

*Pyidawtha*

THE NEW BURMA

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THE NEW BURMA



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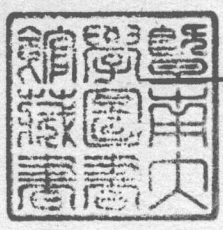
## THE NEW BURMA

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A Report from the Government  
to the People of the Union of Burma  
on our Long-term Programme  
for Economic and Social Development



ECONOMIC AND SOCIAL BOARD  
GOVERNMENT OF THE UNION OF BURMA

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**The Honourable Prime Minister's Message for  
"Pyidawtha—The New Burma"**



PRIME MINISTER OF THE UNION OF BURMA

*Dated, the 9th September 1954.*

SEVEN years ago our future was bright with promise. Without bloodshed and destruction we had gained the right to rule ourselves and with it the right to fashion the kind of life we want for ourselves.

But within a few months of our existence as an independent nation, just as we were ready to devote ourselves to the tremendous task of making good what the war had destroyed, we were confronted with an armed rebellion. We had to lay down the plough for the gun and leave the field for the jungle to fight those who were threatening our new and precious right to begin a new life.

While the rebellion raged around us we drew up plans for making our people healthier, wealthier and happier and our country a pleasanter place to live in. For we never doubted our ability to win the struggle.

Much time, energy and money have been spent in designing these plans. We have been aided in our work by men, both from our own people and from other nations, who know much about these matters.

Already we have begun to transform these plans into reality. We appreciate in fullest measure the necessity for the people's understanding and cooperation to bring success to our bold venture. It is to achieve this end that this report is submitted to the people.

At this moment in our history we stand poised on the threshold of a new age of peace, prosperity and happiness. With its back broken the rebellion no longer offers a serious threat to our existence. The way is clear now for us to apply our energies increasingly to the tasks of peace.

This report describes the path we must follow to reach our common goal—to make our land deserve the name—*Pyidawtha—the New Burma*. To this work we must all pledge our hearts and hands.

( U NU )

*Prime Minister*



## CONTENTS

	<i>Page</i>
Message from the Prime Minister	5
A Prosperous Future	9
Our Objective	10
Our Priority Task	11
Development Programme for the New Burma	12
Development Programme as Part of the National Economy	24
Major Segments of the Economic Development Programme	
AGRICULTURE	31
FORESTRY AND FISHING	49
TRANSPORTATION	53
TELECOMMUNICATIONS	70
POWER DEVELOPMENT	72
MINERALS	79
INDUSTRIAL DEVELOPMENT	82
SMALL SCALE INDUSTRIES	104
HEALTH	106
EDUCATION	111
HOUSING	117
SOCIAL WELFARE	123
Conclusion	127

BURMA can become one of the most prosperous nations of all Asia.

*In this New Burma we can enjoy a high standard of living . . . health and security for our people . . . social justice for all.*

*We can remain faithful to our past, yet live consciously and gladly in the twentieth century.*

*We can be proudly independent, yet a willing partner in the community of nations.*

*We can blend successfully the religious and spiritual values of our heritage with the benefits of modern technology.*

*To the creation and perpetuation of this great New Burma, we bend our backs and commit our hearts.*

## A PROSPEROUS FUTURE CAN BE OURS BECAUSE

WE can more than adequately feed our own population. Unlike many of our neighbours, Burma is not overpopulated.

We have within our nation adequate fuel resources and great electric power potential—the prerequisites for industrial development.

We have known deposits of a variety of minerals—raw materials to feed industry and to benefit agriculture.

Our great rivers, with their tributaries and canal systems, constitute a natural transportation network over which goods and people can be moved cheaply between the main population centres.

We are leading producers of several commodities, notably rice and teak—which can be sold abroad to earn the money we need to buy the things we must import.

The people of Burma are resourceful and talented. In their native intelligence, their spiritual strength, and their faith in the future of our country, they possess the indispensable personal and human values that always underlie national greatness.

These are the elements of our future prosperity: fertile land, power, transportation, raw materials, and good human resources. Efficiently developed and wisely administered, they can provide the material basis for a new era in Burma.

Yet in large measure our assets today represent only *potential* wealth. In the past our resources were exploited not for Burmans but for foreigners. Much of what we had was destroyed in the war. More has been destroyed by the insurgent enemies of the New Burma.

Instead of the high standard of living that our resources make possible, we have today an abysmally low standard of existence. It is well known that living standards throughout Asia are sadly inferior to those of western Europe and especially the United States. Yet standards of living in Burma are low even when compared to most of our neighbours.

But we shall waste no energies in lamentations or bitterness over the past. Our heritage is proud and strong, but our true history lies ahead. And there is much to be done.

What is to be done for the next few years has been charted carefully. For more than two years the Government has been laying the groundwork for the economic and social development of the nation. An intensive study of Burma's resources—present and potential—has been carried out; and we have drawn up ambitious but practical plans for development in agriculture, mining, transportation, communication, power, industry, and finance, as well as in health, education, housing, and social services.

The most qualified experts from Burma and abroad have been engaged in these studies. Their reports and recommendations have been carefully studied by Government. With some changes and modifications to suit the conditions of the country, we have now adopted a great programme for economic and social development, including an impressive list of projects for completion in the near future. Some of them already are under way. Together with the policies and principles that will guide them, and a flexible time-table for their completion, these projects constitute the Development Programme for our Pyidawtha, the New Burma.

It is important that the people of Burma know about this programme and understand it. They must share its purposes, understand its requirements and, in the end, make it work. That is why this report has been written.

## OUR OBJECTIVE

THE New Burma sees no conflict between religious values and economic progress. Spiritual health and material well-being are not enemies: they are natural allies.

We do not seek improved agricultural techniques or modern factories as ends in themselves: we seek them as useful means towards a better life.

We shall describe in the rest of this report the material and technical steps that must be taken to build the New Burma. But do not forget that the objective of all these steps—separately and together—is a Burma in which our

people are better clothed, better housed, in better health, with greater security and more leisure—and thus better able to enjoy and pursue the spiritual values that are and will remain our dearest possession.

## OUR PRIORITY TASK

IT is not necessary to tell the people of Burma that war and insurrection—quite apart from being a moral outrage—are destructive, wasteful, and costly. We have seen enough of that to need no reminder.

Yet it must be emphasized that until peace is fully restored throughout our land, we cannot push ahead with maximum speed in building our New Burma.

We cannot bring crops to market from lands that lie in areas held by insurgents.

We cannot complete our river and rail and road and air transportation systems into enemy territory.

We cannot construct a dam to provide us with power until the river banks are clear of bandits.

We cannot even explore some territories for minerals and other resources because they are not free for peaceful development.

And so, reluctantly, we have devoted much time and money and materials to our national defence against internal enemies. Reluctantly, because it is sad that we should have to fight against brother Burmans. Reluctantly, because this time and material and money that should rightly go to constructive use must be employed for destructive purposes.

There are many things that can be done to develop our nation even as the fighting continues, and these things are being done. But our soldiers must be paid, fed, clothed, housed, and armed. This effort now takes nearly one-third of our national budget. Every kyat and every hour devoted to garrison, to patrol, to guard, to arm, to kill, is a kyat and an hour stolen from our Development Programme.

So more in sadness than in anger—but with firm resolve—we shall spend and allocate and fight until peace dwells in the remotest corners and in the deepest jungles of our land.

This is our first—our priority task.

## THE DEVELOPMENT PROGRAMME FOR THE NEW BURMA

OUR plan for economic and social development already is sketched out for the next six years—until 1960. It calls for the simultaneous and coordinated development of our country in all major fields of economic and social activity:

AGRICULTURE	POWER	HEALTH
TRANSPORTATION	MINERALS	EDUCATION
COMMUNICATIONS	INDUSTRY	HOUSING
FUEL	FINANCE	SOCIAL SERVICES

### THE CHARACTER OF THE PROGRAMME

Several general points should be made at the start about the character of the Economic and Social Development Programme:

*First*, it is much more than a reconstruction programme to repair the damage of war and insurrection. Many of the economic facilities that were destroyed must, of course, be replaced, but that is only a minor aspect of the Development Programme as a whole. Our pre-war economy and the wealth it produced was inadequate for the times; it would be worse than inadequate now; and it would be totally unacceptable for the future. What we are setting out to do is to create a *new economic foundation for our new country*, an economy capable of dynamic growth for the indefinite future. To build that foundation we shall move through successive stages of economic development which must be described in quantitative terms—like rates of investments, levels of production, and so forth. But as we approach and reach our quantitative goals, important changes also will occur in the *character* of our economy. Agricultural production will be more diversified; industry will be expanded in relation to agriculture; transportation and communication will be improved; electric power will become more generally available; trade will increase both within the country and between our country and our neighbours.

And this will mean that more products, and more kinds of products, will be available to our people; that new kinds of job opportunities will open up; that educational and health standards will rise; that travel and communication will become easier; and that, in short, we shall leave behind us the era of exploitation and move into an era in which all Burmans will participate in a life that will be more varied, more prosperous, and more pleasant.

Some segments of our economy will be no stronger, or not much stronger, by 1960 than they were before the war. *But they will all be much stronger than they are today and, more important, will provide the foundation for continuous economic and social progress.*

*Second*, the Development Programme will evolve and change as time goes along. Your Government strongly believes that the future development and happiness of our nation depend to a large extent upon the careful planning of the short-range and long-range development and use of our resources. In many cases this will involve not only detailed planning, but step-by-step development of action programmes. At the same time, economic development is an enormously complex matter. Whether a certain development project, or a given economic policy, is valid and wise at any given moment depends upon many factors, some of which we control and others—such as political developments and price changes in other parts of the world—are beyond our control.

There is no final target for this programme—no point in the road at which we shall say, “We shall stop here, for we have arrived.” The economy and the social fabric of the New Burma, for as far ahead as any man can see, will be a living, growing thing. And so our Development Programme, too, is conceived as a living, growing, changing set of blueprints and designs. *The planning in which we believe is flexible and adaptable—never dogmatic, doctrinaire, or rigid.*

*Third*, responsibility for the success of the Programme will fall broadly across many shoulders. Most of the things that we want to accomplish require the investment of money; so economic goals depend on an investment programme, which becomes a sort of master key to economic development. Different types of investment must be carefully calculated, prudently timed, and closely coordinated with each other; and much of it must be provided out of public funds.

This places major and initial responsibility on the Government. To provide over-all supervision and coordination of the programme we have set up



two agencies. The Ministry of National Planning will draw up the annual segments of the programme; prepare the nation's annual economic budget; adapt the programme to changing conditions, and generally coordinate the planning activities of all governmental agencies. The Economic and Social Board, headed by the Prime Minister, will keep a close and continuing watch over the progress of the programme; take whatever steps are needed to overcome obstacles and to expedite action; and generally advise Government on all major problems and policies.

The specific parts of the government investment programme will be carried out both by such established agencies as the National Housing and Town and Country Development Board, the Ministry of Education, the Ministry of Transport and Communications, the Ministry of Agriculture, etc., and also by newly created agencies such as the Industrial Development Corporation, the Agricultural and Rural Development Corporation, and the Mineral Resources Development Corporation. Directly, and through subsidiary Boards and Corporations, these agencies will be responsible for building and operating new productive government enterprises, and for making sure that adequate transport, power, housing, schools, hospitals, and other community facilities are provided to keep pace with and support the growth of both public and private productive enterprise.

But this is only part of the job. If economic growth is to permeate the whole life of the nation, then planned government investment must be matched by all sorts of large and small investments by private individuals. In a very real sense, the farmer who buys a new plough or the farm village that builds a new pond or well; the riverman who buys a new boat, and the artisan who buys a new lathe, become participants in the Development Programme. So, of course, do private businessmen who build new factories or install new and better machines in existing factories. Thus individuals outside the Government collectively share a substantial part of the burden of responsibility for the success of the programme.

Then, too, both government and private investment in improved facilities will generate needs for specialized knowledge and skills in many kinds of activity, including government, that are now either non-existent or scarce in Burma. It is estimated that during the next six years the Development Programme will create some 32,000 new positions requiring special skills ranging

from managers through construction workers to miscellaneous skilled tasks. The greatest requirement is for engineers and managers; but architects, physical scientists, lawyers, economists, statisticians, and others also will be needed.

By the end of 1953-54, about 700 new managerial and supervisory personnel will be needed, more than 700 additional professional personnel, more than 1,800 sub-professional, and over 10,000 skilled workers. The numbers needed far exceed the number of people who are now in training. This requires a drastic increase in our educational and training programme in this country, the sending of Burmans abroad for specialized training, and the use of non-Burman technicians, especially in the early stages, to speed the programme and speed the training of Burmans to replace them. Thus the students in our universities and technical schools, those who go abroad for specialized instruction, workers who learn new skills—administrators, supervisors, professionals—all these have an important responsibility for the success of the programme.

And beyond the need for bold planning on the part of the Government, beyond the need for large and efficiently managed investment programmes in both the public and private sectors of the economy, and beyond the need for sharp increases in the numbers of administrative, professional, and skilled workers, the success of the Development Programme also will depend upon the adoption of new methods on our existing farms, in our transport and communications systems, in our offices and factories and mines. In many cases, important economic improvements can be made simply by the practice of more efficient methods which do not require new machinery or expensive equipment.

For all these reasons, the Development Programme in its active stages will directly affect millions of Burmans—and for these reasons millions of Burmans must contribute directly to the programme if it is to succeed. Thus our Development Programme not only is *for* the people, it must be, in large measure, *by* the people as well.

## MEASURING ECONOMIC PROGRESS

The only convenient way to measure the strength of a nation's economy is by using a figure that economists call the Gross Domestic Product. This

is obtained by adding up the value of all the goods produced and all the services rendered in the course of a year—that is, the value of food produced, articles manufactured, transportation provided, legal and medical services performed, and so forth. It's the total annual bill for every product and service that originates in a country and is sold, whether at home or abroad. Increases or decreases in the activity of the economy as a whole can thus be shown by comparing the value of the Gross Domestic Product of one year with the value of the Gross Domestic Product of prior or succeeding years. In order to make this comparison meaningful, it is, of course, necessary to compare the actual physical volume of output without reference to any changes that might have occurred from one year to another in the prices charged for products or services. Therefore it is useful to calculate the value of the Gross Domestic Product for different years as though there had been no price changes. In the statistics that follow, the prices prevailing in 1950-51 have been used throughout, so that the figures reflect actual changes in the volume of production.

Just before the war, in 1938-39, the Gross Domestic Product of Burma was K5,337 million. In 1950-51, the damage and disruption of war and insurrection had reduced this to K3,690 million, 30% under the pre-war level. During the next two years there was considerable recovery, so that by 1952-53 the Gross Domestic Product had risen to K4,244 million, still 20% under the pre-war level, but an increase of 15% over 1950-51. Preliminary figures suggest that the Gross Domestic Product for the current fiscal year, 1953-54, will again show a substantial increase in economic activity. Here are the figures for the Gross Domestic Product of Burma before the war and for the years since 1950-51:

<i>Gross Domestic Product (1950-51 prices)</i>			
1938-39	.	.	K5,337 million
1950-51	.	.	K3,690 million
1951-52	.	.	K3,911 million
1952-53	.	.	K4,244 million

Measuring the total production of the economy as a whole, however, does not tell us anything about the efficiency of that economy—whether it is pro-