

Land Nationalization Programme and Its Implementation (1948 – 1962)

Yin Yin Nwe

Abstract

Land Nationalization Act was introduced and carried out as soon as Myanmar regained her independence in order to relieve the sufferings of the peasants such as indebtedness, land alienation and insecurity of tenancy since under British rule. The minimum aim of the Land Nationalization Programme was to reconcile the economic hardship of peasants. The provision of the act was to create a new economy and social life for the peasants together with achieving the economic development of the state based on agriculture.

Key words: Land Nationalization Act, Implementation, economic development

Introduction

Myanmar is an agricultural based country and agriculture is the most important feature of the Myanmar's economy. Out of the total population 85 % are cultivators and the remaining 15 % consists of working people. Therefore the development programme for the majority of the population is a vital duty of the government. In colonial days, British Government had failed to implement this task and the Myanmar peasants of those days had been suppressed. Land Nationalization meant the creation of a new order of land system by uprooting the former landlordism which had exploited the peasants until they became tenants on their own land. It also aimed to provide a better life for cultivation by introducing modern methods of cultivation and other measures for rural development. Land Nationalization Act was passed with the aim of abolishing landlordism through systematic nationalization of land and redistribution of land. Another aim was to introduce modern technique of Cultivation to peasant and to raise their living standard. Rural Economy must change in accordance with the changes that occurred in the world.

The agricultural conditions in Myanmar after independence was seriously problematic due to the impact of World War II and the British economic policy of Laissez-faire had resulted in an unparallel land concentration. Most of the farmers had lost their lands. The basic needs in over all reconstruction of independent Myanmar was economic reconstruction based on agriculture. Such reconstruction was the fundamental necessity and it promoted the stability of the agrarian population and development of agricultural sector. To reconstruct agricultural economy, land should be owned by every farmer. At that time the idea of Communism and Socialism had been permeated in the minds of some national leaders and abolishing landlordism was thus encouraged. General Aung San came to realize that unless landlordism in Myanmar was uprooted the country would soon face a major political crisis as well, besides the economic and social implications that came along with it. Thus if Landlordism in Myanmar be abolished, possession of own land for each farmer should be the minimum step to fulfill their livelihood.

The AFPFL¹ declared in the 1947 convention that "Land must be in the hands of those who work the land and there must be no large holdings whatsoever" General Aung San also stated that nationalization of land was also one of the pre-

requisites to achieve parliamentary democracy in Myanmar. He specifically declared that the best solution of Myanmar's agrarian problem was to adopt the policy of land every farmer. He was also aware that prewar landlordism must be abolished by legislation and that limitation of land ownership to prescribed acreage was absolutely necessary in Myanmar. He therefore regarded the ultimate nationalization of agriculture as the best solution of all the agrarian problems.

So in pursuance of his policy, immediately after the AFPFL's assumption of office, a conference of experts from the services was called on 6 June 1947 at the "Sorrento Villa" ² in Yangon. Most of the valuable materials from the "Sorrento Villa plans" were later incorporated in the Two Years Plan drafted in 1948 by a committee composed of U Mya (Hinthada) as Chairman, Bo Khin Maung Gale as member, Mr. J. S. Furnivall, as the planning advisor and Dr. Hla Myint.

Two Years Plan

The policy of the state in relation to agriculture as envisaged in the Two Years Plan was threefold :

- (a) To secure a re-distribution of the agricultural land of Burma with a view to eliminating landlordism and return alienated lands to the peasants and to prevent the peasants from further alienation of land which, if allowed would fall into a vicious circle.
- (b) To evolve an agricultural economy which will ensure that land is cultivated and organized on modern and scientific lines and that the cultivator who constitutes 65% of Burma's population gets a fair share of the produce of the land, is protected against the caprices of a fluctuating market and ultimately achieve a standard of living which will enable him to live a full life and enjoy the amenities of modern civilization.
- (c) As an immediate target, to increase agricultural production so that Burma will recover her pre-war position as an exporter of rice in the shortest possible time and become self-sufficient in as wide a range of other crops as possible.

According to the provision of two years plan, Land Nationalization and Redistribution was essential in Myanmar. Section 30 of the constitution of the Union of Burma provided for the abolishing of landlordism and the creation of peasant proprietorship on the basis of limited ownership by distributing land to agricultural tenants and co-operatives.

Apart from the provision of Two - Year - Economic Plan, another driving force for the introduction of land nationalization programme was the ever increasing demand on the part of the leftist politicians to nationalize the lands and redistribute them to the cultivators. The newly formed government realized that land reform programme must be launched as soon as possible in order to prevent these leftist leaders from gaining popular support by the peasants who formed eighty-five percent of the Myanmar population. Thus this programme bore not only economic but also political implication as well.

The AFPFL government realized that the sound credit system must be provided to the peasants so as to reconstruct the agriculture as they became aware of the fact that the origin of agrarian problems in Myanmar was rooted in indebtedness. The

government therefore tried to eliminate as far as possible the causes of indebtedness. The cultivators needed capital, so they should be given facilities to obtain the required capital on one hand but on the other hand from bitter experience it was necessary to devise some means to discourage or prevent the cultivators from borrowing more than was necessary.

So in 1948, the government of the Union of Myanmar formed a committee to enquire into all matters bearing on the formation of the State Agricultural Bank under the Chairmanship of Mr. J.S Furnivall, Planning Advisor to the Government of the Union of Myanmar, with a view to provide the cultivator's funds for the following requirement :

- (1) expenses of cultivation,
- (2) collective purchase and marketing,
- (3) the improvement of land and agricultural implements,
- (4) rural welfare works such as village schools, dispensaries and other village improvements by the collective efforts of cultivators,
- (5) improving the standard of living of cultivators,
- (6) any other requirements of cultivators.

This committee was formed in accordance with the recommendation in the Two Year Plan that there was an imperative need for state credit in agriculture, the reasons being:

- (1) credit is almost universally needed by cultivators,
- (2) lightening of cost of cultivation will be of benefit to all classes of rural community,
- (3) provision by private credit in the past led to the serious problem of land alienation,
- (4) existence of foreign capital in the country of past resulted in heavy losses to the country of profit remitted abroad,
- (5) the private credit system has more or less broken down,
- (6) It is definitely unsound that agricultural credit should remain dependent on private enterprise and
- (7) higher rates of interest for agricultural credit result in undesirable diversion of capital from industry to agriculture.

Due to the above reasons the Agricultural Bank intended to provide as far as possible, state credit for agricultural finance through Village Agricultural Committee, which would deal with both seasonal loans for crop cultivation and medium term loans for the purchase of cattle and implements. Stress was laid on the need for a simplification of the procedure in granting agricultural advances, so that they shall reach the cultivator in good time and on the provision of credit that will enable cultivator to pay monthly wages to hire labour.

As a preliminary step before a major land reform programme was launched, the government also passed the Agricultural Labourer Minimum Wages Act in 1948 to improve the agricultural grievances existing in that period. These legislations passed just

after the declaration of independence were indeed only temporary measure to do away with peasant's legitimate troubles that was rooted in colonial past.

By these measures, land reform programme reached its peaks when the Land Nationalization Act of 1948 was submitted to parliament. Although it was passed by parliament it could not be implemented due to the outbreak of insurrection all over the country. In the mean time to reduce grievances of tenant farmers before Land Nationalization Programme was implemented, the Standard Rent Act of 1950 was introduced.

On account of these legislative measures, tenancies were no long dispensed by land owners. Now, the Village Tenancy Disposal Committee elected by the cultivators themselves, leased out agricultural lands to tenants on a yearly basis. The tenant enjoyed security of tenure provided he satisfied the following conditions:

- (1) He did not leave the land fallow without sufficient reason,
- (2) He paid the said rent to the landowner,
- (3) He paid the land revenue,
- (4) He repaid the agricultural loans and
- (5) He did not sublet the land.

The Standard Rent Act fixed the rent on rice land as equal to the land revenue payable, on land cultivated with special crops such as chillies, onions, tobacco and sugarcane, thrice the land revenue, and on other *Ya* and *Kaing* land at twice the land revenue.

The Land Nationalization Act was the biggest step taken in land tenure reform. This Act was introduced in the early year of independence in 1948, but later this was repealed and substituted by the Land Nationalization Act of 1953. The objectives of the Act are:

- (1) To create a system of land tenure based on the ownership of land by the small peasant,
- (2) To pave the way for the introduction of a new agricultural economy and planned agriculture by providing for:
 - (a) the formation of Land and Rural Development councils,
 - (b) the organization of small holding owners into large units of agricultural production and
 - (c) the direction of the use of agricultural land in specified manner.

The Land Nationalization Act 1948

The Land Nationalization Act 1948 had included five major provisions. The first provision was

- (1) all the land which were held by non-agriculturist were resumed by the state,
- (2) Land which was held since 4 January 1948 must be allowed to the peasant as small land holder with limited area,
- (3) The limited acres were recognized as follow: 50 acres for paddy and sugar-cane land, 25 acres for *Ya* Land where mostly various kinds of pulse and corn were grown and 10 acres for *Kaing* (or) alluvial land along the river.

In the second provision the method of distribution of resumed land was decided.

- (1) Each household will be allotted one yoke acreage of Land,
(about 10 acres)
- (2) If one's original holding was less than one yoke acreage, he would be allotted anything between original holding and the average holding,
- (3) If the family included more than 4 adults, two yoke acreage would be allotted.

The third provision for peasant who had been allotted land was, he must become a member of a recognized co-operative society.

The fourth provision was to form the committee which was empower resume, redistribution and forming of co-operative society. This committee must be formed by election.

The fifth provision concerned with compensation. In considering the question of compensation one should be aware of the Chapter III, Paragraph 30 of the Union of Burma 1947 constitution. The Section 30 reads:

- (1) The State is the ultimate owner of all land,
- (2) The State shall have the right to regulate, alter, or abolish land tenures or resume possession of any land and distribute the same for collective or co-operative farming or to agricultural tenants.
- (3) There can be no large land-holding on any basis whatsoever. The maximum size of private land, holding shall, as soon as circumstance permit be determined by law.

With five major provisions Land Nationalization Act 1948 was passed. At the outset a practical test of the Act was implemented in selected area such as Kyaukse District, Amrapura Township in Upper Myanmar and Tharawaddy District, Hinthada Township and Zeyawaddy Grants in Taungoo District in Lower Myanmar. On 10 January 1949 another government notification declared that Taikkyi Township in Insein District had to be covered by the said act. Another notification also brought the Thanlyin Township in Hanthawaddy District as eligible to come under provision of the 1948 Act. Due to insurrection and unrest in the country, the Land Nationalization Act could not be put into force as much as was desired.

When the government had controlled over maintenance of peace and stability this Land Nationalization Programme was laid down as one of the ten major segments of the Economic Development Plan under the Pyidawtha or Welfare Scheme in 1952. Thus the Land Nationalization Act 1953 was enacted and enforced throughout the Union of Myanmar, with effect from the 22 June 1953. The provision of 1953 Act was based upon 1948 Land Nationalization Act's provision. Even though the 1948 Act had no provision in measures relating to the creation of a new economy and social life for the peasant. Therefore to fulfill the short-coming of the 1948 Act; Co-operatives such as Mutual Aid Teams and Primary Producer's co-operative society, Land and Rural Development Council, new method of agricultural and proper utilization of land by plan were added in the provision of 1953 Land Nationalization Act.

The Land Nationalization Act 1953

In carrying out the provision of the Land Nationalization Act 1953, five principles were to be strictly observed.

- (1) The status of tenants and cultivators must not be allowed as a result of land nationalization,
- (2) Owner cultivators must be given exemption from resumption of their agricultural lands as provided in the Act,
- (3) There must be no bar to the right of exemption from resumption of agricultural land belonging to resident non-agriculturists who are capable of working and also undertake to work their own lands in accordance with the provision of the Act,
- (4) Democratic principles must be observed in granting exemption from resumption and distributing agricultural lands and finally,
- (5) Payment of fair compensation must be made in respect of agricultural lands resumed by the state.

In implementing land nationalization, there were three categories regarded as vital tasks viz.

- (1) resumption of land,
- (2) redistribution of land, and
- (3) compensation.

In resumption, all lands except garden lands, dhani lands and rubber plantations, belonging to non-agriculturists were resumed by the State. In the case of lands belonging to peasants, exemption from resumption per household was granted up to a limit of fifty acres for paddy land, twenty-five acres for *ya* land, ten acres for *Kaing* land. This exemption was granted only if the peasants concerned had held the lands in question from 4 January 1948. This date was fixed as 4 January 1948, because when the Disposal of Tenancies Act came into force on 3 January 1948, the landlords began to distribute their lands among their relatives with a view to circumvent the provision of the Act that a landholder would be permitted to work only fifty acres. This choice of 4 January 1948 was meant to eliminate such dishonest transfer.

Exemption from resumption of land was granted to the following classes of peoples;

- (1) A minor who was bereft of either parent and who was a citizen of the Union,
- (2) A person of unsound mind,
- (3) A senior member of a non-agriculturist family who was in possession of agricultural land since 4 January 1948 and who resided permanently in the village tract where such land was situated,
- (4) Agricultural lands belonging to any religious institution were also exempted from nationalization.

Cultivators in possession of exempted agricultural land continued to enjoy all the privileges of ownership, except in the case of sale or gift when they must obtain the previous sanction of the authority appointed under the Act. Also no non-agriculturist might inherit such land unless be given an undertaking in writing that be would work such land as peasants.

The Act prohibited mortgages, lease or renting of agricultural land whether exempted or distributed. The land holder must continue working the agricultural land as a peasant and must not leave such land fallow without sufficient cause. If a peasant failed to comply with

certain conditions prescribed in the Act, his land would be liable to resumption without any payment of compensation.

In distribution of nationalized agricultural lands the Act provided that it would be applied among the peasant citizens of the Union, without discrimination of race or religion. This was granted by the Prime Minister U Nu in his speech as follows:

The distribution of nationalized agricultural lands shall not be entrusted to any one party. The Government will take the responsibility to form authoritative bodies from among persons who have the real good will of the agriculturists at heart and who know no discrimination in respect of race, religion, or party. These bodies will be entrusted with the task of land distribution.

According to this Act each peasant household, would be allotted a unit of land workable by a yoke of cattle. This unit was decided for each village tract and therefore it varied from village tract to village tract usually from five to fifteen acres. Until 1958 this holding was obtained by dividing the total available area for distribution, by the number of eligible applicants for allotment of lands. The impracticability of this method was that the peasants were often shifted from their former holding and some found that the yoke acreage allotted to them was often less than what they were holding as tenants before the distribution. So a more practical and flexible method to calculate the yoke acreage was adopted. This time each applicant was interviewed and the area of his original holding was asked and recorded. If his original holding was less than the average yoke acreage, then he would be allotted anything between his original holding and the average holding, that was to say if his original land was five acres the yoke acreage allotted would be anything between five acres and ten acres; or if his original holding was fifteen acres, he would be allotted anything between ten and fifteen acres.

Land must be distributed in the following order of priorities.

First priority would be given to tenants and those peasants who possess less than one-fifth of the *tatontun* that is an area workable by one yoke of cattle fixed for that area.

Second priority would be given to those peasants, who possess more than one-fifth of the *tatontun* fixed for that area,

Third priority would be given to seasonal agricultural labourers, and

Fourth priority would be given to other casual field labourers.

By these priorities every peasant also enjoyed the following rights over the distributed agricultural lands;

The right to occupy and work the distributed land and to enjoy all benefits arising there from;

The right to sell or give such land to any peasant organization, of which a senior member of such family was a member; and the right to divided such land or exchange it for any other agricultural land.

The peasant had got to abide by these conditions in respect to distributed lands.

He shall not mortgage, sell or otherwise transfer such agricultural land except in accordance with the provisions of the Act,

He shall not divide or exchange such agricultural land except as provided by the Act,

The family of which he is a member shall not cease to be a peasant family,

He shall pay all revenues of the state in respect of such land,

He shall not leave it fallow without sufficient cause,

He shall not rent or lease out such agricultural land and he shall join such agricultural organization which may be formed from time to time as provided for the Act.

In so far as the compensation is concerned, section 42 of the land Nationalization Act 1953 prescribed how compensation should be determined. In determining such compensation, factors such as the nature of the tenure of agricultural land, the length of time for which a person had been in possession of the agricultural land, the benefits enjoyed by virtue of possession of the agricultural land and the costs incurred of compensation was prescribed and it was the intention of that Act to resume possession of agricultural lands on payment of a nominal amount as compensation in cases where it was established that a landlord had enjoyed a return from the land sufficient to cover the amount invested in the land plus the interest thereon.

This question of setting a pattern for paying out compensation had become a very delicate one since there were agricultural lands in Myanmar owned by foreigners from the neighbouring India. The government of Myanmar did not wish to have any misunderstanding between the two governments because of any misrepresentation regarding compensation.

Thus in order to remove any misunderstanding, the government after consulting with a delegation from India headed by the Ambassador for India, Dr M.A Rauf, which arrived on 7 June 1950, repealed the 1948 Act and introduced the Land Nationalization Act 1953 with full provisions regarding the pattern of compensation to be paid to the land owners (Table 1).

Table 1 Land nationalization and redistribution from 1953 to 1958

Year	Nationalized land	Exempted land	To be redistributed land	Distributed land	The rest to be distributed land
1953-54	261	112	147	127	20
1954-55	1025	508	509	432	77
1955-56	732	348	379	338	41
1956-57	561	276	283	158	27
1957-58	575	362	313	263	50
Total	3256	1609	1631	1416	205

Discussion

The aim and object of land nationalization work in Myanmar was to introduce a new rural economy and build a new order for peasants. Due to insurrection and unrest in the country, the Land Nationalization Act of 1948 would not be put into force as much as it was desired. When the whole country came under control of the government, determined efforts were being made for the Nationalization of Land. To make successful implementation of the Land Nationalization Programme both the short term plan and the long term plan were necessary. As for the short term plan, a separate Ministry of Land Nationalization was created for energetic and effective implementation of the Land Nationalization Programme. The new Ministry with Honourable Thakin Tin, President of the All Burma Peasant's Organization and one-time Minister of Agriculture and Forest, and Thiri Pyanchi U Ba Htay (I.C.S) (retired secretary) was formed. The important functions of this Ministry was to formulate the plans and draw up a scheme for implementation of the Land Nationalization Act and also Nationalization Department came into existence with one Chief Executive Officer at its head, assisted by Executive Officers General, Land Records and Co-operative

with prospect of expansion if need be. Under the guidance of Land Nationalization Department, the Central Land Nationalization Committee was formed with the Chief Executive Officer as Secretary.

The latter part of the 1958 saw a change of government, whereby General Ne Win was entrusted to take the state power as head of the Caretaker Government. During his rule land Nationalization work was temporarily suspended. An enquiry Commission was formed and new Government assigned this Commission to appraise the result of the works in the past six years. This commission had to report on the resultant agrarian situation and to recommend any amendments and changes it might find necessary in the land Nationalization Scheme. Meanwhile preliminary enquires had been made in 547 village tracts so that they would be ready for implementation of land Nationalization scheme when it was resumed (Table 2). The Enquiry Commission submitted its report to the Government in September 1959. This Commission recommended a complete overhaul of the 1953 Land Nationalization Act as it had flaws and reformation and reorganization of each land committee was made at various levels.

Table 2 The development of land nationalization and redistribution from 1953 to 1958

	1953-54	1954-55	1955-56	1956-57	1957-58
Districts	8	28	28	28	30
Townships	8	33	49	47	63
Village tracks	152	514	431	325	411
Distributed lands	126828	432247	337557	256225	269968
Distributed households	16550	48554	40070	35515	37398
Distributed Organization	3	21	14	1	-

However in 1960 after the split of the AFPFL party U Nu was again reelected and was able to form a new government. This government now focused its attention more on the second phase of Land Reform Programme. The first part which had been carried out which was resumption and distribution of agricultural lands. The second part included the raising of the economic position of the cultivators. With the aim in view, the Government in 1961 devised a Four-Year-Economic Plan which included programme for intensive cultivation, planned and diversified agriculture. With new methods of cultivation including mechanized farming, the provision of quality seed and easy agricultural finance together with better marketing facilities. However this Four-Year-Economic Plan could not be implemented because of the advent of the Revolutionary Government on 2 March 1962 and this change of government resulted in an intensive review of all programmes, staffing and procedures. So judging from the theoretical point of view the whole Land Nationalization Programme was comprehensive one, which aimed at uplifting the life of the peasants.

Conclusion

Myanmar is favourable for agricultural production with large area of flat land, a moderately fertile soil, ample water resource and a suitable climate. Agricultural sector plays vital role for the development of Myanmar's Economy. So the Government, who intend to build developed nation, must pay attention to agriculture. But nowadays because of the advance of technology, instead of expansion of land to produce more crops the promotion of yield per acre is practiced. Thus educated persons, who could study the new technology, are needed for new technology could be redistributed among the peasants. To develop Myanmar's Economy one should not loose sight of applying new technology.

¹ A.F.P.F.L . Anti-Fascist People's Freedom league

² Sorrento Villa, This was the first Rehabilitation Conference in the history of post-war Burma held at the sorrento villa, (now this office in Ministry Communication, Posts and Telegraphs, Pyay Road, Yangon)

Acknowledgements

I would like to express my profound thanks to Dr. Tin Tun Mtint and Dr. Si Si Hla Bu, Pro-Rectors of Hinthada University and the members of Research Committee of Hinthada University for their encouragement to submit the research paper. All my colleagues who helped me in various ways while preparing this paper are greatly appreciated.

References

- Aye Hlaing, U (1958) *Some Aspects of Seasonal Agricultural loans in Burma and Agro Economic Problem in Burma*, Economic Paper, University of Rangoon.
- Binns, B.O. (1946) *Agricultural Economy in Burma*, Rangoon, Government Printing and Stationery.
- External assistance (Ministry of Finance) (1961) *Agrarian Reforms in Burma. Proceedings of the Afro-Asian Conference on Rural Reconstruction*, held in New Delhi, India, January 18 to 25, 1961.
- Land Nationalization Act* (1953) Govt Printing and Stationery, Rangoon.
- Ministry of Agriculture and Forests (1948) *Notification No. 279*, dated 27 December 1948
- Ministry of Agriculture and Forests (1949) *Notification No. 2*, dated 10 January 1949
- Ministry of Agriculture and Forests (1950) *Notification No. 86*, dated 3 May 1950
- Ministry of Agriculture and Forests (1950) *The Land Nationalization Act 1948*, Supdt, Govt, Printing and Stationery, Rangoon.
- Ministry of Agricultural and Forests (1948) *The Land Nationalization Bill*, Rangoon.
- The Pyidawtha Conference (1953) *Resolutions and Speeches made at Pyidawtha Conference*. August 14-17, 1952. Supdt, Govt, Printing and Stationery.
- San Thein, U (1962) *Leiyamyay Nainganpain Pyulokeye Simankein Sarsaung*, Rangoon, Boho Nainganye Theikpan Kyaung.
- Second Four-Year Plan for the Union of Burma* (1961-62 to 1964-65) Supdt, Govt, Printing and Stationery, Rangoon.
- The Constitution of the Union of Burma* (1948) Supdt, Govt, Printing and Stationery, Rangoon.
- The Seventh Anniversary Burma* (1956) Vol V. No 2, Rangoon, Govt, Printing and Stationery.
- Tin, Thakin (1950) *The Speech of the Hon'ble Thakin Tin*. Minister for Agriculture and Forests, on the introduction of the land Nationalization Bill 1948 at the sixth Session of the Parliament on the 11 October 1948, Govt, Printing and Stationery.
- Tin, Thakin (1954) *The Speech of the Hon'ble Thakin Tin*. Minister for Land Nationalization in the Chamber of Deputies on introducing the landNationalization (Amendment) Bill 1954, Aung Meit Set Press, Rangoon.
- Two Year-Plan of Economic Development for Burma* (1948) Supdt, Govt, Printing and Stationery, Rangoon.
- Yangon, Burma Socialist Programme Party (1971) *Myanma Leiyar Myei Thamaing*, 2.