

**The Problem of
Indian Settlers in Burma**

By
MIRZA M. RAFI

**The Indian Institute of International Affairs
New Delhi**

THE INDIAN INSTITUTE OF INTERNATIONAL AFFAIRS is an unofficial and non-political body, founded in 1936 to encourage and facilitate the scientific study of international questions. The Institute, as such, is precluded by its rules from expressing an opinion on any aspect of international affairs, or the domestic affairs of India or any other country. Any opinions expressed in this publication are, therefore, purely individual.

First Published—March 1946.

325.592

R126

PRINTED AT P. & O. PRINTING, DELHI.

PENNSYLVANIA
LIBRARIES

THE PROBLEM OF INDIAN SETTLERS IN BURMA

1. INTRODUCTORY

The problem of Indian settlers in Burma, like any other problem concerning that country, must be studied in two parts—in prospect and in retrospect. The occupation of Burma by Japan has inevitably drawn a sharp line between the past and the future and has given rise to a situation in which the old problems will appear in a new context. Very likely new problems also will emerge. The independence, illusory or real, enjoyed by the Burmese people under Japanese hegemony for four years will not fail to produce far-reaching psychological consequences. And a reorientation of Commonwealth relations, which is almost sure to follow the termination of the War may change the whole aspect of the situation. There may be an earnest attempt to start afresh with a clean slate under new auspices.

Yet, we may try to forget the past but we cannot escape it. For the past will live into the future, in traditions and memories, hopes and fears. Thus it becomes necessary to begin with a statement of the problem in retrospect. It is needless, especially within the brief compass of a paper like this, to enter into an academic discussion of the theories of population movements. It is a historical fact that migration of peoples has taken place since the beginning of human race. As regards the causes of these migrations there have been almost as many arguments as there are on all other social phenomena which have claimed human consideration. Happily these arguments are empirical rather than speculative; and a study of the colonial policies of the imperialist nations such as Japan, Great Britain and Germany in modern times will illustrate the theory which commonly assigns to over-population the most important role in the migration of peoples.

INDIAN SETTLERS IN BURMA

As against this doctrine of migration as an "overflowing process" it has been argued that countries are always either full or overfull and "there is no evidence that there is any tendency to pass from the full to the overfull condition at intervals such as would account for the migrations of which we have evidence." (Carr Saunders—*Population*, page 95). Moreover over-populated nations are generally lacking in the ambition, energy, initiative, enterprise and power of organisation which are characteristic of migrant peoples. According to these theorists, population movements have been in some cases known to be inspired by an idea, a political or a moral ideal; while in some others they have been stimulated by economic motives. The spread of Islam is a classic instance of the one, while the colonisation of Asia and Africa by the white races is an outstanding instance of the other. Early Indian colonisation in Burma partakes of the nature of the former, while in its modern phases, it partakes of the character of the latter.

Discussing the dual origin of Burmese Buddhism, that it is a fusion of the tenets of the two predominant schools of Buddhist thought, the Northern and the Southern, Mr. Taw Sein Kho observes:—

"The adherents of the Northern school immigrated to Burma and settled down in Burma at the beginning of the Christian era. Some of the settlers came by sea, because Prome was then a seaport, while others came possibly by land by way of Chittagong and Arakan or via Assam and Manipur. The Chindwin Valley is full of ancient historic sites, and is redolent of traditions about Brahminic kings similar to those prevailing at Prome. There were also Indian settlements at Yazagyo, Male, Tagaung and Legaing."

The observations of Mr. (later Sir Charles) Morgan Webb are more illuminating. Says he:—

"As far back as the history of Burmese national life can be traced by means of its chronicles and its legendary lore, migration from India has been one

INDIAN SETTLERS IN BURMA

of its most prominent and continuous features. Both the Burmese and the Talaings owe their evolution from a number of small, wild, scattered, dis-united and nomadic tribes into large and cohesive kingdoms, to their contact with Indian colonists who had settled in numerous small colonies in the valley of the Irrawaddy. The earliest attempts at any form of . . . Government beyond a mere tribal organisation were commenced under Indian auspices at Tagaung, at Prome and at Thaton. The religion of Burma equally with its system of government was obtained from Indian sources. Indian influence is to be found in every branch of Burmese life not only in its religion and its government, but also in its architecture, its festivals, its ceremonials, and its more intimate and domestic phases. The further back in point of time the investigations are carried the greater is the degree of Indian influence perceived." (Burma Census Report 1911, Part I.)

But although immigration from India to Burma dates back to prehistoric times, it was only after the British conquest that Indians began to come to Burma in considerable numbers. The first phase of this immigration is known as "assisted" Indian immigration; that is to say, immigration promoted or assisted by the Government of India. In the words of Morgan Webb: "For some time subsequent to the annexation of Pegu by the British in 1852 the policy of the Government was to intervene actively to promote the migration of cultivators from India to Burma. It was considered to be a mutual advantage to relieve the congestion of the most densely populated districts in India, and to introduce new crops, new methods of cultivation and much-needed population into Burma." How far the congestion of the most densely populated districts in India was relieved as a result of this policy is problematical; but the need of introducing new methods of cultivation in Burma requiring an abundant supply of labour was beyond any doubt.

INDIAN SETTLERS IN BURMA

* For the Suez Canal had been opened in 1869; and with it were opened out immense possibilities of developing the agriculture of Burma (among other countries) for producing rice for foreign markets. As the demand for rice arose and increased in the West, it became necessary to bring the land under extensive cultivation. Prior to this, farming in Burma had been what is called "subsistence farming" or "domestic agriculture," just enough to supply the needs of the cultivator and his family. Now began the era of the industrialisation of agriculture. Rice had to be cultivated on a commercial scale; and before that could be done the swamps of the delta had to be reclaimed and the virgin forests cleared. The task was formidable; and as Lower Burma which was sparsely populated could not supply the needed manpower, it was sought to be accomplished by attracting immigrants from Upper Burma. Persistent endeavour was also made to encourage the migration of Indian cultivators to Burma. It appears that in 1876 a Labour Act was passed under which a recruiting agent for Madras Labour was appointed in India. A subsidy was then given to shipping companies for the transport of Indian immigrants into Burma. In 1883-84, 83,000 immigrants came to Burma under this scheme of whom only 43,000 remained.

But the scheme of directly assisted immigration was only partially successful. The subject was reviewed by the Famine Commission in 1888. The Commission reiterated the principle that the indigent population of the congested tracts of India should be induced to migrate to Burma for the relief of those tracts as well as for the development of the cultivation of land lying waste and unproductive in Burma. It was, however, recommended that such efforts should be left to private enterprise for their success. As a result of the policy recommended by the Commission, a 63-year lease of 27,506 acres of land at Kyauktaga in the Pegu district was granted to one Mr. Mylne in 1890; and a grant of 15,000 acres was made to Rai Jai Prakash Lal Bahadur

INDIAN SETTLERS IN BURMA

at Zeyawaddy in the Toungoo district in 1894. It was soon realised, however, that the purpose for which these estates were created had not been fulfilled, while they gave rise to new problems. Besides, it was found that immigrant Indian Labour was not essential for extending cultivation. In the words of Morgan Webb again: "The extraordinary extension of cultivation effected by the Burmese immigrants from Upper Burma in the delta districts, demonstrated that it was not essential for the progress or prosperity of the province to colonise its waste areas by means of settling Indian immigrants upon the land. It was determined that the system of agriculture most suited to the province was that of peasant proprietor—the settlement of Indian Labour on the land introduced new and complicated relations of landlord and tenant contrary to the ideals towards which the efforts of Government were consciously directed. In the case of the Kyauktaga grant, the grantee was no longer recruiting from the congested districts in India. The immigrants had introduced no new kinds of cultivation and had failed to adapt themselves to the climate and manner of life prevailing in Burma." The policy of indirectly assisted Indian immigration was accordingly abandoned. The net result of the effort was the creation of two Zemindary estates in the heart of Burma. From the point of view of Indian colonisation the condition in these two estates deserves to be mentioned. The total population settled on the two estates was about 10,000 at the time of the Japanese invasion. The majority of the settlers on the Kyauktaga grant originally belonged to the Fyzabad district in the United Provinces, and the majority settled on the other estate to the Shahabad district in Bihar. "In both grants the immigrants live in self-contained Hindu villages, influencing but little, and influenced but little by, the Burmese life surrounding them."

But although the permanent settlement of Indian Labour was not essential for the extension of cultivation, it was clear that a seasonal supply of such Labour was essential for work in the paddy fields, for preparing

INDIAN SETTLERS IN BURMA

the paddy for foreign markets, for bagging and loading and for all other work connected with the shipment of rice. Rice mills run by steam had been established and more and more land was being brought under the plough year after year. Agriculture was being rapidly industrialised. The following table will show the pace of this industrialisation since 1872 :—

Year	No. of acres sown in paddy
1872-73	1,871,542
1882-83	3,446,439
1892-93	5,086,853
1902-03	6,712,799
1912-13	8,081,677
1922-23	8,870,342
1932-33	9,711,396
1936-37	9,855,258

It will be seen that the area sown in paddy increased five-fold during the period 1872 to 1936 (64 years). The pace of increase had slowed down since 1932, owing to the slump in the rice trade.

While the rapid industrialisation of agriculture since the seventies of the last century furnished the *raison d'être* of the seasonal migration of Indian Labour to Burma, the growth of other industries also attracted labourers from India for work in those fields. The numbers of immigrants and emigrants in each decade since 1891 are shown in the following table :—

Period	No. of immigrants	No. of emigrants	Surplus
1891-1901	1,092,762	813,554	279,208
1901-1911	2,098,194	1,719,765	378,429
1911-1921	3,051,342	2,584,590	466,752

The excess of immigrants over emigrants for the decade 1921-32 was estimated to be between two and a half and three lakhs; and during the years 1931 to 1938 for which figures are available, about 6,000. These figures, however, do not show the actual increase in the population of Burma due to Indian immigration,

INDIAN SETTLERS IN BURMA

for they do not take account of losses by death. It has been estimated that roughly speaking the increase in the Indian population resulting from immigration, after making allowance for wastage by death has, on the average of the twenty years previous to the War, been less than 10,000 per annum.

It is natural that side by side with agricultural and other labourers, Indians in other walks of life should also come to Burma, capitalists, merchants, lawyers, contractors, clerks and the rest. Their total number is comparatively insignificant, but the share of these people, particularly of the capitalists in the economic life of the country has been out of all proportion to their numbers, and has given rise to certain complicated problems. The growth of the Indian population in Burma according to the census enumerations may be seen from the following table :—

Census year	Population
1901	612,804
1911	778,841
1921	887,077
1931	1,017,825

These figures, however, do not represent the number of Indians who form a permanent element of the population in Burma. Taking the census figures of 1931, for example, only about a third of the total, that is to say, roughly 300,000 were returned as being born in Burma, the remainder being immigrants. The total number of Indians born in Burma was thus about 2 per cent of the total population of the country in 1931.

The above estimates do not include the so-called Indo-Burman races, the descendants of Indian immigrants and Burmese women, who form permanent units of the population of Burma. These are the Zerbadis, the Arakan Mohammadans, the Arakan Kamans and the Kale. The Zerbadis, who are the most numerous, are the off-spring of the union of Indian Mohammadans and Burmese women. The table given below which shows a steady increase in their numbers also indicates

INDIAN SETTLERS IN BURMA

the growth of intermarriage between the two parent races :—

<i>Census year</i>	<i>No. of Zerbadis</i>
1901	20,423
1911	59,729
1921	94,316
1931	122,705

The Arakan Mohammadans are the descendants of Arakanese women who have married Chittagonian Mohammadans. They are almost exclusively confined to the Akyab district and in 1921 their number was estimated to be about 24,000. The Arakan Kamans are said to be the descendants of the followers of Shah Shuja, son of Shah Jahan, who had fled to Arakan in 1660. Their total number is slightly over 2,000, almost wholly Mohammadan.

The name Kale has been thus defined in the Burma Census Report 1921:—

"Kale is used now to describe a class of persons who are descended from marriage of early Tamil immigrants with Burmese women, and have adopted Buddhism and the Burmese language, and regard themselves as a definite community amongst Burmese Buddhists and as differing only very little from the main bulk of that class, to whom they often bear a close physical resemblance."

The total number of Kale is estimated to be about 400 in the whole of Burma, which is insignificant so far as number goes; but the community deserves mention as being the outcome of early Indian colonisation. Besides the Indo-Burman races above mentioned, we must also take notice of the people known in Burmese as Kathe who are also known as Ponna. In fact there are said to be three classes or sects of Ponna and the Kathe or Kathe Ponna is one of them, the other two being known as Bama Ponna and Yakhaing Ponna respectively. The origin of the Bama Ponna is wrapt up in legend, but they appear to be descendants of a people who migrated from Manipur in ancient times. The Yakhaing Ponna would also appear to have similar history but their place

INDIAN SETTLERS IN BURMA

of origin was probably Chittagong. The Kathe Ponna are believed to be the descendants of immigrants from Manipur at a much later date; but the name has generally been applied to the descendants of the Manipurians who were brought to Burma as prisoners of war after the Burmese invasions of Manipur particularly in 1758, 1864 and 1819. The term Ponna is often used to mean a Brahmin probably because the Ponna employed in Burmese Courts as astrologers were always Brahmins but as a matter of fact all the three sects have the four castes, Brahmin, Kshatriya, Vaisya and Sudra—among them. Their enumerations in the various Census Reports are unsatisfactory and it is difficult to state their number with any degree of accuracy. In 1921 the number of Hindu Kathe returned was in the neighbourhood of 7,000. But this would appear to be an underestimate. The point, however, is immaterial so far as we are concerned. The really significant thing is that the Ponna are largely the products of Indian colonisation in ancient times.

A word should be said about the Chettiars in Burma. They were almost wholly Nattukotai Chettiars. The following brief description of this community is culled from the Report of the Burma Provincial Banking Enquiry Committee, 1929-30:—

"The Chettiars are an endogamous sect of the Vaisya caste and have their home in, and are the indigenous population of Chettinad; this geographical term denotes a barren waterless region including 58 villages of the Ramnad district of Madras Presidency and 20 villages of the Pudukottai State But while coming from such a narrow area, the Chettiars have wide business connections. They do business not only in the Madras Presidency and Burma, but also in Ceylon, the Federated Malay States, the Strait Settlements and Cochin China; there are a few Chettiars also doing business in Calcutta, Siam, Java, Sumatra and Mauritius." The first Chettiar firm is believed to have been opened at Moulmein in 1850. The Chettiars were bankers and financiers and carried

INDIAN SETTLERS IN BURMA

on the business of money-lending according to the traditional Indian customs without the adoption of Western banking methods. In 1929, the total number of Chettiar business in Burma was over 1,100 as against a total of 295 in Madras the Federated Malay States Cochin China and Ceylon. The extent of the hold of the Chettiars on the economic life of the country may be gauged by the following observation of the Burma Provincial Banking Enquiry Committee, 1929-30 on their investments in Burma :—

"We think on the whole that an estimate of 75 crores cannot be seriously wrong; we set 65 crores as an unassailable minimum, but we think 75 crores (750 millions) is the most probable estimate." The bulk of Chettiar banking business in Burma consisted of making loans to agriculture which offered adequate security and profit. As a result, a few Chettiars found themselves in the position of landowners, working their land by tenants or hired labour. Some of them had taken Burmese wives and shown an intention of settling in Burma. They had their temples; and in 1929 a residential school was opened at Kanbe near Rangoon for the education of Chettiar boys. They also endowed a lectureship in banking and commerce in the Rangoon University; and a sum of one and a half lakh of rupees was given for the purpose. They had also relaxed the social custom which forbade Chettiar women to cross the seas. All these tend to show that the Chettiars were no mere birds of passage, but constituted a small but important unit of the population of Burma. The Chettiar as landowner had been the subject of much criticism and reference to it will be made where we discuss the problems arising out of Indian settlements.

II. THE BACKGROUND

We have briefly outlined above the nature, course and extent of Indian colonisation in Burma. Early Indian colonisation was usually in the nature of a political adventure or religious mission. In modern times, Indian immigration has been in response to the

INDIAN SETTLERS IN BURMA

demand for the Indian worker and Indian capital in Burma. According to the census of 1931, the Indians formed about 7½% of the total population of Burma. A consideration of the "occupational distribution" of this number is necessary to have a complete picture of Indian colonisation and the problems that it has given rise to. The vast majority of the Indians in Burma are without question employed as workers in trade, transport and industry. The proportion of Indians in each 1,000 workers employed in 1931 is given below :—

Occupation	No. of Indians per 1,000 workers
Agriculture	37
Transport	457
Industry	158
Trade	172

"Until 1930 the Port of Rangoon was worked entirely by Indian Labour India also supplies the bulk of the tramway workers and of the *Sampanwallahs*, all the rickshawpullers and hand-cart pullers, and nearly all the general Labour of other kinds. In fact the economic life of Rangoon and the industrial activity of Burma generally are dependent on the Labour of Indians". (Report of the Royal Commission on Labour in India). The import trade of Burma was to a large extent in Indian hands; so also the export trade in rice and other agricultural products. Of the 733 important industrial establishments 128 were owned by Indians and Indian Companies. The number owned by the indigenous and other races (predominantly European) being 309 and 290 respectively. The number of Indians employed in the superior posts in the industrial establishments was over 17,000 in a total of about 33,000. The proportion of Indians among the skilled and unskilled labourers was about 550 and 800 per 1,000 respectively. Besides the above, a large number of Indians was employed on the railways, in Irrigation and the Post Office and Telegraph Department. A rough estimate of the number of such

INDIAN SETTLERS IN BURMA

employees is given below :—

Occupation	Total No. of employees	No. of Indians employed
Post Office & Telegraph	... 5,000	3,500
Irrigation	... 4,600	3,000
Railways	... 35,000	25,000

The above figures, it should be remembered, only show the proportion of Indians employed in the various occupations; they do not show how far their employment clashed, if at all, with the interests of the indigenous population, a question which will be discussed later in this paper.

The problems arising out of Indian colonisation are two-fold, social and economic. There is also a political aspect of the case, no doubt, but that is often exaggerated. We will first deal with the economic aspect of Indian colonisation. The subject is a complex one; for the Indians though numerically not of much significance, occupied a place far in excess of what their numbers indicated in the economic life of the country. First in magnitude and importance is of course agriculture which was the occupation of about 72 per cent of the population. As stated before, the Indians formed slightly more than 4 per cent of the total number of persons engaged in agricultural occupations. That is not a formidable figure so far as it goes; but it should be remembered that agricultural occupation includes, in the official census reports, occupation of agricultural land, and here it is that the crux of the whole position lies. There had been in later years a marked tendency for land to pass from the occupation of agriculturists to non-agriculturists the majority of whom were Indian Chettiers. The following table will indicate the position in Lower Burma in the years 1926 to 1937 for

INDIAN SETTLERS IN BURMA

which figures are available :—

Year	Total occupied area	Acres occupied by agriculturists	Acres occupied by non-agriculturists
1926	10,339,589	7,544,630	2,794,959
1927	10,456,422	7,563,203	2,893,219
1928	10,607,544	7,652,081	2,955,463
1929	10,654,025	7,601,209	3,052,816
1930	10,745,121	7,513,560	3,231,561
1931	10,805,961	7,292,025	3,513,936
1932	10,733,754	6,640,160	4,093,594
1933	10,768,444	6,294,627	4,474,817
1934	10,846,462	6,030,391	4,816,071
1935	10,926,303	5,864,550	5,061,753
1936	10,056,018	5,802,936	5,253,082
1937	11,201,766	5,895,749	5,306,017

It will be seen that since the year 1929 there had been a steady decline in the area occupied by agriculturists and a corresponding rise in the area occupied by non-agriculturists. In 1937 the area occupied by non-agriculturists in Lower Burma was slightly less than 50 per cent of the total occupied area. It should also be stated that of the five million odd acres occupied by non-agriculturists, less than one million acres were occupied by resident non-agriculturists while the bulk of the land was in the occupation of non-resident non-agriculturists or absolute landlords. We quote the following from Interim Report of the Riot Enquiry Committee to show the extent of the occupation of the land by the Chettiers:-

"In the thirteen principal rice-growing districts of Lower Burma, the Indian Chettiers in 1930 occupied six per cent of the total occupied area, while in 1937 they were in occupation of twenty-five per cent. That, of course, leaves out of account the further area of which they are mortgagees but not in occupation. Moreover when parts of the Insein district were settled in 1933-35, it was found that Burmans and other indigenous races held fifty-six per cent of the occupied area; Chettiers thirty-one per cent and other races (including Chinese and Indians other than Chettiers, thirteen per cent).

INDIAN SETTLERS IN BURMA

The Pegu Settlement of 1932-34 disclosed a similar state of affairs, except that Chettyars held over thirty-six per cent of the total land."

The position in Upper Burma was only slightly less serious. The situation was grave enough. It gave rise to widespread agrarian discontent, and alarmed the leaders of the people as well as Government. A Land and Agriculture Committee was appointed to enquire into the situation and in its report (1938) the Committee observed that conditions in Lower Burma were nearing the danger-point and that the continued transfer of land from the agriculturists to the non-agriculturists was likely to result in violent agitation for the ousting of the foreign owner.

The Committee was of opinion that the time was ripe for land alienation legislation in Burma; and in 1938, a Tenancy Bill and a Land Alienation Bill were introduced with the object of checking the transfer of land. The measures had been placed on the statute book shortly before the Japanese occupation.

While with the passing of the Land Alienation Act, the question of the transfer of land from the agriculturist to the non-agriculturist resident or non-resident, indigenous or foreign, may be considered to be closed, a statement of the case will prove interesting as throwing light on one aspect of Indian colonisation in Burma. The position has been thus described by Morgan Webb:—

"The last quarter of the nineteenth century found Lower Burma in a uniquely favourable economic situation. The depreciation of the rupee had stimulated a demand for increasing exports. There were large areas of culturable wastes capable of sustaining a large population. In the vicinity the comparatively congested population of the Upper Province provided large numbers of skilled agriculturists of identical race and customs with the majority of the people of Lower Burma. And in Rangoon was a large amount of surplus Indian capital seeking for remunerative investment. The three ele-

INDIAN SETTLERS IN BURMA

ments of production, land, capital and labour were each available for mutual employment. The one thing needed to bring them together was confidence or credit or security. The Upper Burman could not furnish on his own account the capital needed to transform virgin jungle into cultivated land and for his sustenance until the transformation should be completed. On the other hand the Indian capitalist could not advance his money to unknown persons without even the means of subsistence, unless some security for its due return with interest were forthcoming. The problem was solved naturally by utilisation of the land about to be reclaimed as the security.... It was by the method that the waste areas of the delta were colonised. The advances were not stinted. In many cases the loans and interests were paid off. But in a very large number, the capitalist waited till the cultivator was hopelessly involved and then foreclosed.... (In) the constant recurrence of this class of cases.... there was an unfailing tendency for land cleared and cultivated by the natives of the country to be transferred to alien non-agriculturists."

The Burman agriculturist thus started with a handicap which necessarily involved him in growing indebtedness out of which he could not extricate himself. As the Banking Enquiry Committee observed:—

"The more fertile lands had heavy jungle, which required capital to be invested for its renewal; as such land moreover takes from twelve to fifteen years to reach full productivity, much debt was incurred by pioneers extending cultivation.... We cannot go here into detailed discussion of the economic side of this colonisation; we can only point out that much of the indebtedness of the wide paddy areas which are comparatively newly cultivated represents capital sunk in the improvement of the land from jungle to paddy fields. The original pioneers had often no capital at all; their children and grand-children have land subject to mortgage."

The Chettiars had come in for a good deal of harsh criticism for this transference of land. Burmese

politicians, as a rule, charged them with showing a tendency towards landgrabbing in recent years; and the majority of the members of the Burma Provincial Banking Enquiry Committee including Professor Jevons (then Professor of Rangoon University) held the same view. An unbiased consideration of the whole position would, however, lead one to the conclusion that the Chettiar found himself in the position of a landlord much against his will and against his business traditions. The real reason for the rapid transference of land from the Burmese owner-cultivators in Lower Burma to the Chettians is to be sought in the initial handicap with which the cultivators started, the Burmese national character, the abuse of credit by the cultivators and the slump in the rice trade since 1929.

A correct appreciation of the situation involves a consideration of the question of agricultural indebtedness. We have already referred to the debts initially incurred by the agriculturists at the time of reclaiming and clearing the land in the delta region. We now will make a brief reference to agricultural credit, both short term and long term, for agriculture. Short term credit was commonly known as "crop-loans," granted to the agriculturists on the understanding that it would be repaid at the next harvest. Crop loans were taken by almost all cultivators to meet immediate needs of cultivation and also household expenses and were used, for such purposes as buying cattle, paying land revenue, paying for ceremonies like earborings and marriages and the cost of funerals. Long terms credit included all credit excepting crop-loans such as credit for buying or improving land, making bunds or embankments, marketing of crops and so on. Only a small proportion of these loans was advanced by Government under the Agriculturists Loans Act and the Land Improvement Loans Act. The bulk of the credit was supplied by private financiers, the largest among whom were the Chettians. The total amount of agricultural indebtedness in Burma could not be estimated with accuracy; but the Banking Enquiry Committee's estimate was that the

total permanent indebtedness was 50 to 60 crores of rupees; and that the greater part of it was owed directly or indirectly to Chettians. According to that Committee the total loans by Chettians in Burma for agriculture amount to about 48 crores in December of each year, and that of this about 12 crores represent crop-loans.

The unthriftiness of the Burman is proverbial. The following note by Mr. E. G. Pattle, I.C.S. prepared for the Royal Commission on Agriculture describes the Burmese national character with regard to indebtedness:—

"The bourgeois ideal of economy as a rule of life pursued with a view to financial security makes little appeal to the Burman agriculturist. Habitual indebtedness causes him no twinges of conscience and involves no social stigma. On the contrary the existence of a debt involves the existence of a creditor to whose interest it is to support and protect the debtor. His essential requirements are simple; but he is not hampered by social conditions, and is always ready at any moment to expand the range of his expenditure to the limits of his credit. The possession of money is to him an opportunity to be used in a manner dictated more by the chances or exigencies of the moment than by conscious choice."

This spirit of non-chalance combined with conditions under which credit was easily obtainable from the lenders had been partly responsible for the accumulation of debts. Easy credit also led to its abuse and its application to unproductive purposes. There was also the temptation to invest in land with a fair expectation of profit. The rise in paddy prices in the early years of this century tended to encourage extravagance as well as speculation in land and extension of cultivation; and this led to increased borrowing and set many cultivators on the road to the loss of their land.

The most important cotributory cause of the indebtedness of the peasantry and consequent loss of land, however, was the exceptionally high rates of interest

charged by the lenders. The usual rates on loans secured on land or gold was, according to the Banking Enquiry Committee, 1.25 to 1.75 rupees per cent per mensem; and for unsecured loans the rates might be 5.10 or more rupees per cent per mensem. It was clear that with such high rates of interest to pay the cultivators sank deeper and deeper into debt if on account of any of the many risks that attended agriculture, such as drought, flood, pests, illness or low prices, he could not repay promptly. It should be stated, however, that among the private lenders the Chettiar's rates were lower than those of the indigenous lenders, and for this reason as well as for the fact that the Chettiar always had a supply of loanable capital the borrowers generally preferred the Chettiar to the others.

As we have stated above, land alienation legislation passed by the Government of Burma may check the further transfer of land from the Burmese peasantry to the Indian Chettiar, but the land that had already passed into the occupation of the latter was in 1937 about five million acres out of a total agricultural land area of less than thirteen million acres. When Allied arms restored Burma to the British Empire, the Chettiar's title to this land will have to be recognised; and if it is desired to start with a clean slate, adequate value will have to be paid to the owners, spread probably over a number of years. If that is done, no one will, we think, be happier than the Chettiar himself.

* The number of Indians engaged in the "production of raw materials" (which includes agriculture proper) which was only about four hundred thousand in a total of ten millions similarly engaged presented no problem and is not likely to present any in the future, as most of the immigrants among the number have either returned to India after the Japanese invasion or died on the way back. With the restrictions likely to be imposed on Indian labour immigration the number will dwindle into still greater insignificance.

The number of Indians engaged in "industry and commerce" was about three and a half lakhs in a total of nearly twenty-five lakhs engaged in these occupations. Industry and commerce included Industry, Transport and Trade (including banking and insurance). The total number of persons employed in the superior posts in all the industrial establishments was over 32,000 of which persons belonging to the indigenous races numbered about 13,000, Europeans and Anglo-Indians about 2,000 and the remaining 17,000 belonged to "other races" predominantly Indian. In the important industries comprising the petroleum industries, the rice mills, the saw mills, the mines, the ship-building yards and metal industries, the total number of unskilled labourers employed was about 70,000 of whom over 56,000 were Indians; and the total number of skilled labourers was about 17,000 of whom over 10,000 belonged to the Indian communities. The employment of such a large number of Indians in the important industries would at first sight suggest that Indian Labour was ousting indigenous labour from the urban industries. The truth, however, is that Indian Labour came to Burma to supply an economic demand which the Burman had failed to supply. It has been well said that the abstinence of the Burman from the urban industries was not a self-denying ordinance. It was due to the fact that the Burman found more congenial occupation in other fields. It is also well known, as Mr. K.B. (later Sir Kenneth) Harper once pointed out that one of the main reasons for the employment of Indians in Burma had been that Indians were, in many of the tasks on which they were employed more efficient than Burmans. The cry had nevertheless been raised that the Indian labourer by his lower standard of living which enabled him to work for lower wages was driving out the Burmese labourer from the industrial field, an allegation which had never been substantiated. In fact in 1928 Mr. J.J. Bennison, I.C.S. made an enquiry into the condition of the working classes of all races in Rangoon and if it was found that the allegation was not proved.

INDIAN SETTLERS IN BURMA

The observations of the Riot Enquiry Committee (1939) on the immigration of Indian labour into Burma are worth perusal. According to the Committee, "the process began with the need of immigration to match the speed with which the paddy lands in Lower Burma were brought under cultivation between the years 1870 and 1932. While this process was going on, with its subsidiary effect of introducing Indians to Burma in other walks of life as well as that of supplying seasonal labour for the paddy fields, not merely was there plenty of room for Indian immigration and Indian settlement in Burma without interference with the indigenous population, but it was essential to keep pace with the rapidity with which the country was being developed in every way. The remarkable figures of the annual import into Burma of Indian labour throughout this period constitute rather the measure of the rapidity of the development of Burma's economic resources than of any real Indian penetration of Burma. That we venture to think was the view of the Indian Statutory Commission. And the whole process was assisted not only by the mere fact that the rapidity of the process outran the internal supply of labour, but by the fact that the Burma labourer was not attracted by the conditions of labour in Lower Burma which, so far as paddy is concerned, was seasonal in character. He was unable to adjust himself to the exacting conditions required of an agricultural labourer supplying the needs of a commercial market, to which conditions the Indian cooly was by nature and practice more fitted. It is not, we think, clearly established that the standard of living of the Indian labourer is necessarily lower than that of the Burman labourer. That needs further exploration as also does the question whether the Indian labourer, in various walks of life, is content to work for smaller wages than the Burman."

The employment of large number of Indians on the railways and in the irrigation and the posts and telegraphs departments was an incident of Burma's political subordination to the Government of India. With

INDIAN SETTLERS IN BURMA

the separation of Burma from the Indian Empire (1937), the rising anti-Indian sentiment of the natives of the country and the rapid and systematic Burmanisation of the services, it was a foregone conclusion that the preponderance of the Indians in these departments would disappear within a definite period.

The problem arising out of Indian settlements in its economic aspect thus resolves itself into, first, the problem of rehabilitating the Burmese peasant on the land and, secondly, the problem of regulating the immigration of Indian labour. As regards the first, reference has already been made to the Tenancy Act and the Land Alienation Act passed in 1941. Under the Land Alienation Act, land may not be transferred from an agriculturist to a non-agriculturist in any other way except by a usufructuary mortgage under which the mortgagee may use it for 15 years, the land reverting to the mortgager after the period free from all liability. Besides the above two Acts, another Act, entitled the Land Purchase Act was also passed at the same time which enabled the Government to purchase large areas of land from the non-resident landlords and sell them to peasants on the hire purchase system. These Acts had not yet been effectively enforced when the war came and the first few months of their operations brought out many defects: but they serve to indicate the process by which the problem was sought to be solved by the Burmese Government before the war and that which that Government will most assuredly follow up after the restoration.

But the problem is not so simple as it would appear on the surface. For land alienation legislation is a sword which cuts both ways. A strict enforcement of the Law may no doubt check the transfer of land from the agriculturist to the non-agriculturist; but at the same time it is bound to restrict the credit for agriculture thereby hampering agricultural operations which in Burma were so largely financed by the non-agriculturist. Assuming for the sake of argument, however, that some means will be devised for financing agricul-

INDIAN SETTLERS IN BURMA

ture, without having recourse to Chettiar or any other private capital, such as land mortgage banks and the like, and further alienation of land to the non-agriculturists is checked by legislation, a sum of Rs. 50 crores will be required to establish an adequate number of land mortgage banks and a like sum will be necessary to extinguish the debts and hand over the land to the cultivators. It would thus appear that in addition to the legislation referred to above, Burma will require about 100 crores of rupees to rescue her peasantry from poverty and degradation and to put them back on their feet again as peasant proprietors. And when we remember that the revenues of Burma were about Rs. 15 crores, the problem would appear to be an exceedingly difficult one.

So far as the Indians are concerned, the Chettiers alone held at least 25% of the total occupied rice growing land in Lower Burma. But as we have pointed out before, the landlordism of the Chettiers was not the fruit of their conscious effort, but the legal outcome of the investment of their capital in agricultural loans on the security of land; and they will be only too pleased to be relieved of a responsibility which they never wanted to shoulder. The solicitude of the Burma Government to see the Burmese peasantry fairly established on Burma's soil is easily understood. But it should not be forgotten that it was Indian capital that rendered the rapid transformation of virgin forests into cultivable soil possible; and that the need for this rapid transformation was neither Burmese nor Indian, but British.

Coming to the problem of immigration, it had been generally agreed that some sort of regulation of the immigration of Indian labour was called for. The latest pronouncement on the subject comes from U. Lin Lut, I.C.S. Speaking at the Indian Institute of International Affairs at Delhi in October, 1944 he is reported to have said: "The aim of the Burmese Cabinet was to legislate for the general regulation of immigration into Burma. The uncontrolled admission of Indian labourers into Burma was not in the interest of the labourers. It

INDIAN SETTLERS IN BURMA

created a supply of underpaid and under-employed Indian labourers in Burma; and these conditions while good for those who wished to exploit the situation, were bad for the Indian labourers—Burma wants Indian labourers if India can spare them, but she also wants to give them good wages and good conditions and does not want more than what is needed for the jobs available under decent wages and other conditions. I submit that the immigration of Indian labourers into Burma requires regulation in the interest of both India and Burma." It may be expected, however, that the post-war industrial development of India will gradually absorb the bulk of employable labour within the limits of India itself; and if that happens the complexion of the problem will undergo a thorough change. For then it will not be the question of Indian labour migrating to Burma in unrestricted numbers in search of employment; but the question whether India would be in a position to spare labourers for employment in Burma or elsewhere and on what terms.

We now come to the social aspect of Indian immigration in Burma. As indicated above the intercourse between India and Burma dates back to ancient times. We have seen that one effect of this immigration was the spread of Buddhism into Burma. Its other effect was to transfer the scattered, wild, nomadic tribes of the Irrawaddy Valley into organised communities. The religion and culture of Burma are fundamentally Indian and that is due to this early infiltration of Indians into Burma. The descendants of these early missionaries of culture have undoubtedly been slowly absorbed into the Burmese community. The descendants of those who came at a later date, such as the Ponnas and the Kales are numerically insignificant and socially form part of the wider Burmese community, and are not regarded as foreigners. Their presence in the body-politic had not given rise to any social problem at all.

It was only in relation to the Zerbadis, that is to say, the offspring of the marriage between Indian Muslim men and Burmese Buddhist women that the social

INDIAN SETTLERS IN BURMA

question arose in its acute form. We have stated in an earlier paragraph that the number of Zerbadis in 1901 was 20,423 only. This figure had risen to 1,22,705 in 1931, which shows that the community had multiplied itself six times in thirty years. According to some, the above figure which is derived from the Census Report, is an underestimate, the actual strength of the community in 1931 being much larger. Whatever that might be, there is no doubt that the rapid growth of this community was causing a genuine and growing apprehension in the minds of thinking Burmans. It would be noted, however, that these mixed marriages were not looked upon with disfavour in the earlier stages of Indian immigration. It has been observed that even before European intervention in Burma, traders from the coasts of India visited Burmese ports. The Burmese were not averse to relationship with foreigners, and with the British occupation of Lower Burma when a closer contact between India and Burma was established, mixed marriages naturally increased in number. Burma was still looked upon as a land of adventure and therefore Indian and other foreign immigrants did not bring their women folk with them. The thrift and industry exhibited by the early pioneers enabled them to set up households, and the prospect of a comfortable domestic life attracted the poor Burmese women to settle down with them. Such marriages became more and more common until they were not looked upon as anything out of the ordinary. In this way the new community to which such marriages gave rise came to be recognised. While the children of the marriages of Burmese women with Muslims came to be known as Zerbadis, those of the marriages of Burmese women with Hindus came to be known as Kales.

The Kales, however, presented no difficulty as the community was very small and dwindling and had practically adopted the religion and social customs of the Burmese people. The Zerbadis on the other hand were a rapidly growing community and different from the Burmese in religion and social habits. It was for

INDIAN SETTLERS IN BURMA

this reason that the Zerbadis question had in recent years assumed a prominence far beyond what their numbers would justify.

The principal complaints generally made in respect of those mixed marriages are that a Burmese Buddhist woman who has married an Indian and has lived with him openly in the belief that she is married to him, often discovers, when the question of her status arises, that, by reason of the operation of the personal law of the man, she is not his wife. Moreover in order to contract a valid marriage, the Burmese woman is bound to renounce her own Buddhist religion and to adopt that of her Muslim husband. Besides, in cases where she is recognised as the wife of the man she does not obtain the benefit of the status of a married woman under Burmese Buddhist law. For under the Burmese Buddhist law a wife is entitled to an equal share in the properties acquired by her and her husband or sometimes either of them during the marriage and in certain circumstances to the whole estate as a survivor on the death of the husband. Another complaint is that mixed marriages create and have operated to create in the past, a community differing in religion and national ideals from the indigenous community, thereby weakening the Burmese Buddhist community and giving rise to other complicated social and political problems.

The cry had also been raised that the immigration of Indians, leading to mixed alliances, was destroying the purity of the Burmese race. All these grievances were more fancied than real; for no one was aware of any eugenic movement among the indigenous races or any movement to preserve racial purity. We are moreover aware of no cases where a Burmese Buddhist woman who married a Muslim did not willingly renounce her faith but was coerced into doing so. Whatever truth there was in all these allegations was at bottom political and not social. It was thought that the Zerbadis, who were Muslims, might if allowed to grow unchecked in course of time create communal

INDIAN SETTLERS IN BURMA

discord like the Hindu-Muslim dissensions in India. So far as the social aspect of the problem goes, a solution, from the Burmese point of view, was found in the Burmese Buddhist Marriage and Succession Act passed shortly before the Japanese occupation, which was calculated to give such protection to Burmese Buddhist women who married Indians in respect of property and inheritance as they needed; but the measure was strongly opposed by the Indian members of the Burma Legislature as it offended against the personal law of both Hindus and Muslims.

The political problem arising out of Indian settlements is ultimately the problem of the protection of minorities. The Indians in Burma numbered a little over a million in a total population of about fifteen millions. They thus formed a small minority numerically. But from the point of view of vested interests their share was considerably larger. As has already been pointed out, the Chettiar community alone held twenty-five per cent of agricultural land in Lower Burma. There were other Indian landholders in Lower Burma; and Indians of all communities owned extensive landed estates in Upper Burma too. As regards buildings, it will be sufficient to say that in Rangoon the Indians paid about 60% of the property taxes. In Moulmein, Bassein and Akyab, too, the share of the taxes paid by the Indian community was very considerable. The Indians owned a large number of industrial establishments and constituted the majority of the labour employed in all industries. More than seventy-five crores of Indian money had been invested in loans given mostly to the indigenous people. All these gave to the Indian minority in Burma a political significance which its numbers did not indicate. And this was recognised by the British Parliament when the Indian community was given separate representation in the Burma House of Representatives under the Government of Burma Act, 1935; and the protection of minorities was made a subject in which the Governor of Burma could act in his individual judgment; and, which was

INDIAN SETTLERS IN BURMA

also included in the Governor's Instrument of Instructions. In fact the Indians had been given similar representation even in the old Burma Legislative Council under the reforms of 1923. Besides representation in the legislature, the Indians also enjoyed municipal franchise on an equal footing with the indigenous races in all municipal towns and had representations on most of the municipal committees on a communal basis. Indians have also held the highest offices under Government. There had been three Indian Judges of the Rangoon High Court; and a large number of Indians held high and responsible posts in all Government departments and under local bodies. The Burmese politicians naturally looked upon the system of the representation of Indians on a communal basis with disfavour: and urged that the Indians in Burma should not claim special privileges but identify themselves with the sons of the soil. Several attempts were made to abolish communal electorates in municipalities; but so far without success. The employment of a large number of Indians in the services was growing more and more irksome to the political leaders and since the separation of Burma (1937) the Burmese Ministry have consistently followed the policy of recruiting Burmans only in the various Government departments.

III. THE PROBLEM OF THE FUTURE

The Japanese interregnum has, for one thing afforded the leisure that is essential for a proper understanding of the problem of Indian settlers in Burma, and the opportunity to study it afresh in an atmosphere free from the political passions and prejudices that clouded the intellect and blurred the vision in the days immediately preceding and succeeding the separation of Burma from India. The sobering influence of the war should at least teach us toleration and human sympathies. We stand between a past that beckons us and a future that bids fair to be thorny. But we need not be enthralled by the past, nor be apprehensive of the future. We

should face facts squarely and take stock of the situation so that at the end of the brief Japanese interlude, the new act of Indo-Burman relationship may open in setting of harmony and goodwill.

The brief outline of Indian migrations to Burma which we have drawn above should convince one that, truly speaking, Indian colonisation in Burma was never a "problem" except in a very restricted sense. The early migrations, whatever the motive, were numerically on a very small scale. The later migrations numerically large were in response to a genuine demand created mainly by the industrialisation of agriculture during the closing years of the nineteenth century. Yet the total number of Indians in Burma at the time of the Japanese occupation was roughly one million only. A study of the rate of increase in the Indian population of Burma shows that there was a steady decline in the growth of the community. This was but natural for the number of Indian women who had come and settled in Burma was disproportionately small compared to the number of men. In such circumstances the Indians were far more likely to be absorbed by the indigenous races than to displace them. The growing competition of the Burmans in fields of labour which had formerly been entirely neglected or avoided by them also pointed to the gradual diminution in the number of immigrant Indians. And after all, a population of one million, divided by race, religion and caste, of whom over two-thirds were floating among a settled and more or less homogeneous people of fifteen millions offered no menace, especially as with the growth of their political consciousness, the Burmans were rapidly growing in the sense of their social and economic responsibilities. It is therefore significant that the Indian bogey was first raised, as was pointed out by Mr. Grantham, I.C.S., not by the Burmese people, but Europeans; and this fact lends a poignant irony to the declaration of certain Britishers in the report known as the blue print for Burma that the general exodus of Indian immigrants in the face of the Japanese advance has solved the major

part of the alien problem. How once the cry was raised that the Indians were dispossessing the Burmans, it caught the imagination of a certain class of Burmese politicians, how it was fanatically propagated by the Burmese Press, and how it led to the tragic incidents of 1930 and 1937 in which many Indian lives were lost are all matters of recent history.

Two features of Indian colonisation had, however, begun to cause some anxiety to thoughtful minds; one was the unrestricted immigration of Indian labour and the other, the gradual transference of agricultural land from the Burmese cultivators to the Indian capitalists. It was discovered that the unregulated flow of Indian labour was not always conducive to the well-being of the labourers themselves who often found themselves stranded or victimised by unscrupulous maistries; and that a considerable area of the agricultural land of the country had passed into the hands of the Chettiars. The labour question, however, tended to solve itself as more and more Burmans offered themselves for employment; and after the riots of 1930, it became the settled policy of Government and local bodies to employ at least fifty per cent Burmese labour in all undertakings thereby attracting more and more Burmese labour to industrial fields. The land question was sought to be solved by legislation and the Tenancy Act, the Land Alienation Act and the Land Purchase Act to which I have already referred were the result. Whatever "alien" problem there was, was thus approached in a spirit of compromise and reform. The objects in view were sought to be achieved by peaceful transformation and not violent change. The opinion in official circles seems to be that the immigration of Indian labour should be regulated in the interest of the labourers themselves; and the land laws passed by the Burmese Ministry before the war should also be implemented by the new Government as early as possible after reconquest. Subject to these safeguards, India and Burma should live on terms of friendship and goodwill. The speech delivered by Sir Paw Tun in Bombay at a meeting held in honour of Mr. Jamnadas Mehta, the newly appointed Agent to

the Government of India for Burma in which he declared that the Burmese people would welcome the Indians with open arms shows the mind of liberal Burmese politicians.

In glaring contrast to the above are the views expressed by certain conservative members of the House of Commons in the blue print already referred to. The authors of the pamphlet seem to think that the exodus of Indians had automatically solved the Indian problem. What remained to be done was to restore the land to the agriculturists by settling up with the Chettians. According to them, many documents must have been lost in the melee so that it will not be possible to establish the title of the Chettians to the land in many cases; where the title is proved, they should be paid 30% of their claims which, according to the authors represents the original loan. The proposal to dispossess the Chettians where documents establishing their title are lost appears to be too primitive to commend itself to any civilised government. If land is to be restored to the peasants, the value to be paid to the present owners shall have to be settled by a properly constituted tribunal. As regards the solution of the population question, the views expressed in the blue print are neither correct nor fair. As Mr. Amery recently observed in the House of Commons:—

"There I must say that I rather regretted a somewhat dangerous passage in a report by my honourable friend—with so much of which I agree in which he spoke of the Indian exodus as having solved the major part of the problem and leaving a clean slate for Burma in future. Of the 10,00,000 or more Indian population of Burma, many resided in Southern Burma long before 1885. My honourable friend rather left out of account the fact that the Kingdom we conquered in 1886 was Upper Burma, and that Lower Burma the country in which most of that population resided was Indian for over a century. Of that 10,00,000 a large part have stayed in Burma. Of the others, the greater part wish to return to Burma and may be essential to the economic recovery of Burma. I think it is a very dubious thing to talk of the alien element which has been cleared for good out of the country."

This brings us to the question of the right of entry of Indians into reoccupied Burma. This question now resolves itself into two parts, namely, the re-entry of the Indians who evacuated to India at the time of the Japanese occupation, and the right of entry and re-entry of Indians in general. So far as the second part is concerned we know that in November, 1944, in reply to a question in the Council of State the Hon'ble Mr. Banerji, Secretary to the Commonwealth Relations Department of the Government of India said that the Government of India had received proposals for a new agreement from the Government of Burma; and the Government of India had consulted the Standing Immigration Committee of the Central Legislature on those proposals as well as many representatives of Indian interests in Burma. He also said that he could not make any further statement about the proposals or the decisions that might be eventually reached. The public are thus unaware of the nature of the proposals of the Government of Burma and the views of the Government of India thereon. It may, however, be safely surmised that in any settlement that may eventually be made the legitimate rights of Indians secured under the Government of Burma Act, 1935, will be adequately safeguarded.

The subject of the entry of Indians into Burma is dealt with in Part A of the Government of Burma Act, 1935, section 44 of which reads in part as follows:

"(2) Subject to the provisions of this part of this Act a British subject domiciled in the United Kingdom shall be exempt from the operation of so much of any Act of the Legislature as imposes by reference to place of birth, race, descent, language, religion, domicile, residence or duration of residence, any disability, liability, restriction or condition in regard to travel, residence, the acquisition, holding, or disposition of property, the holding of public office, or the carrying on of any occupation, trade, business or profession:

Provided that no such person as aforesaid shall by virtue of this sub-section be entitled to exemption from any such disability, liability, restriction, or condition as aforesaid if and so long as British subjects domiciled in Burma are by or under the law of the United Kingdom subject in the United Kingdom to a like disability, liability, restriction, or condition imposed in regard to the same subject matter by reference to the same principle of distinction.

(3) The provisions of sub-section (2) of this section shall apply in relation to British subjects domiciled in India and subjects of any Indian State as they apply in relation to British subjects domiciled in the United Kingdom, but with the substitution in the proviso to the said sub-section for references to the United Kingdom or references to British India or, as the case may be, that Indian State :

Provided that nothing in this sub-section shall affect any restriction lawfully imposed on the right of entry into Burma of persons who are British subjects domiciled in India or subjects of any Indian State, or any restriction lawfully imposed as a condition of allowing any such person to enter Burma."

The above is the law as it stands regarding the imposition of restrictions on the right of entry of Indians into Burma. But Indian politicians have in the past laid stress on the parliamentary assurances given during the debate on the Government of Burma Bill in the House of Commons in 1935 and 1936 to the effect that the power conferred by the Bill to impose restrictions on the entry of Indians into Burma did not cover Indians other than unskilled labour. It was stated that the provisions contained in clause 36 (1) (h) of the Bill, to the effect that unless the Governor in his discretion thinks fit to give his previous sanction no Bill or amendment which affects immigration into Burma shall be introduced or moved in either Chamber of the Burma legislature and in paragraph XX of the Instrument of Instructions to the Governor of Burma which reserves bills restricting the entry of Indian profession-

als and businessmen provided adequate safeguards for the protection of the rights of Indians other than unskilled labour. But whatever the legal position may be, it does not preclude the possibility of mutual discussion and a fair settlement. The position was appropriately described by Mr. Aney during the debate on the Immigration Agreement of 1941 in the Indian Legislative Assembly in the following words :—

"In this connection reference has been made to the pronouncements made by the Ministers of the Crown when the Government of Burma Bill was under discussion in the House of Commons. The attention of the Government of India is also invited in this connection to article 20 of the Instrument of Instructions. It is urged that the Ministerial pronouncements made in explanation of section 44 of the Government of Burma Act do indicate that Parliament desired the exercise of the powers given to the Burma Government in the matter of regulation and control of immigration mainly to regulate the immigration of unskilled labour from India. There may or may not be a legal bar for them to legislate. But there can be little room for doubt as regards the spirit in which the Ministers desired the powers to be exercised... The only way to solve the difficulties is for the two Governments to meet together and exchange views with a determination to accommodate each other without sacrifice of principle or breach of the pledge given by the Ministers."

The whole situation is in the melting pot ; no one can definitely foresee the shape of things to come. But certain general principles are obviously applicable. In any scheme of reconstruction, Indian interests must be consulted and protected and not dismissed with the superior air of the authors of the blue print as a nuisance which has been got rid of once for all. Fair and full compensation must be paid for all loss of property, whether landed or residential or commercial suffered by the Indian community as for that suffered by others. The agrarian problem will no doubt call for solution. But the solution must necessarily be

slow. It should lie not in the direction of expropriation, but of gradual acquisition by Government of the agricultural land that has passed into the hands of non-agriculturists in the course of three quarters of a century and redistribution of the same among the peasants. The Land Purchase Act together with the Land Alienation Act and the Tenancy Act may provide the necessary method for the achievement of the desired object.

As regards any future agreement on immigration, the Agreement of 1941 was based on the general principle that Burma has the right to determine the composition of her own population. However faultless the proposition may appear to be, Indians who had evacuated to India in the face of the Japanese advance must be allowed to return to Burma at their option unconditionally, when peaceful conditions are restored once more with the exception perhaps of unskilled labour whose entry should be regulated. The question of the entry and re-entry of such Indians into Burma should not be made dependent on their possessing or acquiring Burma domicile, although there need not be any bar to any of them acquiring Burma domicile. Moreover, all Indians who had been ordinarily resident in Burma before the separation of Burma from India should be entitled to equal rights of citizenship with the sons of the soil.

As regards labour its emigration to Burma should be regulated strictly according to the genuine needs of the country. All such immigrants must have fair wages and reasonable working conditions guaranteed to them.

It has been recognised on all hands that the question will be ultimately determined by the status of India in the British Commonwealth. As long as India remains a dependency of Great Britain all questions in which India is a party are bound to be decided not wholly in the interests of India and the Indians but in the joint interest of India and the Empire. The moment India achieves Dominion Status, the whole face of

the problem will undergo a change. Indians do not claim any special privileges in Burma or elsewhere. They do claim an equality of treatment with other British subjects in all parts of the Commonwealth. In manpower and natural resources India is second to none; and once she is the mistress in her own household she cannot obviously be slighted abroad. Happily signs are not wanting that her freedom is not far off. The comments of the *Times* and the *News Chronicle* on the discussion recently held at a Conference on Commonwealth Relations in London are encouraging. The following extracts are taken from Press Reports:—

The Times, referring to the suggested liaison between the executives of the Commonwealth countries extending even into industry, says: "In any such collaboration there will be an indispensable place for India, a necessary bastion of peace in the Indian Ocean, and it was recognised that she cannot play her part without the Dominion Status that has been promised."

"Of all the tasks which would face the Commonwealth entering a new phase of its development", says the *News Chronicle*, "none is more far-reaching than creating confidence and co-operation between the peoples of different races. This is a matter in which not only moral issues but world security are involved. The Commonwealth nations know that India is a vital strategic base. And she can play a grand role as a Dominion member of the world security system of the future. But no one can deny, the paper adds, the reasonableness of India's argument that she cannot adequately fulfil this role until she achieves full Dominion Status. Fulfilment of India's aspirations towards independent nationhood within the Commonwealth is the first, the greatest and the most difficult step towards the new conception of the Commonwealth, no longer based largely on British kinship and European traditions, but of a Commonwealth of nations of many races and colours inspired by a common moral purpose. This is a revolutionary conception. Its realisation demands from the leaders and peoples of Britain a stre-

nuous exercise of political imagination. The moral and defensive strength of the Commonwealth will be greatly increased and its pattern of culture enriched. A Commonwealth which includes India would be a link not merely between the nations that have sprung from the continent of Europe, but between the white and the coloured races of the world."

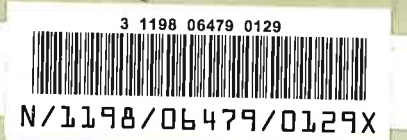
Taken in the light of India versus Burma, there can be no doubt that India possesses the greater bargaining power, India is Burma's foremost customer so far as Burma's principal export, rice, is concerned. Indian capital has so far provided the finance for Burma's industries; and in spite of the talk of co-operative societies, it is well known that co-operation has not thrived well on Burmese soil in the past so that Indian capital may yet be called upon to play its part in Burma. Similarly Indian labour may be indispensable for the industries of Burma for many years to come. India's position as a dependency of Great Britain now stands in her way of using this superior position to her best advantage. Once India becomes a Dominion, India will clearly be in a position to determine her own policy. We are living in a political madhouse; and cannot take a commonsense view of any situation. If we could only take such view, it would at once become clear that there need be no antagonism between India and Burma and the so-called Indian problem is more imaginary than real. Indians have made large and useful contributions to the growth of Burma as a modern State, both politically and economically. There will always be room for such co-operation. For Burma is a large country yet sparsely populated. She needs foreign co-operation both in men and money. And what foreigner can be more welcome to her than her ancient Indian neighbour? Commonsense dictates that India and Burma should co-operate in the future for their mutual benefit; and all our Atlantic Charters are bound to be mere scraps of paper unless commonsense is accepted as the guide in the reconstruction of the world.

Journal of the Indian Institute of International Affairs

Published every quarter. The Journal contains articles, specially written for it by experts, on international questions, particularly those in which India is interested, as also the papers read and discussed at the meetings of the Institute, together with summaries of the discussions.

The Journal is published in January, April, July and October of each year. Annual subscription—Rs. 8/- or 16s.

Obtainable from the Secretary,
Indian Institute of International Affairs,
Cannaught Place, New Delhi.



1127.83

1127