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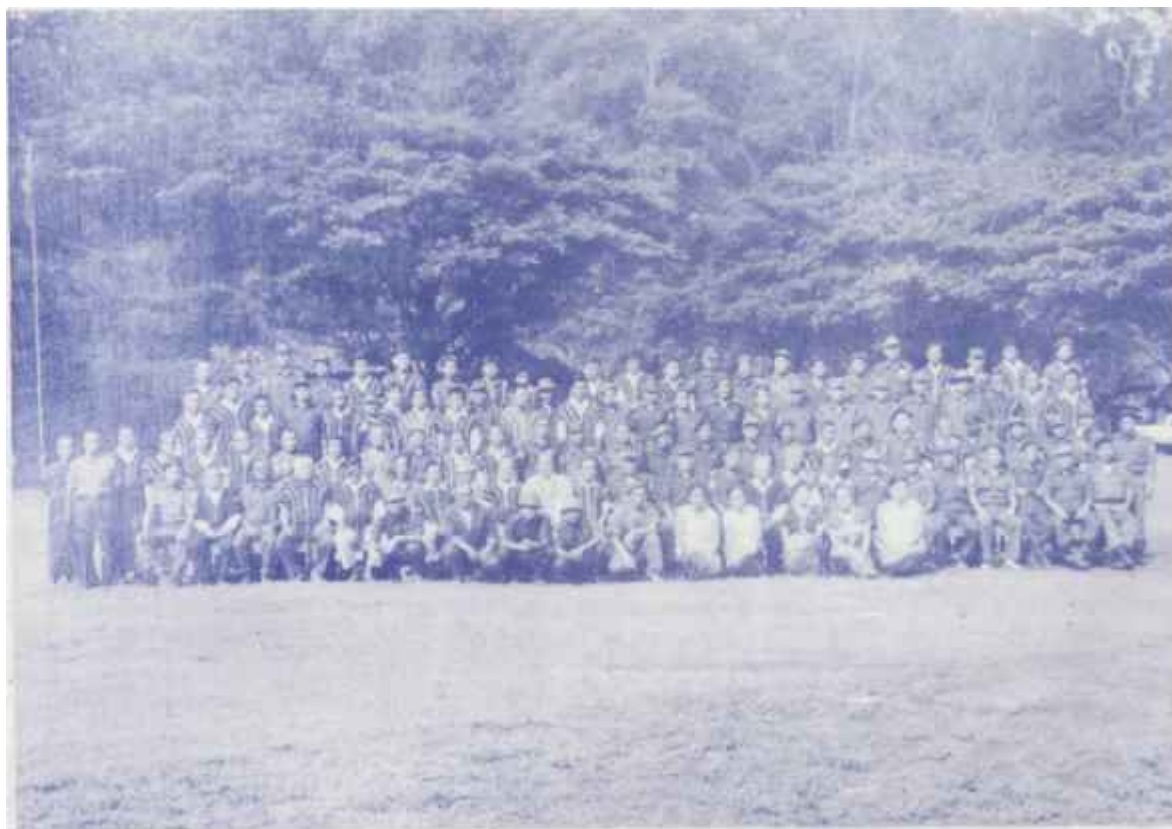
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SEASON' WARMEST GREETINGS,
TO
ALL READERS OF KNU BULLETIN
FOR
A VERY MERRY X' MAS
A HAPPY PROSPEROUS NEW YEAR



Delegates attending KNU Central Political and Military Emergency Meeting at Manerplaw. (28.10.87)

Attempt to Hide Elephant's Skeleton Under the Hide of a Goat's Skin

On November 6, 1987, the BSPP military government took military attaches from diplomatic missions in Rangoon and some foreign news correspondents on a guided and heavily guarded tour of the official capital of So-called Karen State, Pa-an, and out lying areas. The stated intention was to counter the news sent by foreign correspondents that the Karens and other indigenous nationalities were being oppressed under the BSPP military rule and the Karen revolutionary forces were fighting in strength with the sympathy and support of the people. This pitiable attempt at public relation by the BSPP military government to hide the elephant's skeleton under the hide of a goat's skin was forced by developments inside and outside of the country.

People, especially from foreign news media have come to believe less and less in the BSPP government's press hand-outs and propaganda tracts. Accordingly, they have become more and more vocal about their dissatisfaction regarding the black-out of news by the BSPP government to hide atrocities of the national revolutionary movements, mass riots and the true situation of all the indigenous nationalities. Their attempts to make an in depth study of the situation in Burma have been blocked at every turn by Burmese authorities. They have to be satisfied mostly with interviews with leaders of the national liberation movements and the NDF when covering news about Burma.

The staging of a guided tour for the attaches and news correspondents at a great cost and a great risk to the participants shows that the criticism from the outside world have stung the BSPP government where it hurts most. Some of the participants in the tour might be impressed by the orchestrated meetings, visits and ceremonies. However, most of them must realize what it really was; a desperate gamble by the BSPP military government to salvage its tarnished image in the out-side world.

Mismanagement, injustices, racial oppression and general turmoil caused by chauvinistic and facist policies of the one-party BSPP military dictatorship as evidenced by economic hardships, soaring crime rate, violent demonstrations, the intensification of civil war, the violations of human rights, forced labor at the front lines, the senseless murder of the indigenous nationalities and etc. have been exposed more and more to the out-side world recently. The BSPP government normally tried to hide these by limiting the movement of diplomats and tourists, barring the entry of newsmen into the country and the manipulation of internal news media. Now, it appears that those methods have become inadequate.

One interesting pronouncement that came out of the question and answer session at Pa-an during the tour was that the BSPP military government intended to crush the Karen national revolutionary movement in 2 years.

During the nearly 40 years of civil war, previous governments including the AFPFL regime had made similar declarations and launched massive military operations against the Karen national liberation movement. Not long after, it was these governments that crumbled and fell. The present declaration may indicate that the BSPP military government is about to resort to some sort of military gamble and, like the previous governments, crumble and fall.

There are (4) certain things about the outcome of the BSPP military offensive, namely,

- (1) The upper echelons of the BSPP military officers always become more rich by their military operations,
- (2) The lower ranks and file of BSPP troops always suffer more heavy casualties through being killed, and wounded in the battles.
- (3) The masses in the military operational areas, always suffer more untold miseries in the loss of lives, properties hearths and homes.
- (4) The masses of people in the whole country always became, more poverty - stricken through the heavy yokes they have to bear during the war.

The Karen National Union and NDF urge for a political solution to the civil war not because they have become tired and their resolve has been weakened. All the national liberation movements have passed through situations many times worse than the present. All of them have been steeled many times over in battles and hardships. They talk about peace, because they want to stop the senseless civil war and start a sensible peace for the rehabilitation of the country and building national unity on a sound basis, before it is too late.

Whatever the BSPP military government does;- guided tour of a few diplomats and newsmen, manipulation of news media for propaganda, sabre-rattling speeches and etc., it is too late for them to try to hide the disaster they have brought upon the country. The world demands to know the truth and it is about time the BSPP military government gave an account for the 25 years of its mis-rule by bearing all the facts and sued for peace.

On our part we shall always appose the black-out of news by the BSPP military government, and shall expose all their reactionary activities. We shall delve deep into the true situation of the country and help all news media in their efforts to gain and spread the truth.

Burma and UN Aid

UNDP (United Nations Development Project) strives to assist underdeveloped third world countries in their struggle for development. Since 1951, UNDP has been giving aid to Burma and the aid given between 1951 and 1986 amounted to 123.9 million US dollars. The Burmese government announced on September 18, 1987 that Burma will receive another 65.5 million US dollars for the five year period beginning from 1985 to 1990. The Burmese government claimed that aid from UNDP has been very beneficial to the country and has brought about a lot of progress in the country. It asserted that Burma has been able to send many scholars abroad for further study in the field of engineering, medicine and other important fields. It is therefore truly very essential for us to know how much the country has really benefited from this aid.

Let us study the UN backed agricultural project at Ye Zin in Pinyinmana township. Ye Zin village is situated on the Rangoon-Mandalay highway and is 10 miles north east of Pinyinmana. Because of its ideal position for an agricultural center, the Burmese government has constructed a dam there to irrigate the surrounding area for cultivation. With aid from the UN, the Burmese government set up an Institute of Agriculture here at Ye Zin together also with an Agricultural Research Institute.

FAO and UNDP had given the government of Burma 3.5 million US dollars for the project. Construction of buildings for the Institute of Agriculture began in 1970 and it took ten years for the various buildings to be finished. The concrete buildings, when finished, look quite grand and beautiful at a distance, but a closer look would expose the sloven workmanship and inferior quality of the buildings. Countless bags of cement for the construction were stolen and sold on the black market by the engineers and construction workers who found it very hard to meet the high cost of living with the meager salary that they got. That is why, what should have been sturdy concrete buildings have very little cement and were built mostly of lime and sand. In case of a fairly strong earthquake, the buildings would collapse easily. During the rainy season, water seeps through the roofs and leaks. The bathrooms and toilets are also of very inferior quality and moreover, maintenance is so inept that within a few years, they could no longer be used. Water pipes, window glasses and other building materials and equipments that could be dismantled were stolen by the poverty stricken workers and sold on the black market.

Aid received from FAO and UNDP for the institute also comprised of a bull dozer, some tractors, hand tractors, seed drillers and some other modern agricultural implements. They are seldom used but are stowed away most of the time in the warehouse. 2 trucks, 2 Mazda light trucks and an ambulance car had also been given to the institute but because of inefficiency in maintenance, the vehicles broke down within a few years and the institute does not have the money needed to repair them.

The Institute of Agriculture was officially opened in 1973. In theory, the students learn much about modern technology in farming and agriculture but they have very little chance to put to practical use the knowledge that they have had. They do not get the chance to work with the tractors and seed drillers that FAO and UNDP had given to the institute because there is acute shortage of fuel and moreover, the institute would not be able to repair them or buy new spare parts to fix them should they break down. That

is why, in practical field work, students who are taught about modern farming and agriculture have to labour with oxen and primitive hand ploughs like in days of old.

Students learn about plant hormones and they also learn about herbicides like 2,4-D but they don't even know how it looks like. 2,4-D is a very good defoliant and is widely used by cultivators to kill weeds, but in Burma it is not used by cultivators. The Burmese government uses 2,4-D in its alleged operations against opium in the Shan States. In its defoliation campaign, the Burmese government takes great precaution to avoid the danger of their planes being shot down by opium growers. Consequently, the chemical had been sprayed widely, not on opium cultivation plots but on rice and other agricultural crops grown by the innocent local populace. This resulted in great loss in agricultural produce of the local populace and to make matters worse, large number of livestock had died because of 2,4-D contamination.

Through the auspices of FAO and UNDP, many university tutors and lecturers from Burma have gone to foreign countries for further study. Many come back and work at the Institute of Agriculture. The Burmese government does not really seem to have any great use for them at the institute and they have only 2 hours of teaching time per week. The rest of their time have to be whiled away either by chatting among themselves or by playing.

The government confiscated 300 acres of land from the Ye Zin villagers without arranging any indemnity for them. These villagers suddenly found themselves without land to work on. One student from the Ye Zin Agriculture Institute had said that he would not venture to go alone into Ye Zin village at night. The villagers bear grudges against the government and might choose to have revenge on a student from the institute.

Some reliable sources from the institute had commented that FAO and UNDP officials had expressed their wish to appoint experts to help and direct the project so as for the institute to run smoothly and for the project to bear fruits. The Burmese authorities concerned refuse to accept the proposal on the pretext that the staff is quite efficient and could run the institute efficiently without the help of any expert. It would cause the institute more money to have an expert there.

Work is not readily available for graduates from the institute and they have to apply for work in other fields. The Burmese government seems to agree that Burma is an agricultural country and it depends greatly on agriculture for progress and development. But the fact that graduates from the Institute of Agriculture could not find work in this field in which they have been trained is proof that there is much to think about on what is said and what has really been going on.

All these shortcomings prompted the students from the institute to comment that Burma does not benefit from this UN aid and it has been like throwing money away into the open sea.

This is just a review of the Ye Zin Agricultural project which is supported by aid from the UN. Burma has also received aid from the UN for other developmental projects. If a lot of fault could be found with one project, it would roughly be about the same with the other projects as well. No aid to Burma, be it from the UN, be it from other donor countries or no loans received from abroad have acquired much to really help develop the country.

It could only be concluded that these shortcomings are a result of inefficiency in management and misconception of current situation. No great pain has been taken by the government to achieve the desired goal and apart from that, those concerned in every department strive more for personal gains rather than for the good of the country. The present economic policy of the country met with failure because of the erroneous political policy of the Burmese government. Under existing political policy of the Burmese government, any aid from the UN or from other countries would acquire nothing to help the country develop. Burma may receive loans from other countries and Burma may be given the status of Least Developed Country and enjoy better foreign credit terms and all its debts exempted. But the people of Burma who comprise also of the various ethnic groups in the country will never benefit from all these privileges.



37th Martyrs Day Ceremony at Thay-Baw Bo.

Commentary On the Burmese Delegate's Reply to the Statement of the Karen National Union (KNU) At the Fifth Session Of the United Nations Working Group On Indigenous Population

Through the good offices of the Anti-slavery Society based in London, the KNU was able to send a two-men delegation to attend the Fifth Session of the UNWGIP held in Geneva from August 3 to 7.

The KNU Delegate presented a Statement to which the Burma Government Delegation (Observer) made a reply.

The following are the Statement of the KNU, and the Commentary on the Burmese Delegates Reply.

WORKING GROUP ON INDIGENOUS POPULATIONS STATEMENT OF THE KAREN NATIONAL UNION (KNU)

I am Saw Mae Plet Htoo, an indigenous person representing the Karen National Union in Burma. I wish to speak on the agenda item on self-determination.

The report of the special rapporteur, Mr. Martinez Cobo, spoke of the application of the principle of self-determination to indigenous peoples noting that the right of self-determination may be expressed in various forms of autonomy within a State, without necessarily including a right to separate. The special rapporteur stressed the need to examine these issues in the light of the history, situation and goals of each indigenous group.

The experience of the indigenous nationalities in Burma is very relevant in any discussion of this important issue. The non-Burman indigenous nationalities in Burma were politically autonomous before the area became a British colony. This political autonomy continued under British colonialism. Non-Burman nationalities in almost half of Burma were separately administered, with traditional leaders retaining a degree of political control.

It is a historical fact that before independence in 1948 there had been no political integration of the minority national territories with the Burman areas. In the short period 1945 to 1948 a new state structure had to be developed for an independent Burma. Aung San, the great Burman independence leader, stated:

'In my opinion it will not be feasible to set up a unitary state. We must set up a Union with properly regulated provisions to safeguard the rights of the national minorities.'

Independent Burma was created on the clear understanding that it would be a federal union. The separate political rights of the minority national areas were recognized in the January, 1947, agreement between Aung San and the British Prime Minister Attlee. The rights of the national groups were also recognized in the February, 1947, Panglong Agreement between Burman leaders and other national groups, in the commission of inquiry on the frontier areas and in the independence constitution of 1948. Each of these fundamental political and legal documents recognized rights of self-determination of the indigenous nationalities. The 1948 constitution gave each nationality representation in a Chamber of Nationalities at the national level. The constitution specifically recognized a right of the Shan and Kayah (Karenni) to separate after 10 years.

These promises of autonomy and self-determination were betrayed. The denial of these promises led to armed resistance which, in the case of the Karen, began in 1949. The present constitution of Burma, enacted in 1974, gives no autonomy to the various nationalities. In practice there is no respect for minority languages, cultures and political aspirations. The Government's response to the minority nationalities is purely military. In spite of this reality, Burma still claims to be a "union" and the anniversary of the Panglong Agreement is celebrated every year as "union" day.

In 1976 the minority nationalities formed the National Democratic Front, an alliance of ten national groups. The N.D.F, and its member groups, such as the Karen National Union, are politically independent. The N.D.F, and its member groups oppose the traffic in opium. We seek a political solution to the national question in Burma. We want the fighting to end. We seek a genuine federal union in Burma, with equality and self-determination for the nationalities. The N.D.F, position, as restated at our 1987 congress, describes Burma as:

"a multi- national country, collectively inhabited and owned by the many indigenous peoples."

The political goal of a federal union is described as follows:

"Each republic government is to have full power of self-government, while the central government shall exercise the power over defence, foreign affairs, finance and monetary affairs, post and telecommunications, airways, waterways, railway communication and federal judiciary."

We seek two legislative bodies at the national level, a peoples assembly and a nationalities assembly.

You can see that we seek autonomy, not separation. As well, you can see that we seek to establish the relations between the indigenous nationalities that were solemnly promised in 1947 and 1948. It is the betrayal of those promises which has led to 38 years of resistance. A recognition by the Government of Burma of the principles set out in the report of the special rapporteur on the issue of self-determination would have made this long resistance unnecessary.

Madam Chairman, we call on the Working Group to undertake a study on the question of self-determination which will take into account the special circumstances of indigenous peoples in particular countries, including Burma. We are confident that such a study will advance your work.

Thank you Madam Chairman.

Commentary On The Burmese Delegate's Reply

As expected, the Burmese delegate's reply was a standard propaganda, a package of myths, distorted facts and outright lies, that has been regularly used by the Burmese chauvinists to mislead public and world opinion.

After a flowery expression of salutation to the Chair, the Burmese delegate began his reply with a derisive note by saying, "For the first time in history, Karens have a state of their own in independent Burma."

Here, he was talking about a version of Burmese history as taught in Burmese schools and which has been written and used by the Burmese chauvinists to downgrade the status and minimize the importance of all the non-Burmese indigenous nationalities in the country. The Karen state referred to was an artificial state created by the Burmese after independence without the consent of the Karen people. Suffice it to say that it is much smaller than half of the traditional land of the Karens in Burma. The grossest offence the Burmese chauvinists have committed is suppression of the fact that Karens were the foremost settlers of the land now known as Burma who had established one of the earliest civilizations prior to the Burmese entry into recorded history.

Since that time, the Karens has maintained their identity as a nation and their own egalitarian form of society against all odds. They have also managed to maintain a territory of their own, against invasions, genocidal wars and oppressions imposed upon them, from time to time, by their stronger neighbours.

Then the Burmese delegate went on to assert that, "all the national groups and all citizens in Burma fully enjoy both in law and practice the fundamental freedoms, as provided for in the state constitution."

A lengthy explanation of how the constitution was drafted and adopted by a referendum was given. However, he conveniently failed to mention the fact that Burma was without a constitution for 12 years after the coup d'etat staged by military men who totally make up the composition of the present regime.

After seizing power in 1962, General Ne Win immediately went about ruthlessly crushing all oppositions. In the process, hundreds of students, workers and monks were brutally shot and thousands were sent to detention camps where they were subjected to tortures so severe that a large number of the detainees died or became mentally deranged. All political parties were abolished and their leaders thrown into jails. The one and only party, the "Burma Socialist Programme Party" (BSPP) was formed. After discarding his military uniform for a civilian garb, General Ne Win assumed the post of chairman of this party. Military and ex-military men were installed in all the top positions. With the help of BSPP and a multi-level spy network, Ne Win has kept the population under his rule in total subjection, ever since.

After 10 years of Ne Win's tyrannical rule marked by brutality and ruthless suppression of dissent, the people became thoroughly intimidated. Then Ne Win and his party went about drawing up a constitution with a great fanfare for two years. Finally a referendum was held, the result of which had been a foregone conclusion.

The whole exercise was a political gimmickery aimed at giving an appearance of legitimacy to the BSPP military dictatorship in the eyes of the out-side world.

In the constitution, there is a section on the rights of citizens and a section on the rights of the nationalities. All the rights and freedoms given are circumscribed by a proviso stating, "All activities detrimental to national unity, the security of the state and the system of socialist society are prohibited. Those who are guilty of violation of this prohibition shall be punished according to law." In practice, this clause is widely interpreted by those in power. Any person suspected of opposition to the regime is placed in custody from 2 to 4 years without trial, under the related special laws.

With regard to self-determination, the Burmese delegate quoted Article 28 of the constitution-as "local autonomy under central leadership is the system of the state. "Here, he had simply twisted the words of Article 28 in translation beyond recognition. The factual translation reads, "In the constitution of the State, the system of local self-implementation under the central leadership is practised." There is not a word that can be construed as autonomy or self-government in the Burmese version.

Thus, the nationality states have no power of autonomy whatsoever. They are strictly made to follow the commands and orders given by the central authorities. Not only that the states of non-Burmese nationalities are not given any autonomy but they are also not allowed to have representation, as a state, in the "People's Assembly", the one and only legislative body in the whole system of power.

Then the Burmese delegate resorted to a fabricated account of the past, a myth used by the Burmese chauvinists to justify their chauvinism, by saying, "To dwell briefly on the historical perspective, all the national groups in Burma have lived together in peace and harmony through weal and woe throughout our history. Historically and traditionally, the internal relations between the national groups have been one of political, economic and social interaction, resting on a pattern of mutual accomodation. The interaction of the various indigenous national groups, moving towards integration, assimilation, and national synthesis, constitutes a continuing theme in recorded Burmese history. It is this continuous thread of Burmese history, the political and social dynamic of the process, that has helped mold the Burmese nation. As a result, Burma was a strong and unified country under three famous and long reigning dynasties (Pagan, Toungoo and Konbaung Dynasties) from 107 A.D. to 1885. This nation building synthesis reached its highest stage during the last reigning Konbaung dynasty."

Burmese history, a product of fertile imagination and racist propaganda, has been written and re-written, from time to time, by the Burmese chauvinists to glorify their past, appeal to not very wholesome instincts in the Burmese people, justify their chauvinism and paper over their past misdeeds.

According to the oral and written histories of the non-Burmese indigenous nationalities, the interaction between them and the Burmese was in the forms of aggressive wars and raids launched by the Burmese against them, involving the senseless murder of babies, pregnant women and old people who failed to escape. When victorious, the Burmese looted or destroyed their properties and cultures, and occupied their fertile lands, when possible. The victims of these depredations managed to survive mainly by withdrawing to

the inhospitable areas such as the swampy lands of Irrawaddy delta or the jungles of Pegu and Eastern Yoma hills where they could defend themselves better.

History repeated itself, during WW II, when the Burmese chauvinists gained a temporary ascendancy in power by allying themselves with the invading Japanese. Relying on the victorious Japanese, the Burma Independence Army troops under the command of Ne Win went about murdering thousands of Karen civilians soon after the Japanese occupied Burma. When the Karens resisted, a full scale communal war broke out.

It was the same story on a larger scale, after independence. With an inordinate sense of superiority spawned and nurtured by their chauvinistic version of history, the Burmese in power tried to impose their domination on the Karens and Mons by force. This led to the beginning of national liberation war of the non-Burmese nationalities which has been going for nearly 40 years, up to the present. When Panglong Agreement was abrogated by the usurpation of state power by Ne Win in 1962, a host of other nationalities rose up in arms. Churchill, who had a fairly good understanding of the Burmese chauvinists' mentality, was right when he predicted that if the Burmese were given independence without checks and balances, there would be carnage on a large scale.

Placing the emergence of the Burmese dynasty in 107 A.D. was either a typographical error or a deliberate falsification, for there was none until the 11th C A.D. The Burmese dynasties were neither long nor effective politically, socially or culturally, by any standard. They could impose their rule and influence, in a city-state fashion, only over the central plain of the Irrawaddy, except for a short period during the latter part of the last dynasty when the marauding Burmese troops temporarily occupied some of the lower part of the country, before the arrival of the British.

In reference to the British colonial period, the Burmese delegate recited the old and worn out propaganda script by saying, "Colonial rule changed the situation. After three Anglo-Burmese wars, Burma was totally annexed by the British in 1885, thereby destroying Burmese monarchy, who held the allegiance of the indigenous national groups. Many Burmese institutions underwent a process of erosion. Colonial rule introduced forces which arrested the interaction of the indigenous people, thus freezing the process of integration, assimilation and national synthesis. Instead, the divide-and-rule policies of the colonialists caused misunderstanding among the different indigenous nationals."

Only in the imagination of the Burmese chauvinists, the Burmese monarchy held the allegiance of the indigenous national groups. The court historians who had to gratify the ego of the Burmese kings were partly responsible for such claim. Many Burmese institutions collapsed under the impact of modern development.

There is no denying that British colonialism was geared for the maximum exploitation of all the nationalities in the country, economically. However, one saving grace about it was that it stopped the Burmese from marauding attacks and perpetrating excesses particularly against the Arakanese, Karens and Mons, and brought stability and the rule of law. The introduction of modern approach to education and contact with the outside world made the natives to better organize and develop at a faster rate. For the sake of peace, the British had to rule the various nationalities, more or less separately and independently, as they had existed before. Divide-and-rule policy was a thing the British colonialists did not need to use in British Burma. In fact, due to peace and the rule of law, there was more

understanding among all the nationalities including the Burmese, under British colonialism.

In reference to the tentative agreement for unity reached between the Burmese leader General Aung San and the leaders of non-Burmese indigenous nationalities, an event which was viewed by some as just another scheme of the Burmese chauvinists to defraud, the Burmese delegate explained, "National unity was forged again at the Panglong Conference in the Southern Shan State of Burma on 12 February 1947, through the genius and personal leadership of General Aung San, the architect of Burma's independence. The Panglong Conference brought together leaders of the various national groups of Burma. They signed the Panglong agreement which was an expression of the will of all national groups of Burma to remain united as one entity, through weal and woe, and to fight together for the freedom they have so long striven for."

For the inclusion of the territories of the non-Burmese indigenous nationalities in the union of Burma to be set up after independence, the Burmese leaders were required to show an evidence of unity between them and leaders of the non-Burmese nationalities was to stay out of the union. They were, however, persuaded to sign Panglong agreement when Aung San beseeched them with promises for equality, full autonomy and the right of secession after a period of ten years if they found the union with the Burmese unsatisfactory.

Aung San, with a rare reputation for honesty among the Burmese leaders, was generally believed that he intended to keep his promises. However, he did not live long enough to prove his sincerity as he was cut down by the assassins' bullets six months before independence. Some traced the conspiracy of his assassination to elements in his own party who wielded the reigns of power after his death. Anyhow, after independence, the Burmese leaders succeeding him, the worst among them being Ne Win, flouted all his promises. In addition, they planned to subjugate the non-Burmese indigenous nationalities systematically by political division on the one hand and disarming and neutralizing by force on the other. Steps for disarming and neutralizing were charted out in a draft plan code-named "Operation Aung San", a copy of which fell into the hands of the Karens. The Karens tolerated all these and armed provocations until it became absolutely clear that they had to take up arms for their own survival and in defence of their national integrity.

In the concluding part, the Burmese delegate made wild allegations by ranting, "One individual from the Karen National Union could only be no other than one of the Karens or other elements who are engaged in such nefarious terrorist acts as bombing of public places, indiscriminate killings of innocent people en mass and the destruction of bridges, rails and roads in addition to smuggling and trafficking of narcotic drugs as a means of their livelihood."

The Karen National Union has never pursued a policy of engaging in terrorist acts or destroying the properties of the people.

It is Ne Win's Burmese troops who, in conformity with the so called four-cut insurgent eradication policy, have consistently followed a pattern of wantonly bombing and shelling villages and civilian settlements, burning down the houses and granaries, destroying properties and live-stock, deliberately shooting the innocent civilians, torturing and using the villagers as forced labour in battle areas and deporting them by force to the so called strategic villages, which in reality are concentration camps.

Starting from the time of its inception up to the present, the KNU has never been involved in either the production or trafficking of narcotic drugs. It is Ne Win's BSPP military government which once had openly allowed the notorious drug warlord, Khun Sa, to engage in narcotic drug trafficking as a reward for allying with it. When Ne Win wanted to attract aid from the West, he made a show of out-lawing Khun Sa while secretly allowing him to go on with large-scale trafficking of opium and heroin up to the present and sharing the profit from the trade. Thus, by making a show of opposing narcotic drugs and, at the same time working hand in glove with Khun Sa, Ne Win is reaping benefits both from the profits of drug trafficking and the Western aid.

By employing chauvinistic propaganda, distorted facts and outright lies, the Burmese delegate was obviously attempting to tarnish the image of the freedom fighters in Burma who are struggling to free their peoples from the yoke of Burmese chauvinists' hegemonism and military dictatorship, divert world attention from the heinous crimes the Burmese chauvinists and their troops are committing against the innocent civilians of the non-Burmese indigenous nationalities, and cover up the clever tricks Ne Win is using with respect to narcotic drug trafficking to shore up his military dictatorship.

As given in the first part, all the KNU, delegate said at the meeting of UNWGIP was that due to betrayal of the promises for autonomy to the non-Burmese indigenous people, an unnecessary war had been going on in Burma for nearly 40 years and it was desirable to find means and ways for a peaceful solution to it.

It seems that there is still a long way for U Ne Win and his BSPP military government to go in order to see the light and mend their ways for a peaceful solution to the problems in the country.



Mass Meeting at Kler Day Gate.

Indigenous Power Meet At Honolulu

by Keith Lorenz

A program to empower indigenous peoples of the Pacific and Asia was carried forward a step in Honolulu with a meeting of the World Council of Indigenous Peoples. Attended by representatives from the Aborigine of Australia, Chamorros of Guam, Ainu of Japan, Kachins and Karens of Burma, the Adivasis of India as well as representatives of the Hawaiian people and the Grand Council of Crees of Canada, the meeting examined the evolving international standards pertaining to the rights of indigenous peoples, now increasingly referred to as the Fourth World.

The meeting was attended, by Erica Daes, Chair of the United Nations Subcommission on Prevention of Discrimination and Protection of Minorities, who advised delegates on how to use the UN system to their best advantage. Preceding the annual Human Rights Commission in Geneva, she said, is the UN's working Group on Indigenous Populations which was created out of the Economic and Social Council (ECOSOC). This is conducting an ongoing investigation of native human rights conditions around the world. It is aimed at drafting an international document setting forth the standards by which indigenous peoples should be protected.

Since it is difficult for many indigenous peoples to make the trip to Geneva due to lack of funds, lack of travel documents, repression by national regimes, or simply inexperience with the ways of international organizations, the Honolulu workshop was designed to give participants some experience in formulating their issues and in articulating their requests for support.

Many peoples are unaware that in the world there are some 1,500 "nations" of peoples, that is, tribes and cultures, which are seeking some form of self-determination today. There are only some 159 members of the United Nations plus a few more recognized governments which are not UN members, for financial or political reasons. To what extent can the Charter of the United Nations concern itself with the basic freedoms of indigenous peoples, the oppressed who have no stake in the political systems and national boundaries that have absorbed them in the postcolonial era?

Charter: The world Council of Indigenous Peoples (WCIP) is one of a growing number of organizations working to establish an international charter to protect these nearly forgotten minorities. Hawaiian Hayden Burgess, vice president of the WCIP, noted at the workshop. "The birth of the United Nations did not stop the next world war. For indigenous peoples we are now in a war. For decades we have suffered attacks which threaten the survival of our succeeding generations. Since World War II our villages have been pillaged, our people slashed, tortured and murdered. We are ripped from our lands, our language and religion are criminalized, our islands and oceans are polluted with nuclear residue and our people are like laboratory animals. In the Pacific others seek to determine how our bodies incubate jelly-like human tissue in place of babies, due to nuclear radiation."

In 1986 the Geneva Working Group on Indigenous Populations which is the foremost venue for delegates from the Fourth World to meet each other was cancelled, possibly for lack of funds, possibly for political reasons. Many delegates felt it was the result of a

conscious move by Third World governments which do not want "problems" stirred up by tribal minorities, to cancel the session, to hinder or terminate the work of the UN Working Group. The WCIP noted: "We understand that the reasons for this hindrance ranges from fears of continuing exposure of atrocities being committed by U.N. members against indigenous peoples, to complaints that 1 percent of the Human Rights budget is too much to spend for indigenous concerns, to the issue of Self-Determination, which is too disturbing to nations which have continually ignored the rights of people."

Geneva: This summer the Working Group of Indigenous People again met in Geneva after a year's hiatus. Its work is supplemented by meetings of the International Labor Organization (ILO) which is presently discussing a Revision of the Indigenous and Tribal Populations Convention of 1957, which could take a fresh look at both land and individual rights of native peoples worldwide. The recent conclusion of an ILO body of experts is that the formerly accepted "integrationist approach" for indigenous peoples is no longer acceptable. Indigenous peoples should enjoy as much control as possible over their own economic, social and cultural development now say the ILO experts. Ratifying states of the ILO Convention "should take measures to determine the lands to which these peoples have rights, by demarcation or delimitation where this has not already been done," notes the reviewing body.

At the WCIP Empowerment Workshop in Honolulu, held at the East-West Center and the University of Hawaii Law School, delegates heard stark cases of suppression of indigenous peoples in the Asia-Pacific region. These included mass murders in East Timor by Indonesian authorities and the transmigration schemes in West Papua which are destroying the Melanesian culture; of the spraying of the U.S.-supplied herbicide 2,4-D over Shan and Kachin hill peoples in northeast Burma as part of a so-called opium eradication program; of the genocide by the Bangladesh authorities against the Chittagong Hills Chakma tribal peoples, as well as historical references to the decimation of the Australian aborigines for 'sport' by the early settlers."

In addition, the various forms of cultural erosion practiced by the Japanese government on the Ainu, by the Indian government on the Adivasis, or the Hawaiians by the United States, on the Chamorros in Guam by the United States, and on the Cree by the Canadian government were discussed.

As articulated by the U.N.'s Dae, a fully comprehensive Declaration of the Human Rights of Indigenous Peoples is the document that this world organization hopes to eventually formulate. It is still a number of years away and many governments see their own "national interests" threatened by adherence by signatories, but nevertheless it is a step in the direction of Principle No. 1 of the World Council of Indigenous Peoples, which states: "All indigenous peoples have the right of self-determination. By virtue of this right they may freely determine their political status and freely pursue their economic, social, religious, and cultural development."

This is yet another scrap of paper that could yet become "law" in this changing world.

Burma Seesaws in Reforming Rice Trade

By Helen E. White

Special to THE ASIAN WALL STREET JOURNAL

When the Burmese government last month freed commerce in nine agricultural commodities from decades-old restrictions, many cheered the move as a first step away from rigid government controls and toward liberalization.

But critics of the military regime are quick to point out that it was forced to adopt the measures because of widespread shortages of rice - a dietary staple and a major export - and fears of possible food riots. The critics also say the scarcity of rice in the agriculturally rich country stemmed directly from an ill-conceived government plan to eradicate private-sector trade in the commodity.

Warehouses Looted

"Traditional wisdom says the only thing which can cause the Burmese to rise up in revolt is a lack of food," says a diplomat in Rangoon. "Earlier this year, there were cases of villages which had no rice, there were cases of warehouses being looted, and people all over the country were beginning to question whether supply would be there for tomorrow."

That is a remarkable state of affairs for Burma, which before World War II was the world's largest exporter of rice, sometimes shipping as much as 3.3 million metric tons a year. Although exports have dropped in recent years to less than a fifth of their prewar heights, the country still produces more than enough to feed its population.

Until last year, farmers had to meet a government-set quota for annual rice production and sell it to the state. The government's Agricultural Farm Produces Trade Corp. used the rice for export and for domestic distribution to needy areas. Farmers were allowed to dispose of their surplus as they pleased. That normally meant selling it to black-market traders, who paid about three times the government price.

The black-market trade thrived, because upper-and middle-class Burmese were willing to pay premium prices to avoid the broken, discolored but cheap rice available from authorized sources. "With all respect to my less affluent countrymen who are forced to eat it, official rice is only good for feeding my dogs," says a Rangoon resident.

But in 1986, the government suddenly delegated purchase and distribution of all rice for domestic use to the country's cooperatives - one of the three pillars of Burma's planned economy, along with the state and private sectors. Private trade in rice was banned.

Little Experience

The new system was hamstrung from the start. Although the cooperatives zealously bought up rice - their procurement of unmilled paddy from the December-March harvest was more than 37 times the previous year's figure - they had little experience in large-scale distribution. Rice just sat in some warehouses, owing to a lack of vehicles or gasoline to transport it; stores in other areas were sufficient for less than a week. "Literally and figuratively, the cooperatives couldn't deliver the goods," a diplomat says.

The government's initial response was typically inflexible. Early in the year, the state-controlled daily newspapers told consumers that rice would no longer be rationed. The

public could buy as much as it wanted. Later, articles began to appear assuring citizens of ample supplies and trying to discourage hoarding. Photographs of high-ranking officials, inspecting rice facilities, appeared regularly on front pages.

By mid-August, the situation had become dire. The state produce-exporting agency was ordered to open its warehouses so that its rice could be used for domestic distribution. Military trucks were commandeered to speed supplies to needy areas. Newspapers featured photos of soldiers loading rice bags for transport.

The internal dislocation interrupted Burma's export plans as well. About 457,000 tons of rice have already been exported this year, compared with government expectations of about 750,000 tons. (The Food and Agriculture Organization estimates Burma's rice exports at 500,000 tons in 1985 and 600,000 tons last year. It predicts unchanged exports this year.) Some 57,000 tons, out of total order of 150,000 tons committed to China this year, will have to wait until harvest of the current crop begins in December, a shipping executive says.

Although rice prices have risen dramatically in recent weeks, Burma hasn't benefited, since exports were halted while world prices were still depressed.

The September decontrol may aid the government's so far unsuccessful efforts to step up rice production, since it could offer farmers a better return. But the state hasn't yet defined how it will get rice for export.

Some economists worry that the government is more likely to reintroduce onerous quotas than to revise its unrealistic price structures to compete with private traders. Indeed, some analysts believe the government's subsequent decision to invalidate the country's largest banknotes, which wiped out an estimated 80% of the currency in circulation, stemmed partially from fears that the private sector would be capable of buying up all available rice, if its wealth wasn't somehow reduced.

And decontrol isn't expected to have an immediate impact on output, because the announcement came after the bulk of this year's crop was in the ground. Pessimistic forecasts of the next harvest expect production to drop by as much as 20%. Other economists predict the yield will approximate the past December-March level, while the government has targeted a 3.2% rise.

Estimates of Burma's last rice harvest vary as widely as forecasts for the current crop.. Government figures show the 1986-87 crop rose to 15.2 million tons of paddy, up 6.3% from the previous year. Unofficial reckonings say output at best was steady and at worst fell by about 20%.

One reason for the unimpressive performance was a scarcity of fertilizer, which is essential for the high-yield varieties the government wants planted. In spite of domestic needs, the Burmese have exported urea to earn badly needed foreign exchange. "What should have been used inside the country, by force of circumstance was sold outside," says a Burmese businessman.

Despite the uncertain production outlook, Burma is almost certain to benefit from the recent surge in rice prices, caused by wide-spread drought and unimpressive prospects in many of the world's major rice-producing areas. "Come 1988, Burma's rice exports should be up sharply in value terms," an economist says. "The government may luck out in spite of itself."

Burma continues to hide behind the walls of isolation

by David Storey

Burma's military leader Ne Win, while accepting the need to reform his impoverished state, has shown he is still haunted by the twin fear of the enemy within and the enemy without.

Twenty-five years after seizing power, the secretive socialist leadership shows no sign of relaxing a strict self-imposed isolation and still displays what one Western envoy calls "A disdain for outside involvement".

This disdain, spawned by a history of foreign domination, was reflected in a key speech last month confirming the need to ease tight state controls.

Addressing leaders of his ruling party on October 9, Ne Win made clear that, despite tentative reforms, the party would not lower its guard against "non-citizens" and foreigners.

Since independence in 1948, the ageing leadership has shown a xenophobic resistance to outside influence - shielding the 37 million people from social and business contacts and painting the foreigner as a devil of greed and disruption.

At the same time ethnic Burmans have fought to take full control of the country, to crush rebellious indigenous ethnic minorities and break the grip on trade established by immigrant Indian and Chinese minorities.

Ne Win devoted much of his speech to citing past examples of perfidy by non-Burmans anyone not belonging to the country's dominant ethnic group.

A foreigner working for a Burmese bank had ignored instructions and bought sterling instead of selling it when the currency was headed for a fall, causing a loss. "Such was the advice we received," Ne Win complained.

Another time a foreign firm sent bricks wrapped in paper instead of the ordered goods, 'When attempts were made to reclaim the money the company was' found to exist in name only. It was set up in collusion with merchants here just to siphon out money," he said.

Use of such a trick would not come as a shock to most Rangoon residents, who live their daily lives in a system riddled with bribery and corruption and ploys to stretch meagre incomes, but Ne Win was specifically aiming at "foreigners".

Western diplomats say that despite the need for foreign help to invigorate one of the poorest countries on earth, there is no crack in the self-isolation.

Although the country has enormous potential in agriculture, minerals and energy, diplomats say lack of foreign investment means this is not being realised. Private investment is banned and only one joint venture has been permitted.

Western analysts say falling world prices for Burma's commodities mean export revenues are falling, the foreign debt is rising and factories are running at low capacity, starving domestic supplies and fueling inflation and the black market.

In his speech, Ne Win had a carrot and a stick for Chinese and Indian "associate citizens". They would be free to take part in private trading under reforms announced in September, but he warned stiffly that they must abide by the rules.

"They can enjoy the privileges and rights to which they are entitled. However, there will be problems if they are working only for self-interest," he said.

Members of these groups have mostly been excluded from official commerce since the nationalisations of the 1960s.

Diplomatic sources said there were some 500,000 people of Indian origin still in Burma, about half of them still awaiting full citizenship accorded only to third generation residents.

During British imperial rule, when Burma was administratively annexed to India, they and the smaller Chinese community dominated trade and were prominent in administration as well as working paddy fields in the Irrawaddy delta.

Urdu, with English, was the major trading language and the Indian money-lender, the "chettayar", became a crucial, and often hated, figure in town and village life.

Some 200,000 ethnic Indians were forced to leave as businesses and banks were nationalised in the 1960s.

Western diplomats said only the urgency of the need for help for the collapsing economy had driven Ne Win to open the door again.

Although shut out from official big business under present rules, many ethnic Indians are found at crucial points in the black market system which dominates the consumer goods trade.

Diplomats doubted whether they or Burman traders would jump at the opportunity created by the lifting of a ban on private trading in rice and other farm produce in September.

"I don't think they will move into the new private trading quickly - they will wait and see how it works." one said, and pointed to a complex system of tax and restrictions which is only now being revealed.



FREEDOM,
DEMOCRACY,
HARMONY

The Committee For Restoration Of Democracy In Burma

NOVEMBER 7, 1987

DEAR COMRADES AGAINST OPPRESSION:

I DEEPLY REGRET THAT I AM NOT WITH YOU IN PERSON TODAY' HOWEVER I AM HEARTENED BY THE FACT THAT TWO OF MY FELLOW EXECUTIVE COMMITTEE MEMBERS OF THE COMMITTEE FOR THE RESTORATION OF DEMOCRACY IN BURMA, BASED IN WASHINGTON, D.C. , U TIN MAUNG WIN AND U YE KYAW THU, HAVE BEEN ABLE TO JOIN WITH YOU TO BE A PART OF THIS EXPRESSION OF OPPOSITION, FIRST TO THE GRANTING OF "LEAST DEVELOPED COUNTRY" STATUS TO BURMA, AND SECONDLY TO THE MULTI-FACETED OPPRESSION OF THE MILITARY REGIME IN BURMA.

WHILE COMPLEMENTING AND CONGRATULATING EACH AND EVERY ONE OF YOU FOR THE GREAT COURAGE YOU HAVE SHOWN BY THIS PARTICIPATION, I WOULD LIKE TO EXPRESS THE HOPE THAT THIS IS BUT A BEGINING OF THE COMING TOGETHER OF FORMER CITIZENS OF BURMA FOR SIMILAR EXPRESSIONS OF PROTEST IN SUPPORT OF THE OPPRESSED PEOPLE OF BURMA.

WE WHO ENJOY THE FREEDOMS GURANTEED TO US BY THE LANDS OF OUR DOMICILE, REMEMBER TOO WELL SIMILAR FREEDOMS WE ONCE ENJOYED IN A FREE AND INDEPENDENT BURMA. IT IS OUR HOPE - AND INDEED IT WILL BE OUR GREAT ENDEAVOUR - TO STRIVE TO REGAIN THESE FREEDOMS FOR THE PEOPLE OF BURMA, SO THAT THE ENDEARINGLY BEAUTE-
OUS SMILE WILL RETURN ONCE. MORE TO THE CHARMING
FACES OF A GENTLE AND INNOCENTLY SIMPLE PEOPLE.

PLEASE ACCEPT AGAIN MY WARM GOOD WISHES AND VERY SINCERE THANKS AND APPRECIATION FOR YOUR PARTICIPATION: AND I APPEAL TO YOU FOR YOUR CONTINUED AND SUSTAINED SUPPORT IN ALL OUR EFFORTS IN THE FUTURE TO

RESTORE INTERNAL PEACE AND HARMONY IN
BURMA
RETURN DEMOCRATIC PROCESSES TO THE
BURMESE PEOPLE

AND REBUILD THE UNION OF BURMA THROUGH
THE ESTABLISHMENT OF A TRULY
FEDERAL REPUBLIC.

GOD BLESS YOU ALL.



Bilal Raschid
Vice-Chairman, CRDB.



Arakanese National Organisation attending 37th Heroe's Day at Kawmoorah.

COMMITTEE FOR RESTORATION OF DEMOCRACY IN BURMA (U.K.)

7 November 1987

U Ne Win
Chairman
Burmese Socialist Program Party
Burma

Through:
U Tin Tun
Ambassador of Burma to the United Kingdom
London

U Ne Win,

We the United Kingdom branch of the Committee for Restoration of Democracy in Burma (C.D.R.B.) submit our complaints to your government.

We Complaint that:

1. You and your dictator government has violated every "Artical" of the United Nations Declaration of Human Rights since you have seized power unlawfully in 2 March 1962.

2. You have massacre innocent students who peacefully protested for democracy and free elections on the 7 July 1962 and like occasions.

3. You have ruthlessly burned down villages, raped, looted, murdered genocide indigenous groups of our Union who demanded federation system and a democratically elected government.

Your self-destructive policies carried out by you and your under qualified authorities have impoverish our country to the lowest of dignity begging to be registered as a Last Developed Country. May we remind you that at present our country is in debt of \$ 1.8 bn which our future generations will have to pay for it.

5. You have deliberately kept the people of the Union to a status just slightly above starvation in order to divert their attention into survival rather than in politics.

6. Though you claim that the country is at its poorest stage ever in our history you and your ring leaders are supperisingly enjoying the lexury of annual medical check-ups billing the country over & 2 m while the people of the Union are sharing a needle between a ward.

7. You have claimed that you have won the mind and heart of our people, if so why couldn't you accept our challenge for a free democratic ellection

We demand that-

1. As we all are born free in dignity and rights your Burmese Socialist Program Party members, military intelligents (M.I.) and the arm forces Should not be the privileged elite of the country.

2. Everyone of us in the Union should have equal rights without distinction of any kind, such, as race, language, religion, political or other opinion, national or social origin, birth or other status. Therefore you should disband your elite Burmese Socialist Program Party now and form a "Federal Republic" so that every indigenous group including Burmans enjoy an equal status.

3. You should stop immediately torture, cruel and inhuman or degrading treatment on our people of the Union.

4. You should respect article 9 of the United Nation's Universal Declaration of Human Rights and free all who are in detention without trial.

5. You should immediately stop intercepting our mail and tapping our telephones.

6. The people of the Union should have the right for freedom of press, speech, opinions, association and peaceful assembly.

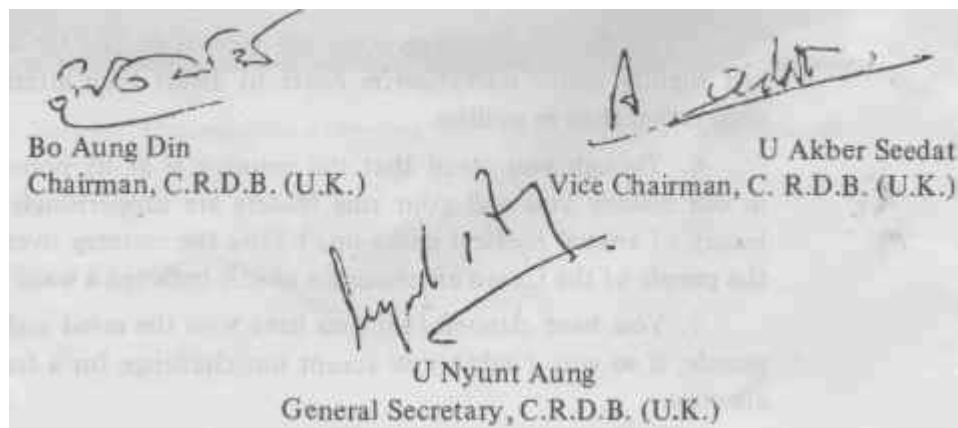
7. The people in the Union should have the right to take part in the government by equal free voting procedures.

8. Workers, peasants and students should have the right to form free unions.

9. You should immediately call for peace with all of our indigenous groups of the Union who are constantly demanding for restoration of peace and harmony, to return democracy and democratic processes to the Burmese people and to rebuilt Burma into a Federal Republic.

10. You should abolish your self destructive economic policies in order to improve our country's economy and to raise the living standard of our people.

We demand you to form a Federal Republic and face our challenge in a free democratic election.



Bo Aung Din
Chairman, C.R.D.B. (U.K.)

U Akber Seedat
Vice Chairman, C. R.D.B. (U.K.)

U Nyunt Aung
General Secretary, C.R.D.B. (U.K.)

FOUNDATION FOR DEMOCRACY IN BURMA

November 12, 1987

Secretary General
United Nations
New York, NY. 10017

Dear Sir:

This refers to Burma's application for least developed country classification, and we wish to express our strongest objection to any such approval by the United Nations.

We are aware that according to ECOSOC's three main criteria for approval of such applications, Burma has been found to satisfy two of these, and has reasonably explained away the third requirement regarding its high literacy rate, and that therefore it is almost certain to have its application approved by the General Assembly.

However, it is our considered opinion that this matter should be looked into further and with greater depth and seriousness than seems to have been done at the present time.

It has been reported that Under Secretary-General for International Economic Affairs, Mr. Rafeeuddin Ahmed, has stated that the "dozens of letters" from non-governmental organizations protesting Burma's application have emphasised the numerous human-rights violations of the military regime in Burma. He is further reported to have stated that ECOSOC is restricted by mandate to approve such applications if the three main criteria, namely, per-capita income under US \$200, manufacturing component 10% or less of GDP, literacy rate 20% or less, are fulfilled. He added further that the Committee for Development Planning has concluded that Burma has "met the existing criteria" and has recommended that it be approved for listing as a least-developed country.

We beg to respectfully differ from this view. If indeed the three main criteria are as Mr. Ahmed has stated, then it is all the more important that the fulfilment of all three must be considered absolutely essential for approval.

If this is the case then the Burmese military regime's explanation that the high literacy rate is "mainly a reflection of monastic education" cannot be accepted as a means of explaining away the non-fulfilment of this requirement. Furthermore the explanation in its petition that "in order to benefit or contribute significantly in the economic development plans of the country, more than four years of primary-level education need to be completed" not only does not hold any water, but is patently false.

One needs only to look at Burma's economy prior to the military takeover to see that even if these explanations by the present regime have some semblance of truth, it has absolutely no bearing on the state of the economy.

Burma was the largest exporter of rice in the world right up to the time of the military coup in 1962, and among many other products which she exported were the best quality of teak, as well as petroleum products. She was abundantly self-sufficient at home, even with respect to oil; and its economic growth and development was in no way handicapped by the so-called high monastic literacy rate!!

Burma's economic distress is not due to a lack of either mineral or human resources. It is due basically to a combination of political and economic repression and mismanagement. •

For twentyfive years the people of Burma have been subjected to a dictatorial and repressive misrule which has depressed their spirits, stifled their energies and initiative and left them without incentives to work, produce, save and invest. At the same time, the government has sought to exercise complete control over every facet of the economy, and has mismanaged everything it touched. The result has been economic stagnation, shortages, inflation and hardships for all the peoples of Burma, excepting only the ruling military elite.

So long as these conditions continue, external assistance of any kind or degree will not be able to contribute significantly to economic improvement in Burma. Only a substantial easement of political and economic repression can bring about such a change. Failing such easement, external assistance would inevitably be wasted, and could only help Burma's repressive regime to maintain itself in power.

The Foundation for Democracy in Burma, which is exerting all its efforts to bring about peace and national reconciliation in Burma, and a return to a just and free society, therefore very strongly urges the United Nations not to acquiesce and approve the application of the Burmese military government for classification as a least developed country. Furthermore, we urge that the adoption of more enlightened political and economic policies aimed at the progressive democratization of Burma's polity and economy be made an indispensable condition of both bi-lateral and multi-lateral assistance to Burma by the international community.

Yours truly,



Bilal M. Raschid
Vice-President

BBC WORLD SERVICE
8th SEPTEMBER 1987

"24 HOURS"

LEAD IN:

(An outbreak of demonstrations in Rangoon has caused the Burmese government to announce the closure) of all schools and universities until further notice. The protest came in response to a government decision to make higher valued bank notes worthless. Only lower denomination notes worth 1, 5, 10 and 15 kyats will continue to be legal tender. The move comes at a time when the military dominated government of retired General Ne Win has admitted past mistakes and is struggling to liberalise the country's failing economy. Ian Hunter asked Martin Smith, a journalist specialising in Burmese affairs, what the government hopes to achieve by making some of its bank notes worthless.

Martin Smith: I think it is an attempt to get control of the blackmarket. I think it is a reflection of extreme economic difficulties. The government is not being able to control the economy because so many people are living through blackmarket trading and this is a way to try to control the money supply. Now at the moment it is not clear what they are going to do. When they did this the last time in September 1985 which was a very surprise measure then, people were advised to declare the currency, take it to the banks and then they would be allowed money back once it had been checked. At the moment they have made no declaration about what they are going to do next. And in November 1985 they actually replaced the notes with new currency denominations. One of the denominations then was the 75 Kyats which has been a very unpopular new bill. People found it very difficult to use; a lot of traders have actually not used it at all perhaps fearing another demonetisation at a later date; and one of these effects has been that people have been carrying large amounts of small currency notes expecting a move like this.

Ian Hunter: You are saying then that it was not particularly effective. Will this new move be seen with some surprise?

Martin Smith: I think it will be seen with a great deal of surprise and a great deal of resentment because people were considerably embarrassed financially when this happened last time. People in the towns had to go to the banks and declare the money; people in the rural areas often couldn't get to the banks. There was evidence in some areas of people joining the insurgents because they had lost large amounts of money. And I think people in Burma are fairly resigned to dealing with a very slow economy and there was no popular discontent but it clearly seems that there is a lot of resentment in Rangoon and there are reports of trouble.

Ian Hunter. Now Ne Win has been in charge for 25 years. His support comes almost exclusively from the army, presumably members of the army have been protected from this latest move?

Martin Smith. That is not clear. Generally speaking there is a popular feeling that army people are very privileged and they can get round this sort of thing. And even in the rural areas the party officials and township officers and so on are very often from the military, but a drastic measure like this would seem to catch everybody out.

Ian Hunter: In recent months of course Ne Win has admitted the economy is in serious difficulty and drastic change is needed. This move actually is in effect a kind of drastic government tax, isn't it?

Martin Smith. It appears like that at first sight. I mean it would be very surprising if it is not followed up very quickly by some new law clearing up the currency situation. And it would be surprising if there was no compensation offered at all, but certainly Ne Win in recent weeks has been talking more openly than at any time in recent memory about the problems facing the country. But I think it is just an indication of how serious the trouble has become both on the military front fighting the various insurgents round the country and domestically in just economic production.



1987. Central Pol. Training Course Trainees.

BBC WORLD SERVICE
12th OCTOBER 1987

"24 HOURS" 1309 GMT

LEAD IN: (Tudor Lomas)

In the early years of his government in Burma party leader Ne Win would occasionally talk of the need for change and reform. Those who agreed too enthusiastically disappeared soon afterwards from the political scene, so it is hardly surprising that now, 25 years after he came to power, when Ne Win again talks of the urgent need for change the Burmese people should be cautious. He's called for factual reports on the state of the nation's economy, the first of which are being presented at today's opening of Parliament. I have been discussing Burma's economic plight, there is even talk of a rice shortage, with Martin Smith, a writer on the country. How bad is the economy, I asked him.

Martin Smith. The Burmese economy is in very poor state. Over the last year the economic malaise which the government has been able to paper over the cracks for the last few years, the problems now can no longer be disguised internally or externally. I think the people will be watching very closely to see what exactly the government says is wrong. I mean, since August when Ne Win first admitted failures in the economy he has been sending out very mixed signals about what he actually intends to do. First of all he lifted restrictions on the production of paddy and maize and so on, which will have pleased a lot of people, to try and increase production, but within days he then demonetised the currency which of course hits the people very hard. So at the moment people are really not sure what exactly he is going to say.

Tudor Lomas: In that speech back in August Ne Win accepted an urgent need for change, something he had never really done before. What has brought this about? Is it just the state the economy has reached or has he now realised that the methods he has been pursuing all this time are somehow flawed?

Martin Smith: That is not clear but I think that during the last year there have been several factors which have made it vital that Ne Win actually speaks out publically on the state of the economy and indeed the political events over the last year. The first of these is the growing rice shortage which affects people right across Burma and I think the government has always been fairly lucky that Burma is a very rich country in minerals and fertile so that most people are able to live by subsistence farming without a great deal of government help. But with the shortages then obviously there is a danger of growing discontent in the cities and towns. The second thing is the insurgencies. Now for years these insurgencies have been going on all around Burma but in the last year the fighting has been amongst the heaviest for the last 20 years which is a tremendous demand on limited government funds and the army has actually been launching new offensives at a time when most people would imagine they were desperately short of cash and supplies.

Tudor Lomas: Burma has now been accepted into the classification of least developed countries with the hope, as far as the Burmese are concerned, that some of their debts will be wiped off as a result of that. It must have been very humiliating for them because they used to be economically doing rather well.

Martin Smith: Yes, I think that is perhaps one of the things that Ne Win has had to speak out about. I think that within the ruling BSPP there are a lot of people who fully support him and feel that Burma has made a lot of very important steps over the last 20 years as a Third World country in its own right developing under its own steam. But I think when finally Ne Win has to go to the UN like this it is an admittance that a lot of things are wrong.

Tudor Lomas: Has he got a way but now economically? Is there a way forward because he is going to have to rebuild the whole industrial infrastructure of the country.

Martin Smith: No, I think this is what people will be listening for very closely today. It seems that there are probably two strands of thought. One is that perhaps there is going to be a remodelling of the economy and a liberalisation in certain areas. But there are people who believe that within the military there are people who feel that Ne win might not have been tough enough and that the government has been too liberal on the insurgencies and the blackmarket, and the way to cut out a lot of the problems affecting Burma is to clamp-down even tighter. So which way it is going to go is not clear.



Workers at Wanka's Jetty attending 37th Heroe's Day at Kawmoorah.



President Gen. Bo Mya, (Standing) flanked by V.P. Saw Than-Aung(R) and V.C.S Gen. Tamlabaw (L) at KNU Central Pol. and Military Emergency Meeting.



KNU Central Committee Members attending Central Pol. and Mily. Meeting.



KNLA Mily. Officers attending Central Pol. and Mily. Meeting



Delegates of KWO (Kawthoolet Women Organisation) attending Central Pol. and Mily. Meeting.



Rev. U STLA, KNU C.C. member attending Central KNU Pol. and Mity. Meeting.



KNU Secy-Gen Padoh Hla Thin and AG Gen. Hla Htoo, as Masters of Ceremonies at the Meeting.



Group Photos of Mity. Officers attending KNU Central Pol. and Mity Meeting.



Delegates of the Central Pol. and Mity. Meeting at Noon Tiffin.