two forces presently on the scene may become a threat to the Revolutionary Council for years.

Asia. No more. The chronic shortages of necessities under the eight-year-old military dictatorship have driven the people to a pervasive black market, to which a city dweller must resort for almost everything. "There are 20 people in our household," a man explained, "and we use condensed milk in our coffee and tea because it is sweetened there for almost everything."

**The New York Times (by Henry Kamin)**

Hawker squats in front of a boarded-up shop on Merchant Street in Rangoon. Hawkers sit all day trying to sell goods whose total value may be under a dollar. Few stop to buy.

Burma has sufficient rice, fish and vegetables to feed her population; she has little more. What is earned in foreign exchange they have and use the proceeds to buy what they want, again at inflated costs wherever it is available.

A principal source of the black market is distribution of goods by the military, officials and shopkeepers, who profit from their positions to be able to beat the system.

There are drastic shortages of everything Burma does not produce herself. As a result, hardship and discontent abound in the towns, where people are forced to pay exorbitant prices for food and clothing to shavvy middlemen. The government has decreed that all the chocolate for men, handbags for women and a bit of chocolate

for the children.  
The vast majority live in villages where the demand has not yet risen to such levels, which is counted as a factor in the Government's strength. In the cities, shortages have

procuring and scheming to promote their own interests at the expense of time and vital energy in the work of the nation. The blame for the shortages of consumer goods lies with the corrupt and inefficient distribution system, detached foreign buyers agree. Distribution system is compounded by a distribution system in which soldiers' bedding, uniforms, etc., are sold to civilians.

The manager alone the principal source of information concerning the business of the company. He is the one who knows the company's affairs, and he is the one who is responsible for the company's success or failure. He is the one who is the principal source of information concerning the business of the company. He is the one who knows the company's affairs, and he is the one who is responsible for the company's success or failure. He is the one who is the principal source of information concerning the business of the company. He is the one who knows the company's affairs, and he is the one who is responsible for the company's success or failure.

Exports of the main crop, rice, have shrunk from \$171-million in 1963 to \$63-million last year. Total exports for the same period have declined from \$247-million to \$128-million, and the gross national product is eroding.

A high official conceded that the country needed for rice

that the market for rice was becoming difficult. He noted that Burma's traditional customers, such as India, Ceylon and Indonesia, had grave shortages of hard currencies, so that bigger sales there could be a Burma little good.

Sales of teak, the other major export, are steady at about \$30-million yearly. Demand is greater, but many of the best forests are in regions of insurrections.

Burma realizes that her economic hopes lie in tapping rich mineral and petroleum resources, but she lacks developed capital. Her leaders believe they can get it only at the expense of the neutrality that they believe is their sole shield against China.

"Since 1948 we have followed only one correct policy—foreign," said a reconciled op-

**Neutrality Stressed**  
That policy is a neutrality that impresses foreign observers who is now out of jail.

...these neutrality has meant withdrawal from the world so as not to get involved in its conflicts—to give offense to

no one. After years of excluding most foreigners, especially journalists, as part of that policy, the Government began last June to admit tourists for seven-day stays. However, officials warned a correspondent that they would read his dispatches

The principal effect of the neutralist policy is that Burma is receiving no sizable economic aid from the two countries that might have provided it,

the United States and the Soviet Union. Instead, the Burmese are concentrating discreetly on obtaining assistance from Japan and West Germany. Their success has not been

Burmese policy-makers are basing their decisions on the supposition that China's goal is to dominate the region.

is to install a puppet regime in Rangoon but not to take over the country. They foresee no change in that attitude as the United States counterweight is progressively withdrawn from Southeast Asia. The situation is dangerous for Burma, they say, and will continue to be so.

At the moment authoritative sources said, China is using

[illegible]

—



eventual intentions in Myanmar among the general's opponents by their view that the outlook is bleak for a return to less oppressive government or for a rise in the standard of living.

The most optimistic remark about the future heard in seven days of conversations in the capital and in Mandalay, 400 miles to the north, was made by a ranking ministerial official, who said that if Burma maintained her stringent neutrality and China continued to be preoccupied with grave internal problems, the Burmese could hope for survival in independence "at least for a number of years."

**A No-Hope Country**

Foreign observers agree that only two forces presently on the scene may become a threat to the Revolutionary Council, of which General Ne Win, 59, is chairman: any one or any combination of the rebellions among tribal and ethnic groups in upper Burma, if Peking decides for its own reason to play a more active role in the army, if the wear and tear of years of almost unfettered power brings sufficient disaffection.

No sign of either eventuality is discerned. The prospect is for more one-man rule, more shortages of everything but the barest essentials, and more of the partial peace under which about a third of the country is contested by the rebels but the heartland of lower Burma, including the capital, lives unmolested.

something will be done about them. There are many Burmese and foreigners, however, who believe that nothing can be done about them — that they are inherent in Burma's geography and in the political factors that stem from it.

**Little More Than Basics**

The economic failures are there for all to see whether they are talked about or not.

### Black Market in Burma Keeping Coffee Sweet

*Special to The New York Times*

RANGOON, Burma, Aug. 22 — The Burmese, it is said, were once counted among the most honest people in Asia. No more.

The chronic shortages of necessities under the eight-year-old military dictatorship have brought about an all-pervasive black market, in which a city dweller must resort for almost everything.

"There are 20 people in our household," a man explained, "and we use condensed milk in our coffee and tea because it is sweetened and saves sugar. We get two tins a month, enough for one day, from the People's Store."

"You know," he continued, "we drink condensed milk in our coffee 30 days a month — but don't ask where it comes from."

hardship and discontent abound in the towns, where people were once used to choice and variety of food and clothing, shavings for cream for men, handbags for women and a bit of chocolate for the children.

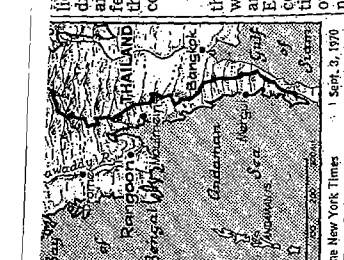
The vast majority live in villages, where the demand has not yet risen to such levels, which is counted as a factor in the Government's strength.

In the cities, shortages have produced more than deprivation. There is also the moral depression that goes hand in hand with a mode of existence in which the public is forced to spend an excessive amount of time and vital energy in procuring and scheming to procure necessities.

With the bulk of commerce nationalized, People's Stores have become the principal distribution centers for almost everything sold legally. The managers have become the principal Government representatives with whom the average Burmese deals, and he hates them.

**Bible of Every Household**

The manager allocates the small quantities of goods he receives to his customers, registered with him. Each purchases a ticket that is the bible of every household. One inspected at random called it "the black notebook." It showed entries for soap, rice, canned milk, monosodium glutamate, sugar, noodles, fish paste, mosquito netting, cotton material for longyi — the long around for someone who wants



The New York Times  
1 Sept. 3, 1970

skirt worn by men as well as women — shirting, towel, thread and underwear.

Shortages are compounded by a distribution system in which soldiers heading a lumbering bureaucracy have replaced the Indian, Chinese and European traders who at a profit to themselves, used to handle the distribution of goods.

"Now," Burmese say, while the capitalist exploiters have deservedly been removed, the profits go to black marketers and corrupt officials, and the people have less than they had in the "bad old days" of foreign domination.

During the black market, outside the Burmese call it "is endemic and complicated. Since distribution is irregular, people buy whatever is available, even what they do not want. Then they shop for longyi — the long around for someone who wants

lies to avoid the trouble of drawing the lucky ones by lot and to sell the coffee to preferred customers at five times the legal price," a Burmese commented.

**Smuggling Is Extensive**

To feed the black market there is smuggling into Burma, which is heavy from Thailand and less so from India and East Pakistan. In exchange for the United States and the Soviet consumer goods, largely textiles, much of Burma's output of precious stones escapes the nationalized export channel.

While Burmese contend that the blame for the shortages of consumer goods lies with the corrupt and inefficient distribution system, detached foreign observers disagree. Distribution is indeed bad, they say, but even with a perfect system there would not be enough to go around.

The International Monetary Fund, constrained in its choice of words by diplomatic nicety, terms the economy "stagnant." But economic experts in embassies here, basing themselves on official statistics as well as on their own observations, say that the economy is depressed. At the moment, authorities

change in that attitude as the United States counterweight is progressively withdrawn from Southeast Asia. The situation is dangerous for Burma, they say, and will continue to be so. "At the moment, authorities

# Once-Bustling Rangoon Now Quiet and Crumbling

Special to The New York Times

RANGOON, Aug. 22—You can still 'ear their paddles chunkin' on the Rangoon River.

The boatmen are too poor to equip their small craft with the outboard motors that have modernized and polluted the rivers of Bangkok, Saigon and Phnompenh and filled the ports with din and fumes.

The other cities of the region have the turmoil that goes with commerce and unequal prosperity — traffic, hawkers, construction, gar-

bage in the streets, beggars and prostitutes. Rangoon is a city of 1.7 million with little noise other than that of people walking and talking. It is a city of old buildings crumbling rather than new buildings rising, of shuttered shops and so little traffic that barefoot boys play soccer in parking lots downtown.

Rangoon has oarsmen rhythmically swinging their paddles on the river and streets safe from hordes of noisy Japanese motorcycles.

It also has garbage in the streets and beggars. It is difficult to tell whether the ab-

sence of prostitutes is due more to the puritanism of Gen. Ne Win's Government or the absence of tourists and the poverty of local customers.

"We know other cities in Asia have downtown skyscrapers and wide boulevards and night clubs," an officer occupying a high Government post normally held by civilians said. "But most people live in the country and such progress only widens the gap between city and country."

"What we are doing is tedious and a little bit slow, but we want the whole

country to come up together."

While waiting for the joint ascension, Burmese say that the gap is being narrowed not by a rise in the countryside but by the decline of Rangoon.

The capital, once a thriving trading center, has been stilled by nationalization of all but the smallest shops and the exodus of the Chinese and Indian traders who formed the backbone of Rangoon's commerce.

Hawkers squat in front of the boarded-up shops on Merchant Street with their wares spread on boxes. Combs, fountain pens and spare parts, toothpaste, sewing needles. No soap, few razor blades, no ballpoint pens, no chocolate: those are prized items, hardly ever available.

The hawkers sit all day trying to sell goods whose total value may be under a dollar. Few stop to shop.

## Movies Are Popular

Market stalls offer for sale empty glass jars and bottles, obtained from the maids and house boys of diplomats' homes. A jar that once held Kraft's Miracle Whip goes for 4½ kyats, nearly a dollar at the official rate, and whisky bottles of any brand sell for 2 kyats. Next to them, a Spalding softball lies in a muffin tin. Both are alien to Burma and unlikely to find customers.

Public entertainment is limited almost wholly to sports and the crowded movie houses, where ticket lines are longer than those outside the People's Stores.

Until 10 o'clock or so in the evenings, young men sit about the edges of Bandoola Park chatting and laughing. The rest of Rangoon retires for the night earlier. Few girls are seen after dark.

The busiest places in Rangoon, besides the morning and evening markets, are its pagodas and its mosques and Hindu and Chinese temples.

The rules are stricter than in other Buddhist countries, so visitors remove their shoes and socks outside the building rather than in the area directly before the statue. Foreigners are reminded of the custom by signs declaring, "No foot-wearing."



The New York Times

A beggar sits across from the Sule pagoda in the heart of Rangoon, a city of 1.7 million, whose traffic is so light that little is heard except sound of people walking and talking.

any

NEW YORK TIMES, Saturday, 6 September 1969

**U Nu Here to Seek Support**

U Nu, the Burmese Premier who was ousted by a military coup in 1962, arrived in New York last night to seek public support for his efforts to return a constitutional government to Burma. He termed the Government of Premier Ne Win "a military dictatorship that does not have the approval of the people."

## U NU, HERE, SEEKS BACKING IN REVOLT

He Says Guerrilla War Will  
Start in Burma by 1970

By ANDREW H. MALCOLM

Special to The New York Times

UNITED NATIONS, N. Y., Sept. 9—U Nu, the former Premier of Burma who was ousted and jailed by a military coup in 1962, predicted today that he would have guerrillas fighting successfully against the regime of General Ne Win by the end of this year.

The soft-spoken, 62-year-old Mr. Nu, who said he abhorred violence but was convinced it was necessary now to overthrow the general, declared that he was in a close race with the Communists to liberate Burma from a "terrible regime."

"It may be that we are already too late," he said in an interview.

Mr. Nu, who once translated Dale Carnegie's "How to Win Friends and Influence People" into Burmese, is in New York to appeal to Americans for financial and moral support in his attempt to restore parliamentary democracy to his nation of 28 million people.

### Hopes for an Uprising

"Our affair is mainly a military one, with guerrillas," Mr. Nu said. "We will certainly have men fighting in Burma by the end of the year. Our arrival will be the signal for a popular uprising."

Mr. Nu, who announced his plan to overthrow the military government in London 11 days ago, estimated that his guerrilla war would be successfully completed within a year. He began serious planning when the government allowed him to leave Burma in April for medical treatment in India.

Mr. Nu has vowed to reinstate the bicameral government, with some "adjustments," that he headed from Burma's independence from Britain in 1948 until the army took over on March 2, 1962.

Asian observers have rated his comeback chances as uncertain and dependent in large part on how much support he gains from dissidents in the army.

### Minorities Are Restive

Deep discontent has simmered in Burma in recent years, stemming from an economic depression, nationalization of almost every economic activity and grievances of tribes, such minorities as the Kachins, Shans and Karens. Rebellions and reprisals have become commonplace.

It is from these elements that Mr. Nu hopes to construct a united opposition front. He said he has met with Kachin leaders and held meetings with other tribal leaders in October.

He pledged today to create two more states, for the Arakanese and Mons, and to grant greater autonomy to the existing states.

He said, however, that his support ranged throughout the country, including many among the majority Burmese in the lowlands, although they might appear apathetic.

## U Nu Faked Brain Illness To Escape

Washington Post Foreign Service

UNITED NATIONS, Sept. 12—Former Burmese Prime Minister U Nu, in the United States seeking money and moral support to overthrow the Ne Win government, disclosed today how he was able to get out of Burma by feigning a brain illness.

After the "fascist dictator" Gen. Ne Win turned down Nu's suggestion in June to become constitutional president with Nu as prime minister, he told correspondents he had planned to walk to Thailand to meet "friends now concentrating along the border."

But on the advice of a colleague, he decided instead to seek permission to obtain medical treatment abroad. Knowing that he would have to persuade Ne Win, who kept him in jail for five years after a military coup in 1962, Nu pretended to have "brain trouble" which could only be treated by a physician in India, whose name he had obtained from a friend.

To back up his story he began "collapsing" at public functions. "After three or four times," he said, chuckling, "the government became convinced."

A U.N. spokesman emphasized that his contact with Secretary General U Thant, a close friend who served the Nu government in Burma, would be strictly on a social basis.

Nu said that although he would not personally fight, he had concluded passive resistance would not suffice to overthrow Ne Win and that he would supply political leadership.

# Burma's Military Rulers: Nine Years of Stagnation

By Lee Lescaze

Washington Post Foreign Service

RANGOON — "If this government were in charge of the rains, there would be drought" one Burmese remarked this week of the military regime that has pursued "the Burmese way to socialism" since it took power nine years.

His despairing attitude toward the government's managerial abilities is widely shared, but despite a stagnant or declining economy and insurgencies in eastern and northern border areas, few people here are betting that important changes will come soon.

Monday, the government will convene the first congress of the ruling Burma Socialist Program Party in its nine-year history.

While military leaders point to the congress as a major turning point for the nation, most observers believe Burma's rulers will follow past form—preferring the illusion and rhetoric of change to any alteration of their authoritarian and economically damaging manners of running the country.

The most striking innovation here in recent months was the November switch from driving on the left side of the road to the right.

The change was supported by arguments that Burma imports most of its vehicles from right-side-of-the-road nations, but in fact, most cars come from left-side driving Japan.

A not entirely fanciful explanation favored by several Burmese is that the sometimes superstitious leadership were aware of popular pressures for a more capitalist (right) policy and were perhaps counselled to take heed by astrologers. They answered the call for a move to the right by changing Burma's traffic pattern.

**Significant Change**  
Significant political change also does not appear imminent as a result of Burma's insurgency or a split within the military leadership.

In Bangkok, former President U Nu and his supporters predict they will be in Rangoon within a few months, their guerrilla forces sweeping to victory on a wave of support from Burmese who will rise to join them in overthrowing the unpopular military government headed by Gen. Ne Win. Few Burmese outside the government dispute that the regime is unpopular, but from here, the U Nu insurgency appears to be making little headway.

"In this country, I would hate to rule anything out, but would be amazed if U Nu succeeds," one observer said.

A Burmese who is unsympathetic to the government was blunter: "If there is no starvation, there will be no

popular uprising." The 30 million Burmese are poor by any standards, but no one is starving.

Rebellion has become an institution in Burma. U Nu's forces estimated at about 2,000 men are operating from across the Thai border where they have formed alliances with some minority groups that have opposed the Rangoon government since independence in 1948.

The largest of these groups, the Karens, are themselves split and are principally engaged in smuggling. According to the government-controlled press, 100,000 cattle are smuggled from Burma to Thailand annually. The smugglers, who also take out mineral ores, games and opium, bring back consumer goods such as clothing, bicycles, cosmetics and kitchen utensils which can rarely be found in the state-run People's Stores — the only legal retail outlets in Burma.

The government has little control over most border areas and tolerates the smuggling and the black markets which exist openly in every town. Since Burmese production of consumer goods is still embryonic, crackdown on smuggling — if it were possible — would sharply increase popular dissatisfaction.

"If Burma's borders were sealed, the people would be

going around in fig leaves," one observer says.

U Nu's rebellion has not been totally without success. He has received money to buy arms from various Western sources and is still able to live in Thailand which, by giving him limited support, is taking out an insurance policy against future developments in Burma. One of U Nu's best propaganda victories came when a Burmese government press conference three weeks ago displayed modern weapons including American M-16 rifles and M-79 grenade launchers captured from the guerrillas.

Most Burmese were surprised and impressed that U Nu's forces had such weapons and they were also dazzled by the rebels' gold coin operation. In exchange for food or other commodities, the U Nu rebels are distributing gold coins stamped with his sign: Burmese peasants, like most Asians who have watched currencies fluctuate, put great value on gold. The government has to decide whether to buy the U Nu coins from peasants, confiscate them or let them remain in villages, as a first response to the problem. The government demoted the Military Intelligence Service officer who organized the press conference.

The Shans and Kachins are also in rebellion against Rangoon and participate in the smuggling Kachin areas.

in the north are the base of the Peking supported Communists.

Although the Chinese capacity for aiding a rebellion is enormous, Peking has generally kept its direct participation low and has not found large numbers of recruits to the Communist party, according to sources here.

As they have elsewhere in Southeast Asia, the Chinese have coupled their interest in armed rebellion with an interest in government.



66 government relations. When Peking agreed to send an ambassador to Rangoon early this year, guerrilla activity in the north declined, sources here report.

However, at almost the same time a new radio station broadcasting in the name of the Burmese Communists came on the air with a powerful transmitter that could have been provided only by China. Although the government has never had effective control over many of its border area, Burma's 200,000 man armed forces is generally regarded as one of Asia's best in combat.

Outsiders know little about the alignments of power within the army, but Ne Win has weeded out senior officers who overreached themselves and apparently has removed any possible rivals.

"U Nu believed that some army units would join him," a Burmese remarked, "but he was naive. They will come over to his side only when they are sure he will win."

Even without the propaganda courtship U Nu has been conducting, however, many observers believe that the army could divide, but only after Ne Win dies or resigns.

The inventor of the Burmese way to socialism is widely considered to be the only man who can hold the present dictatorial government system together. He is

60 and has often gone abroad for medical treatment of a bleeding ulcer.

No one knows how serious his ulcer is for the general is one of the most secretive of heads of state.

He returned to Burma June 8 after being away for five months, most of the time in a London hospital. Since then he has played some golf, received the credentials of two ambassadors (Chinese and Czechoslovakian) but made no public appearances.

Ne Win is almost certain to appear Monday at the opening session of the first congress of the nation's only political party. But it is typical of the secrecy that surrounds this government that the site of the congress has not been announced despite numerous officially-inspired newspaper accounts of preparations for the meeting.

Well-informed sources say the congress will meet at Mingaladon Army Base near Rangoon's airport. It is likely that the 1,127 delegates will be cloistered on the base until the congress ends July 11.

The agenda includes a report from Brig. San Yu the party general secretary, adoption of party constitution and approval of 20-year economic plan. There has been no long-range plan during the nine years since Ne Win and the military ousted U Nu in 1962.

Until late 1969, party membership was given only to top leaders and at one time there were only 27 full members of the Burma Socialist Program Party.

However, following a Ne Win directive to change from a cadre party to a people's party, new members began to be recruited. The party now has about 72,000 members — 41,000 of them from the armed forces.

The total party membership elected congress delegates on a regional basis over the past months, a process which Rangoon authorities hoped would stimulate interest in the party system throughout the country.

At first, according to well-informed sources, there was little popular response. Then, word began to circulate in some districts that the officially-designated candidates were not always winning and interest in the elections picked up among Burmese who have long been denied any political voice.

Outsiders can only guess how many of the election results were unwelcome to the party leadership, but the number is not thought to exceed 15 per cent and there is no doubt that congress will follow the wishes of the leadership.

During its nine years in power, the government has jailed enough people to frighten many Burmese to the political sidelines. Although most of the thousands arrested for political reasons have been released in the last three years, there is no organized opposition here besides the armed insurgents.

The press is tightly controlled and the resident foreign press corps was recently cut in half. A correspondent of the Press Trust of India was expelled from the country after writing that several thousand refugees from East Pakistan have fled into Burma. The lone remaining reporter represents the Soviet news agency Tass.

Perhaps the major development expected from the party congress will be a reapportionment of government portfolios among a greater number of army officers. For example, Col. Lahan is now minister for foreign affairs, education and health. Government and nongovernment sources expect that he will give up at least one of his three ministries.

All information in Burma is very closely held. Foreign diplomats see government officials only occasionally and visiting foreign reporters can meet only designated information ministry officials.

When Burmese government leaders attend parties they want to know in advance who the other guests will be. And they are expected to write reports on the dinner conversation.

None of the political restrictions in Burma, however, seem likely to lead to a rebellion of the people, 82 per cent of whom still live in rural areas.

Rangoon is shabby, with most buildings in need of repainting, but it seems a city waiting for change to be brought to it, rather than a city nursing rebellion.

Ne Win likes golf which has become the popular game here. It is a curiously unsocialistic game with new golf balls being unobtainable without special import privileges. But as long as Ne Win is able to rule, he appears capable of playing as many rounds as he likes.



# Burma Seeks Equality In a Dwindling Economy

By Lee Lescaze

Washington Post Foreign Service, Rangoon

RANGOON—An exemplary worker in Burma's state monopolies is rewarded with a two-week vacation without his family at a seaside or mountain resort and the title "model worker."

He can win the title three times and then becomes a "hero of socialist labor" with no further vacations or rewards in store. These are the only incentives in Burma's state-controlled economy, which has been declining ever since Gen. Ne Win took power in a military coup nine years ago and set the nation on his "Burmese way to socialism."

Government officials explain that Burma is trying to raise the standard of living for all its people simultaneously without building

an elite, privileged urban class. Pointing to the shabby facades of Rangoon's buildings, one official said this week that they would remain unpainted until Burma develops a sufficient supply of paints.

Other observers express optimism that sufficient supplies of paints or other materials will be produced locally before Burma's economy reaches a crisis point.

Foreign exchange reserves are down to \$50 million, the lowest point since independence in 1948. According to well-informed sources, the remaining reserves may be exhausted by the end of this year. Service of Burma's foreign debt alone takes about \$30 million annually.

A major blow to the economy has been the falling price of rice in the world market. With recently developed new rice strains, many nations that were traditionally Burma's customers now have surpluses of their own.

As a result of the world rice market situation Burma's latest sale of rice to India was at \$72 per long ton and Burma will gain only about \$5.5 million from the sale while it would have made almost twice as much six years ago. The problem with Burma's other export commodities, however, is inefficient production.

While the value of world trade has been increasing about 7 per cent a year, Burma's trade declined 63 per cent since 1963 to about \$100 million last year. With 85 per cent of the world's teak reserves, Burma can sell as much as it can produce. But lack of roads, river transport, sawmills and other facilities has kept teak exports down.

In addition, the state monopolies operate under government requirements that they turn their foreign exchange earnings over to the treasury and receive budget allocations in local currency.

The Burmese Kyat (pronounced chat) is maintained at the now unrealistic prewar rate of 4.75 to the dollar. Thus, for example, the state timber board earns roughly \$30 million annually, but has operated at a loss for five years because it must turn in its dollars at the inflated exchange rate.

Fortunately for Burma, foreign trade is not of enormous importance to the country and the sharp declines in foreign reserves have not been echoed by sudden economic pressures on the population. Foreign trade amounts to about 13 per cent of Burma's gross domestic product as compared to 18 per cent in Japan and 80 per cent in Malaysia.

Most Burmese, according to reliable sources, complain that their real income is lower than ever before, but they are not going hungry. "The man who could afford four dishes for his dinner a

few years ago can still have two, or maybe one. He is still getting enough to eat," one Burmese said.

Almost 85 per cent of Burma's 30 million people live in rural areas where they are self-sufficient in terms of food and housing. Unlike most of its Asian neighbors, Burma does not have overcrowded cities and the political pressure that results from hungry and ill-housed urban masses. About 1.7 million people live in Rangoon, by far the largest city.

But the problem of educated, but unemployed people is beginning to cause Burma's government serious concern. An estimated 50 per cent of college graduates cannot find jobs since private enterprise is almost nonexistent and the military government trusts only army officers with control of the state monopolies.

The government has attempted to meet this problem by hiring graduates in what amount to make-work civil service jobs at the minimum government salary of \$26 a month. In addition, students have been carefully watched ever since the military raided Rangoon University in 1962. In spite of the army's efforts, however, there have been three small-scale student riots since December, 1969.

Lack of jobs and imposition of military control resulted in a serious brain drain. More than 220,000 people have emigrated from Burma since Ne Win took power and there has been a new flow out of the country since last January when the government somewhat relaxed the requirements for exit permits.

Ne Win has generally succeeded in eliminating private wealth, but the military has become Burma's new elite.

Students complain that sons of officers are given preferential treatment in classes.

In addition, sources say that as the caliber of schools declines it is becoming more and more essential for a student to have outside tutoring in order to do well on the college entrance exam. Military families can easily afford such tutoring. Not surprisingly, the army has become a sought-after career while the civil service is not attracting Burma's

best young people. Army officers have more cars, appliances and other possessions than most Burmese. However, most observers agree that corruption is limited, by Asian standards. While the officer corps in Indonesia or Thailand rides in long, black cars, a Burmese officer is likely to have a Volkswagen.

The lack of consumer goods here is striking. Shops in Rangoon and other towns have small selections of clothing, cosmetics and kitchen ware.

In the countryside there is almost nothing for sale. What can be found is being sold in black market shops after having been smuggled into the country or sold illegally at the back door of the state-run People's Stores.

Theoretically, the People's Stores were to handle all retail sales and customers could buy a quantity of goods—though they are rationed—for example, two sarongs a year.

In fact, however, the People's Stores almost never have goods to sell, forcing Burmese to turn to the black market.

The People's Stores have been so badly mismanaged, according to observers here, that they are now almost an authorized target of public wrath. Cartoons appear in the government-controlled press deriding their inadequacies. The government is beginning to phase out People's Stores and replace them with a chain of cooperatives.

Initial reports on the cooperatives, however, have not been encouraging. Many of the People's Store clerks are being reemployed in the new cooperatives and in one area, farmers complained that the prices were higher at cooperatives than at People's Stores while their stocks were equally meager.

**Medicine Supplies**  
Medicines are in particularly short supply in the state-run stores. On the black market, a patient getting his prescription filled risks buying adulterated drugs and has to pay stiff prices. But as with other goods, the government restricts legal imports of medicines in an effort to save foreign exchange. The government has announced that no antibiotics will be pur-

chased for the state stores this year.

Burma's government forced most of the nation's trained managers out of their jobs as political unrelies during its gradual nationalization of the economy, but it has begun to train new managers only recently within the armed forces. The result, according to observers here, has been widespread inefficiency which, coupled with the lack of incentives for workers, has been chiefly responsible for the economic decline.

The gross domestic product is roughly keeping pace with the population growth rate of 2.2 per cent a year. Per capita gross domestic product is about \$65, a few cents less than it was in 1962.

A promising development for the future has been the encouraging results of oil surveys off the Burmese coast. The government hopes to begin exploratory drilling by the end of this year. Developing offshore oil fields, however, requires enormous capital investment and the Burmese government will have to reconcile its opposition to foreign investment with its need to begin producing oil.

After driving out all foreign investors, the government will have to find a way to bring back foreign oil companies, for with foreign exchange reserves of \$50 million it will be impossible for Burma to raise the roughly \$100 million required.

Despite the recent economic decline, most observers here do not believe that the economy is on the point of collapse. Because of its overwhelmingly rural population and the generally adequate supplies of food, Burma appears to have more time to seek formulas that will lead to economic growth.

Most observers believe that the government will institute reforms to head off further economic decline. If nothing is done, however, Burma's present road leads not to a socialistic equal improvement of living standards throughout the nation, but to severe hardship for all Burmese.