

Changes of Rice Policy under Japanese Military Administration

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Abstract

Among the Southeast Asian countries which Japan had occupied during World War II included the countries where rice was produced sufficiently enough for export and also included the countries which had no sufficient rice. The Japanese military government laid down the rice policy to export surplus rice to the countries where rice was not sufficient and to export surplus rice to Japan for internal consumption and as ration for Japanese army. The rice policy of Myanmar was intended to support rice to Japan, Malaya and the Philippines where rice was not sufficient and rice industry was carried out under the control of Nippon-Burma Rice Union. After external trade of Myanmar had been abolished, rice industry was managed under the name "Supplies Exchange" to export and exchange rice to Japan and Japanese occupied areas. It is found that the return of Indians who had taken part in various sectors of Myanmar agriculture also had a serious effect on the decline of rice industry in Myanmar.

Keywords: Rice Policy, surplus rice, Nippon-Burma Rice Union, Japanese military government

Introduction

Myanmar is an agricultural country and Myanmar economy was based on agriculture since the reigns of ancient Myanmar kings. Up to the time prior to the outbreak of World War II, rice was the crop mainly produced from Myanmar. Agriculture during the reigns of ancient Myanmar kings was the subsistence agriculture. Rice was grown just for family consumption and for barter with daily utensils. After the British occupation of Myanmar, Myanmar agriculture encountered great changes. The British government carried out agricultural development and rice was grown for lucrative purpose to export external market. So the cultivation of rice assumed the character of commercialization. With the bombardment of Pearl Harbour on 8 December 1941, Japan entered into the Second World War and launched an offensive war in the military front of Asia and Southeast Asia. Then by using the slogan "The Greater East Asia Co-prosperity Sphere" Japan occupied the Southern part of Asia regions and ruled with military administration. This Paper focuses on the nature of the Rice Policy introduced and practiced by the Japanese Military Government in Southeast Asia and its effect on the economy of the rice industry in Myanmar.

Aim and Objective

This Paper is aimed to reveal the changing process of the Myanmar agricultural industry and to examine the Japanese attempt to control the rice industry that contributed to their war and presented from the Japanese point of view.

Data and Methods

In this paper, collecting the primary sources of Japanese occupation period from the War History Research Department of National Institute for Defense Studies (NIDS), Tokyo(editing), published the two books namely *緬甸軍政史(History of Military Administration in Burma)*, 1943 and *南方の軍政(Nanpō no Gunsei) Military Administration in Southern Region*, 1985, books and documents of Japanese Professor Kurawawa Aiko who specialized in making research on the Southeast Asia History especially the Japanese

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Occupation Period were used and written as the Japanese documents and sources with the method of critical examination.

Research Questions

The research questions are as follow;

- How did Japanese military government introduce and practice the rice policy in Southeast Asia?
- How did Japanese military government lay down the rice policy for Myanmar?
- How did it consequentially affect the economy of the rice industry in Myanmar under Japanese military rule?

Discussion

The main intention of Japan in the occupation of Southern Asia region was to get mineral resources produced from these regions and on the basis of these mineral resources; the Great East Asia Co-prosperity Sphere would be implemented at the time when Japan's military operations achieved success.¹

The rice policy of the Japanese military government

The Southeast Asian countries which Japan had occupied during World War II were the main rice-producing countries of the world and people in these countries were also principal consumers of rice. Among these regions included the countries where rice was grown abundantly not only for internal consumption but also for export to external markets (Europe, America and India) and these regions also included the countries where rice was not grown sufficiently even for their internal consumption. Being the inter-war period, external trade came to a halt and the result was the emergence of surplus stock of rice in the countries which formerly had exported rice to the foreign market. In order to settle this problem, the Japanese military government laid down the rice policy of exporting surplus rice to the countries where rice was not produced sufficiently and also to send to Japan for local consumption as well as for the Japanese army.²

Out of the Southeast Asian countries, there were three countries including Myanmar which produced largest amount of rice in prewar time in the world and it is known by the statistics of 1936-39 that Myanmar produced a total of 4,900,000 tons of rice average per year and 3,000,000 tons of rice were exported, Indochina produced 6,500,000 tons of rice and 1,500,000 tons of rice were exported and Thailand produced 3,000,000 tons of rice and exported 1,500,000 tons of rice to external market.³ Out of these three areas where rice was grown over-abundant, Myanmar was the largest rice exporting country to external market. The countries which were in great need of rice were Malay, China and Japan. In the pre-war time, 700,000 tons of rice was imported average per year to Malay through Indochina, Thailand and Myanmar (Yangon and Mawlamyaing harbor). Rice was exported to China from Indochina

¹ War History Research Department of National Institute for Defence Studies (NIDS)(editing), *南方の軍政 (Military Administration in Southern Region)*, Tokyo, Asagumo Press, 1985, p.129 (Hereafter cited as *Southern Region*)

² Aiko Kurasawa, “米穀問題に見る占領期の東南アジア”(“The Southeast Asia in Occupation Period with the view of Rice Problem”), *東南アジア史のなかの日本占領 (Japanese Occupation in Southeast Asian History)*, Waseda University Publishing Department, 2001, p.132 (Hereafter cited as Kurasawa, “Rice Problem”)

³ Kurasawa, “Rice Problem”, p.131

and Thailand. At the time when the Japanese entered, plan was laid down to export rice to Japan from the countries which produced extra-rice.¹

The countries in need of rice and the countries producing surplus rice which are located within the Greater East Asia Co-prosperity Sphere are described in the following table with amount of rice which was drawn up on the basis of data collected five years prior to the outbreak of war.²

Table (I)
The countries which were in need of rice and amount of rice in need (Tonnage)

Malaya	588024
China	523292
Japan	470000
Indonesia	258856
Manchuria	74203
Borneo	49900
The Philippines	35122
New Guinea	8852
Total	2008249

Table (II)
The countries producing surplus rice and extra amount of rice (Tonnage)

Myanmar	2716767
Thailand	1411428
Indochina	1355258
Total	5483453

By the above-mentioned table, there were over 2,000,000 tons of rice which were in need and 5,500,000 tons of extra rice. After extra rice had been exported to the areas which were in need of rice, it is known that 3,500,000 tons of rice was still extra.

The changes of Myanmar rice industry

With the outbreak of World War II, Myanmar fell under the Japanese military administration. The Japanese occupation brought about various changes to rice industry.

(1) The rice control

In the British colonial period, Myanmar was the largest rice-producing country in Southeast Asia and, until the time when Japan entered into Myanmar, was exporting 63 percent of the total value of product. Myanmar was one of the countries with the largest rice export in the world.³ After the Japanese entry into Myanmar, as it was coincided with the outbreak of World War II, foreign trade came to a halt and there appeared surplus stock of rice in Myanmar. With regard to the issue, Japanese army laid down the rice policy for Myanmar. In

¹ Aiko Kurasawa, “資源の戦争”(“Resources War”), *支配と暴力 (Domination and Violence)*, Iwanami Course, Asia-Pacific War(7), 2006, p.130 (Hereafter cited as Kurasawa, “Resources War”)

² Kurasawa, “Resources War”, p.131

³ Kurasawa, “Rice Problem”, p.134

the Asian Secret Order No. 2890 which was issued on 19 August 1942, it is stated the "Guide of temporary plan for the utility of rice produced from Myanmar" and according to it, "rice produced from Myanmar would be consumed as food for Imperial Japan". Moreover, it was intended to supply rice to such rice-insufficient countries as Malaya and the Philippines out of the Japanese-occupied Southeast Asian countries. In this place, it was instructed as follows:

...In order to carry out systematically the storage of paddy, grinding of rice and export of rice under the management of the Imperial Japan, an organization with restricted power shall take responsibility for it...¹

According to the above-mentioned instruction, based on the investment of 5 million kyats in which Nippon Menka contributed 50 percent of investment, Mitsui Bussan contributed 25 percent of investment, and Mitsubishi Shoji contributed 25 percent of investment respectively, Nippon-Burma Rice Union(日本緬甸米穀組合)was formed to take responsibility for the procurement, purchase, dispatch and storage of rice.² Imposing the Myanmar rice industry from production to distribution under strict control of Japanese government, there appeared a change in Myanmar rice industry in the time of Japanese administration.

(2) Change in the destination of export

The Japanese occupation brought about a great change in Myanmar rice market. Before the outbreak of war, Myanmar rice was mostly exported to India and Ceylon(Sri Lanka). In 1930, rice export increased to 1,855,999 tons (59 percent of the total export) by average. The rest were 420,000 tons to Europe (13.4% of the total export), 6.7% to Malaya, 3.9% to China, 2.8% to Sumatra and 0.06% to the Philippines. It can be said that about three quarters of the total rice export were sent to the Allied Countries. With the Japanese annexation, the pre-war mode of rice trade was disposed of and was changed to a system of sending the rice to Japan and other regions under Japanese rule as supplemental support which was termed as "Supplies Exchange"(物資交流).³

From April 1942 onwards, rice export and exchange to Japan increased month after month and it reached zenith in November. But due to severe bombardment, rice export to Japan ceased completely from February 1943 onwards. Rice export and exchange to Japan is mentioned in the following table.⁴

¹ (a) *Southern Region*, p.398
(b) Kurasawa, "Rice Problem", p.134

² *Southern Region*, p.398

³ Kurasawa, "Rice Problem", p.135

⁴ War History Research Department of National Institute for Defence Studies (NIDS)(editing), *緬甸軍政史 (History of Military Administration in Burma)*, 1943, p.203

Table (III)
Rice export and exchange to Japan (Tonnage)

Period	Rice export	Exchange of rice	Total
April 1942	18,277	-	18,277
May	18,279	3,976	22,255
June	-	22,372	22,372
July	12,392	24,163	36,555
August	4,000	42,242	46,242
September	557	19,639	20,196
October	8,271	40,179	48,450
November	30,924	34,227	65,151
December	6,283	9,208	15,491
January 1943	3,226	29,528	32,754
February	-	15,426	15,426
March	-	978	978
April	-	915	915
May	-	-	-
June	-	-	-
July	-	13,291	13,291
Total	102,699	256,144	358,843

(3) The return of Indians and the decline of the rice industry

A number of Indians had taken part in the various roles of rice cultivation in Lower Myanmar. Some of the Indians had come to stay and work in Myanmar as tenant farmers or farm workers. They did not like to settle permanently in Myanmar. They were the seasonal labourers who came to Myanmar at the time of harvest in November and returned to India in March, April or May of next year.¹

The Indians took part in rice cultivation not only as labourers but also they had played a major role in the sector of agricultural investment. Especially, the Indians whose native was Chettinad near Madras in southern India who earned their living by money-lending took part in Myanmar rice cultivation. In the year 1929-30, amount of loan they granted to rice industry in Lower Myanmar was amounted two-thirds of loans they granted to the whole country. They engaged not only in money lending, but also they became land owners. In 1937, in thirteen districts which were the main rice-growing areas of Myanmar, 25 percent of total cultivated areas were owned by the Chettiyars. At the time when World War II broke out and the Japanese army entered into Myanmar, majority of Chettiyars fled to India.²

Some of the Indians were found not only as farm workers but also as manual workers in rice mills, railway roads and ports. According to the list of 1939, it is known that 75.4 percent of the mill workers in Myanmar were Indians.³ Therefore, the reduction in number of Indians who took part in the main sector of agriculture brought about difficulties in rice production and distribution. The reduction of Indians who took part in various sectors of Myanmar agricultural economy was a change in Myanmar rice industry which was affected by the war. It can be considered as the exclusive outstanding problem of Myanmar which could not be seen in other Southeast Asian countries.

¹ Kurasawa, "Rice Problem", p.136

² *Report of the Burma Provincial Banking Enquiry Committee 1929-30*, Vol.I, Rangoon, Government printing and stationery Burma, 1930, p.203

³ Kurasawa, "Rice Problem", p.136

Conclusion

It is studied that the Japanese aimed at creating the Greater East Asia Co-Prosperity Sphere to be self-reliant and to augment the economy of the Japanese Empire by producing and using the natural resources where needed in military operations in the World War II. Therefore, the rice policy which was laid down and controlled for the Southeast Asian countries including Myanmar by Japan was to support the war and just for the attainment of victory in the war that the Japanese were waging. On reviewing the changing process of the Myanmar agricultural industry, while rice was grown only for self-sufficiency during the era of the Myanmar kings, it was cultivated for trade in the British Colonial period. It can be said that the Myanmar Agricultural Industry in the period of the Japanese Military Administration took the form of an industry supporting their war effort.

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