

Second, it might perhaps have been preferable in the first sentence of sub-paragraph (a) to adhere even more closely to the wording of your letter of 30th May to Azad but I hope that the verbal difference in the use of the passive mood will not be seized upon by any of your Council. There is no difference in intention. Third, the second sentence of sub-paragraph (a) derives from the fact that up to 1942 the Governor was bound (subject to the right to use his individual judgment in certain cases including in Burma financial stability and therefore budget) to accept the advice of his Ministers in all matters other than those reserved to the Governor in his discretion, in particular and notably Defence, External Affairs and the administration of the Frontier Areas. These matters did not come within the purview of the Council of Ministers. The convention adopted from 1937 onwards was that when the agenda covered only matters on which Ministers were entitled to advise the Governor, he would not normally preside at council meetings but only on special occasions when, for example, the budget or other matters involving the possible exercise of individual judgment were under discussion. The extension to purview of the Executive Council by sub-paragraph (c) of Defence and External Affairs previously excluded in practice as well as in law will entail that the Governor will be fully within his rights in presiding when such matters are before the Council.

5 I trust that the foregoing comments will enable you to deal with any claim from any of your Ministers that in view of what has been conceded to Burma something more should be conceded to the Interim Government of India. But if there are any other points on which you think such claim might be based, please let me know.

6 If any hitch should occur or any last minute important alteration of text I will let you know by most immediate telegram.

257 *J.M. Addiss (Prime Minister's Private Secretary) to Clement Attlee*

PRO: PREM 8/412 Pt I

URGENT

10 DOWNING STREET, 27 January 1947

Prime Minister

This draft for your statement in the House to-morrow on Burma has been prepared by Sir G. Laithwaite, who has also given a copy to Ld. Pethick-Lawrence.

Laithwaite thought his draft a bit long, but thought you would find the material sufficient to work on.

*This is about as long as the White Paper. C.R.A.*

258 *Conclusions reached in the Conversations between His Majesty's Government and the Delegation from the Executive Council of the Governor of Burma, January 1947. Cmd. 7029*

DOWNING STREET, 27 January 1947

His Majesty's Government and the Delegation of the Burma Executive Council having

discussed all the matters affecting the future relations between Great Britain and Burma which were raised by the Delegation have reached the following agreed conclusions as to the methods by which the people of Burma may achieve their independence, either within or without the Commonwealth, as soon as possible:—

1 *The Constituent Assembly*

In order that the people of Burma may decide on the future constitution of their country as soon as possible a Constituent Assembly shall be elected instead of a Legislature under the Act of 1935. For this purpose the electoral machinery of the 1935 Act will be used.

Elections will take place in April for the general non-communal, the Karen, and the Anglo-Burman constituencies as constituted under the Act of 1935, and for each constituency two members shall be returned. Any Burma nationals (as defined in Annex A) registered in a general constituency other than one of those mentioned above shall be placed on the register of a general non-communal constituency.

2 *Transitional Form of Government*

During the period of transition the Government of Burma will be carried on as at present under the special powers of Section 139 of the Act of 1935 and the Temporary Provisions Act of 1945 together with any Orders in Council made thereunder.

If any exceptional circumstances arise which, in the opinion of either Government require special treatment, His Majesty's Government will consider what, if any, alteration can be made to meet such circumstances.

3 *Interim Legislature*

During the interim period there will be a Legislative Council as provided by the Act of 1945. Power will be sought by His Majesty's Government by Order in Council to increase the numbers authorised from 50 to 100.

As soon as the elections to the Constituent Assembly are completed, the Governor will nominate a Legislative Council of 100. It will be drawn from among those elected to the Constituent Assembly with the inclusion of a small number of persons to represent the non-indigenous minorities.

The powers of the Legislative Council will be identical with those possessed by the recently dissolved Legislative Council of 50.

4 *Interim Government*

The Executive Council of the Governor will constitute the Interim Government of Burma.

While it is not possible to alter the legal powers of the Executive Council, or of the Governor, which must continue within the framework set out in paragraph 2 above, the Interim Government will be conducted generally in the same manner as the Interim Government of India at the present time, and in particular:—

- (a) The Executive Council will be treated with the same close consultation and consideration as a Dominion Government, and will have the greatest possible freedom in the exercise of the day-to-day administration of the country.

The convention exercised during the currency of the Act of 1935 as to the Governor presiding at the meetings of the Council of Ministers shall be continued in relation to the Executive Council.

- (b) His Majesty's Government agree in principle that the Government of Burma shall have financial autonomy (see Annex B).
- (c) Matters concerning Defence and External Affairs will be brought before the Executive Council, which will be fully associated with the disposal of business in such matters.
- (d) The Governor will depute to his Counsellor for Defence and External Affairs the day-to-day administration of those subjects.

Subject only to the limitations inherent in the legal position, the Executive Council will be at full liberty to raise, consider, discuss and decide on any matters arising in the field of policy and administration.

#### 5 *External Affairs*

There shall be appointed forthwith a High Commissioner for Burma to represent the Burmese Government in London. His Majesty's Government will request the Governments of the countries with which Burma wishes to exchange diplomatic representatives to agree to such an exchange.

#### 6 *Membership of International Organisations*

His Majesty's Government will lend their full support to any application by Burma for membership of the United Nations Organisation as soon as Burma's constitutional position makes it possible for such an application to be entertained. In the meantime His Majesty's Government will explore with the Secretary-General how far it is possible for Burma to be represented at any meetings of, or under the auspices of, the United Nations Organisation.

They will also approach any other international bodies which the Government of Burma may desire, with a view to ascertaining whether Burma can be associated with the work of such bodies as a member nation or otherwise.

#### 7 *Defence*

- (a) In accordance with settled practice all British forces stationed in Burma will remain under the ultimate control of His Majesty's Government.
- (b) All Burmese forces will forthwith come under the control of the Government of Burma.
- (c) His Majesty's Government have agreed in principle that the GOC in Burma shall become subordinate to the Governor and Government of Burma at the earliest practicable moment, but for the present, until the liquidation of inter-Allied arrangements of Command which cover many countries, the GOC in Burma will remain under SEALF. During this period there will of course be close collaboration between the Governor, the Government of Burma, and the authorities concerned.

Appropriate arrangements on similar lines will apply in respect of the Naval and Air Services.

- (d) The question of assistance in building up the Defence Forces of Burma will be a matter for discussion between the two Governments. His Majesty's Government wish to do their utmost to help the Government of Burma in this matter, but must have regard to their already heavy commitments in other parts of the world.

- (e) The question of the retention or use of any British Forces in Burma after the coming into operation of the new Constitution will be a matter for agreement between His Majesty's Government and the Government of Burma.

#### 8 *Frontier Areas*

It is the agreed objective of both His Majesty's Government and the Burmese Delegates to achieve the early unification of the Frontier Areas and Ministerial Burma with the free consent of the inhabitants of those areas. In the meantime, it is agreed that the people of the Frontier Areas should, in respect of subjects of common interest, be closely associated with the Government of Burma in a manner acceptable to both parties. For these purposes it has been agreed:—

- (a) There shall be free intercourse between the peoples of the Frontier Areas and the people of Ministerial Burma without hindrance.
- (b) The leaders and representatives of the peoples of the Frontier Areas shall be asked, either at the Panglong Conference to be held at the beginning of next month or at a special Conference to be convened for the purpose, to express their views upon the form of association with the Government of Burma which they consider acceptable during the transition period: whether—
- (i) by the appointment of a small group of Frontier representatives to advise the Governor on Frontier affairs and to have close liaison with the Executive Council; or
  - (ii) by the appointment of one Frontier Area representative as Executive Councillor in charge of Frontier affairs; or
  - (iii) by some other method.
- (c) After the Panglong meeting, or the special conference, His Majesty's Government and the Government of Burma will agree upon the best method of advancing their common aims in accordance with the expressed views of the peoples of the Frontier Areas.
- (d) A Committee of Enquiry shall be set up forthwith as to the best method of associating the Frontier peoples with the working out of the new Constitution for Burma. Such Committee will consist of equal numbers of persons from Ministerial Burma, nominated by the Executive Council, and of persons from the Frontier Areas, nominated by the Governor after consultation with the leaders of those areas, with a neutral Chairman from outside Burma selected by agreement. Such Committee shall be asked to report to the Government of Burma and His Majesty's Government before the summoning of the Constituent Assembly.

#### 9 *Finance*

A number of financial questions have been considered and an agreement has been arrived at as to how these matters should be dealt with, which is set out in Annex B attached hereto.

#### 10 *Other Matters*

A number of other questions will arise for settlement between His Majesty's Government and the Government of Burma connected with the change in the status of Burma. These will be taken up as they arise and will be dealt with in the same friendly and co-operative spirit that has marked the present discussions.

Both His Majesty's Government and the Delegates of the Burma Executive Council are convinced that by a continuation of the present method of consultation and co-operation smooth and rapid progress can be made towards their common objective of a free and independent Burma, whether within or without the British Commonwealth of Nations, and they have, therefore, agreed to co-operate in the settlement of all future matters which shall arise between them through the transitional period until Burma's new Constitution comes into operation.

C.R. Attlee

Aung San

*Note: The Hon. Thakin Ba Sein and the Hon. U Saw are unable to associate themselves with these conclusions.*

#### ANNEX A

A Burma National is defined for the purposes of eligibility to vote and to stand as a candidate at the forthcoming elections as a British subject or the subject of an Indian State who was born in Burma and resided there for a total period of not less than eight years in the ten years immediately preceding either 1st January, 1942, or 1st January, 1947.

C.R.A.

A.S.

#### ANNEX B

##### FINANCE

- 1 His Majesty's Government have agreed in principle that Burma should have financial autonomy.
- 2 His Majesty's Government have undertaken to do all they can to secure her effective membership, as soon as she is in a position to make the application and should she so desire, of the International Monetary Fund and the International Bank.
- 3 Burma has received as an interest-free loan approximately £8 million (net) for the Burma financial year October 1945 to September 1946 and it has already been agreed that, for the financial year October 1946 to September 1947, she should receive a further £7.5 million (net). His Majesty's Government have now agreed that they will make a further contribution towards this year's deficit on the Ordinary Budget, taking account of any contribution for the Frontier Areas.
- 4 As regards the Projects Budget (which deals mainly with the governmental trading activities) His Majesty's Government will examine the possibility of a credit with a definite ceiling, without United Kingdom control, but with the fullest exchange of information.
- 5 His Majesty's Government are prepared to agree in principle to the possibility of converting a part of any interest-free loan into an outright grant in the light of the results of the further joint study of the facts of the financial situation (see next paragraph).
- 6 It is agreed that there should be a further joint study in Burma of the facts of the financial situation, without commitment on either side. Should further financial assistance be needed from His Majesty's Government beyond that agreed in paragraphs 3 and 4 of this Annex, this assistance, if given, will be subject to such conditions as may be agreed upon.

C.R.A.

A.S.