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AGRO-ECONOMIC PROBLEMS IN BURMA

By

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Introduction

Most of the agro-economic problems facing Burma today are the consequences of the nature of economic development, particularly of the rapid expansion of agricultural production, during the British rule in Burma. It would, therefore, be useful to give a brief historical background of these problems.

The expansion in the external market for rice as a result of the opening of the Suez Canal in 1868 and the growth of Indian economy converted the Burmese subsistence agriculture into commercial agriculture. Within a relatively short period a fairly large area of virgin land in Lower Burma was brought under cultivation. The area under paddy increased by more than four times during the last quarter of the 19th century as shown below.

TABLE I
GROWTH OF ACREAGE UNDER PADDY IN LOWER BURMA

Year	In thousand acres	Increase
1830	66	—
1845	354	288
1865	1437	1083
1885	3700	2263
1900	6578	2878
1920	8588	2010
1935	9702	1114

Source: Burmese Economic Life by Andrus.

The increases in the area under other crops were less spectacular as indicated in Table II. The expansion in the area under paddy continued until the outbreak of the Second World War, when the area under paddy in Lower Burma reached 9.7 million acres, an increase of a little over 8 million acres over the area in 1865.

One interesting feature of the reclamation of the virgin land at that time was that it was accomplished by individual small farmers without significant assistance by the State, except by way of creating favourable conditions to induce

TABLE II
SOWN ACREAGE
(In thousands of acres)

Crop	1936/37 to 1940/41 Average	Per cent
Paddy	12,832	66.9
Sesamum	1,401	7.3
Pulses	1,329	6.9
Groundnut	808	4.2
Millet	475	2.4
Cotton	453	2.4
Sugarcane	64	0.4
Other crops*	1,805	9.5
Total	19,167	100.0

* Some of the important crops in this group are chillies, tobacco, fodder crops, palms, plantains and vegetables.

Source: Economic Survey of Burma, 1957.

the cultivators to open up new land. The pioneers were mainly from Upper Burma and were attracted by the profitability of paddy cultivation. A great majority of them came down to Lower Burma with very little or no capital of their own. Usually they started as agricultural labourers for a year or two and then started on their own with whatever amount of money that they could save. Their savings were usually meagre and therefore not sufficient for their new ventures. Although the amount of capital required by an individual farmer was relatively small and also for a short period, most of them had to borrow both to maintain themselves during the season and for other expenses of production. If for some reason or other, income from the land fell, the cultivators would run into debt which accumulated rapidly because of high interest rates¹ compounded annually. There are, of course, other causes of rural indebtedness but it would be reasonable to say that the general optimism and easy credit frequently made the cultivators to indulge in speculation, excessive borrowing and to become extravagant in their spending. By 1929 the total agricultural indebtedness was estimated to be between Rs.500 and Rs. 600 millions,² which may be compared with Rs.570 millions³ of estimated harvest value of the agricultural products for the same year. Moreover only about 14% of the cultivators were free from debt, owned their cattle, and had enough paddy for their subsistence to last till next harvest.⁴

1. The interest rates on land mortgages were normally 15 to 35%. But interest rate on *Sabape* loan, i.e., a loan repayable in kind at harvest worked out to be as high as 250% per annum.

2. The Report of the Burma Provincial Banking Enquiry Committee, 1929-30.

3. Based on an unpublished paper of Professor Sundrum. Harvest value equals estimated gross output multiplied by the harvest price of the crop as reported by the Commissioner of Settlement and Land Records.

4. The Report of the Burma Provincial Banking Enquiry Committee, 1929-30.

Agricultural Indebtedness as Generator of Other Problems

The cultivator usually borrowed by mortgaging the land over which he had acquired landholder's right, which in practice amounted to owning the land as his private property. With this right the cultivator was no longer liable to eviction by the Government so long as he paid land revenue regularly and also he could dispose of the land at will. There was free market in land and therefore it was a good security for the moneylenders. Failure to repay the loans was followed by foreclosure and thus land gradually passed into the hands of non-agriculturists. Many of them were also non-resident and alien owners. Land alienation to the non-agriculturists reached the climax during the Great Depression of 1930s when about half the occupied land in Lower Burma passed into the possession of non-agriculturists. This in turn generated other problems, particularly of agricultural tenancy.

Rack Rent

By the turn of the century shortage of land in Burma proper was felt. There were fairly large areas of unoccupied cultivable land in the Shan States and other remote areas. The total cultivable area in Burma was estimated at 58.6 million acres,⁵ and the area under cultivation in 1940 was only about 19 million acres. But the British Government for purely political and administrative reasons discouraged the Burmese from going to those remoter areas. Besides, being far away from the export points it would not be profitable to bring them under cultivation. This shortage of land led to keen competition to rent the land. Rent then became exorbitant. Moreover, non-cultivating landowners are pure investors seeking maximum return from their investments. Naturally, they would rent their land to those cultivators who could pay the highest rent and who, they thought, were reliable. To be more secure some of the landowners would rent their land only to the fairly well-to-do cultivators. The latter sub-let the land for rent to the poorer farmers taking due share for themselves. Also the concentration of indigenous investment in land drove up the price as well as the rent of the land almost to the full amount of the surplus (economic rent). A rent of 40% of the gross output was quite common.

Insecure Tenancy

The acute competition for land bidding up rent was associated with frequent changes of tenants in many cases. In many districts about half the tenants changed land every year. Until the introduction of tenancy legislation in the later thirties, tenants could not claim compensation for whatever improvements they had made when evicted. Therefore, neither the landowners nor the tenants were interested in the best use of the land and the long-term improvements and conservation. This general neglect resulted in the continuous deterioration in the fertility of the soil.

Cumulative Destitution

The rack rent reduced further the share of the cultivator from the output of the land. Therefore, if a cultivating owner was reduced to a landless tenant and

5. The Report of the Land and Agricultural Planning Commission, Burma, 1956.

if he wanted to maintain his previous income he must cultivate a larger area. If he was able to procure additional area he had to incur larger operating expenses because for certain operation like transplanting and harvesting he had to employ outside labour. Therefore, in most cases he had to borrow and his indebtedness grew.

If, however, he was unable to get larger area for cultivation, he would still be liable to get into further debt. For, his lower income would be barely sufficient to maintain himself. Living on a hand to mouth basis he will have to borrow seasonal loans. In such circumstances, a mishap would make it impossible for him to repay the loans and he would be reduced to the position of an agricultural labourer. Hence the number of agricultural labourers had been increasing as shown below.

TABLE III

Male Workers in Agriculture proper in 1921 and 1931*							
Class of Agriculturist				Actual number (in thousands)		Per cent	
				1921	1931	1921	1931
Cultivating Owner	..	..	..	1,166	927	50.7	36.9
Tenant Cultivator	..	..	..	512	578	22.3	23.0
Agricultural Labourer..	..	..	..	622	1,007	27.1	40.1
Total	..	..	..	2,300	2,512	100.0	100.0

* There were changes in the classification of occupied population but this does not affect the broad conclusion given in the text.

Source: Report of the Population Census, 1931.

It is indeed a good example of unstable equilibrium with tendency to deviate cumulatively away from the original position once a given situation is disturbed.

Social Disintegration

If economic situation deteriorated especially after 1925 the social conditions did not fare better. As a matter of fact social disintegration preceded economic decline in Lower Burma, where new communities and villages emerged under the impersonal "rule of law" administration. Mr. Furnivall has pointed out that one main feature of economic development in Burma under the alien rule was that the "social relations were dominated by the economic motive, the desire for material gain, continually pitting the individual against society, and that consequently the social order had disintegrated and Burma had been transformed from a human society into a business concern."⁶ Social customs and tradition became insignificant and unimportant forces in the social life. The matter was worse in the towns where different races and nationalities living side by side with nothing but the desire for individual profit in common. Therefore, there was no

6. Furnivall : An Introduction to the Political Economy of Burma, Preface to the third edition.

social force to mitigate the effects of economic decline when it came. Consequently the thirties were marked by a number of social disorders. If it were not for the efficient centralised administration and the "master force" the society would have "foundered in anarchy" at that time.

State Action

The British Administration, despite its *laissez-faire* policy, was not indifferent to these events. In fact, it was their policy to create small peasant proprietors in Burma. The gradual drift of land to non-agriculturists and the growing tenant class had attracted their attention even in the early days of the colonisation of the deltaic area of the Irrawaddy. As early as 1890 there were discussions on the problems of preventing land alienation to non-agriculturists. Bill after Bill was drafted for consideration and was shelved. The authority also saw the need to extend credit facilities to the cultivators. The Land Improvement Loans Act was passed in 1883 and the Agriculturists' Loans Act in 1884. Rural co-operative credit societies were introduced in 1905. Therefore, it is legitimate to ask why land alienation became more serious as time went on. There are, of course, many reasons for the failure of the policy of the Government but the basic factor is the *laissez-faire* policy leading to over emphasis, as pointed out above, on the individual right that left the cultivators unprotected. The State action was to supplement but not to supplant the private activities. The amount of State loans issued were extremely insignificant in relation to the demand, e.g., in 1930-31 the amount of loans issued under the two Acts mentioned above were about a million rupees whereas the estimated requirements of the seasonal loans alone were about Rs.200 millions.⁷

As the situation became very serious and with the emergence of an elected Government, more determined attempts were made to solve the agrarian problems. The long overdue tenancy legislation and Land Alienation Act were passed; a programme for acquiring land from the non-agriculturists to be sold to the cultivators was initiated for which the Land Purchase Act of 1941 was passed and a land mortgage bank was set up. Attempts were also made to control the moneylending business. But the results of these measures could not be evaluated because the war broke out very soon after the adoption of these measures.

Aftermath of the War

The war has disrupted almost all aspects of agricultural life in Burma. There was sizable reduction in the cultivated area and agricultural production as well as the number of livestock and equipment as may be seen from Table IV; the disappearance of Chettyars' credit created a vacuum in the agricultural credit system and the widespread destruction of transportation system aggravated the inefficiency of marketing facilities. The exiled British Government in India drew up programmes to rehabilitate and reconstruct the agricultural economy of Burma. But these proposals did not meet with the approval of the Burmese people. There-

7. The Burma Provincial Banking Enquiry Committee Report,

TABLE IV

(a) ACREAGE UNDER CULTIVATION

(In thousands of acres)

				As per cent of				As per cent of
Crop				1938-39	1945-46	1938-39	1955-56	1938-39
Paddy	..	..	..	12,381	6,651	53.7	10,263	82.8
Groundnuts	..	..	..	840	622	74.0	821	97.7
Sesamum	..	..	..	1,350	1,219	90.3	1,421	105.2
Cotton	..	..	..	408	262	64.5	422	103.4
Pulses	..	..	..	1,347	757	56.2	1,049	77.8
Sugarcane	..	..	..	59	32	54.2	66	111.8
All others	..	..	..	2,272	2,192	96.5	2,595	114.6
Total	..	..	..	18,657	11,735	63.0	16,637	89.0

(b) AGRICULTURAL PRODUCTION

(In thousands of tons)

Crop				As per cent of				As per cent of
				1938-39	1946-47	1938-39	1955-56	1938-39
Rice	..	..	..	7,800	3,776	48.4	5,776	74.4
Sesamum	..	..	..	53	30	56.6	44	83.0
Groundnut	..	..	..	196	103	52.6	204	104.0
Pulses	..	..	..	261	117	44.8	229	87.7
Sugarcane	..	..	..	521	255	48.9	842	161.6
Cotton	..	..	..	12	3	25.0	18	150.0
Tobacco	..	..	..	31	36	116.1	39	125.8

(c) NUMBER OF PLOUGH CATTLE RECORDED IN MARCH COUNTS OF EACH YEAR

(In thousands)

				As per cent of			As per cent of	
				1939	1946	1939	1956	1939
Oxen	..	..	..	2,802	2,199	78.4	2,658	94.5
Buffaloes	..	..	..	360	200	55.5	649	180.2
Total	..	..	..	3,162	2,399	75.0	3,307	104.0

Source: Economic Survey of Burma 1951 and 1957.

fore, when Burma attained her Independence in 1948, the national Government formulated a different programme of reconstruction, involving fundamental changes in the pre-war situation.

Land Nationalisation Act of 1948

If the British Administration had acted half-heartedly and cautiously, the post-Independence national Government has swung the pendulum to the other extreme. Soon after Independence the Land Nationalisation Act of 1948⁸ was passed. Under the Act all agricultural lands, with certain exceptions, were nationalised. The maximum area of land that a cultivator can own is also prescribed. The resumed lands were to be redistributed to the actual tillers of the land, and the villagers were to be organised into mutual aid teams. The ultimate objective of the plan was to collectivise agricultural production. In addition to the Land Nationalisation Act, legislation on land alienation, land acquisition, tenancy, debt relief, agricultural credit, moneylending business, wages of agricultural labourers and marketing of agricultural products was enacted.

For the implementation of the Land Nationalisation Act, the Land Nationalisation Plan was adopted at the Pyidawtha (Welfare) Conference in 1952. At the same conference a Five-Year Agricultural and Rural Development Plan was also adopted. A year earlier the National Convention of Co-operatives accepted a Five-Year Co-operative Plan which envisaged the building-up of multi-purpose agricultural producers co-operatives all over the country. These plans were drawn up and implemented by different Ministries and therefore a certain amount of duplications, omission and confusion was inevitable. Consequently the Government set up the Union Land and Agricultural Planning Commission in 1954 to make a comprehensive survey of the agricultural conditions and resources, to review the existing activities of the various Ministries in the field of agricultural development and to draw up an integrated plan for the agricultural sector. The Commission submitted its report in 1956 and it forms the framework of the present agricultural development programme in Burma.

Land Redistribution and Size of Farms

The distribution of nationalised lands began in 1954 and by 1957 about 1.2 million acres⁹ had been distributed to about 144 thousand households, giving an average area of about 8 acres per household. But the average size of farm after land distribution would be larger than 8 acres because a considerable number of small cultivating owners, who had less than one yoke area,¹⁰ were given only enough land to raise the size of their farms to one yoke area. The 1953 and 1954 agricultural censuses showed that the average size of farms in Burma was about 10 acres. Data on the distribution of farms by size-group are given in Table V. The average size of farms after land distribution may be about ten acres. But it is difficult to say whether the average size of farms has become smaller or

8. It was amended in 1953 and in 1954.

9. The estimated total area to be resumed under the Act is about 9 million acres.

10. One yoke area is decided for each village tract and therefore it varies from village tract to village tract, varying from 5 to 15 acres. It is obtained by dividing the total available area for distribution by the number of eligible applicants. It is not necessarily a technical nor an economic unit.

TABLE V
(a) SIZE DISTRIBUTION OF FARMS

Size in acres	1953 Census		1954 Census	
	No. of Farmers	Area operated in acres	No. of Farmers	Area operated in acres
Less than 0.25	5,604	711	2,543	320
0.25 — 0.5	1,723	798	1,397	514
0.5 — 1.0	2,066	1,313	2,781	1,808
1.0 — 2.5	4,573	7,191	21,314	35,907
2.5 — 5	4,978	17,621	36,893	132,458
5 — 10	10,651	73,204	93,596	648,586
10 — 15	7,784	87,435	60,044	680,159
15 — 20	3,432	55,767	23,545	386,447
20 — 30	1,410	82,026	20,777	471,888
30 — 40	709	45,675	6,308	203,725
40 — 50	1,082	30,191	2,346	99,971
50 and above	1,758	80,070	2,001	122,814
All farms	45,770	482,002	273,545	2,784,597

(b) PERCENTAGES

Size in acres	1953 Census		1954 Census	
	Farmers	Area operated	Farmers	Area operated
Below 5	41.6	5.7	23.8	6.2
5 to 10	23.2	15.2	34.4	23.3
10 to 15	17.0	18.3	21.9	24.5
15 to 20	7.4	11.5	8.7	13.8
20 and above	10.8	49.3	1.2	32.2

Note : The 1953 Census covered 252 towns and the 1954 Census covered about 2,000 village tracts.

not because data on size distribution of farms are available for the first time in Burma with the above-mentioned two censuses. However, even before the war "the problem of the holding which is uneconomic because its produce does not suffice for the support of the cultivator and his family" has been noted as an "important and urgent problem" in Burma.¹¹ Possibilities of increasing the farm income through the provision of subsidiary occupations were explored. It may be said that this problem is still one of the most important agricultural problems

11. B. O. Binns: *Agricultural Economy in Burma*.

and therefore a State corporation called the Land and Rural Development Corporation has been set up to assist the farmers to raise their income through better farming, increasing the number of crops per year and mixed farming. Although a lot of work has been done in these fields, there is still a lot more that can and need be done.

Small Farms and Credit Requirements

It was once thought that the credit requirements of the farmers would be reduced particularly because of the proposed formation of mutual aid teams which would reduce the employment of outside labourers. But the mutual aid teams were never in operation and the farmers still have to depend on outside labour for certain operations. It may be mentioned that the 1954 agricultural census shows that even for small farms of 5 to 10 acres the wages paid to outside labour formed about 60% of the total current expenditures of farm operation. Moreover, the farmers, as pointed out above, are living on a hand to mouth basis and therefore they need loans to maintain themselves during the season. Thus the demand for seasonal loans has not been lower than before. Based on the 1953 and 1954 agricultural censuses, it is estimated that the total amount of loans borrowed was about 300 million kyats.¹² In 1953-54 the Government of Burma lent about 55 million kyats and therefore the private moneylenders still remain as the main source of agricultural credit. This conclusion is supported by the results of the 1953 and 1954 agricultural censuses, both of which showed that the loans issued by the Government were only about 30% of the total amount borrowed.

In spite of the substantial increase in the amount of loans issued by the Government to the cultivators, it is still far from being adequate. It is interesting to note that the Government is willing and it has the financial resources to supply 300 million kyats of agricultural credit. But the repayments of these loans have been so poor¹³ that it finds it difficult to lend more without improving the machinery of State credit. Consequently the State Agricultural Bank was set up in 1953 to rationalise the State credit system. But it has not been able to do much because it failed to solve the crucial problem. One main reason for high percentage of default is that the loans were given on village basis and that if anyone of the villagers failed to repay the loans either others must pay for him or the village as a whole would be black-listed for further loans. With such a large group as a village there are bound to be some black sheep and non-repayment of loans is a contagious disease. Therefore one solution would be to lend on individual basis or to a smaller group than a whole village. In that case it would face another difficult problem. To lend on individual basis would require a fairly large number of loan officers who will have to be given certain amount of discretionary power which could be abused. Then there would be the problem of controlling these officials and this may be as difficult as asking the whole village not to default.

12. The total amount of agricultural loans given by the 1953 Urban Census was K 8.69 millions. The 1954 Rural Census gave K 49.87 millions. But the rural census covered only one-sixth of the whole area. Assuming that the remaining rural areas borrowed equal amount, the total loans for rural area would be K 299.2 millions. Adding the loans of urban area we get a total of K 300 millions.

13. In 1953-54 only about 37% of the loans issued through Village Loan Committees were recovered.

The State Agricultural Bank now has supplanted all other channels of State agricultural credit. But the State Agricultural Bank is still lending on a fairly large group basis. It may meet the same fate as the previous methods of issuing loans.

The solution to this problem is an urgent necessity because the private lenders are not lending as much as before. Lands are no more good security and the risk to lend without securities has become greater. Therefore, it is very hard for a farmer to borrow from private sources now-a-days. Consequently in many districts the cultivators have to resort to broadcasting instead of transplanting which requires to employ outside labourer.

Labour Shortage and Productivity

Even if the cultivators were able to borrow money for the payment of outside labourers it seems to be not too easy to get farm hands now-a-days. This is partly due to migration to urban areas where the Burmese labourers now take the place of Indian labourers and the implementation of development programmes provided additional employment opportunities. It is partly due to the decline in the internal mobility of labour. Before the war casual agricultural labourers moved seasonally from Central Burma to Lower Burma for transplanting and harvesting. This movement has virtually disappeared. The up-grading of many agricultural labourers as cultivating owners also has contributed to the shortage. The shortage of labour, as well as of draught animals, creates demand for the services of tractors to plough the land. Small farmers have to depend on the Government to provide them. Here again the tractor organisation is beset with management and labour problems. Moreover, the tractors so far are useful only for ploughing but not for transplanting and harvesting which are labour intensive operations. Many cultivators are therefore forced to use less productive methods of cultivation which have not only led to a decline in the yield but also deterioration in the quality of the crops.

Importance of Quality Maintenance

Of course inferior method of cultivation is not the only nor the most important cause of quality deterioration in the agricultural products. Fixed internal price of paddy, inefficient handling, low-grade milling and improper storage of the State Board are some of the important factors. The effect of a decline in the quality was particularly felt when the rice market turned from sellers to buyers market. There have also been frequent complaints on the quality of other major agricultural exports such as cotton, beans and pulses. The problem of improving the quality, though superficially a relatively simple one, is really a very complex question in the case of rice for it involves (a) the basic issue of the State vs private enterprise, (b) the use of the profit of the nation's basic industry and (c) stabilisation of farm prices and money income of the paddy cultivators.

Price Instability

Although the farm price and money income of the paddy cultivators have been to a great extent stabilised, their real income fluctuated with changes in the external price and demand for rice. The decline in the export price of rice and

therefore export earnings necessitate the curtailing of imports and thereby raising the prices of imports, of which textiles is an important item of consumers' goods of the cultivators. The index for clothing component of the Rangoon cost of living index for the Burmese labour family rose from 316 in 1954 (1941 = 100) to 731 in March 1958. This tends to drag the prices of goods produced in Burma. The inflationary situation thus emerged forced the Government to reduce its expenditures including those on agricultural development and assistance to the cultivators. The decline in export earnings has in fact far-reaching consequences.

Diversification in the Agricultural Development Programme

In recent discussions of the agricultural development programme, there has been some discussion on the need to diversify the Burmese economy, particularly, in agriculture. Economic development that had taken place under the British regime, is considered to have been very lop-sided. Not only was the development during that period concentrated in agricultural sector, at the expense of industrial development, but also within the agricultural sector, the development was highly specific, namely the single crop of paddy, with the bulk of the exports going to a single country, India. This development was possible when trade was fairly free and when India and Burma were under the same political domination. These conditions have now disappeared, and Burma is now exposed to the full effect of instabilities in the external markets for her main crop, which have revealed the vulnerability of the present Burmese economy to external forces. Therefore, there has arisen a demand for diversification of the economy in the direction of industrialisation, and even within agriculture, away from the concentration on paddy cultivation.

However, in many parts of Burma, the possibilities of diversification are very limited under present conditions. Moreover, in spite of the sharp decline in the price of rice in recent years, rice still remains as the best foreign exchange earning crop per acre under cultivation. The possibilities of diversification must therefore be sought in the still considerable areas of unoccupied but cultivable land in the remoter parts of the country. The development of these areas is a fairly important need at the present time, particularly to relieve the pressure on land which has developed in the long settled parts of the country under the new system of land redistribution. But this development is a major task, involving the movement of people and the establishment of new lines of transport and communication.

Future Prospects

The above survey is a brief account attempting to show that the agricultural situation in the Burmese economy is in a confused state at present. There is on the one hand the urgent need to modernise Burmese agriculture, to raise the productivity and incomes of cultivators, and to cope with the present downward trend of world agricultural prices. On the other hand, new measures adopted for this purpose must be reconciled with the social policies that have been adopted by the new national government of the country, such as land reforms. The pre-war pattern of private supply of agricultural credit and private enterprise has been

largely abandoned or disappeared. State action while greatly extended is still not sufficient to solve all the problems that have emerged in the new situation. Great reliance is being placed on the co-operative movement under State support, but progress is slow and the co-operatives have not yet acquired the vitality and dynamism to move forward on their own.

At another level, there are many indications that agricultural development in Burma has an important role to play in the long run, not only for the Burmese people themselves, but also for the future of the whole of the South-East Asia region (interpreted broadly to include India, China and Japan). The demographic trends for the next half century in this region indicate fairly strong pressures on food resources, and the interests of the whole region call for the utmost development of all available resources. In this connection, Burma still enjoys a very considerable comparative advantage in the production of rice and a fairly large-scale expansion of Burmese agriculture is indicated from the long-term point of view. However, the development in this direction is beset with some difficulties. Burma has adopted a policy of deliberate industrialisation to restore the balance of her economy, and has geared her development plan with emphasis on industrial development to a great extent undertaken by State agency. This has had the effect of reducing the finance available for the rehabilitation of agriculture. This tendency is itself related to another factor the short-term instability of agricultural prices in the world markets. In fact, it is this instability which has been used as the strongest argument in favour of the industrialisation programme. The short-term prospect is so bad that it has the effect of impeding the economic development programme, and particularly the emphasis on further agricultural development. Thus, artificial fertilizers are not profitable to use at the present trend of prices, and measures to encourage the use of artificial fertilizers have moved very slowly. There have been similar delays in mechanisation of agriculture in areas where the strong urbanisation tendency has created conditions of labour shortage, particularly for developmental work. The urgent need for Burmese agriculture of the time is therefore a method of overcoming short-term difficulties in order to promote an orderly progress towards a long-term agriculture in which all the abundant resources of the country are fully and optimally utilised to serve not only the advancement of Burmese economic conditions but also the needs of the region as a whole. A greater degree of economic co-operation with other countries of the region through long-term trade agreements could serve a very useful purpose in the present situation.

Of course, much depends on the human factor that is involved in adapting to the new social philosophy of these times and to the technological changes that have to be undertaken. Leadership and initiative on the part of the people and conscientious, selfless and devoted service on the part of officials are rare, but already there are signs of hope. With this, we have to face the task of building a new society.