

BURMESE FOREIGN POLICY : 1948 - 1958

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CERTIFICATE

Certified that the dissertation entitled
'Burmese Foreign Policy : 1948-1958' submitted
by Mr. Anjani Misra in partial fulfilment for
the award of the Degree of Master of Philosophy
has not been previously submitted for any
other degree of this or any other University.
To the best of our knowledge this is a bonafide
work.

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PREFACE

While there have been numerous works on Burmese foreign policy, little attention has been paid to come up with a comprehensive work on the foreign policy of Burma during the period 1948 to 1958. The purpose of this work is to provide an indepth study of the Burmese foreign policy, as it evolved during the above mentioned period. Attempts have been made in places, to analyse the Burmese foreign policy from the Indian perspective.

The period 1948 to 1958 has been chosen to study because this was the period of intense cold war. In the mid 1950's, the United States was propounding the "Domino Theory", in order to contain communism. In order to establish its strategic superiority, the United States propounded "The Doctrine of Massive Retaliation". The purpose of this study is to analyse Burma's relations with the major powers, keeping in mind the neutralist foreign stance of Burma.

The study starts from giving a review of the historical factors which led Burma to adopt the policy of neutralism (Chapter I). Special emphasis is placed on the freedom struggle in the post second world war years and the role of internal disturbances in moulding Burmese foreign policy.

The study then proceeds to examine various initiatives which were taken during the period under study : 1948 to 1958 (Chapter II). An attempt has also been made to examine the extent to which the Burmese Foreign Policy resisted the ^{pressures} promises exerted by the forces generated by cold war.

Burma's relations with India are discussed next (Chapter III). Attempt is made here to outline the pattern of relationship between India and Burma on political and economic levels. It also brings out clearly India's tolerance towards Burma in the face of vexatious attitude adopted by the Burmese leadership on various occasions.

Burma-China relations have been discussed in the Chapter IV. Efforts have been made to bring into bold relief the manner in which the Burmese leaders tried to adjust with the foreign policy concerns of its powerful northern neighbour.

Burma's relations with major powers -- the United States, the U.S.S.R., the United Kingdom and Japan -- come next (Chapter V). As far as the United States and Japan were concerned, the main thrust of Burma's foreign policy was to seek economic aid and assistance. Relations with the Soviet Union were at a marginal level and those with the United Kingdom, quite substantive. Burma's somewhat low profile relations with all the major powers was clearly illustrative of the China factor in the Burmese foreign policy.

Burma's relations with Thailand and Indochina have also been dealt with (Chapter VI).

Burma's relations with Thailand brings out Burma's flexibility in foreign relations, for historically Burmese-Thai relations were not happy, Thailand had joined a military alliance, the SEATO, whereas Burma was strongly opposed to it. Relations with the Indochinese states indicate Burma's desire for coexistence, even when the counterpart did not share the same political approach in foreign policy.

ACKNOWLEDGEMENTS

It is indeed a pleasant task to acknowledge, for it not only indicates the completion of an exercise but also gives an opportunity to mention, however brief, all that has gone into the making of this dissertation.

I thank my Supervisor, Prof. Parimal Kumar Das who has been extremely cooperative and encouraging. Had it not been for his painstaking efforts, this work would not have been possible on time. To Dr. Ganganath Jha, I thank for his advice and suggestions.

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I owe a debt of gratitude of Syed Raza Haider. I wish to acknowledge the enormous role he has played by being there when he was needed.

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Beyond this, a lot many people and a lot more experiences will have their claims to this note, but I shall only have to acknowledge them and those, anonymously.

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ANJANI MISRA

C H A P T E R - I

B A C K G R O U N D

On the fourth day of each January, the people of Burma celebrate the occasion that marks the re-establishment of their independence as a nation-state. The transfer of power from a British colonial regime to a republic took place at 4:20 a.m., 4th January, 1948. The leaders of the newly independent Burma were confronted with the tasks of putting the war torn Burmese economy on the road to recovery, stabilising the internal political situation and carving out a foreign policy for their nation. The foreign policy adopted was that of 'neutralism'!

At the outset, it is necessary to understand what exactly the Burmese leaders meant by 'neutralism'. It was neither neutrality in the purely legal sense nor isolation in the manner practised by the United States in the 1930's. Nor was it "fence-sitting" - to eventually join the winning side. Instead it was a policy that allowed the Burmese leadership to weigh issues, study facts and arrive at decisions based on legal and moral principles. 'Neutralism was a demonstration of Burmese independence in world affairs as self-government was in domestic affairs.

1. Josef Silverstein, Military rule and the politics of Stagnation (New York, 1977) p. 168

Foreign policy of a country is largely an outcome of its own perception of the global and regional strategic environments. Burma is no exception to the rule. However, certain geo-political and socio-economic factors of mainly domestic nature have tremendous influences in establishing the parameters of policy formulation of a country. A profile of these factors will provide us a background for understanding the important aspects of Burmese foreign policy.²

Three outstanding features have a direct bearing on the political developments of Burma. First, the country has a predominance of North-South valleys, mountains and rivers. The major lines of communication follow the contours of the land and Burma's chief cities and towns are located on a North - South Axis in the interior. Second, the country divides itself naturally into two distinct areas - the plains and deltas and the mountains. The 1977 constitution joined these two regions to form the political subdivision known as Burma proper and the 1974 constitution divided the same area into nine states and divisions. Regardless of its political configuration, the area forms a neutral region

2. Nilufar Choudhary "Burma's Foreign Policy : Continuity and Change" Bliss Journal Vol.7 No.2 April 1986; p. 170.

and within it is located the seat of the national government. The mountain areas have little attraction for the plain people. Their relatively sparse population lives in a more backward state of social and political development than the plain dwellers. Third, Burma has always been partly isolated from its neighbours, the mountains have provided a land barrier to merchants and would be invaders. Although Burma has a long sea coast, it lies outside the monsoon routes, and sea borne traders did not come to the country in large numbers. Despite more than a century of contacts with the West through war, trade and colonial rule, a sense of isolation continues. The physical separation of peoples has contributed to the growth of differences among them in language, culture and political consciousness³. This has had a distinct impact on the country's foreign policy.

The efforts which had been made since independence to maintain an independent foreign policy have been partly based upon a traditional policy of withdrawal and isolation and partly upon a new concept - towards all - round international goodwill⁴. Burma,

3. Siberstein, n.l, p. 4.

4. Hugh Tinker, The Union of Burma (London, 1961)
p. 337

under the influence of U Nu attempted to achieve relationship of understanding and goodwill with not only the countries that have the same international outlook as herself (such as India), but also with other nations (such as Thailand) who have taken up positions in world politics that are radically different or even antagonistic. Realising that Burma counts for nothing as a unit in the world's capital of destructive force, U Nu attempted to make his country an influence in an entirely new sphere of international relations in which there is a total emphasis on the good qualities of the nations of the world : on all the influences that transcend international disagreement and enmity. This aspect of Burmese foreign policy is identified very largely with the personal philosophy of U Nu⁵. U Nu was well known for his non-political , serene and religious nature. His personal philosophy impelled him to strive for peaceful international relations.

U Nu also had a strong distrust of great powers. To quote him,

Our salvation lies in our own hands and no matter what help foreign capitalists or foreign communists may give us it will be of

5. Ibid

no avail... They will not merely form a low opinion of us but they will take full advantage of our weakness and meddle in affairs until our sovereignty vanishes...⁶

Inexperience of the Burmese leaders was also a factor which had gone into the making of Burmese foreign policy. The Burmese leaders were neither students nor practitioners of international diplomacy, and were not at home in the competitive world of cold war politics⁷.

The British attitude towards Burmese nationalist movement led by General Aung San during the period 1945 to 1947 and the internal conditions existing in Burma at the time of its independence was crucial to the shaping of Burmese foreign policy.

In the post war years, the attitude of Sir Reginald Dorman-Smith, the Governor of Burma, led to the growth of mutual suspicion between the Burmese nationalists and the British. Governor Dorman-Smith's exiled government at Simla, India, included a number of responsible Burman leaders who favoured an active popular participation in

6. U Nu, 'Insurrection : An Analysis and a Remedy
Speech in Rangoon, February 27, 1949

7. William C. Johnstone, Burma's Foreign Policy :
A Study in Neutralism (Massachusetts, 1963) p. 41

post war planning but regarded the Thakin leaders as inexperienced turncoats unworthy to be entrusted with major responsibilities⁸. Once Dorman-Smith even contemplated arresting Aung San. It was only on the advice of British Commander-in Chief, General Briggs (who warned that an armed renellion would result from such a move) that this endeavour was dropped.

Dorman-Smith was succeeded by acting Governor Knight who continued the policies of his predecessor towards the A.F.P.F.L. (Anti Fascist Peoples Freedom League). The British government's policy of rehabilitation of large British enterprises in Burma led to further intensification of suspicion among the A.F.P.F.L. leaders.

There was a popular desire, in and out of the A.F.P.F.L., to sever all links with the British. Although Aung San was reported to be somewhat favourably disposed for joining the Commonwealth, the need for political unity overrode all considerations and the Burmese leaders decided against any "formal" alignment with the West.

8. John F. Cady, The United States and Burma (Massachusetts, 1976) p. 170

The internal conditions of Burma at the time of its independence also had an important bearing on its foreign policy. During the post war struggle for independence, the A.F.P.F.L. coalition broke down. The communists were divided into two wings. Thakin Soe was the leader of one faction and Thakin Than Tun was the leader of the other wing. Differences over doctrinal interpretation and tactics resulted in a party split in which Thakin Soe's group was expelled (March 1946). Thakin Soe's group organised itself as the Communist Party of Burma (CPB) more popularly known as the "Red Flag" communists, while Thakin Than Tun's group became known as the "White Flag" communists. The Communist Party of Burma launched a campaign of violence against the government⁹.

After a brief period of rapprochement the BCP condemned the Nu-Attlee treaty and called for an armed revolution. This was also the time when Burmese communists were forging links with the international communist movement. The B.C.P. sent delegates to external party conferences. Aung Gyi and Ba Thein Tin were sent

9. Johnstone, n.7, p. 29

to the London Empire Communist Conference. Than Tun and H.N. Ghoshal (an Indian national born in Burma , also known as Thakin Ba Tin) attended the communist meetings at Bombay and Calcutta. This made the Burmese leaders wary of any relations which might result in international communist support for the Burma communists. Thus, Thakin Nu and his colleagues, in the first year of independence, had a strong predisposition towards steering clear of alignments with either the Anglo-American group or the communist bloc; a forerunner of their policy of "Neutralism"¹⁰

The sincerity of U Nu's opposition to the communist insurgents is clearly revealed in his play, made into a motion picture - 'The People Win Through'. In October 1955 the government offered amnesty to those who would lay down their arms. It was obvious that U Nu was not prepared to negotiate with the rebels in armed revolt¹¹.

Apart from the communists, the new government of Burma faced other problems also. As already pointed out earlier, there was disunity among Burmans, primarily

¹⁰ Ibid, p. 34

¹¹. Russell H. Fifield, The Diplomacy of Southeast Asia 1945-1958 (New York, 1958) p. 174

due to geographical factors. The British policy of 'Divide and Rule' further aggravated the situation. The British policies were never designed to foster national unity. Alternatively, they tended to perpetuate the existing divisions.

The Karens broke with the government over the issue of right to secede. The constitution (under Section 180) called for a future separate Karen state. The government had always been prepared to honour the constitutional provisions. The Karen National Union (KNU), however, felt that it was an insufficient recognition of their territorial and political demands. In order to appease them, Thakin Nu named a Karen, General Smith-Dun as Commander-in Chief of Burma's defence and police forces. It was, however, of no avail.

The Karens refused to celebrate the Independence Day. By now it had become clear that the Karen National Defence Organisation (KNDO), the military arm of the KNU would settle for nothing less than a separate homeland for the Karens. In spite of various attempts on Thakin Nu's part, in late December 1948 and early January 1949, KNDO launched an armed campaign against the

government. Some of the government's Karen police and military units revolted and joined KNDO. General Ne Win was made the Commander-in Chief. The rebellion failed, but just barely. The Mon National Defence Organisation (MNDO) operating chiefly in the Mon area of Tenasserin contributed further to domestic unrest.

Problems were further compounded by People's Volunteer Organisation (PVO) which Aung San had organised to use as a threat against the British. After Aung San's assassination, PVO insisted on remaining a para-military force. A split took place over the issue of disbanding private armies into "Yellow Band" PVO and "White Band" PVO. The former were willing to work out a compromise, whereas the latter were against disbandment. White Band PVO led by Po Kun and La Yaung, took up arms against the government. Like the communists, the new insurgents had access to arms and ammunitions hoarded by Aung San, but never recovered by the government.

It has been estimated that in 1948-49, there were a total of 13,000 armed leftists who had revolted against the government¹².

12. Frank N. Trager, Burma : From Kingdom to Republic (New York, 1966) p. 107.

Problems in administration further added to the crisis. The new government had acquired jurisdiction over a country that was geographically united for the first time since 1824. During the years when Burma had been a province of India, few Burmese had gained access to higher positions in the Civil Services. In fact, it was not until 1923, that any top **post** was held by the Burmese. There was a dearth of Burmese with administrative skills at all levels of administration. Between October 1947 and April 1948, seventy-one out of ninety-nine Superior Civil Service members retired or went on leave. Equally crucial gaps appeared in the Civil Police Forces (six were left out of top thirty-seven) in Executive Engineering (five remained out of twenty-three) and in the Frontier Services (nine out of sixty-two remained)¹³.

In Arakan, a movement of a lesser intensity than that of Karens took place for the creation of a state. Since May 1947, the separatists in Arakan,

13. Ibid., p.96

supported by the Red Flag communists and later the White Band PVO, had been causing serious trouble. One group of Arakanese -- certain Buddhists in the south -- wanted local autonomy, but a Moslem faction in the north -- the Mujahids -- wanted to be annexed to Pakistan. After the 1951 elections, a seventeen member Independence Arakanese Parliamentary Group in the Burmese Chamber of Deputies favoured a state for Arakan¹⁴.

Burma's foreign policy had been motivated to a considerable extent, by her need to get markets for rice. Rice exports account for about three-fourth of Burma's foreign exchange earnings¹⁵.

In dealing with the background of Burmese foreign policy, all the above mentioned developments are to be kept in mind. Burma's foreign policy was directed towards achieving security through a system of beneficial alliances and through whatever additional protection the United Nations

14. Fifield, n.11, p.173

15. Ibid., p.175

might offer to its members.

U Nu outlined the considerations to be kept in mind while formulating the Burmese foreign policy :

- ...the government of Burma's policy of seeking friendly relations...is based on three considerations :
1. Geographically Burma is situated close to the sphere of Anglo-American influence.
 2. Weight must also be given to the wishes of the Shans, the Chins, the Kachins, the Karens and the Karennis
 3. The majority of those who are in effective political life in Burma have great regard for Soviet Russia and believe that Soviet economics will solve the problem arising from the poverty of Burmese peasants...¹⁶

The constitution of the Union of Burma was adopted on 24 September, 1947. Section 211 accepts the "generally recognised principles of International law as its rule of conduct in its

16. Towards Peace and Democracy, p.117 as quoted in Johnstone, n.7, p.44

relations with foreign states". Section 212 affirms Burma's "devotion to the ideal of peace and friendly cooperation among nations founded on International justice and morality"¹⁷.

In a speech to Parliament, U Nu rejected "anti left" or "anti right" pacts but supported "anti aggression" pacts. What U Nu called an "independent course" in December, 1949, he renamed "our policy of non-partisanship" in an important speech on Korea in September, 1950. Later, in a famous speech at the Pyidawtha Conference in August 1952, he called it "our policy of strict neutrality". Neutralism or neutrality, qualified by strict or positive or active independent or non-partisan -- are the shorthand references to Burmese foreign policy¹⁸.

The policy of 'neutralism' was continued by the Government of the Union of Burma throughout the period 1948 to 1958. The temporary assumption of Premiership by U Ba Swe in June, 1955 did not alter

17. The Constitution of the Union of Burma, Rangoon, p.58 as quoted in Fifield, n.11, p.

18. Trager, n.12, p.227

the country's foreign policy.

Burma has the distinction of being the first non-communist country to extend recognition to the People's Republic of China (PRC). One of the factors which led to this initiative was the feeling among Burmese leadership that close government-to-government links with PRC may reduce the chances of PRC helping the rebel Burma communists.

Economic devastation by the war and costs of fighting the insurrections had brought Burma on the brink of economic disaster. This urged Burma to seek aid from the West -- which readily responded. A Commonwealth loan of £ 6,000,000 was granted in the first half of 1950 though not availed by Burma, as there were bright prospects of U.S. aid in the form of outright grant.

Circumstances tended to reinforce the policy of neutralism. Swift U.N. action at the start

of Korean war removed the necessity of seeking military arrangement for their defence. The Korean war led to a devastation of that country and the Burman leaders were bound and determined this will not happen again to Burma if it could be avoided, a determination which reinforced their belief that Burma must be friendly with all nations¹⁹.

After the Korean war, Burma faced difficulty in the disposal of her surplus rice stock. The U.S. policy of "dumping" accentuated problems as it was done primarily in Asian markets. Consequently, Burma entered into a barter agreement with China. A series of barter agreements were signed with the Sino-Soviet bloc.

Burma had distinctly benefitted from the policy of neutralism. Its leaders believed that 'neutralism' has led to an increase of prestige of the Union of Burma. It had got much required economic help from both -- the Western nations (for instance, the U.S. gave \$8,010,000 in 1950 as aid and provided a sum of \$ 21,000,000 under P.L. 480 in 1956) as well as from the Sino-Soviet bloc (for instance, in 1957, the Soviet Union signed a loan agreement valued at K. 210,000,000)

19. Johnstone, n.7, pp.72-3

C H A P T E R - I I

EVOLUTION OF THE BURMESE FOREIGN POLICY

Neutrality, for Burma, meant taking an active stand on foreign policy issues, in and out of the United Nations. During the period under study, Burmese neutrality was put to test various times. Initiatives were taken during this period to further the national interests of Burma, promote world peace as far as possible on one hand, and maintain a neutralist foreign policy stand on the other.

Within the first year of independence, Burma established diplomatic relations with seven other powers (the U.K., the U.S., India, Pakistan, China, Thailand and France). However, Burma had close relationship only with two countries, India and the United Kingdom, with whom it had been associated for almost a century¹. During the first two years, the Government of Burma can hardly be said to have had time to formulate a foreign policy².

1. Hugh Tinker, The Union of Burma (London, 1961), p. 341

2. Ibid.

During these two years, however, there were signs pointing to future lines of development of Burma's foreign policy. During the struggle of the Republic of Indonesia against the Dutch, Burma gave considerable moral support to Indonesia. The Republic was given de facto recognition by Burma in November, 1948 and a representative, Thakin Tha Kin was sent to establish relations with the Indonesian government. A ban was placed upon the use of Mingaladon Airport by Dutch planes in December, 1948, at the time of the second Dutch 'Police Action', being withdrawn in July, 1949, after the conclusion of a truce between the contestants³.

The fifteen point "Leftist Unity Programme" was announced by U Nu on 25 May, 1948. It was essentially an attempt to appease the leftists organisations of Burma. The communist insurrection was in full swing and the A.F.P.F.L. coalition was weakening.

3. Ibid., p.343

Point one of the "Leftist Unity Programme" affirmed Burma's desire to enter into political and economic relations with the U.S.S.R. and the communist Europe, and point fifteen (which was later dropped) proposed setting up a 'Marxist League', presumably government sponsored, to propagate Marxist doctrines and the study of leftist writers generally⁴.

The West thought that Burma was firmly on its way to becoming a communist state. Although U Nu merely wanted the 'Leftist Unity Programme' to serve internal political ends it, nevertheless, gave rise to speculation in the West regarding Burma's future as a neutralist state.

Friendly relations with all nations, no alignments with power blocs and economic aid "without strings attached" became the cornerstones of Burma's foreign policy. The A.F.P.F.L. leaders soon realised the value of these general and rather

4. John F. Gady, A History of Modern Burma (New York, 1935) p. 586

vague principles. In any specific action in foreign affairs they found that they could interpret their basic policy to fit the circumstances of the moment. This provided considerable flexibility for government actions in foreign relations⁵.

U Nu's programme for 'leftist unity', however, failed to show the desired results. Between August and December, 1948, Burma's politics and government operations were in a state of utter confusion. Above ground politicians were constantly manouevring for political positions and carried on varied negotiations among themselves and often with insurgent groups of all colours. The various groups of communist and PVO insurgents, all thought they saw in this confusion, an opportunity to sieze control of the government⁶. In September, 1948, a force of the K.N.D.O. (Karen National Defence Organisation) siezed Moulmein temporarily ; similar units captured Shiwegyin and Kyaukgyi in Toungoo district. Temporary Karen mutiny occured in the

5. William C. Johnstone, Burma's Foreign Policy : A Study in Neutralism (Massachusetts, 1963) p. 47

6. Ibid., p. 48

Southern Shan States. Civil war also flared up in Karenni⁷.

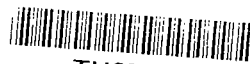
The Government of the Union of Burma was in dire straits at this time. The cost of fighting the insurrections were proving to be a big drain on its finances. Moreover, the rebels were very strong and had effectively threatened the very existence of U Nu's government.

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The Government of Burma was, however, not apprehensive of receiving help when offered "without strings attached". At a Commonwealth meeting in New Delhi it was decided that Karen differences should be made up with the mediation of the Commonwealth. Burma looked upon this proposal with much distrust and regarded it as an unnecessary interference in its internal matters. In February, 1949, the United Kingdom, Sri Lanka, India and Australia alongwith Pakistan signed an agreement to loan Burma £ 6 million. Although the

7. Cady, n.4, p.591

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loan was not drawn upon, the regime of Premier U Nu remained in power partly through the encouragement of the United Kingdom and the Commonwealth⁸. In June, 1949, one consignment of 10,000 rifles from Britain also came to Burma⁹.

Burma was the first non-communist country to recognise the People's Republic of China in December, 1949¹⁰. After some delay, ambassadors were exchanged in August and September, 1950¹¹. This was probably done because of pressures from Burma Socialists and some forty Chinese Associations in Burma led by the Chinese Chamber of Commerce and the Chinese Trade Association, all favouring recognition¹². Burma was also apprehensive of an attack by the Chinese communists because of the presence of Kuomintang (KMT)

8. Russell H. Fifield, The Diplomacy of Southeast Asia : 1945--1958 (New York, 1958) p. 194

9. Evelyn Colbert, Southeast Asia in International Politics ; 1941 -- 1956 (New York, 1977) p. 107

10. Frank N. Trager, Burma : From Kingdom to Republic (New York, 1966) p. 232

11. Fifield, n.8, p. 197

12. Johnstone, n.5, p.55

troops in Burma. To quote Martin Gurtov,

As much, if not more out of apprehension over Chinese communists intentions -- either to attack the KMT remnants or to assist the Burmese communists -- as out of faithfulness to the newly announced principle of friendly relations, the Government of Burma became the first Asian government to recognise the CPR on 18 December, 1949¹³.

After the decision to recognise the Peking regime had been made but before it was announced publicly, U Nu once more explained the rationale of his government's foreign policy,

...Be friendly with all foreign countries. Our tiny nation cannot have effrontery to quarrel with any power. If any country comes with an offer of a mutually beneficial enterprise, welcome it by all means and work closely and honestly. But do not forget to strengthen yourself and to be fully equipped for your dealings with foreign countries. In laying down political programmes do not forget to ensure that it is fully suited to the requirements of the Union¹⁴.

During 1950, the financial situation of Burma eased due to a bumper harvest of rice. In September, 1950, U Nu's government accepted from

13. Martin Gurtov, China and Southeast Asia -- The Politics of Survival, (Massachusetts, 1971) pp. 89-90

14. U Nu, Insurrection ; An Analysis and a Remedy speech in Rangoon as quoted in Johnstone, n.5, p.

Washington an assistance offer of \$ 8 million from the Technical Cooperation Administration to hire an economic team of Rangoon's own selection¹⁵.

The Korean war drew a variable response from the Burmese. They voted in the United Nations to send troops to defend South Korea, voted against a Russian demand for the withdrawal of these troops, abstained from one and voted against another Soviet charge of the United States aggression against China and provided four hundred tonnes of rice themselves for relief to the South¹⁶. Burma's representative Ambassador Barrington said that the issues went far beyond determining whether or not Communist China had committed an act of aggression. Peking, he contended, has recently indicated its willingness to enter into discussions ; why then was it necessary to brand it as an aggressor¹⁷.

From Korea, Burma drew the lesson that almost any fate is preferable for a small nation to

15. John F. Cady, The United States and Burma (Massachusetts, 1976) p. 202

16. Ralph Pettman, China in Burma's Foreign Policy (Canberra, 1973) p. 10

17. Colbert, n. 9 , p.157

that of becoming a battlefield for the world's greatest conflict¹⁸.

From 1950 to 1953, Burma, however profited heavily from the Korean war. Due to an increased demand of rice, it was sold at a much higher price than usual. Rice was sold at £ 70 per tonne for government to government sales and £ 85 per tonne for private sales¹⁹. In June 1953 the foreign exchange reserves of Burma were at an all time peak of approximately \$ 265 million.²⁰

Between 1950 and 1953, Burma concluded a large number of treaties and trade agreements with India, Pakistan, Indonesia, Yugoslavia, Egypt and Israel²¹. In December 1953, an agreement was reached for the sale of 3,00,000 tonnes of long rice²².

In early 1953, the Government of Burma announced the termination of the U.S. aid programme

18. Tinker, n.1, p.345

19. Trager, n.10, p.331

20. Ibid.

21. Johnstone, n.5, p.62

22. Fifield, n.8, p.195

though it still had a year to run and approximately \$ 10 million to be spent²³. It was partly an outcome of America's failure to stop Taiwan's support of anti-communist refugees from Yunnan, China who had moved into Burma's Easternmost Shan States in 1949²⁴. A combined KMT -- Karen attack took place to trigger off the termination.

Differences had, however, arisen earlier also by the passing of Mutual Security Act and transference of Burma aid programme from the ECA to the Technical Cooperation Administration (T.C.A.). Superficial aspects of the aid programme recalled unwelcomed memories of the extravagant mode of living (palatial houses with air-conditioning, servants, cars, lavish entertainment) formerly practised by the pre-war British mercantile community²⁵.

Termination of the U.S. aid programme illustrates a very important factor in the application of Burmese foreign policy. It was a reflection

23. Josef Silverstein, Military Rule and the Politics of Stagnation (New York, 1977) p.189

24. Cady, n.15, p.211

25. Cady, n.4, p.619

of the attitude of Burma that it could deal with the U.S. and its allies as it saw fit, without fear of serious reprisal ; but that any action which might antagonise the Soviet Union or particularly Communist China must be weighed carefully in terms of its possible harmful consequences. For Burma, the U.S. was far away and Uncle Sam was benign and friendly, but Mao Tse-tung and his Chinese hordes were near at hand and no Burmese could guess at what moment the olive branch of peaceful coexistence would be lost in a deluge of China's millions moving South²⁶.

In the first half of 1954 a meeting took place between India, Pakistan, Burma, Ceylon and Indonesia at Colombo. The meeting was known as Colombo Conference and the participants as Colombo powers. A second meeting of 'Colombo Powers' took place at Bogor in December 1954.

The conference at Bandung has been hailed as the beginning of a new era in Asia ; it may also

26. Johnstone, n.5, p.67

appear that it coincides with a new phase in Burma's foreign affairs. Upto 1954, Burma had built up its relations with foreign countries more or less on empirical lines. The doctrinaire convictions of the socialist leaders would have identified Burma more with the Soviet bloc, whereas practical considerations led to close relations with Britain and to an increasing extent with the U.S. From 1955, conscious efforts can be detected towards adhering to a deliberate foreign policy²⁷. The period 1948 to 1954 was a formative phase in which Burma was concerned more with adjusting its relations with individual countries than with practising all-round foreign policy²⁸.

By mid 1953, Korean armistice was concluded which caused a rapid fall in the price of rice. Initially, the Burmese government refused to lower their price, consequently, lost much of its markets. Burma was faced with the difficulty of finding buyers for its rice.

27. Tinker, n.l, p.350

28. Ibid.

After 1948 the United States became a rice exporting country. From 1952 to 1956 the U.S. exported at an annual average of 6,40,000 tonnes of rice most of it going to Asian markets. This had a serious impact. A prominent Burmese official was reported to have said that " dumping of American rice in Asia will force us to go to China on our knees..."²⁹.

The decline of world prices for exported rice led to the financial collapse of Burma's development plan. From the early price of £60 per tonne in 1964, the price fell to £44 in 1955 and £36 in 1956. The unsold rice for 1955 was 1.5 million tonnes and that of 1956, some 1.8 million additional tonnes, which far exceeded the storage facilities³⁰.

After not being able to get economic help from the United States and the World Bank, Burma decided to barter 1,50,000 tonnes of rice with

29. The New York Times, 21 October, 1954

30. Cady, n.15, p.212

People's Republic of China. This agreement was criticised in the West as being a sign that Burma was drawn into the Communist bloc.

In June 1954, Chou En-lai on his way from Geneva back to Peking spent two days in Rangoon and had his first meeting with U Nu. He came via New Delhi where Nehru joined him in endorsing the 'Five Principles of Coexistence' and on 29 June, 1954 in a joint statement, U Nu endorsed these principles too³¹.

Burmese leaders had been keenly interested in the long struggle in French Indo-China. They believed that Vietnamese were fighting for national liberation and did not regard the restoration of Bao Bai as the real solution. However, they were silent on the Indo-Chinese issue at the First Asian Socialist Conference (1953) because the Vietnamese nationalists were communists in character and were supported by the People's Republic of China³². Burma, however,

31. Pettman, n.16, p.18

32. Trager, n.10, p.

welcomed the Geneva settlement and in August 1954 it extended recognition to Cambodia and Laos.

Between November 1954 and February 1956, Burma negotiated a series of agreements with China, Czechoslovakia, Hungary, East Germany, the U.S.S.R., Poland, Romania and Bulgaria. These agreements were of barter rather than of cash sales. Burma disposed of its rice, but in return it had to take large quantities of Sino-Soviet bloc goods and technicians³³. An agreement was concluded with India in March 1956 under which India agreed to buy over two million tonnes of Burmese rice.³⁴

In 1956, Bulganin and Khrushchev visited Burma. A Joint Statement by Premiers Bulganin and Nu as well as Khrushchev, indicated that negotiations between Burma and the Soviet Union were continuing in the economic, technical, scientific and cultural fields³⁵. A loan agreement was signed between Burma and the Soviet Union valued at K.210,000,000.

33. Ibid., p.334

34. Fifield, n.8, p.213

35. Ibid., p.227

The Burmese government found its policies tested in three specific situations in the fall of 1956. A serious border dispute broke out with Communist China. The Israeli invasion of Egypt and the Anglo-French occupation of the Suez canal posed the threat of a general war. At the same time the Soviet armed intervention in Hungary took place. The first problem was bilateral, but the other two issues, while not directly affecting Burma's security were brought before the U.N., where Burma like all other members, had to formulate a position and take a stand³⁶.

In mid 1956 there was a serious ⁱⁿfiltration of Chinese troops along Burma's border. At a press conference on 7 August, 1956, Prime Minister Ba Swe implied that he had requested Chou En-lai to withdraw the Chinese troops³⁷. On 17 August, 1956, there appeared the first public reference of the Chinese sponsored "Free Wa", "Free Kachin" and "Free Thai" movements. The encroachments on Burmese territory indicated in the Chinese Communist maps were published

36. Johnstone, n.5, p.106

37. Trager, n.10, p.242

on 20 August, 1956, under a Nation headline 'Red Chinese Imperialism'³⁸.

Burma's policy in this case was one of "least loss". The border dispute was settled in principle by the so-called 'Package Deal'.

The Israeli attack on Egypt and the subsequent Anglo-French intervention did not affect Burma directly. Burmese position, which was different from that of India and Indonesia, was that nationalising of the Suez Canal was a correct thing to do though it should be kept open to all nations. Burma also voted in favour of creating the United Nations Emergency Force.

The Soviet intervention in Hungary proved to be a difficult issue for the Burmese foreign policy. The Soviets claimed that they had been "invited" by Hungary and that it was an "internal issue". The Burmese delegation in this case abstained from voting in the United Nations ostensibly on the grounds that they had not received instructions on time.

38. Ibid.

In 1956-57, the above mentioned situations provided tests of Burma's neutralist policy. The border dispute with the People's Republic of China was settled in principle. In the Suez affair and the Hungarian revolt Burma's membership in the United Nations forced it to take sides. In doing so, the Burmese leaders sought to interpret the neutralism in the widest possible manner in order to give their government as much freedom of action as possible. The record, as U Nu pointed out on 27 September, 1957 indicated the success of Burma's basic principles of "non-alignment", "friendly relations with all nations", and "no aid with strings attached". He and his associates used the terms "positive" and "dynamic" to characterise their neutralist policy, as it unfolded in these years³⁹.

39. Johnstone, n.5, p.112

C H A P T E R - I I I

BURMA - INDI A RELATIONS

Relations between India and Burma predate the achievement of independence of both the nations. In 1940, Aung San headed a Thakin delegation to the Ramgarh session of Indian National Congress where he met Gandhiji, Bose and Nehru¹. During the post World War Burmese struggle for independence, Aung San consulted Nehru before and after his meetings with the British Prime Minister, Attlee. Burma utilised the services of an eminent Indian jurist and constitutional advisor, Sir Benegal Rao, in the final stages of the preparation of the constitution². In 1940, Burmese government headed by U San evacuated to India when the Japanese invasion of Burma became imminent³.

Formally relations between India and China were established in June, 1947, when the status

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1. Uma Shankar Singh, Burma and India 1948-62 : A Study in the foreign policies of Burma and India and Burma's policy towards India (New Delhi, 1979) p.24
 2. Maung Maung, Burmese Constitution The Hague, 1959 as quoted in Ibid., p.45-6
 3. Ton That Thien, India and Southeast Asia 1947-1960 A Study of India's Policy towards the Southeast Asian Countries in the period 1947-1960 (Geneve, 1963) p.157

of the Agent General of the Government of India was raised to that of High Commissioner when Burma formally left the Commonwealth on 4 January, 1948, the Indian High Commission became an embassy⁴.

Burma steadily cultivated relations with its Asian neighbours. At first, Burma was most friendly with nations who had elected to remain within the British Commonwealth, namely India, Pakistan and Sri Lanka. They had all shared in varying ways in the pre-independence British colonial system, despite differences in race, religion and cultural backgrounds. Their histories within the British Empire, their egress from imperial power, their partial retention of English, both as an official language and a lingua franca, their initial, modified adoption of British civil and legal institutions, helped to cement friendly relations.⁵

In March, 1949, the Governor General of India, on behalf of the British government, returned to Burma

4. Ibid., p.174

5. Frank N. Trager, Burma : From Kingdom to Republic (New York, 1966), p.256

the Lion Throne, the silver mat and a decorated table, belonging to the Alaungpaya kings, which was taken by the British from Thibaw after the Third Burmese War in 1885⁶.

Burma was usually regarded as a "follower" of India in matters concerning its foreign policy. In some ways, India did serve as a model for Burma's policies of neutralism and non-alignment. Such a view seemed to be prevalent because Burma adhered to a policy similar to that of India. Indian foreign policy was considered 'positive' (as opposed to 'neutralism' in the legal sense where a country foregoes its right to take stand on International issues) as India took position on various international issues. U Nu and Nehru did not desire the creation of a third power bloc, but liked to expand the "area of peace"⁷!

Close personal relations between Nehru and U Nu seemed to have reinforced the above-mentioned view. U Nu frequented India most; at least once a year.

6. W.S. Desai, India and Burma (Calcutta, 1954) p.103

7. Russell H. Fifield, The Diplomacy of Southeast Asia : 1945-1958 (New York, 1958) p.211

According to diplomatic practise, a President, Prime Minister or Cabinet Minister was required to give prior intimation of his visit and to obtain the approval of the host country. But in the case of India, U Nu would merely write a letter telling Nehru the date of his arrival and the mode of travel. With the exception of his first visit, when he was lodged in Government House, U Nu stayed with Nehru whenever he came to India⁸. The informal relations between the two were amply borne out by the fact, that during one of his visits to India, U Nu suggested to Nehru that he should repeat the following words :

"Buddham Saranam Gacchami;
Dhammam Saranam Gacchami;⁹
Sangham Saranam Gacchami"

every night before he went to sleep and every morning after he woke up ! ~~Nehru had earlier said~~ that he was inclined towards Buddhism¹⁰.

Burma, however, had also differed with India on various issues. In any case, Burma cannot be

8. U Nu, Saturday's Son (London, 1975) p.231

9. "I take refuge in the Buddha : I take refuge in his law, Itake refuge in his disciples" as in Ibid. p.235

10. Ibid.

called a "follower" of India, though it certainly had a healthy respect for Indian foreign policy.

A brief review of India's foreign policy towards Burma is essential to put Burma-India relations in proper perspective.

India's policy towards Burma, during the period under study, presents three striking features :

- 1) extreme forbearance and restraint in the face of vexatious measures adopted by the Burmese government towards the Indian immigrants;
- 2) great solitidue towards Burma and an overriding desire to help Burma out of its difficulties
- 3) close cooperation with Burma and strong support for it in the diplomatic sphere¹¹.

India exercised much restraint because, situated on the Northeastern border of India, Burma is vital to the security of India. Important Indian material interests were also at stake. In 1939, total

11. Thien, n.3, p.156

Indian investment amounted to 56 million¹². India needed rice, much of Burma's oil, tin and other mineral resources. Burma was also seen as a potential market for Indian manufactured articles, especially textiles¹³.

Burmese policy towards India may be said to be controlling Indian immigration and to seek help from India for economic recovery. Beside , Burma desired to cooperate with India on the question of International peace and sought India's strong support in the diplomatic sphere. Very obviously in the pursuit of above aims, Burma' desired to win India's confidence, goodwill and friendship which would help to maintain its own independent existence¹⁴.

India also paid adequate deference to Burma's sensitivities regarding foreign influence in Burma. The very first article of the Treaty of Friendship between India and Burma signed in Rangoon on 7 July, 1951, obligated the two states to "recognise and respect the

12. D.G.E. Hall, A History of Southeast Asia (New York, St. Martin's Press) p.654

13. India and Southeast Asia (The Publications Division, Ministry of Information and Broadcasting, Government of India) , p.18

14. Singh, n.1, p.52

independence and rights of each other". In India's other treaties of friendship with new states of Southeast Asia -- Indonesia and the Philippines -- the first article calls for "perpetual peace" and either "unalterable friendship" as in the case of Indonesia or "ever-lasting amity" as in the case of the Philippines. In the second article of the India-Burma treaty is found the provision relative to "everlasting peace and unalterable friendship"¹⁵.

India has helped Burma on numerous occasions, in various ways. Immediately after independence, the costs of fighting the insurrections were proving to be a big drain on Burmese treasury. India, at this juncture, purchased 170,000 tonnes of Burmese rice at a relatively higher price of £ 40 per ton¹⁶. India took an active part in the London Commonwealth Prime Minister's Conference held in April, 1949 where a decision was made to help U Nu's government with loan and arms¹⁷. A Commonwealth loan of £ 6 million was granted to Burma

15. "Treaty of Friendship" The Indian Yearbook of International Affairs, 1953, Vol.II, p.330 as quoted in Fifield, n.7, p.211

16. Burma Weekly Bulletin 19 August, 1950 as quoted in Thien, n.3, p.167

17. Fifield, n.7, p.212

to which the Government of India gave £ 1 million. In addition, India and the U.K. made advances to the Burma State Agricultural Board of over Rs.1,117,000.

In September, 1951, India signed a five year trade agreement with Burma under which India committed itself to purchase 240,000 tonnes of rice from Burma for the period from 1 May, 1951 to 31 December, 1951 and thereafter, 350,000 tonnes each year until December, 1955¹⁸. Indian gunny bags, cotton yarn, groundnut oil and galvanised iron sheets were to be sold under given terms to Burma¹⁹.

In mid 1953, Burma found itself in a state of crisis. The Korean armistice caused a rapid fall in worldwide purchases for stockpiling. These purchases had pushed prices of most primary commodities, including cereals to a postwar high²⁰. Although the world rice prices began to decline immediately after the Korean armistice, the Burma government initially refused to

18. Thein, n.3, p.167

19. Fifield, n.7, p.212

20. Trager, n.5, p.331

lower their offer price. Consequently two important customers -- India and Japan cut their purchases²¹. Both India and Japan turned to the United States and over the next twelve months India bought U.S. \$50 million worth of wheat and other surplus cereals²². An agreement was signed on April 1954 under which the Government of India committed itself to buy 900,000 tonnes of rice from Burma over three years -- at a price of £ 48 per ton.²³

In the fall of 1955, a Burmese trade delegation in New Delhi was negotiating a loan; an agreement was signed on 17th October, but Burma never drew upon the credits. In March 1957, India agreed to give loan to Burma the equivalent of \$42 million, any part of the latter's request to the Union or a Sterling Area land on 5th September, 1956, another five year trade agreement had been concluded in an effort to increase commerce; India would purchase over the period 2 million tonnes of rice²⁴.

21. W.C. Johnstone, Burma's Foreign Policy : A Study in Neutralism (Massachusetts, 1966) p.79

22. Ibid.

23. Thien, n.3, p.167

24. Fifield, n.7, p.213

The Government of India also gave substantial military help to the Government of Burma. The Burmese government obtained the permission of the Government of India to buy aeroplanes in India. Although the Indian government maintained that no aircraft has been purchased by the Burmese government and that only 6 Dakotas, surplus to our requirements -- had been sold to Air Burma Ltd. , the fact remained that with half a dozen aircraft (Dakotas) the Burmese government was able to maintain some sort of liason with towns in their control²⁵.

India also gave a lot of diplomatic support to Burma. Some KMT troops had settled in Burma²⁶. Burma's greatest fear was that Peking government might take advantage of those troops and invade Burma. In the U.N., India supported a resolution calling on foreign troops in Burma to lay down their arms or to submit to internment.

25. Hugh Tinker The Union of Burma (London, 1961) p.170

26. See Chapter IV

Apart from giving strong support to Burma, in and outside the U.N., the Government of India also engaged in frequent consultations with the Burmese government on matters of mutual interest. Before going to the Commonwealth Prime Minister's conference in 1948, Mr. Nehru consulted U Nu on matters related to Burma. In 1951, Nehru held consultations with U Nu on the attitude to be adopted towards Japan concerning the conference concerned by the U.S. at San Francisco in September 1951, to sign a treaty with Japan. These examples could be multiplied²⁷. Exchange of visits between the Indian and Burmese leaders, including Prime Minister Nehru and U Nu had further strengthened relations. Various missions had been exchanged and Indian scholarships of different kinds were made available to the Burmese. Many of the scholarships involved Indian technical assistance to the Union²⁸.

However, India and Burma have differed on issues like Korea and Hungary and on the degree to which they condemn all varieties of imperialism²⁹.

27. Thien, n.3, pp.178-9

28. Fifield, n.7, p.213

29. Treger, n.5, p.252

The difference between Burma and India over the issue of imperialism were paralleled by similar divergences that arose at the meeting of the Anti-colonial Bureau of the Asian Socialist conference held in May 1954 at Kalaw, in Burma. While speaking for the Burmese Kyaw Nyein denounced Soviet imperialism as "more degrading" "more ruthless" and "more systematic". The Burmese position endorsed by a majority of the delegates, was opposed by some Indian Socialists³⁰.

There were also certain problems in Burma-India relations, e.g. the question about the Nagas. The Nagas lived on both sides of the border. In India some of the 400,000 tribesmen resided in the centrally-administered territory of Manipur, others in the Naga Hills District of Assam and some others in the Tuensang Frontier Division of the North-East Frontier Agency. In Burma, the 40,000 to 50,000 Nagas inhabit areas across the frontier of India.³¹ The Nagas sought unity of territory and people and political independence³¹.

30. Ibid.

31. Fifield, n.7, p.213

In March and April, 1953, Prime Ministers Nehru and U Nu made a tour of the border area in order to acquaint themselves with the conditions on the spot. Previously in December, 1951, some Naga tribesmen had made a raid from Burma into India returning with 93 heads. In early 1953, a Burmese army frontier force had fought a sizeable band of rebel Nagas. In the fall of 1950 and in 1957, India took "police measures" against them. India was opposed to independence but wanted an end to the fighting. After negotiations in New Delhi, though opposed by A.Z. Phizo and his followers, the Indian Parliament passed an Act creating the Naga Hills Tuensang Area autonomous in nature, but centrally administered. There was some suspicion that Burma was in favour of Greater Nagaland under its auspices³².

A serious problem that Indians had to face since independence was that of exchange control. Labourers and such others made use of Money Order device

32. Fifield, n.7, p.213-4

to remit money to India. Not more than Rs.40/- could be sent and for it, a charge of Rs.8/- was to be paid. This proved to be a heavy burden on the labourers. The Government of Burma, later, rectified this³³.

Burma's debt to India was easier to solve. In 1954, Burma and India entered into an agreement in which Burma sold 900,000 tonnes of rice at £ 48 per ton and agreed to make payment towards the pension fund of civil servants of Indian origin that had been incurred when Burma was a part of India. Although some Burmese protested against this obligation, because it was contracted by the British while Burma was powerless to accept or reject it, the settlement generally was approved because it permitted Burma to sell a sizeable quantity of rice at a time when world market was depressed and eliminated an irritant in Indo-Burmese relations³⁴.

The problem of overseas Indians in Burma was more in pre World War II period than after it.

33. Desai, n.6, p.111

34. Silverstein, n.32, pp.181

Under the British rule, migrant Indian labourers were recruited and brought to Burma on a contract basis. Serious anti-Indian riots broke out in 1930's. It was caused basically by economic competition for urban jobs and by controversies inflamed by the Press³⁵.

As Burma neared independence, it became sufficiently clear that a major preoccupation of Burmese leaders would be Indians. Discriminatory measures regarding citizenship were included in the Constitution. The passing of Burma Immigration (Emergency) Provision Act, 1947 added to the plight of Indian immigrants. Under it, no person could enter Burma without either an immigration permit issued by a Burmese authority or a passport duly endorsed on behalf of the Government of Burma³⁶.

A Land Alienation Act forbade the sale of land to non-Burmese nationals. The Act which hurt the Indian interests most was the Land Nationalisation Act,

35. Ibid., pp.180-81

36. Desai, n.6, p.99

under which only ten acres of land might be retained by each person and fifty acres by each family³⁷.

In May, 1947, M.A. Raschid said ,

... Indian youths should no more hope to secure government jobs... Indian labour too, has no future in Burma.....

These measures of the Burmese government aroused strong protests in India. The Government of India repeatedly made representations with the Burmese government in this regard. At this time, however, the Government of India acted with considerable restraint. Nehru said that differences between India and Burma should be looked upon as family differences ... effort must be made to resolve them in a friendly manner³⁸.

The abovementioned differences and problems, however, did not have a serious effect on Burma-India relations. This was made possible primarily because of the personal ties between Nehru and U Nu. The help India had rendered to Burma, was much appreciated by the Burmese.

37. Thien, n.3, p.170

38. The Statesman, 13 May, 1947

U Nu frequently reminded Burmese audience of the times when India came for aid to Burma. All this strengthened Burma's relations with India.

C H A P T E R - I V

BURMA - CHINA RELATIONS

The geographical proximity of the People's Republic of China dominates Burma's foreign policy concerns. Burma shares a 12,000 mile border with China and the Burmese leadership have been understandably skeptical of their powerful neighbour in the north -- China.

Burma's relations with the Nationalist government in China were minimal. Chiang Kai Shek had sent a representative for the Burmese Independence Day celebrations. But relations between the two could not develop since both the regimes were preoccupied with their internal problems. The border issue was revived with the Nationalist government's refusal in 1948 to accept from the new state, its annual rent of Rs.1,000/- for Namwan Assigned Tract¹. Not much headway could be made after that as the Nationalist regime collapsed soon after.

After the Communists came to power in China, Burma was the first non-communist country to extend recognition to People's Republic of China. W.C. John-

1. Ralph Pettman, China in Burma's Foreign Policy
(Canberra, 1973) p. 2

stone primarily lays stress on internal factors which led Burma to extend recognition to P.R.C.. He points out the political pressure from the 'left' in Rangoon (on which U Nu had to rely for support) and the Burmese government's efforts to offset its request for financial aid from the Commonwealth countries. Some pressure was also exercised by forty odd Chinese associations in Burma led by the Chinese Chamber of Commerce and Chinese Trade Association, which were in favour of Burma extending recognition to the PRC².

The Burmese leadership was wary of any international communist support for the Burmese Communists. It was, therefore, important to forge close state links with PRC before PRC could forge closer links with the Burmese Communists. In the backdrop of the Chinese occupation Tibet in 1950, Burma was also afraid of a possible Chinese invasion. Besides, General Li Mi, the last Kuomintang governor of Yunan and the remaining two divisions of the Kuomintang 8th Army -- remnants of the 26th division

2. William C. Johnstone, Burma's Foreign Policy : A Study in Neutralism (Massachusetts, 1963) p.53

under General Liu Kuo-chuan and of the 93rd under Major General Ma Chaw-yi-had retreated into the Easternmost Shan State of Burma. An estimated 1700 such refugees were there in early 1950³.

It is also necessary to note certain changes in Chinese policies towards Burma and other Asian nations. Between 1948 and 1953, the Chinese Communists and the Soviets promoted the line that the new governments in Southeast Asia were not truly independent, but were still under the domination of the "capitalist - imperialist" western nations. The Chinese Communists had consistently contended that their goal was the 'liberation' of all Asian nations from Western "domination". Until about 1952-53, they supported vocally the efforts of the Burmese Communists to seize control of the government by force⁴. The Cominform, set up in 1947, endorsed the Soviet 'Two Camp' thesis and denounced the idea of 'neutralism'⁵.

3. Pettman, n.1, p.11

4. Johnstone, n.2, p.158

5. Pettman, n.1, p.5

Radio Peking sponsored daily broadcasts by Bo Aung Gyi in support of Thakin Thaw Tun⁶.

Mao did not look to neutralism favourably.

He said,

It is impossible to sit on the fence
... one inclines either towards
Imperialism or towards Socialism.
Neutrality is merely a camouflage; a
third road does not exist

Martin Gurtov is, however, of the opinion that China's contacts with the Burmese communists was more symbolic than subversive. He believes that these contacts, at the most, indicated that Peking had only a residual interest in the Burmese communists cause, an interest that could be activated, however, if Burma's foreign policy turned hostile towards Peking⁸.

Whatever may have been the exact nature of relationship between the Burmese communists and the People's Republic of China, it certainly instilled fear in Burmese leadership. With People's Republic of

6. John F. Cady, A History of Modern Burma, (New York, 1958) p.624

7. Mao Tse Tung, On People's Democratic Dictatorship, (London, 1950) p.11

8. Martin Gurtov, China and Southeast Asia : The Politics of Survival (Massachusetts, 1971) p.22

China's help Burmese communists would have been a much more difficult force to reckon with. The Government of the Union of Burma, therefore, took steps to appease (like for instance, making a strong plea in the U.N. for the admission of the PRC) while the Government of the People's Republic of China confined its relationship to more superficial levels, (for instance, in September, 1950 Ya Chung-ming, the first Chinese Communist Ambassador to Burma harped on the need for more closer relations between the two nations).

Burmese fears were further strengthened with the occupation of Tibet by China. Tibetans had made signals in early 1950 that they were seeking international recognition and were trying to obtain new shipment of arms from India and were negotiating with the U.S. for military aid⁹. Though there is little evidence to prove that the establishment of Chinese Communist Control over Tibet in 1950 was a cause of serious concern to the Government of Burma,

9. Gerald Segal, Defending China , (New York, 1985)
p.85

yet it will be only reasonable to assume that the occupation of Tibet must have caused deep concern among the Burmese leaders. The stand taken by India on the Tibetan issue is particularly significant in this regard. India, by accepting Tibet as a part of China, only made Burmese leadership more aware of the fact that they must cultivate close relations with the PRC ; and in the event of Chinese aggression on Burma, Indian help may not be banked upon.

In January 1951, the issue of the Chinese communist aggression in Korea was brought before the U.N.. Burma opposed the U.N. General Assembly resolution of 1st February, 1951, which called the PRC an aggressor, and abstained on the resolution of 18 May, requesting the members of the world organisation to embargo strategic items to North Korea and Communist China¹⁰.

As noted previously, early in 1950, some 1700 KMT troops had crossed the Chinese border into Ken Tung in the Shan state. They refused to leave

10. Russell H. Fifield, The Diplomacy of Southeast Asia: 1945-1958 (New York, 1958) p.198

Burma's territory or submit to disarmament or internment¹¹. After the Burmese forces launched an assault on them towards the end of 1950, General Li Mi established Headquarters at Mong Hsat near the Thai-Burmese border¹². By early 1953, their numbers had swelled to 12,000 and were posing immense problems for the Government of Burma. They were reportedly helping the Karen insurgents, harrasing Burmese citizens and smuggling opium.

But the implication of the pressure of KMT troops which was most dreaded by the Government of Burma was that the People's Republic of China could now legitimately attack Burma since the professed intentions of The KMT troops were to overthrow the Communist government. They had even invaded Yunan in 1951 and had been thrown back into Burma¹³.

However remote the area of KMT operations resources urgently needed to pacify other more important parts of the country had to be diverted to cope with them because of cold war implications of

11. Ibid

12. Pettman, n.1, p.11

13. Fifield, n.11, p.203

their presence¹⁴.

Thus, for domestic as well as external reasons, the Government of Burma desired an early solution to the KMT problem.

The matter was referred to the U.N. Burma draft resolution of 26 March, 1953 noted that troops of "the Kuomintang government of Formosa" has infringed Burma's territorial integrity and violated its frontiers, called upon the General Assembly to recommend that the Security Council condemn the Republic of China and take all necessary steps "to ensure immediate cessation of the acts of aggression"¹⁵.

A Joint Military Committee consisting of Burma, Thailand, the U.S. and Nationalist China was set up to consider ways of implementing the General Body resolution which called for peaceful evacuation of those troops. The evacuation operations were completed by the end of 1953. Burma was convinced that some 10,000 KMT troops remained and protested

14. Evelyn Colbert, Southeast Asia in International Politics 1941 - 1956 (New York, 1977) p.181

15. Ibid., p.183

that only a few arms, often unserviceable had been surrendered¹⁶.

In 1954, the Burmese army launched a campaign against KMT troops. By October, 1954 some 6000 troops had been evacuated. Burma claimed that an equal number remained¹⁷. Those staying behind refused repatriation and Nationalist China disclaimed all responsibility for them¹⁸.

Burma-China good-neighbourliness was severely tested during the KMT crisis. To quote Tinker,

Throughout this period the attitude of Communist China was patient and sympathetic. At no stage did Red China utilise the KMT situation to bring pressure to bear upon Burma, and this forbearance was naturally received with gratitude by the government and thinking public of Burma¹⁹.

The year 1954 can be considered to be a watershed in Sino-Burmese relations. Until 1954, past seemed to have had an active role in colouring the Sino-Burmese relations. Till 1954, U Nu used to make pointed references to China's invasion and destruction

16. Fifield, n.11, p.207

17. Colbert, n.15, p.185

18. Fifield, n.11, p.209

19. Hugh Tinker, The Union of Burma (London, 1961) p.348

of Pagan in the thirteenth century and the stout defence by Burma to four invasions by the Chinese in the eighteenth century²⁰. After 1954, such references were rare. 1954 also witnessed the signing of the first trade deal between Burma and China. It was a three year barter agreement involving the export by China of cotton goods, coal, silk, tea and light industrial products in exchange for 150,000 to 200,000 tonnes of rice per year, raw cotton, timber, beans and rubber²¹. The trade agreement was partly an outcome of the shift in China's policy. Until about 1953, China supported vocally the efforts of the Burmese Communists to seize control of the government by force. When it appeared that the communists in Burma had neither the strength nor the skill to accomplish this, the Chinese communists changed their approach to that of developing "friendly relations" with the nations of South and Southeast Asia. There then began the period of the "Five Principles of Peaceful Coexistence" which lasted until sometime in 1957-58²².

The India factor was one of the forces responsible for the recasting of the Chinese policy.

20. Josef Silverstein, Military Rule and the Politics of Stagnation (New York, 1977) p.170

21. The Nation, 23 April, 1954 as quoted in Pettman,

22. Johnstone, n.2, p.159

India's growing influence in Asia became a challenge to China. India was a regional power and a competitor for influence in Asia, especially Southeast Asia. Initially Peking employed aid to woo countries on India's borders. This partly explains aid to Nepal, Sri Lanka and to some extent Burma²³. This recasting of Chinese policy should, therefore, be seen in the terms of India's challenge in Southeast Asia.

The issue that began to dominate Sino-Burmese relations and continued to do so until the end of the decade was that of their border.

A brief backdrop of Burma-China relations will help us to put the border problem in the right perspective.

Between 1765-69, 'Four Invasions' of the Chinese took place upon Burma. The Burmese stoutly defended all four of the invasions and repelled the

23. John Franklin Copper, China's Foreign Aid : An Instrument of Peking's Foreign Policy (Lexington, 1976) p.43

Chinese. Manchu records, however, refer to this Chinese failure as one of the ten great victories of Emperor Ch'ien lung's reign by virtue of permitting Burma to join the ranks of vassal states. The Burmese never acknowledged their obligation to pay tribute and the Chinese never accepted their defeat²⁴.

When Burma became a part of British-Indian possessions, Britain obtained from China a "perpetual lease" of Namwan Tract, an area which subsequently continued to figure in all future border negotiations²⁵. In December, 1947 the 'New York Times' carried a story and a map which showed portions of Burmese territory under China.

The People's Republic of China excused itself by saying that the new government did not have time to alter the old maps.

The territory which China claimed to be theirs

24. Frank N. Trager, Burma : From Kingdom to Republic (New York, 1966) p.236

25. Ibid., p.237

can be divided in three broad areas. First includes all territory north of latitude 25 35' along a line above Myitkyina. The second territorial claim, located in the Shan states, was the Namwan Tract, The third disputed area was a portion of the Wa state which runs well inside the Burmese border. Its boundary of 200 odd miles had been surveyed and fixed by Iselin Agreement between England and China; both the KMT China and PRC sought to repudiate the agreement²⁶.

Like many other disputes in the history of International frontiers, this border problem was also a territorial dispute between two states with conflicting claims. In the words of Johnstone,

The dispute was the only serious territorial problem the Burmese government inherited from the British rule²⁷

Till 1952, the Chinese government considered the border issue as relatively unimportant. One possible reason for this could have been the

26. Trager, n.24, p.239-40

27. Johnstone, n.2, p.188

optimism in Peking regarding the outcome of the communist rebellion in Burma. By 1952, however, it was clear that no communist rebellion of strength to overthrow the government will be taking place in Burma²⁸.

At the end of 1954, Prime Minister Nu visited Peking. In the atmosphere of Peking any subject as specific as a boundary question seemed almost an indecent interruption. None the less, Prime Minister, Chou En-lai referred to several boundary questions and his Burmese guests waived them aside as matters which could so easily be settled between friendly neighbours. U Nu was extraordinarily ignorant of the subject and one of the the results was a vague joint communique issued simultaneously in Peking and Rangoon on 12 December, 1954 which said :

In view of the incomplete delimitation of the boundary line between China and Burma, the two Premiers held it necessary to settle the question in a friendly spirit at an appropriate time through normal diplomatic channels²⁹

28. Ibid., p.189

29. Dorothy Woodman, Making of Burma (London,1962) p.524

3. In 1897, the Chinese alleged, the British had siezed and incorporated into burma the area known as the Namwan Assigned Tract. But in this incident, the British behaved with perfidy. They did not declare Namwan to be Burmese territory but said the area had been acquired by them on perpetual lease. The British offered an annual payment of Rs.1,000/- for this lease, which the Chinese government never accepted³².

Such an arrangement as a "perpetual lease" was a matter of derision and did not accord with the principle of Sino-Burmese friendship. Therefore, if Burma wanted this slice of territory, it should take it. If Burma did not want it, it should be restored to China. Since the area was one over which the highway connecting the Kachin State with the Shan State had been built, it might be of importance to the Burmese government. If so, and the Burmese government wished to retain it, the Chinese would cede it in exchange for the Panhung and Panlao areas in the Wa State³³.

32. U Nu, Saturday's Son (London , 1975) p.256

33. Ibid., pp.201

U Nu said that he considered the proposal for a settlement "fair and just" . The most serious opposition in Burma came from the Kachins, who would lose a part of their territory³⁴. Since the constitution required the approval of the component state or states of Burma involved in any surrender of territory became more complex³⁵.

When U Nu again assumed Premiership on 28 February, 1957, he addressed himself to a settlement of the controversy as "a matter of life and death". In March, he went to Kunming on a goodwill visit to discuss the border issue with Chou En-lai³⁶. U Nu was disappointed as the Chinese had revised their demands upwards. Chou insisted that the three Kachin villages unconditionally belong to China and that the territory amounted to 186 square miles (instead of Burmese 56 square miles). Chou also said that if the Burmese were to receive the Namwan Tract , defined as 86 square miles, they had to yield some equivalent

34. Fifield, n.11, p.201

35. Silverstein, n.21, p.173

36. Fifield, n.11, p.202

territory along the Iselin line -- that the traditional northern line required modification of the Upper Irrawady Watershed³⁷. It became clear by now that China was stalling a final settlement.

Finally, on 28 January, 1960 when General Ne Win was the Prime Minister and the head of the caretaker government, negotiations were concluded and a border agreement, together with a treaty of friendship and mutual non-aggression was signed.

Ralph Pettman is of the opinion that Burmese neutralism had to be modified to a certain extent in its relations with China. To quote him :

...Palacating Peking did not mean a total loss of independence or anything like it. The country was not thrown open to the Chinese and its government did not become a mere satellite. It did mean in practice, however, certain modifications in foreign policy and certain considerationstowards China that was not shown elsewhere. Meaningful government autonomy was to be preserved, but at a price. The price included a temporary rejection of of the Americans, diplomatic courtesies and much symbolic respect³⁸

37. Trager, n.24. p.245

38. Pettman, n.1, p.16

C H A P T E R - V

BURMA AND MAJOR POWERS

THE UNITED STATES

Even before the Second World War, the United States professed its support for the independence of colonial areas. However, throughout the period 1945-49, the United States, with the exception of its policy towards the Philippines, was not conspicuous, at any stage, in living up to its anti-colonial professions. Out of deference to its European allies, the United States refrained from offering moral and material support to the nationalists of South and Southeast Asia¹. This stand of the United States created misgivings among the Burmese nationalists, who later assumed power after Burma became independent.

Initially, Burma-United States relations were not good. The United States attitude neutralist nations did nothing to improve relations with Burma. The United States believed, that those nations who are not with the United States must necessarily be against it.

1. Frank N. Trager, Burma : From Kingdom to Republic
(New York, 1966) p.293

During the early years of Eisenhower administration, neutralism was regarded as immoral².

The evolution of Burma-United States relations should be understood in the context of the development of the United States foreign policy towards Asia.

In early 1946, Stalin began to make moves on Soviet chessboard which led to the revival of the Comintern (1947) now called Cominform. The Communist coup in Czechoslovakia in 1948 followed by the Soviet bar to western land traffic to Berlin accentuated United States determination to block the Soviet offensive³.

The United States containment policy took form in the global alliances of which North Atlantic Treaty Organisation (NATO) was the anchor, but the policy

2. William C. Johnstone, Burma's Foreign Policy : A Study in Neutralism (Massachusetts, 1963) p.2

3. Trager, n.l, p.291

stretched through Southeast Asia and around the world.⁴ The U.S. view was summarised in the 'Domino Theory' which symbolised the sequential fall of all the states of the region to communism, should any one fall.⁵

On the eve of Burma's independence, the U.S. extended diplomatic recognition to Burma. An agreement was signed in December, 1947, under the Fulbright programme, for educational exchange. During the next two years, relations between the two remained at a low level. The U.S. was unfamiliar with Burma and deferred to the U.K., which continued to exercise a good deal of influence in the area that had long been U.K.'s colonial preserve.⁶

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4. Donald Mc Cloud, System and Process in Southeast Asia: The Evolution of a Region (Colorado, 1986) p. 166.
 5. Ibid., p. 167.
 6. Josef Silverstein, Military Rule and the Politics of Stagnation (New York, 1977), p. 189.

The outbreak of civil war in Burma raised questions of American policy. The U.S. did not help Burma much except for providing it with a few patrol boats and some lend-lease arms. Washington rejected a Burmese request for military aid and indicating that Rangoon should look for London and to American commercial interests for help.⁷

Meanwhile events took place which led the U.S. to recast its Southeast Asian policy. Complete communist victory in mainland China took place and the inability of France and U.K. to defend non-communist Asia became clear. As the U.S. policy towards South east Asia began to change in early 1950, Burma was given more attention and better relations ensued. The fall of mainland China to the forces of Mao entered into the decision making of both Rangoon and Washington. Burma was the first non-communist country to recognise the Peoples' Republic of China while the U.S. came to

7. Russell W. Fifield, Americans in Southeast Asia: The Roots of Commitment, (New York, 1973), p. 101.

head the opposition against recognition⁸.

The new policy towards Asia had immediate results for Burma. Mr. Philip Jessup of the Department of State visited Burma in April 1950 and an agreement was signed between Burma and the U.S. for technical aid in September, 1950⁹.

In 1950, Burma began to receive U.S. economic and technical aid. A Special Technical and Economic Mission (STEM) arrived in Rangoon and a Burma Economic Aid Committee (BEAC) worked with it to handle the assistance. Programmes were formulated in education and audio-visual aids, agriculture and fisheries, public health and sanitation, transportation, power and other public works, maintenance of essential supplies, and general engineering advisory measures¹⁰.

The Mutual Security Act of 1951 created strains in Burma-U.S. relations. Section 511 of the act

8. Ibid. pp.102-3

9. John F. Cady, A History of Burma, pp.606-7

10. Russell H. Fifield, The Diplomacy of Southeast Asia : 1945-1958 (New York, 1958) p.222

defined the "eligibility for assistance". 6(b) of it reads as follows :

No economic or technical assistance will be supplied to any other nation unless the President finds that the supplying of such assistance will strengthen the security of the U.S. and promote world peace, and unless the recipient country has agreed to join in promoting international understanding and goodwill and in maintaining world peace and to take such action as may be mutually agreed upon to eliminate causes of international tension¹¹

Burma regarded the passing of the act as a threat to its neutralist policy. U.S. aid was temporarily suspended by the Government of Burma on 10 January, 1952 to be reassumed on 6 February, 1952 with Burma reaffirming its support for the principles of "world peace" and "promoting international understanding" as put forth in the Charter of the U.N..

11. Trager, n.l, p.316

Burma's aid programme was abruptly transferred to the Technical Cooperation Administration (TCA) from the E.C.A.. The TCA cut the budget by 50% (from \$14 to \$7) without consulting the Rangoon authorities. Burmese leaders looked upon this with alarm and thought that aid cut has been brought about due to its opposition to Section 511 of the Mutual Security Act, 1951. However, the pinch of cut in U.S. aid could be reduced by Burma since it had ample foreign exchange reserves due to Korean war boom. Burma, however, wanted to utilise its foreign exchange reserves for capital goods and use dollars for social capital -- a plan unacceptable to the T.C.A..

A cabinet level mission headed by M.A. Raschid had gone to Washington to discuss the programme -- only to find that the T.C.A. was unrelenting. Other irritants also came up (M.A. Raschid was refused service in a restaurant on account of his colour) and finally, a much compromised programme of

more than twenty projects was accepted by the
Burmese¹².

In February 1953, a combined KMT-Karen
attack took place at Loikaw. It was believed that
Americans were aiding the KMT forces. The Government
of Burma decided to take the help of the U.N. and
terminate the U.S. aid.

This termination of U.S. aid was a
culmination of a series of minor irritants which had
some up between Burma and the U.S.. The boldness of
KMT attack was only partly responsible for it. Burma
was notably unhappy over the passing of the Mutual
Security Act and the failure of the Raschid Mission.
Burma was also encouraged by the international response
to neutralism in the First Asian Socialist Conference
(1953). Moreover, the Korean war boom had created
general optimism and Burma thought it could have

12. Ibid. , p.319

survived without U.S. aid also.

The U.S. aid programme, thus, became a casualty partly because of America's Formosa policy and Washington's inability to control the use of military equipment provided to the island government. Worst was the sowing of distrust and suspicion with regards to America's intentions. Consequently, a multitude of Burmese "who resented the KMT affair, began to credit as true all forms of anti-American propaganda"¹³.

Although Vice-President Nixon visited Rangoon in November, 1953, in mid 1950's the U.S. became increasingly preoccupied with the need to check communist advance. In Southeast Asia, there was a concentration upon Thailand as the power most likely to offer opposition to communism and upon Indochina as the actual scene of battle. Burma faded right out of

13. Cady, n.9, p.623

U.S. foreign policy calculations -- in July 1954, the American ambassador to Burma went on leave, then handed in his resignation. No move was made to find a replacement and no new ambassador was appointed for 10 months. On the Burmese side mistrust of American policy simmered on : the Manila Treaty (September, 1954) and the organisation of Southeast Asia Treaty Organisation (SEATO) for military defence only added to Burmese hostility¹⁴.

John Foster Dulles visited Burma in 1955. He had a ninety minute talk with U Nu and his colleagues and although "there was absolutely no approach towards mutual appreciation of the other's policies, at least these statements had an opportunity of judging the other's sincerity¹⁵.

U Nu paid a return visit to Washington in June-July, 1955 which contributed to the renewal of the U.S. economic aid on a new basis.

14. Hugh Tinker , The Union of Burma (London, 1961) p.368

15. Ibid., p.369

Between 1956 and 1958, a number of trade and assistance agreements were signed between Burma and the U.S.. In February, 1956, the U.S. agreed (TIAS 3498) to deliver to Burma \$ 22.7 million in surplus agricultural products. In March 1956, International Cooperation Administration announced that it had purchased 10,000 tonnes of Burmese rice for shipment to Pakistan. (TIAS 3619). In March 1957, a new Economic Cooperation Agreement was signed which extended to Burma, a line of credit, not exceeding \$ 25 million. In 1958-59, four additional agreements were signed¹⁶.

A number of other issues had arisen to impair relations between the U.S. and Burma. An American medical missionary, Gordon Seagrave, was charged with aiding the rebels and sentenced in January 1951, to six years imprisonment. The U.S. policy of "dumping" surplus rice in Asia also caused much alarm in Burma. At a time when Burma could not

16. Trager, n.l, p.322

find markets for her rice because of Korean armistice, the U.S. turned out to be one of the largest rice exporting nations. Most of the U.S. rice was exported to Asia¹⁷.

To get rid of its surplus rice, the Union of Burma had no choice but to go to the Sino-Soviet bloc for help. Under an agreement with China, Burma agreed to barter 150,000 tonnes of rice with it.

The Union of Burma was critical of the American policy towards a possible Special United Nations Fund for Economic Development (SUNFED) wherein full support would be linked to savings that would come from an international reduction in armament¹⁸.

Burma did not join SEATO. To quote U Nu,

The formation of such organisations increases the chances of World War III. I am firmly convinced that war will not solve any of the problems we want to solve. Therefore, we will not be a party to the proposed SEATO. We must not be caught under the clash of swords¹⁹

17. Fifield, n.10, p.223

18. Ibid., p.224

19, Johnstone, n.2, pp.98-9

Burma had approved of the American policy towards peaceful use of atomic energy. An American atomic library had been given to Burma. Believing that it was passed over by the Industrial Revolution, it ~~did~~ not want to be left behind by the atomic revolution²⁰.

20. Fifield, n.10, p.224

8

THE UNITED KINGDOM

Among the major powers, Burma's relations with the U.K. were closest. The first reason was that Burma's independence came through peaceful negotiations and more or less on respectable terms. The majority of the political leaders of Burma were satisfied with the way in which their independence was gained. The President of the Union of Burma, Sao Shwe Thaik said on 4 January, 1948,

Let us rejoice ... that the independence has come not as a result of armed conflict but as a fruit of friendly negotiations with that great nation whose political bonds we replace by mutual consent today with the stronger bonds of friendship and goodwill²¹

Another reason was the reciprocal interests of British in Burma. Britain view the political crisis with which its ex-colony was confronted immediately after independence with economic and strategic concern.

21. Message from the President of the Union of Burma, Burma's Fight for Freedom, p.5 as quoted in Fifield, n.10, p.191

In June 1950, Britain alongwith India, Sri Lanka and Australia extended a loan of £ 6 million to Burma. Probably the most important reason was that Burma's friendship with Britain would not be mistaken as an involvement in cold war politics²².

A brief backward glance on the relations between the British and the Burmese nationalists in the post Second World War phase will help us to put Burma's relations with Britain in the right perspective.

After the Second World War, the British were not prepared to give independence to Burma. London's attention tended to focus on military aspects and on the disastrous impairment of Burma's productive capacity which presumably must be made good with British help before any kind of normal post-war governmental functioning could be resumed. What London failed to appreciate fully was that a new sense of Burmese national solidarity had born out of the common experience of

22. Kalyani Bandyopadhyaya, Burma and Indonesia : Comparative Political Economy and Foreign Policy, (New Delhi, 1983) p.155

wartime suffering. Thoughtful Burmese recognised that the deficits in Burmese capital, technical skill and administrative and business experience were stubborn obstacles to be overcome, but few, if any, felt that these were serious enough to postpone independence²³.

The 'White Paper' was brought out on 7 May, 1945, Plans of the Simla government became the basis for this document. It proved, beyond doubt, that the Simla government was out of touch with the realities of the Burmese situation. As per the 'White Paper' Burma was to be under the direct administration for three years before a Burmese cabinet and legislature under the 1935 constitution would be reestablished. During this period, elections were to be held and representatives invited to draw up the constitution. Subsequent to this, British promised "full self-government within the Commonwealth"²⁴.

23. Cady, n.9, p.485

24. Johnstone, n.2, p.23

The attitude of Sir Dorman-Smith, the Governor of Burma, did nothing to generate any kind of confidence among the nationalist leadership. Dorman-Smith and his colleagues remained set in the mental postures in which they had left Burma in 1942, and their ideal remained restoration, whereas what the political activists in Burma wanted was advance²⁵.

Acting Governor Knight continued the policies of his predecessor. Burma was frustrated in its relations with the British during this time.

General Hubert Rance, who was known to be sympathetic to the Burmese cause, was made the Governor after that. On 20 January, the Aung San-Attlee agreement was signed under which elections were to be held for a Constituent Assembly and the Governor's Executive Council was to act as Provisional government²⁶.

25. Louis Allen Transfer of Power in Burma Journal of Imperial and Commonwealth History Vol.13, No.2, January 1985; p.190

26. Johnstone, n.2, p.27

The Burma Independence Act received royal assent on 10 December, 1947.

Burma was unable to build up a solid relationship with Britain during the years when Burma was under British-Indian possessions. There was no development in Burma to compare with the cultural fusion which took place in Indian thought -- the emergence of a dualistic Indo-British mind. The size of the British community in Burma was so small and the period of British rule so brief, that no significant connection developed. To the average Englishman Burma conjured up one poem and perhaps a short story by Kipling. Burmese nationalists asserted, and it was probably correct also, that the predominant British interests in Burma were the half-dozen business houses. And so when Burma became independent, there were no powerful bonds to hold the two nations together²⁷.

27. Tinker, n.14, p.351

The attitude of the new Burma government towards Britain included two main elements, a respect for British ideals and a suspicion of British Imperialism. Friendliness towards Britain was most marked in those most influenced by British traditions. Dislike of British was voiced loudest by politicians, among whom this attitude had become a habit²⁸.

Perhaps because Burma had so long been governed as a province of British-India, there was very little domestic support for post-independence linkages in the British Commonwealth²⁹. The need for political unity overrode all considerations and Burma decided to stay out of British Commonwealth.

The British, in turn, had some reservations about the government in Rangoon. U Nu's Fifteen Point Programme for Leftist Unity -- an attempt to placate the

28. Ibid.

29. Mc Cloud, n.4, p.201

insurgents -- had aroused doubts about the political leanings of the Burmese government. Neutralisation plans being considered in Rangoon seemed unlikely to provide fair compensation to the British economic interests involved³⁰. The British creditors were opposed to receiving as compensation, non-negotiable bonds of the Burmese government. Nevertheless, it was recognised that prospects for compensation would disappear entirely if the government went under. Moreover Burma's plight had aroused sympathy among fellow Asians in the Commonwealth³¹. The Communist threats to the Union of Burma accentuated British concerns. On 28 June, 1950, the five countries in the Commonwealth signed an agreement to loan Burma £ 6 million, Britain providing 3½ million. Although the loan was not drawn upon, the regime of Premier U Nu remained in power partly through the encouragement of Britain and the Commonwealth³².

In an exchange of notes on 24 December, 1949, Burma and Britain, in view of the delay in the

30. Evelyn Colbert, Southeast Asia in International Politics (New York, 1977) p.207

31. Ibid.

32. Fifield, n.10, p.194

negotiation of a treaty of commerce and navigation, agreed to continue the commercial provisions of the treaty of 17 October, 1947, until the conclusion and entry into force of the projected treaty or until the present arrangements were ended at the request of either, on a notice of three months. On 13 March, 1950, an agreement was signed to avoid double taxation and to prevent fiscal evasion regarding taxes on income. An air transport agreement was signed on 25 October, 1952. It was agreed in 1954, that as suggested by Burma, the Rangoon government would take over Britain's obligation to pay £ 3,300,000 to the Union Bank of Burma in respect to currency redemption and Burma would make a single payment of £ 4 million which the United Kingdom would accept in the final settlement of its indebtedness³³.

By the end of 1953, Burma's special ties with Britain -- its links with a currency board in London and with the British Ministry of Food and the

33. Ibid., pp.192-3

Ottawa Tariffs Agreement -- had all been cut, and the British military mission, established under the Freeman, Bo Letya Agreement, had been terminated³⁴.

Since Independence, a number of questions came up to threaten the friendly relations between Burma and Britain. The British sympathy for Karens was well known. The Karens supplied the core of the army and helped the British to put down the Burman revolt of 1931³⁵. A plot to aid the Karens which involved former members of the Second World War British Force 136, was discovered. Earlier, the Karens had freed Capt. David Vivian, a British officer, who had been found guilty of supplying U San with weapons in the plot to assassinate Aung San³⁶. In the earlier days, it was a custom of some K.N.D.O. bands, to after sacking a government police station or treasury, to run up a Union Jack over the ruins³⁷.

Burma's nationalisation of British property created another problem in Burma's relations

34. Ibid., n.29, p.180

35. Fifield, n.10, p.193

36. Tinker, n.14, p.105

37. Ibid., p.352

with Britain. The British government did not believe that Burma had adequately met its obligation to consult in advance. Later, Burma realised more clearly that nationalisation presented many problems both in terms of finding money for compensation and of running the enterprises. The Rangoon government eventually bought shares in British concerns involving mining, oil production and the tea industry, one "joint venture" being the Burma Oil Company³⁸.

Visits by U Nu and other high ranking Burmese officials to the U.K. have further strengthened the ties between the two.

Relations had progressively diluted between the U.K. and Burma over a period of time. To quote Tinker,

There remain only the remnants of former economic interests, and a sort of intellectual connection with the continuing training of young Burmans at British Universities, service establishments and other institutions³⁹

38. Fifield, n.10, p.193

39. Tinker, n.14, p.353

THE SOVIET UNION

During the immediate post-war years, Burma and its leaders were severely criticised in Soviet publications which said, its independence was 'spurious' and its leaders were under the 'influence of the West'. The A.F.P.F.L.'s expulsion of the communist party from its organisation in 1946, and its efforts to put down insurgency and rebellion by ethnic and political dissidents in 1948 and beyond, were criticised in the Soviet press as repression of "progressive" citizens. Andrei Zhdanov's "two camp" thesis argued that there was no place for neutralist nations in the struggle between "peace loving" and "war mongering" nations⁴⁰.

Relations between the Soviet Union and Burma were formalised when the first Soviet ambassador to Burma presented his credentials on 21 May, 1951, and the first Burmese ambassador to the Soviet Union

40. Silverstein, n.6, p.192

did the same on the previous 17th February⁴¹.

Relations between the Soviet Union and Burma remained at a low key during this time though, in 1951, a Russian cultural mission visited Burma and in the next year, a Burmese one went to the Soviet Union. In October, 1952, Burmese officials also went to China and the Soviet Union to study collective farming and agricultural methods⁴².

Prior to the end of 1953, Burma began to experience difficulty in disposing off its surplus rice. In October, 1954 Burmese charged that the U.S. surplus disposal programme was a "kiss of death"⁴³ for Rangoon. Beginning in late 1953, Prime Minister Nu sought a resumption of U.S. aid and proposing that the U.S. purchase Burmese rice for reexport to Asian rice importing nations. This proposal met with a lukewarm reaction in the U.S.⁴⁴.

41. Fifield, n.10, p.225

42. Ibid.

43. Trager, n.1, p.232

44. Ibid., pp.333-4

To dispose of its surplus rice, Burma found itself obliged to diversify its pattern of trade. The Sino-Soviet bloc which had had no prior trade or aid relations with Burma, moved **into the picture**. Between November, 1954 and February 1956, Burma negotiated a series of agreements with China, Czechoslovakia, Hungary, East Germany, the U.S.S.R., Poland, Rumania and Bulgaria. The new trade **partners** were willing to take Burma's surplus stock for barter rather than cash sales⁴⁵. These agreements tied a significant portion of Burma's export rice trade, possibly as much as 40%, by volume, to Sino-Soviet bloc goods and technicians.

One of the factors which made possible the abovementioned agreement was an overhauling of the Soviet foreign policy. Under Khrushchev, the Soviet Union began to attack the U.S. Containment policy by proposing several "zones of peace", including Southeast Asia, to gain friendship with all states. "Approaches for the latter group required the dilution of Soviet ideological fervour, and, in some cases, even the

45. Ibid., pp.334-5

sacrifice of local communist parties for better relations with bourgeois governments⁴⁶.

The formation of SEATO in September 1954 also made the U.S.S.R. apprehensive of U.S. designs in Southeast Asia. Burma seemed to be more acceptable to the Soviet Union for its "trade and aid" offensive because of its refusal to join SEATO and to accommodate foreign military bases on its territory⁴⁷. The desire of Burma for technical assistance and industrial equipment coupled with its need for markets for surplus rice created a situation that was used by the Soviet Union⁴⁸.

The Burmese government, however, was quite conscious of the possible repercussions of the growing signs of Moscow-Rangoon rapproachment on the non-communist world. Thus, in an effort to prove their neutral stance in world affairs, Kyaw Nyein, once an admirer of the U.S.S.R., forthrightly condemned the

46. Mc Cloud, n.4, p.174

47. Bandyopadhyaya, n.21, p.156

48. Fifield, n.10, p.225

"Soviet form of Imperialism" and described it as "more dangerous", "more ruthless" and "more systematic" than western colonialism⁴⁹.

Premier U Nu visited the Soviet Union in October and November, 1955, praising his hosts for helping to save Burma from a severe crisis by purchasing rice. He proposed that in any future Bandung Conference, the Soviet Union should be a participant, stressing the kinship between the republics of a trade agreement that extended a clearing accounts agreement of the previous year for five more years⁵⁰. In 1958, the Soviet Union gave a loan of K.20 and 30 million (approximately \$ 4.2 to \$ 6.3 million) for two irrigation dams and K.15 million (approximately \$ 3.1 million) for the establishment of a farm implement factory⁵¹.

49. Bandyopadhyaya, n.21, p.

50, Silverstein, n.6, p.192

51. U.S. Department of State The Sino Soviet Economic Offensive in Less Developed Areas (Washington D.C. 1958) No.6632, as quoted in Ibid., p.193

The Japanese entered Southeast Asia after the outbreak of the Second World War in the Pacific. The Japanese idea of Asia co-prosperity sphere had initially drawn many supporters from amongst the Southeast Asian leaders. Disillusionment, however, followed the harsh realities of war and the Japanese exploitation of the occupied territories in Southeast Asia. The Japanese took prompt steps to strengthen independence movements, to provide basic military training to many of the local population, and (as defeat neared) to establish independent governments against the return of European colonial power. Nationalists in Southeast Asia used Japan as much as the Japanese used them. But, overall, the legacy of those experiences did not leave the Japanese in a strong position in Southeast Asia⁵².

When the Japanese armies invaded Burma in 1942, the general attitude of the people towards

52. Mc Cloud, n.4, p.180

the Japanese in Burma was one of indifference. The population showed no desire to resist the Japanese occupation.

Although the Japanese claimed to have as liberators, it nevertheless caused much humiliation in Burma. To quote U Nu,

I have been a puppet myself during the Japanese regime as a puppet minister and I know what it means to be a puppet... when one has to bow to the command of the Japanese masters and shout 'Tenno Heika Banzai' (long live the Japanese Emperor) at their bidding...How we detested those days when every second person you met was a Japanese agent and when arrests and subsequent disappearances were the order of the day⁵³

Japanese policy of enlisting local help on promises of freedom found visible expression in the Indian National Army (INA) and the Burma National Army (BNA). Japanese planned to utilise anti-British

53. From Peace to Stability, pp.156-7 quoted in Tinker, n.14, p.364

sentiments in India and used the services of the INA troops. BNA under the auspices of Aung San collaborated with the Japanese to achieve the goal of independence. Gradually, the followers of Japanese promises were realised and in April-May, 1945, INA refused to obey Japanese orders to attack the revolting BNA and later INA personnel deserted to the British side in large numbers⁵⁴.

There was also a lot of economic hardships under the Japanese. The Japanese army kept a stranglehold on the economic life of Burma. Railway and river communications were monopolised. Large supplies of rice were requisitioned and thousands of cattle slaughtered to meet the army's food requirements. By voluntary recruitment and by conscription where necessary, the Japanese army organised a considerable labour force, and it believed that as many as 30,000 Burmese labourers died in the construction of infamous "railway of death" being constructed in the South

54. Cady, n.9, pp.477-8

between Burma and Thailand⁵⁵.

All these left bitter memories in the minds of the Burmese, though those Japanese who had worked closely with the 'thirty heroes' were welcomed back to Burma⁵⁶.

In 1951, the government of Burma refused to participate in the peace conference at San Francisco. Burma did not approve the draft treaty with Japan because it believed that the latter would be able to evade reparations under it. U Nu announced on 23 October, the Burma desired to make a separate peace treaty with Japan when the latter wished to do so⁵⁷.

In 1957, the two nations entered into a trade agreement and on 30 April, 1952 Burma announced that the state of war with Japan was over⁵⁸.

In 1953, discussions began between Burma and Japan towards a reparations settlement and the

55. Johnstone, n.2, p.19

56. Silverstein, n.6, p.194

57. Fifield, n.10, p.194

58. Silverstein, n.6, p.194

conclusion of a peace treaty. At first there was a wide divergence of views; Japan offered a compensation of \$ 100 million while Burma put in a claim for \$ 400 million -- but both sides had motives for desiring an agreement. Burma, without any foreign aid programme, had to finance all developmental activities from resources generated from within ; Japan greatly desired to enter Southeast Asia; if an agreement was reached with one country it might induce others to follow⁵⁹. Burma concluded a peace-and-reparation agreement with Japan on 5 November, 1954. With this Burma became the first Asian nation to conclude a peace-and-reparation agreement with Japan⁶⁰.

The Treaty of Peace and Agreement for Reparation and Economic Cooperation between Japan and Burma came into force on 16 April, 1955. Japan was to pay \$ 200 million as reparation and \$ 50 million for investments in joint ventures in Burma over a ten year period⁶¹.

Even after the reparations agreement was signed, Burma was not sure of Japanese motives.

59. Tinker, n.14, p.364

60. Trager, n.1, p.265

61. Ibid., p.266

It was apprehensive that the reparations agreement would be exploited by the Japanese to bring Burma once again within the Japanese dominated 'economic empire' -- hence the Burmese insisted that Joint Ventures between the two countries should be on a basis of 60% Burmese investment and 40% Japanese⁶².

In December 1956, the terms of agreement were revised in Burma's favour. U Nu's visit to Tokyo in the summer of 1955 further strengthened relations⁶³. During a visit to Burma by the Japanese Prime Minister Nobusuke Kishi in 1957, Prime Minister Nu remarked that the new and improved relations between the two had come about because Burma's leaders had "decided to turn backs upon the unhappy past"⁶⁴.

With the gradual elimination of hitches in the reparations programmes and in deliveries of Japanese goods and services, both countries have come

62. Tinker, n.14, p.365

63. Fifield, n. , p.195

64. Trager, n.1, p.266

to realise the complimentary nature of their economics. Japan needs Burma's rice and markets in Burma for its industrial exports. Burma needs Japanese markets and can benefit from Japanese technology⁶⁵.

65. Ibid.

C H A P T E R - V I

BURMA AND ITS SOUTHEAST ASIAN NEIGHBOURS

THAILAND

Burma's relations with Thailand, have ancient roots. Both nations have memories of wars, kidnappings and destruction of cities and religious buildings. The Thais, in particular, memorise in song and play the sacking of Ayuthia by the Bumans in the 10th century.¹ Despite cultural, religious and ethnic similarities, Burmese - Thai relations have historically been marked by numerous wars. Every Burmese school child learns of the glories of Burmese arms and especially of Ayuthia; every Thai child learns of Burmese cruelties there. A residue of historical bitterness still prompts occasional suspicion of the Burmese by the Thai and some mild degree of mutual disdain.²

Tokyo's lack of concern for territorial integrity of the various states of Southeast Asia was demonstrated in the bribe offer made to Thailand

1 Josef Silverstein, Burma; Military Rule and the Politics of Stagnation (New York, 1977) P. 184

2 Frank N Trager Burma : From Kingdom to a Republic (New York, 1966) p. 261

to "restore" to its control, Burma's Eastern most Shan states. This proposal was actually carried out by the Japanese³. Kengtung and Mongpan were given as a reward to the Thai's for their services rendered in the war.

During the second world war, common experiences, to an extent, had drawn Burma and Thailand closer. Both were under the Japanese military occupation. Thailand provided Aung San a staging and recruiting area for the Burma Independence Army, which made an entry into Burma from Thailand in 1942⁴.

The renewal of relations between Burma and Thailand as sovereign states did not lead to close ties, especially desirable where two neighbours share a long frontier of almost a thousand miles⁵. History seems to have had an overpowering influence on Burma-Thai relations.

3 John F. Cady A History of Modern Burma (New York, 1958) p. 435.

4 U Nu Saturday's Son (London, 1975) p. 271.

5 Trager, n. 2, p. 261.

The Thai had not forgotten the sacking of Ayuthia. Difficulties between the two were accentuated during the early phase of the K.M.T. problem. The Burmese believed that Thailand was sympathetic to the operations of the Nationalist Chinese forces in Burma. These troops had an easy access to the Thai border areas. They received supplies and services from Taiwan by way of Thailand⁶. Burma's suspicions were confirmed when in the U.N. in 1953, Thailand joined the U.S., Nationalist China and others to water down Burma's complaint against the presence of Chiang Kai Shek's forces and helped to formulate an evacuation plan outside the control of the U.N.⁷. If Thailand had remained firmly neutral, the KMT guerillas may not have grown in strength. Although the Thai government denied it, the border was poorly guarded; Thai's alongside the border helped rebels in Burma. The border became an active area of illegal and informal export of cattle, timber, precious stones and other products, while foreign made

6 Ibid.

7 Silverstein, n. 1, p. 184

consumer goods were smuggled in⁸. It was through Northern Thailand that the Shan & Karen rebels sold narcotics & other contraband goods. Areas bordering Chiang Mai and Chiangrai were particularly bad⁹.

Joint Military Commission, established to deal with the situation, had Thailand as its member. Friction continued between Thailand and Burma over the K.M.T. troops. Early in 1953, the Thai government closed the frontier with Burma; the principal route affected was the road from Chiang-mai into Kengtung via Tachilek; in normal times, this was Kengtung's principal trade channel, and the effect of closure was to create shortages and high prices in the Eastern Shan states¹⁰. In November and December, seeking out K.M.T. concentrations, Burmese aircraft accidentally bombed a village on the Thai side of the border causing some casualties and damaging Thai homes. This was not a very serious matter

8 Ibid. p. 185.

9 Ganganath Jha, Foreign Policy of Thailand (New Delhi, 1979) p. 128

10 Hugh Tinker, The Union of Burma (London, 1961) p. 359.

and could have been settled with the Thai government. Unfortunately, some Burmese Members of Parliament made speeches in the Chamber of Deputies over the incident which offended the Thai government. Prime Minister Pibul Songgram was incensed, and he ordered anti-aircraft guns mounted along the border and Thai bombers flew provocatively into Burmese air space¹¹. U Nu tendered an apology for the incident and offered to pay compensation to the Thai government which was settled at K. 1,20,000 (Bhat 4,10,000)¹².

During the following months, both governments worked to improve relations; there was an exchange of missions at different levels, including visits by Burma's Minister for Home Affairs, Bo Khin Maung Gale and by Thailand's Police General, Phao Sriyanond¹³.

In 1954, relations between the two neighbouring states started to improve as a result of Thai cooperation along the border and assistance in the evacuation of Chinese troops.

11 U Nu, n.4, p. 270

12 Tinker, n.10, p.359

13 Ibid.

In September, it was planned to open five areas along the border to improve trade and communications, and in November an announcement was made to this effect that an extradition treaty would be concluded.

Towards the end of 1954, Prime Ministers Nehru and U Nu visited Bangkok while being en route to the Bogor Conference. As head of the Burmese government and representative of the Burmese people, U Nu apologised to the Thai people and their government for past wars and the attendant looting and wanton destruction¹⁴.

The Southeast Asia Treaty Organisation (SEATO) was formed in 1954 with Thailand as its member. However, Thailand's membership of SEATO and bilateral agreements with the United States had not interfered with the growing relationship between Burma and Thailand¹⁵.

U Nu made an official visit to Thailand in March, 1955 where stress was placed on religious affinity of the people's

14 U Nu, n. 4, p.270.

15 Trager, n. 2, p. 262.

of Burma and Thailand. Discussions took place on ways of improving economic, cultural and other relations. U Nu brought some banyan saplings from a famous Buddhist center in Sri Lanka, which were planted on the outskirts of Bangkok at a temple¹⁶.

Religion, in fact, seems to have played a role in improving Burmese - Thai relations. Theravada Buddhism is a bond between Burma and Thailand. On 1 October, 1951, the Burmese Parliament passed a resolution expressing a conviction that measures for the moral and spiritual well-being of mankind should be devised. The Union government proceeded to establish a central fund to hold the sixth Great Buddhist council. The opening of this council brought together a congregation from many places including Thailand. This helped in the relaxing of tensions and providing a background for better relations later.

16 Russell H. Fifield, The Diplomacy of Southeast Asia : 1945 - 1958 (New York, 1958) p. 248.

When U Nu was coming home from his visit to the U.S. in July, 1955, Pibul met him at the airport in Bangkok and returned to him the cheque tendered by the Rangoon government in compensation for the accidental bombing of Thailand during operations against the Chinese Nationalist guerrillas¹⁷. In October, 1955, as a return gesture of friendship, Burma waived all war claims against Thailand¹⁸.

In December, Premier Pibul Songgram paid a return visit to Burma. Representing, as he did, a country which had signed the SEATO, Pibul certainly presented a contrast in Rangoon to Khrushchev and Bulganin who had earlier visited Burma. The visit further strengthened the ties between the two neighbours¹⁹ and on 15 October, 1956, the two countries signed a treaty of peace and friendship.

There is very little trade between Burma and Thailand as both nations export the same products. To some extent, Thailand's rice exports have captured a portion of Burma's prewar trade.

17 Ibid.

18 Burma Weekly Bulletin 4 No. 28 (28 October, 1955), 210 as quoted in Silverstein, n. 1, p. 184

19 Fifield, n. 16, p. 249

But both the countries have common problem of finding markets.²⁰

The history of Burmese-Thai relations must be seen as an example of two small states, each seeking to preserve and protect its independence and territorial integrity by different means. Burma chose non-alignment, Thailand joined the anti-communist West. The Thai's did not have a common border with China but they feared invasion by way of neighbouring states. Rangoon was fearful that Thailand's military ties with the U.S. might involve Burma in a war against China. To reduce the possibilities of discord with Thailand, Burma sought to limit the range of controversy to particularly Thai-Burma issues; it neither engaged in ideological competition with the Thais, nor publically condemn them for their pro-western stand.²¹

20 Trager, n. 2, p. 262.

21 Silverstein, n.1. p. 185-6

INDO-CHINA :

Indo-China consists of the three states of Vietnam, Laos and Cambodia. The Mekong, forming the boundary between Laos and Easternmost Burma for about 160 miles, makes Indochina significant for Burma.

VIETNAM :

Burmese leaders have been keenly interested in the long struggle in French Indochina, despite their reserve in public. They believed that Vietnamese nationalists were fighting a battle of national liberation against the French²². Burma gave to Vietnam whatever it could gather as relief eventhough Burma itself was not in a very strong financial position at thattime. This was detected by the French government. Consequently, when Deputy Prime Minister U Kyaw Nyein, who was then visiting France after a trip to Britain, asked for an interview with the French Freign Minister, he was snubbed²³.

22 Trager, n. 2, p. 262.

23 Nu, n. 4, p. 243

Burma also became aware of the fact that Ho Chi Minh and the Viet Minh were communists in nature and were supported by the P.R.C. The growing influence of Communist China caused concern in Rangoon. France was considered to be a colonial power which should relinquish its overseas empire in the interest of indigenous nationalism, but Burma did not desire to see a satellite of Mao-Tse-tung fill in the political vacuum. Although the Union of Burma declined to recognise either the regime of Ho Chi Minh or of Bao Dai, it did allow a Viet Minh information office to function in Rangoon²⁴.

Owing to the nature of Vietnamese leadership existing at that time, Burma did not comment on the Indochinese issue at the First Asian Socialist Conference in 1953, though it named and condemned all other vestiges of colonialism that prevailed around the world.

*Burma took part in the discussions on the Indo-china question at the conference of the Colombo Powers in Ceylon and approved of the joint suggestions. At the Kalaw meeting of the Asian Socialist Conference Bureau a peace resolution was adopted on Indochina asserting that "only the emergence of a free and democratic government, independent of both Power Blocs, can restore peace and stability in Indo-china and Asia". It also called for the speedy making of a military truce with the supervision of an international commission agreeable to both parties under U.N. auspices, for the holding of "fair and free elections under international control" and "joint guarantee of the independence of the free states of Indochina by both the power Blocs and Asian states concerned, safeguarding these states against any military alliance with either of the blocs"²⁴. Burma welcomed the Geneva settlement in July, 1954, and in August, 1954, Burma recognised Cambodia and Laos.

24

Peace Resolution on Indochina,
Burma Vol IV (July, 1954) p. 37
as quoted in Fifield, n. 16, p. 217

U Nu visited Hanoi towards the end of the year, though it had, till yet, not recognised any regime in Vietnam. On a communique issued on 29th November 1954, both leaders agreed on the Five Principles of Peaceful Coexistence²⁵.

U Nu was personally impressed by Ho Chi Minh during his visit. Do quote U Nu, the day he met Ho Chi Minh, Ho " was wearing a Khaki shirt and Khaki trousers. The shirt was not new and the trousers lacked crease. His clothes were not merely impressed but looked as though he had been wearing them for two or three days. The way he walked, the way he comported himself, his manner of looking at others and his choice of words were duly observed by U Nu. He noted that Ho Chi Minh was so free of cant and pretence that it was as though he was totally oblivious of the fact that he was the President.

25 Ibid., p. 218

seeing him so patently, so wanting in pride, and so unpretentions, U Nu was filled with reverence²⁶.

In November 1956 U Nu, no longer Premier, paid a visit to the Republic of Vietnam as a guest of President Ngo Dinh Diem. U Nu indicated that representatives should be exchanged between the two countries, stressed that the Information officer of the Viet Minh in Rangoon had no diplomatic status, invited President Ngo Dinh Diem to visit Burma, and called for closer contacts through the exchange of students and visits of different groups. The effect of U Nu's trip to Saigon and Dalat was to strengthen diplomatically the position of Ngo Dinh Diem²⁷.

Although President Ngo Dinh Diem was desirous of Burmese recognition of his country, U Nu felt that recognising one half of the country would antagonise the other. Recognition must go to both the halves or none at all²⁸.

26 Nu, n. 4, p. 243

27 Fifield, n. 16, p. 244

28 Nu, n. 4, p. 244

In 1957, a consulate General of Saigon was established at Rangoon.

LAOS AND CAMBODIA

Burma's attitude towards Laos and Cambodia was for some years equivocal; there were some doubts whether their governments were genuinely representatives of their peoples, but by 1954 these doubts had been settled and in August Burma recognised both Laos and Cambodia²⁹. Several of the Laotian governments, including the first in power after the conclusion of the first Vietnam war, have shared Burma's attachment to a policy of neutrality. While Burma's was freely adopted and applied according to national interest, Laos's was restricted by the terms of the 1954 Geneva Agreement and limited by the conflicting power interests of intervening foreign states, including the unsolicited protective shield offered by the Protocol of the Southeast Asia Collective Defence Treaty³⁰.

29 Tinker, n. 10, p. 360

30 Silverstein, n. 1, p. 186

On 12th July 1955, the first Laotian minister of Burma presented his credentials to the President of the Union of Burma. The holding of the Sixth Buddhist Synod in Rangoon (1954) drew the leaders of Cambodia and Laos to Burma and opened friendly relations with these neighbouring countries. The Crown Prince of Laos and Prince Sihanouk of Cambodia came to the opening ceremony.³¹

Burma's principal contact with Laos have concerned the KMT problem, the two countries have a common frontier for some 160 miles along the Mekong and as a result of operations in January and March 1955 KMT troops sought refuge in the Laotian border and conferences were held in Kengtung and Vientiane in May 1955 to coordinate action against the KMT³².

The problem of 'Golden Triangle' (which included the Shan States, Northern Thailand and Northwest Laos) brought Burma and Laos together in a way which was bound to create difficulties. Burma wanted the opium trade to be stopped so as to protect its own society and stop the KMT people

31 Nu, n. 4, p. 273

32 Tinker, n. 10, p. 360 - 1

from making a profit out of it. The "golden triangle" became a major center for the supply of illegal world narcotic trade³³.

King Norodom Sinhanouk visited Burma in 1954. Burma gave evidence of hoping that the ridges that divide Laos and Cambodia from Vietnam, both North and South, would be held as a safe boundary against Communist encroachment³⁴. U Nu visited Phnom Penh in December. It was announced in January, 1955 that the two governments would have diplomatic relations at the ambassadorial level³⁵.



33. Silverstein, n. 1, p. 186

34 Trager, n. 2, p. 263

35 Fifield, n. 16, p. 218

C H A P T E R - V I I

C O N C L U S I O N

'Neutrality' was adopted as a foreign policy option in Burma due to certain factors and forces operative in the late forties. The driving force behind this policy was a strong desire on the part of the Burmese leadership to preserve their newly won independence. Burma had emerged as an independent country after a long period of colonial rule. Burma, like other colonies, had suffered much during the occupation by the British. The Burmese did not get their independence on a silver platter. They had to make sacrifices to achieve freedom from the colonial rule. The Burmese leaders, therefore, tried to do everything possible to protect their nation from political domination by foreign powers. The policy of neutrality served all these purposes well.

Burma's foreign policy was essentially designed to serve certain domestic ends. Burma required economic help on a large scale, but not at the cost of its independence. It had to save the Union from dismemberment. Burmese foreign policy served these ends

well. Burma could obtain much needed economic help from both the blocs -- the American as well as the Soviet. Moreover, the leaders of Burma believed that by adopting neutralism as the country's foreign policy, the prestige of the Union of Burma has been raised.

It will not be incorrect to say that Burma, in part, owes its survival to its foreign policy. Going by the logic of contemporary history, the troubles that have beset the Union of Burma since its independence ought to have destroyed the country. Yet, the multiplicity of threats and weaknesses never came close to killing the Union. The Government was never compelled to acquiesce in the partition of the country. The credit of Burma's ability to escape from total catastrophe goes, in part, to government's effort to avoid crippling foreign entanglements. Burma's internal weaknesses were never successfully exploited by outsiders, seeking yet another cold war battleground¹. Conditions in Laos and Vietnam have shown how outside

1. Lea E. Williams, Southeast Asia : A History (New York, 1976) p.240

support to insurgents can become a serious threat to the government's existence.

Initially, the major influence on Burma was that of India. This was not because of the fact that till mid 1930's, Burma was a province of India. Neither was it because of close relations between Nehru and U Nu. Burma wanted India's help because it felt that only India could help Burma without putting the latter's independence in jeopardy. The United States was reportedly helping the Kuomintang irregulars who had settled in Burma. The United Kingdom was openly sympathetic towards the Karens. The Soviet Union and Communist China were unsympathetic and were, moreover, aiding the rebel Burma communists. In early years of independence, Burma was having close relations with India. After the Bandung Conference in 1955, Indian influence started waning and after Ne Win came to power in Burma, it was virtually overshadowed. When, in 1960, China settled the boundary issue with the Ne Win government, it was more of a move to

strengthen Ne Win's internal position. China could never sufficiently trust U Nu to help him with an agreement on border disputes. The Chinese thought that U Nu was much too close to India.

Elements of ambivalence exerted their pressure on Burma-India relations. On the one hand, Burmese leaders looked upon India with admiration: on the other, they were disquieted at the economic thralldom which India partly represented.

In April-May 1954, a meeting took place between the Prime Minister's of India, Pakistan, Indonesia, Sri Lanka and Burma. This was known as the Colombo Conference and the participants -- the Colombo Powers. At the first conference, U Nu's resolution to form a committee to explore ways and means of economic cooperation was watered down by Nehru. In one of the conferences U Nu took an opposite position to that of Nehru on the issue of

condemning Communist imperialism.

Burma's evenhanded approach to international relations has not been without its understandable anomalies, for Burma had to consider carefully the sensitivities of the People's Republic of China. The occupation of Tibet by China and India's inability to prevent it, created a situation wherein, countries like Burma had no other choice but to cultivate friendly relations with the People's Republic of China. In the Chinese case, Burma's neutrality had been one of deference. At times, Burma had to sacrifice its good relations with other powers -- for instance, the termination of the United States aid programme, partly because the United States was aiding the Kuomintang rebels -- to keep China in good humour. Burma had reportedly asked India to delay the recognition of the People's Republic of China as Burma wanted to be the first non-communist country to extend recognition to the People's Republic of China.

Burma's relations with the United States primarily harboured around the need for economic assistance. Relations with the United States were secondary, primarily because of geographical distance from Burma, when compared to Burma's relations with China.

Burma's relations with the Soviet Union were more on a superficial level. Burma had suffered much from the communist rebellions and could, therefore, not endorse the Soviet position on various international issues, the way India and to some extent, Indonesia did. Yet, the Soviet Union made attempts to cultivate good relations with the "stooges of imperialism", as they had earlier called the Burmese leaders, after the formation of the South East Asia Treaty Organisation (SEATO).

Burma's relations with the United Kingdom got diluted over a period of time. The United Kingdom did not interfere much in the affairs of its former colony.

Initially Burma could not have close relations with Japan because of the memories of Japanese occupation of Burma. Relations, however,

developed when both realised that these would be mutually advantageous.

Although traditionally unhappy, Burmese-Thai relations improved when Thailand helped Aung San by providing a staging and recruiting area for the Burma National Army. Relations took a turn for the worse because of Kuomintang troops which had entered Burma in 1949-50. They had an easy access to Thai border and frequently received supplies from Taiwan, by way of Thailand. There is little trade between the two as both expect more or less the same commodities. Burma-Thai relations are illustrative of Burma's desire to coexist even if the other country's policy is radically different from its own.

Burmese leaders had followed with interest the struggle in French Indo-China. They believed that Vietnamese were fighting for freedom against imperialism, However, they were silent on

Indochinese issue at the First Asian Socialist Conference (1953) because the Vietnamese nationalists were mostly communists.

The policy of 'neutrality' was chosen by Burma as the least possible price to pay for being left alone. Had Burma sought assistance to combat insurgencies, it would have ended up by becoming a satellite of either the United States or the Communist bloc. 'Neutrality' for Burma has not meant a lack of concern for its self-interest in relation to other states, particularly its immediate neighbours. Five states of unequal size, population and interest share a long frontier with Burma, The border passes through difficult terrain and, in places, is poorly defended and nearly unguarded. Despite its own weaknesses, the involvement of neighbours in war and ideological competition and the pressures exerted by others, Burma has remained independent, its territorial integrity intact, and its relations with neighbours, both near and far, reasonably good².

2. Josef Siverstein Military Rule and Politics of Stagnation (New York, 1977) p.169

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