

A Study on the Socio-Economic Conditions of the Oil Producing Areas in Yenangyaung (1886-1945)

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Abstract

This paper describes the socio-economic conditions of oil producing areas in the early period of Yenangyaung. The yenangyaung area was regarded as the largest and longest oil industry in the world at that time. In Myanmar, there was a little oil production working by the *Twinyo- Twinza* in traditional owner system for longtime. In this paper, it emphasizes the conditions of this area in 1886-1945. The aim of this paper is to study the oil producing system, the changes and the problems of the distribution types of oil wells and distance of social system at that time. This paper attempts the available primary sources of reports and the secondary sources of publication books and tables. Therefore, it can partially support the study of oil production systems and the changes and problems of social and economic conditions.

Key words: *Twinyoe-Twinza, social changes*

Introduction

In Yenangyaung Oil Field, there were two social classes namely the ruling social class and the ruled social class. In oil field there was a peculiar social class known as *Twinyo* and *Twinza*.¹ They were exempted from paying commodities for royal consumption and royal services. They were not under the jurisdiction of the local chief, *Myothugyi*. They were under the rule of *Twinthugyi Nemyothamantayaza* who administered the affairs of the *Twinyos* and *Twinzas*. They were thus special privileged people.² They had the right to work the oil wells in the demarcated areas of Yenangyaung. The *Twinyos* hereditarily inherited the right to work oil wells and thus existed as a distinct social class. The disputes among the *Twinyos* and *Twinzas* were decided by *Twinyimin Nemyothamantaraza*. In other words, the traditionally legal custom was here adopted.

The principle was to make big legal suits small and to make light legal suit disappear. It is observed that it was keeping up a good tradition. As the *Twinyos* and *Twinzas* were special privileged people, they were found to follow the traditional customs of the royalty in their auspicious and inauspicious occasions. But later there were sales of *Twinyos*. The inheritors of oil wells by prosperity, the descendants of King *Tannet* and Chief Queen to own *Twinyos* by purchase and worked on oil production.

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¹ Persons who earned livelihood by working the oil wells bought from *Twinyos*

² U Khin Maung Gyi, Myanmar Yenan Thamaing (The Oil Industry In Myanmar), Yangon, Sarpay Beikman Press, 1980,¹⁷

Development of Oil Production

During the reign of King *Mindon* and King *Thibaw*, oil could be exported to the Lower Myanmar under the British rule. Because of oil export, the Upper Myanmar gained economic profit and the oil production of *Twinyos* and *Twinzas* also developed. *Twinyos* and *Twinzas* earned their living by working oil production through successive generations. They also made sale, or mortgaged their hereditary right and oil wells. They made sales and mortgages with signed contract in the presence of elders.

Loan Contracts

The majority of the people inhabiting in these areas earned their livelihood from oil production. Due to unfavorable economic circumstances, the oil workers had to borrow money from *Twinyos* and *Twinzas*. They had to pay the debt with interest. According to the available loan contracts, the rate of interest in the Konbaung period was 5 *mus* of half *Kyat*. Sometimes the debt was paid with oil. On April 18, 1877, U Shwe Ke and his wife who were in need of money borrowed 120 silver coins from U Htun Aung and his wife with the promise to pay 62 back in 5 months. The interest rate was 500 viss of earth oil per month.³ In those days the value of one viss of earth oil was ten *pyas*. Thus the interest was five *Kyats* per month. When compared to the interest rate of 5 *mus* per month for a loan of ten *Kyats*, the interest in oil was a little less than the cash interest.

When the money could not be paid back within specified date, the borrower had to make a promise to serve as a servant. On December 14, 1875, Ko Man Gyi and his wife, needful of money borrowed 50 silver coins from Ko Htun Aung and his wife to be paid in three months. In case of inability to pay, it was promised that daughter Ma Lay would repay by serving as a house servant. According to the loan contract dated 1877, if the loan could not be repaid in cash or oil, According to the three signed agreement they had to repay by serving as a house servant.⁴ Although money was borrowed with a promise to repay in three months, repayment could not be made nearly two years. Although the promise was aide to have the daughter served as a house servant, it is found that the daughter was not given to serve as a house servant. Thus there was much understanding between the money borrower and money lender although promise was made to respect law.

In a loan contract, the patron and patroness of monastery and pagoda are found to resort the mortgage as their own property even though they were donors of monasteries when they faced with financial difficulty. To present this mortgage contract, it says: On 26 May, 1887, pagoda patroness Mai Kywe borrows 30 coins of silver at the interest rate of 5 *mus* per ten *Kyats* per month with two *trials* of gold beads for surety from Ko Htun and his wife. The additional loan taken by pagoda patroness is 8 *Kyats*. The interest for two months is 5 *mus*.⁵

³ Dr Toe Hla, list of *parabaik* collection, *parabaik* No. 191 (Henceforth: Toe Hla, *Parabaik* collection)

⁴ Toe Hla, *Parabaik* collection

⁵ Toe Hla, *Parabaik* Collection

Loans system

The original loan was 30 *Kyats* and the additional loan was 8 *Kyats*. Thus it is found that additional loans could be made on the same mortgaged property. According to a certain contract, the double amount of the initial loan must be paid back if the loan could not be paid back as promise. To present this contract: On 20 March, 1862, *Twingaug* U Chit Toke and his son Maung Tin borrowed 898 coins for 8980 viss of earth oil priced at 10 *Kyats* per 100viss of oil for the duration of 6 months. If the repayment cannot be made on the due date and the claim is made through government, the borrower sixty four will have to pay 1600 coins, double of the initial loan in case of failure to pay on due date.⁶

According to the loan contract, the borrower had to sign contract to borrow money at great disadvantage to get the money they needed. Regarding the system of inheritance of *Twinzas* and *Twinyos*, the inheritance was given to the eldest son or daughter. In the case of male *Twinyos*, the inheritance was given to the first born son. If there was no first person, the inheritance was given to the first born grandson. If there was no first born grandson to receive the inheritance, it was given to the first born son of the younger other i.e. the nephew. In the case of female *Twinyos*, the inheritance was given to the first born daughter. If there was not first born daughter, their inheritance was given to the first born daughter. If there was no granddaughter to receive the inheritance first born, it was given to the first born daughter of that younger daughter i.e. the niece. The first born son or daughter who received inheritance usually looked after his or her younger brother or younger sister. If there was no rightful successor to the *Twinyo*, the lineage of *Twinyo* would be nullified when the current successor was dead. To avoid the disappearance of *Twinyo* lineage, the current successor usually sold the *Twinyo* lineage to a person he favored. Although the right of *Twinyo* lineage was sold with contract, the buyers had nothing to do with the oil wells while the seller was still alive. The buyers could succeed the *Twinyo* lineage only when the seller deceased.⁷

After the British annexation of Upper Myanmar, the British made an inventory of *Twinyos* and *Twinzas* and then certificates of *Twinyos* and *Twinzas* were issued to them. During the British colonial rule, only persons holding *Twinzas* certificates were entitled to buy *Twinyo*. But after purchasing *Twinyo* lineage, if a rightful successor appeared, the buyer lost the right to succeed and also the purchasing money. In later years, wealthy men bought oil wells and assumed the name of *Twinzas*. They were then called licensed *Twinzas*. Although the wealthy men bought oil well plot, drilled and worked oil production, they could not be called *Twinyos* or *Twinzas*. But later all persons who owned and worked oil wells came to be called *Twinzas*.

⁶ 5 March 1862, Loan Contract, Toe Hla, *Parabaik* Collection

⁷ U Naing, *Twinyoe twinzarmyareimulaasa*, "Origin of *Twinyoe Twinzas*", Manuscript, 1970, 9 (henceforth: naing 1970)

The Type of Religion

Although the *Twinyos* and *Twinzas* were specially privileged people, later all persons who worked oil production were called *Twinyos* and *Twinzas*. As *Twinyos* and *Twinzas* existed as a separate society, they had some religious beliefs which are different from one another. As *Twinyos* and *Twinzas* became wealthy from conducting digging oil wells and marketing oil produced, they believed that they became wealthy because they carried out multiplicity of religious tasks particularly at Sanaynam Pagoda in Yenangyaung and Sakkalanpa Pagoda in the Pin Chaung. Accordingly Tazaungs (devotional hall), Zayats (public rest houses), monasteries and Saungdans (covered stairways) were their works of merits at these pagodas.⁸ When King Anawrahta brought the *Pitakas* from Thaton, he built Sakkalanpa Pagoda at the mouth of Pin Chaung in Yenangyaung. This pagoda was built for the people in the Yenangyaung to worship.⁹

The *Twinyos* and *Twinzas* believed that they were given the little of *Twinyos* and *Twinzas* and to produce oil for presenting to the king by the king's order. Therefore, they were more devoted to this pagoda than other people. Accordingly they carried out multiplicity of tasks at this pagoda.¹⁰ When yearly pagoda festival was held, they paid homage to the pagoda by offering many offertories and also prayed for more productivity of the oil wells.¹¹ The *Twinyos* and *Twinzas* were also *Nat* worshippers. During the reign of King Alaungsithu, the seven queens who were inordinately attached to earth oil were executed. They became the guardian *nats* of Yenangyaung town. They were also much venerated by the *Twinyos* and *Twinzas*.¹² They also believed that the brother of the seven sister queens who was also executed and the leader of the group who discovered earth oil became *Bobogyi* (grandfather *nats*). A festival in the month of Tawthalin is held to propitiate *Bobogyi nat*. When oil wells were dug, *Bobogyi*, the seven queens and their brother *Kyay Punna nat* were offered bowls of offertory in propitiation.¹³

The *Nats* who received the special veneration of the *Twinyos* and *Twinzas* were *Bobogyi*, seven queens and Brother *Kyay Punna nat*. *Twinzas* and *Twinyos* kept their traditional custom of paying homage to the *Twinyos -Twinzas* elders at the new year, at the commencement and end of Buddhist lent. They held no vitiating, ear-boring and marriage ceremonies usually. *Twinzas* are

⁸ Naing, 1970, 16

⁹ *Twinthin Taikwun Mahasithu, Twinthin Myanmar Yazawun Thit* (New Chronicle of Twinthin), Vol.1, Yangon, Thumingala Press, 1968, 70 (Henceforth: *Twinthin Taikwun Mahasithu*, 1968)

¹⁰ *Twinthin Taikwun Mahasithu*, 1968, 71

¹¹ Scott, JG and J P. Hardiman, ICS, *Gazetter of Upper Burma and the Shan State*, Vol III, part II, Rangoon, Government Printing 1901, 401

¹² Khin Maung Gyi, 1980, 18

¹³ U Yoe Pe, Yennanchaung Myo Thinkhepa sartin, "The gist of Yenangyaung Township, yangon, Thuriya Thadinsar Press, 1913, 14

pious, kind, generous, benevolent, honest, simple and straightforward. The religious edifices of all descriptions in and around the town are standing monuments. There used to be a charity both in the heart of the town erected for the purpose of offering *soon* and *soon-hin* (rice and curry) to the *Sangha* residing in the town proper every morning. It was popularly known as “*Gaw-soon*” in recognition of a container (wooden) or measuring cup used in powering *soon* into the alms-bowl of the *Sangha* and the novices.

The average number of *Sangha* ranged from 700 to 1000 with tendency to increase during the lent. There are no fewer than ten *Kyaungdikes* spreading over several areas of land adjoining the town. The donors vied with one another both in the design and nomenclature of the monasteries viz- *Ngwedaung*, *Shwedaung*, *Myadaung*, *Seindaung*, etc. (mountain of silver, mountain of Gold, Mountain of Emerald, mountain of Diamond etc. Sanaynan temple standing majestically on the bank of the Yenangyaungriver was donated by Yennagyaung Mingyi. The teak wood *azaungs* with rare specimen of carvings were destroyed by allied bom-bing during the Second World War. *Laydatkyaung* a contemporary of *Shwekyaung* of the Royal City of Mandalay also suffered the same fate with other antiquities of immense value that are no more. The stone-script donated by a *Twinyoe*, a duplicate of those erected by King Mindon at Mandalay, are still standing to this day, to our great relief. *Twinzas* are not to be swayed easily by the eight worldly incidents, the ups and downs of life, because they are staunch Buddhists and are always mindful of the fact that every conditioned thing is transient, ill and unsubstantial.¹⁴ The *Twinyos* and *Twinzas* kept their traditional customs while they were making livelihood on the production of earth oil. There were 24 *Twinyos* which were inheritable by either the first born son or the first-born daughter. Later there were bought. *Twinyos* due to sales of *Twinyos*. Some people who were not *Twinyos* or *Twinzas* bought *Twinyo* to work oil production.¹⁵

Thus the *Twinyos* and the *Twinzas* carried out by charity with the profits gained from oil production. Furthermore, the children of the *Twinyos* and *Twinzas* became educated widened in their outlook and entered the Government services. They could also take important role in the colonial administration.

The Nature of Twinyo –Twinza

King Mindon made *Twinzayo* Kyay Myin Princess his queen and entered oil production. During his reign the largest amount of oil was exported to Lower Myanmar and earned income for the Upper Myanmar. Among the 24 *Twinyos*, there were three kinds of administrative chiefs at different levels. They were *Twingyimin*, *Twinzawyo* and *Twingaungyo*. They were responsible for passing judgments on disputes regarding inheritance, sale of oil wells and claim for ownership. The

¹⁴ Khin Maung Gyi, *Memoirs of Oil Industry In Burma*, Yangon, 1989, 11 (Henceforth; Khin Maung Gyi 1989)

¹⁵ Khin Maung Gyi, 1980, 19

disputes usually arose among the relatives. Judgments were made by conducting enquiries among the relatives. They kept the tradition of inheritance by the first born son or the first born daughter. They practiced the marriage among relatives to avoid mixing of blood with others. They carried out buying and selling of oil wells among the *Twinyos* and *Twinzas*. This is the reason why the society of *Twinyos* and *Twinzas* is still surviving today. In other words the descendants of *Twinyos* have been occupied with oil production from the Bagan period through successive periods to the present day.¹⁶

The Colonial British, after waging the aggressive Third Anglo-Myanmar war, annexed Upper Myanmar. After annexation, Governor General of India Lord Dufferin declared that all the territories under King Thibaw had been placed within the Queen Victoria's British Empire. Since then the whole Myanmar fell under the colonial rule of the British. The British Government, after annexation of the Lower Myanmar, investigated Yenangyaung Oil Fields and made inventories.¹⁷ According to the English records, there were 912 oil wells owned by the *Twinyos* and *Twinzas* and 164 oil wells owned by the royalty. These oil wells were located in the specially demarcated Twingon and Beme areas which were owned by 24 *Twinzas*.¹⁸

The British Government made detailed survey of the oil field areas and the numbers of well sites were also enumerated and put on record. The oil field area of Twingon was 295 acres and that of Beme Oil Field was 155 acres. The English Government fixed sixty feet as the distance between oil well sites. Therefore there were over 4000 oil wells in the Beme Oil Field area.¹⁹ The demarcation of oil field areas and fixing the distance between oil wells were made with a view to finding out the number of oil wells that could be drilled in the Twingon and Beme Oil Field areas. In other words the British Government started to control the oil production under traditional *Twinyos* and *Twinzas*. After the annexation of Upper Myanmar, the English Government recognized the rights pertaining to oil production.²⁰

They treated favorably with the *Twinyos* and *Twinzas*. They also gave the rights they enjoyed previously. They allowed the *Twinyos* and *Twinzas* to freely sell, mortgage, hire or conduct

¹⁶ U Lay Maung, *Myanmar Naingnganye Thamaing* (Political History of Myanmar), Vol.I, Yangon, Sarpay Beikman Press, 1973, 91 (Henceforth: Lay Maung, 1973)

¹⁷ Captin Thein Kyaw, *Burmah Myesei Myanmarh Shweyi*, (Earthiol of Myanmar, Golden Liquid) Rangoon, Daily Gazette press, 1959, 18 (Henceforth; Thein Kyaw, 1959)

¹⁸ *Yenangyaung Myone Phyitsin Hmattan*, "Recoird of Yenanchaung Township" *Security and Administration Committee of Yenangyaung Township 1969*, 14

¹⁹ Pascoe, R.H; *The Oil Fields of Burma*, Memoirs of the Geol. Survey of India, Vol., Part I, London, Messrs Rangoon Paul, French, 1912, 74. (Henceforth: Pascoe, 1912)

²⁰ Chhibber; H.L., *The Mineral Resources of Burma*, London, MacMillan & co., Ltd., 1934, p. 161 (Henceforth: Chhibber, 1934)

by any other means their owned oil wells.²¹ The *Twinyos* and *Twinzas* could sell their oil to anyone. They were given the right to entrust their ownership *Twinyo* to anyone.²²

The Colonial Government confiscated some of the oil wells to enter oil production. Starting from 1891, 120 royal oil wells, belonging to King Mindon and Kyaymyin Queen, 17 mortgaged oil wells, and 27 ownerless oil wells were confiscated by the British Government.²³ Therefore, there were 164 oil wells owned by the British Government. All these oil wells were rented to the BOC under contract. It was a twentyyear term contract. In addition, the BOC was also issued the license to explore minerals and the right to drill oil wells in the Khodaung Oil Field area which was 680.12 acres in areal extent.²⁴

The British, after the second Anglo-Myanmar War, entered Myanmar's oil production by buying the oil from Upper Myanmar. The Yangon Oil Company built an oil refinery at Yangon Danitaw in 1871 and oil from Upper Myanmar was bought, refined and conducted distribution of oil products.²⁵ It was the company which started oil production in Yenangyaung Oil Field. At first this oil company bought oil from the oil wells belonging to the *Twinyos* and *Twinzas* for refining at their refinery. With the permission of the British Government to set up oil production, the BOC rented oil wells sites from *Twinyos* and *Twinzas* with contracts, or bought the oil well sites directly to drill new oil wells.²⁶ Thus the BOC conducted oil production by working the royal oil wells, oil wells rented from *Twinyos* and *Twinzas* and oil wells drilled in Khodaung Oil Field area for which the company had been issued license to explore minerals and oil. The BOC started the oil production by investing one million sterling pounds. Later the investment reached 18 million sterling pounds by expanding the oil production.²⁷ The BOC started drilling its first oil well in Khodaung Oil Field in 1887. The company monopolized oil drilling in Twingon and Beme Oil Fields up to the year 1900. Thus the BOC rapidly developed in economy.²⁸

The influx of oil companies in Yenangyaung Oil Field was due to the effort made by modern educated *Twinzayo U Tha Ya*. He got contact with Standard Oil Company in Yangon. He called this oil company to work oil production in Yenangyaung. Standard Oil Company was an oil company

²¹ Scott and Hardiman, 1900, 277

²² Thein Kyaw, 1959, 18

²³ Thein Kyaw, 1959, 18

²⁴ Penzer, N.M, *The Mineral Resources of Burma*, London, George Routledge & Sons, Ltd., 1922, 128-129 (Henceforth: Penzer, 1922)

²⁵ Ba Pe, Myawaddy magazine Vol 30. No 7, Rangoon, Myawaddy Press, 1982

²⁶ Khin Maung Gyi, 1980, 27

²⁷ *Myanma Yen Lokengan, (oil Industry of Myanmar" Rangoon Myanmar Socialist Programme Party press1978, 18*

²⁸ Khin Maung Gyi, 1980, 27

which dealt with distribution of kerosene and petrol products in America.²⁹ U Tha Ya and some *Twinyos* and *Twinzas* collaborated with the Standard Oil Company to compete with the BOC in oil production. But due to the prohibition of the British Government, this venture met with failure.³⁰ Other oil companies followed suit after the arrival of the Standard Oil Company in Yenanaung Oil Field.³¹ It is also found that in rival to the capitalist oil companies, *Twinyos* and *Twinzas* also set up oil companies such as Yenana *Twinza* United *Twinyo* Company, Aung Shin Company and Maung Khin Company. *Twinza* U Nyo set up Aung Shin Company and drilled four oil wells in the Beme Oil Field. *Twinza* U Bo Khin also set up Maung Khin Oil Company and got a thirty year grant to work Minlinttaung Oil Field which was 2 miles square in area. Like foreign oil companies, drillers were hired for drilling oil wells. Thus Maung Khin Oil Company drilled 3 oil wells in Minlinttaung Oil Field and 6 oil wells in Beme Oil Field. The total number of oil wells drilled was nine.³²

The British Government protected economic benefit of the British Oil Companies. The British Government forbid any transaction that was economically injurious to the British Oil Companies. Thus they removed the American Standard Oil Company which collaborated with *Twinyos* and *Twinzas*.³³ Furthermore the British issued a law to hire American drillers in drilling oil wells. Due to this law, the *Twinyos* and *Twinzas* were financially unable to hire the American drillers on long term contract.³⁴

The company did not pay in cash but in stock shares to the value of this sum of money. When the oil companies keenly compete in the production of oil, they usually bought the well sites around the oil well which gave good yield. The surrounding well sites were bought not for drilling but for maintaining the yield of good yield well.³⁵ In competitive buying of well sites, there were companies which bought well sites from which oil was not obtained when drilled. Thus these companies suffered economic losses. For example, the Indo-Burma Oil Company invested two million sterling pounds and bought well sites at great cost. They suffered losses when oil was not produced when oil wells were drilled at these sites.³⁶ The oil companies, in addition to outright buying of well sites also leased with contracts the oil well sites. Starting from 1907 *Twinyos* -

²⁹ Thein Kyaw,, 1959,30

³⁰ *Myanma Yenana Lokengan, 1978, 20*

³¹ Ba Pe, 1982, 111

³² Thein Kyaw, 1959, 30

³³ Khin Maung Gyi, 1980, 40

³⁴ Ba Pe, 1982, 111

³⁵ U Ba Ye, *Gaba Yenamyay hnint Myanma Yenamyay Yazawun Akyinchup Sartan* (Chronicle of World Oil Field and Myanmar Oil Field), *Yenangyaung*, 1962, 11 (Henceforth: Ba Ye, 1962)

³⁶ *Myanma Yenana Lokengan, 1978, 24*

Twinzas and oil companies signed joint lease contracts.³⁷ Starting from that time, there were two categories of oil wells namely owned wells and hired wells.³⁸

There were terms in the land lease contract. The terms of the lease were drawn with a view to minimizing the competition and for the interest of the oil companies. The oil companies had to drill oil wells on sites they leased within six months after contract. If the oil well was not drilled or if no oil was produced from the drilled well, the oil company was not entitled to reclaim the advance payment for the value of oil. It had to be written off.³⁹

Although there was a term to drill oil well within six months, drilling oil well could be put off for reasons of insurgency, strike, fire, collapse of land, outbreak of war in Europe, or unavailability of necessary machinery equipment. Drilling could be put off if the oil company deemed it impossible to drill for the stated reasons. If the hired plot of land was confiscated by the Government or drilling was forbidden for a certain reason, the *Twinyos -Twinzas* had to immediately reimburse the advance payment. Therefore advance payment received by the *Twinzas-Twinyos* was like a loan without interest. Although the *Twinyos* and *Twinzas* had carried out oil production from the times of Myanmar kings, they could not drill deeper wells with better yield for lack of investment and technological know-how in competition with foreign oil companies. Under these circumstances, they had to sell, lease or mortgage to the foreign companies.⁴⁰ If all these plots of land were deducted from the total number of plots of land originally owned by the *Twinyos* and *Twinzas*, the remaining plots of land in the hands of *Twinyos* and *Twinzas* was over 450 of which 214 were hand dug wells. The hand dug wells produced sixteen lakh, viss of crude oil per month.⁴¹

On April 14, 1942, all the oil wells in Yenangyaung Oil Field were utterly destroyed by the British to deny the use of oil wells to the Japanese.⁴² With the destruction of the Yenangyaung Oil Field, not only the oil companies but also the *Twinyos* and *Twinzas* suffered great financial losses. The Japanese occupied Yenangyaung in April, 1942. The Japanese sent a party for repairing oil wells and oil production to Yenangyaung. This party was responsible for repairing of the oil wells which were blocked with concrete. A branch of Fuel Department of the Southeastern Japanese Army was opened in Myanmar and controlled the oil production in Yenangyaung Oil Field. During

³⁷ Agreement contract for drilling oil well with drilling machinery on Twinza plots of land leased by oil company

³⁸ Khin Maung Gyi, 1980, 48

³⁹ *Twinzayoe* report 1949, 9

⁴⁰ *Myanma Yenon Lokengan*, 1978, 10

⁴¹ Ludu U Hla, Thadinsarmya pyawpyathaw Sittwin Bahapyi, Vol I, Mandalay, Kyipwaye Prss, 1968, 40

⁴² Onotoru, Japan Sitokchupye khit Myanmar naingan gan (Japanese Military Regime in Myanmar), Rangoon, Bagan press, 1975, 166-167

the Japanese occupation, only some of the hand-dug wells of *Twinyos* and *Twinzas* were worked. The crude oil production was then four tons per day. The oil produced from those hand dug wells was not bought by the Japanese. They allowed free trading of oil.⁴³ The Japanese repaired the oil wells destroyed by the British and worked oil production from 1942 to 1945. Their oil production could meet the domestic demand. There are no records showing the oil production during the period of Japanese occupation. According to J. Russel Andrus, the tonnage of crude oil and petroleum products produced in 1943 were about 80,000 tons.⁴⁴ During the period of Japanese occupation, there appeared small refineries in Yenangyaung. The Japanese built small oil refineries and produced petrol, kerosene and diesel for the warfare requirement. They built seven small refineries and out of which four were located in Yenangyaung.⁴⁵

The Japanese sold the surplus crude oil to the nearby traders by fixing prices or they traded crude oil with rice, cooking oil, chilly, onion, etc. Those who were knowledgeable and experienced bought crude oil from the Japanese and made their own refineries to produce petroleum products. Thus refinery construction industry appeared in Yenangyaung during the Japanese occupation. The *Twinyos* and *Twinzas* also sold the crude oil to these refineries.⁴⁶ During the period from 1943 to 1945, the Japanese repaired the oil wells and carried out oil production and oil refinery. During the period of Japanese occupation, the joint venture oil production of the oil companies and the *Twinyos* and *Twinzas* altogether ceased.⁴⁷ Burma Army and the whole people of Myanmar drove the Japanese with the assistance of the Allied Forces starting from March 27, 1945. The World War II came to an end in that year. When the war ended in 1945, the oil companies reappeared in Myanmar Oil Field area. Under the Military Administration in the post war period, Myanmar Oil Fields Rehabilitation Board was constituted. This board's duty was to calculate the period of time and to estimate the capital investment needed for the full rehabilitation of Yenaungyaung and Chauk Oil Fields.⁴⁸

Conclusion

The British Government, after occupying the whole country of Myanmar, made demarcation of the oil fields in Yenangyaung and allowed the *Twinyos* and *Twinzas* to freely operate oil production in Twingon and Beme Oil Fields. This was the time when the wealth of *Twinyos* and

⁴³ Khin Maung Gyi, *1980*, 31

⁴⁴ Ba Pe, 1982, 112

⁴⁵ *Yenangyaung Myone Phyitsin Hmattan*, 1969, 15

⁴⁶ U Thant, *Pyidawtha Khayi* (A Journey of Pyidawtha), Vol.I, Yangon, Sarpay Beikman Press, 1961, 40-44 (Henceforth: Thant, *1961*)

⁴⁷ Thakhin Lwin, *Japankhit Myanmarpyi*, Yangon, Nyein Sarpay Taik, 1969, p.220 (Henceforth: *Thakhin Lwin, 1969*)

⁴⁸ *Myanma Yenon Lokengan*, 1978, 10

Twinzas grew. In operating joint venture by leasing plots of land, *Twinyos* and *Twinzas* received 8 anna per one hundred viss oil of oil produced as the value of the oil. The advance payment of the oil companies was made in installments. Thus the *Twinyos* and *Twinzas* received only the value of the oil produced from the plot of land they leased to the oil companies. Although *Twinyos* and *Twinzas* formed companies, they could not compete the foreign oil companies. Throughout the colonial period, the oil production was monopolized by the foreign capitalist oil companies. After the end of the World War II, the oil companies which arrived in Myanmar did not operate oil production individually. The oil companies combined and operate the oil production. As the cost of running oil production was reduced, the companies enjoyed more profits. In the post war rehabilitation plan, Myanmar *Twinyos* and *Twinzas* objected the policy of combining oil companies. Therefore during the colonial period, the *Twinyos* and *Twinzas* made their living by selling their oil producing plots of land or by leasing the plots of land with contracts. Although oil was produced from old hand dug wells and new hand dug wells, they could not compete the foreign capitalist oil companies.

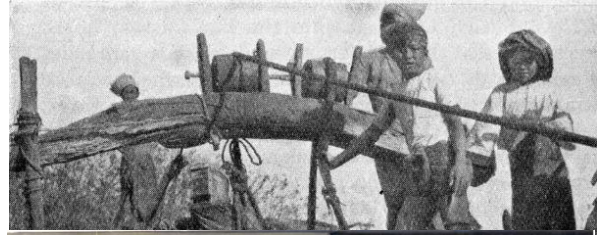
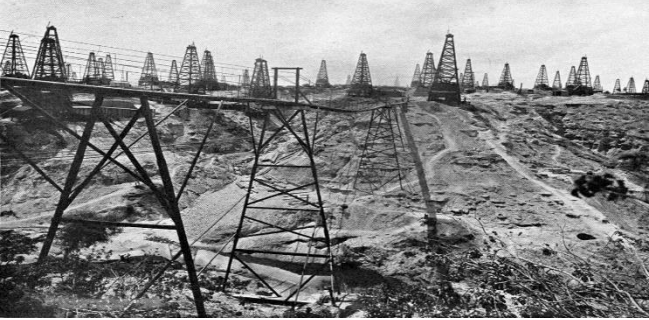
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11. Yenangyang field, early twentieth century. Burmese well owners (Twinzas) delivering oil at depot.



Cable Tool Well Khodaung

