

Teak Trade and Conservation of Forests in Myanmar

San San Myint*

Abstract

Myanmar is a country that is endowed with natural resources. Therefore, it is necessary to preserve systematically from the depletion of forests. Myanmar was famous in the world for thirteen tons of teak wood that were produced and exported abroad annually. Among the timber produced for the lucrative purpose, teak from Myanmar was good in extraordinary quality. The teak logs were exported to intra-extra markets by the tender system, directly sold by the system and contracting trade agreement system. The Myanmar Timber Enterprise depended on the changes in the international economy and political conditions. The government emphasized the economic development concerning the timber sector. Myanmar Timber Enterprise was carried out to prevent the depletion of forests by issuing rules and regulations for production. The department of forest also managed to conserve the forests and deforestation can be prevented by taking action on illegal trading.

Key words: natural resources, teak woods, economic development, conservation

Introduction

The foreigners liked teak woods produced from Myanmar. The foreigners have brought and used Myanmar teak since ancient times. The Europeans brought teak woods from Myanmar and Thailand in trading with Asian countries and used it in building canoes with teak woods from Myanmar, and Thailand. Although ancient Myanmar kings exported teak wood to foreign countries, there were no records regarding the number of teak woods exported. It can be studied from the documents that Myanmar exported teak wood abroad at the beginning of the 19th century. Among the materials exported, teak woods were the second after the rice exported.

Objectives of Conservation the Forests

The main objective of the conservation of forests is to maintain the sustainable yield of timber under the management of the forest administration. And then to extend the world markets for selling timber products from Myanmar.

Teak Conservation of Forest in Myanmar

Myanmar Timber Enterprise which is one of the major economic activities in the country exported teak and hardwood by cutting down and sawing timber. Myanmar Timber Enterprise carried out the production of wood from the natural forest within the framework of sustainable production and followed the guidelines stated in the handbooks, manuals, and departmental instructions.¹

In order to conserve and preserve the forests of Myanmar, it is necessary to maintain the growth of forests by scientific methods without affecting the benefits of the peasants.²

The export of teak logs to the world markets has increased because of changes in the form of using teak woods in the markets. The foreign countries brought to produce the cuttings of teak woods and changed to import for producing veneer during the Revolutionary Council

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¹ Khin Zaw, *သစ်တောခရီး* (*The Experiences in the Forest Department*), Yangon, Pan Myo Taya Sarpe, 2011, p. 437 (Hereafter cited as Khin Zaw, *The Experiences in the Forest Department*)

² U Sein Maung Wint (Forest Commissioner), *သစ်တောအုပ်ချုပ်ထိမ်းသိမ်းခြင်းနှင့် လူမှုစီးပွားရေး ဖြည့်သနာ* (*The Preservation of Forests and Socio-Economic Problems*), May Myo, Myanmar Research Conference, 1967, p. 31 (Hereafter cited as U Sein Mg Win, *The Preservation of Forests and Socio-Economic Problems*)

Government. Although changes in the forms of using teak woods, the methods for grading kinds of logs used were gallant rules called the log grading rules for the kinds of teak logs.¹

The grading of logs was determined by rules for the rejection of teak in the forest and the jungle rejection method. Moreover, the Forest Department issued the Log Grading Rules in accordance with the principles of the Food and Agriculture Organization.²

In determining the grading of teak logs, false and default on the logs were measured systematically, and calculated the costs of default. Then, the grading of logs was determined by imprinting the star on the logs based on the kinds of logs. The star level was divided into five levels that were five stars, four stars, three stars, two stars, and one star. However, the logs imprinted two stars were used to sell abroad at the lowest level.³

Myanmar Government has sold teak logs that were to be produced veneer with the GRTL method (the Grading Rules for Teak Logs). However, some errors on the logs were not defined as default in selling by this method of GRTL. Therefore, the disputes between those who grade the logs and those who buy the logs occurred as the buyers accepted these small errors.⁴

Myanmar Timber Enterprise has exported the teak logs to the international markets by producing annually in accordance with the appropriation. Among the variety of woods that were produced for lucrative purposes, teaks from Myanmar were good in extraordinary quality and natural products from the forest. The teak logs were exported to intra-extra markets by the tender system, sealing wax tender system, directly sold the system and raw materials for the industry. The cutting teak woods that were sawed at the saw-mills owned by the Myanmar Timber Enterprise were sold by contracting the trade agreement according to the demands.⁵

Timber Trade and Saw-mill Department under the Myanmar Timber Enterprise were the department that distributed the finished products to foreign countries after the logs and other forest products sent from the Timber Production Department were sawed at the saw-mills. The main duties of this department were as follows;

- (1) To receive and preserve the woods and other forest products sent from the Timber Production Department
- (2) To make a contract with the buyers from other countries who bought the wood and other forest products
- (3) To arrange the shipment of teak logs and other cutting woods according to the contract
- (4) To distribute the domestic demands for cutting woods
- (5) To extend the world markets for selling timber products from Myanmar
- (6) To carry out for getting foreign currencies and getting income within the country.⁶

¹ Htin Latt, *ဖြစ်ပေါ်ပြောင်းလဲလာသော ပြည်ပရောင်း ကျွန်းသစ်လုံးအတန်းအစားများ (The changes in the variety of teak logs that were sold to abroad)*, Yangon, Thirimay Press, 2008, p. 204 (Hereafter cited as Htin Latt, *The changes in the variety of teak logs*)

² Htin Latt, *The changes in the variety of teak logs*, p. 205

³ Ibid, p. 205

⁴ Ibid, p. 206

⁵ U Tin Oo, *ကျွန်းသစ်လုံးနှင့် ကျွန်းသစ်ခွဲသားဈေးနှုန်းများ ပြောင်းလဲတိုးတက်မှုအခြေအနေ (The changes in the prices of teak logs and cutting woods)*, Yangon, Thirimay Press, p. 72 (Hereafter cited as U Tin Oo, *The changes in the prices of teak logs and cutting woods*)

⁶ *သစ်လုပ်ငန်း အကြောင်းအကျဉ်းချုပ် (The brief account of timber enterprise)*, Myanmar Timber Enterprise, Ministry of Forestry, Yangon, Soe Offset, 1998, p. 50 (Hereafter cited as *The brief account of timber enterprise*)

Myanmar Timber Enterprise carried out systematically selling teak woods within the country. There were different methods in the distribution of wood as follows;

- (1) Selling without competition called Monopoly
- (2) Selling by competition with the other called Duopoly
- (3) Selling by competition with many people
- (4) Selling by the consent of the buyers called Buyer's Market
- (5) Selling by the consent of sellers called Seller's Market
- (6) Selling by the method used in the capitalist countries
- (7) Selling by the method used in socialist countries¹

As Myanmar Timber Enterprise monopolized the timber trade, no other agencies have the right to do timber trading except the Myanmar Timber Enterprise. The prizes in selling teak were different as the teak woods exported abroad were varied in shape, size, and kind.²

In exporting teak to other countries, Myanmar Timber Enterprise has fixed the prizes for teak and hardwoods according to the grading, size, the measurements of the wood and announced them to the world for sale. In exporting Myanmar timber, Myanmar Timber Enterprise has sold to regular customers through a tender system, agents, and paying advance system and earned foreign currencies by shipping timber with the ROB system. Myanmar Timber Enterprise has to follow exactly the guidelines adopted by the Ministry of Forestry in earning foreign currencies.

Timber Trade and Saw-mill Department under the Myanmar Timber Enterprise defined the Grading Rules for Teak Logs. By these rules, five kinds of veneer and four kinds of sawing woods were divided into exporting timber. In 1963, according to the principles of the Food and Agriculture Organization, the Myanmar Timber Enterprise engaged in teak trading based on the grading rules for teak logs and rules for jungle rejection. The grade of teak logs were chosen according to the experiences from the foreign export. Moreover, timber exportations were made in order to get more prices.

As Myanmar is endowed with teak and other hardwoods, the government has to endeavor not only to improve the timber enterprise but to prosper teak export into the world market. The materials made of teak from Myanmar were famous in the world. However, the materials made of teak from Myanmar were not used in America more than in other European countries as Myanmar teak handicrafts were little known in America.³

Myanmar Timber Cooperation has sold teak to other countries through agents recognized by the government and buyers directly. Teak logs were exported by the tender system, quota system and proportionate system.⁴

In exporting teak abroad, both countries have to negotiate between the demands of the buyer country and the extent of teak that can be sewn by the Myanmar Timber Cooperation. After making the negotiation, teak logs were sold to the buyer's country by contracting the trade agreements. The prices of teak logs and cutting woods were defined that the current price

¹ လုပ်ငန်းလမ်းညွှန်၊ သစ်လုပ်ငန်းစာစဉ်-၁ (*Guidelines for timber enterprise*), Timber enterprise Magazine, Board of timber enterprise in Myanmar, Yangon, Gazette Press, 1970, p. 88 (Hereafter cited as *Guidelines for timber enterprise*)

² U Chain Ho, နို့ကျွန်းရွှေဝါ (*Our Golden Teak*), Yangon, Religious Press, 1967, p. 69 (Hereafter cited as U Chain Ho, *Our Golden Teak*)

³ Hla Kyaw, *The experiences from the Socialist Period*, p. 139

⁴ U Tin Oo, *The changes in the prices of teak logs and cutting woods*, p. 75

at the time when the teak was made shipment.¹ Myanmar teak was better the quality than the teak from other countries in exporting by comparison to the world markets.²

The changes in the prices of teak logs depended on the following situations. It can be seen in the following;

- (1) The increase in world population
- (2) The development of economic and social conditions in the world.³

Moreover, productions and selling of teak and wood-based products were related with the conditions of international trade as well as changes in production and trading that occurred based on environmental matters, international economic conditions and political conditions in the world. Myanmar timber Enterprise emphasized the economic development of the country by studying the situation.⁴

Although the plywood and veneer were exported abroad, the productions were at the stage of raw materials.⁵

Myanmar is one of the countries that produced a large number of teak in the world. Although Myanmar stands for the growth of teak plants among Asian countries, the country was still at the stage of raw materials. The main purpose of Myanmar Timber Enterprise was to export finished products rather than raw materials.⁶

The standard of furniture manufacturing will be upgraded at the world level for exporting the finished products from the raw materials.⁷ The purposes of making furniture were as follows;

- (1) To enhance the living standard of the people
- (2) To produce the necessary furniture for the governmental departments
- (3) To export the furniture to foreign countries

Furniture manufacturing consisted of a part of the development of Myanmar Timber Enterprise. The nature of the forest-based industry was to apply effectively the products from the whole forest. The successes of forest-based industry were related to furniture manufacturing.⁸

As the forest resources of Myanmar were owned by the state, the environmental development and conservation association managed the sustainable development of forests in Myanmar by approving the Ministry of Forestry. The main cause for the suffering drought in central Myanmar was cutting the forests with no discipline.

The prevention of danger from insets was also very important in preserving the forest. Moreover, the revolutionary government issued the laws for the preservation of forests from

¹ *The brief account of timber enterprise*, p. 12

² မြန်မာနိုင်ငံ သစ်လုပ်ငန်းအဖွဲ့၊ ဌာနဆိုင်ရာ လုပ်ငန်းလမ်းညွှန် (*Departmental Guidelines for timber enterprise, Board of timber enterprise*), Yangon, Gazette Press, 1970, p. 136 (Hereafter cited as *Departmental Guidelines for timber enterprise*)

³ *Departmental Guidelines for timber enterprise*, p.137

⁴ U Tin Oo, *The changes in the prices of teak logs and cutting woods*, p. 73

⁵ U Bo Hla, *အထပ်သားနှင့် သစ်ပါးလွှာအကြောင်းသိကောင်းစရာ* (*Knowledge about the plywood and veneer*), Yangon, Gazette Press, 1971, p. 10 (Hereafter cited as U Bo Hla, *Knowledge about the plywood and veneer*)

⁶ ဦးကျော်နီ (ဒုတိယအထွေထွေမန်နေဂျာ - ပြည်ပရောင်းဌာန)၊ နှင့် တွေ့ဆုံဆွေးနွေးမှု၊ Personal Interviews with U Gyaw Ni, Deputy General Manager, Foreign Export Department, 10.3.2020

⁷ U Hla Kyaw, *ဆိုရှယ်လစ်အတွေ့အကြုံများ* (*The Experiences in the Socialist Period*), Golden Jubilee Magazine, Myanmar Timber Enterprise, Yangon, Nayla Press, 1998, p. 137 (Hereafter cited as, *The Experiences in the Socialist Period*)

⁸ U Hla Kyaw, *The experiences in the Socialist Period*, p. 138

danger of human. According to these laws, the forests were prevented by fixing the forest reserve areas. During the years 1967-68 to 1972-73, 318 acres of fields cultivated with crops and trees were established in Magwe Division for the forest reserve areas. The renovation of depleted forests is conducted by a long terms plan. For supply to the rural people, their commercial activities and the preservation of fertile top-soil, the field cultivated with crops and trees were established. The establishment of these kinds of fields was included as part for the conservation and preservation of forests.¹

At present, many people migrated to the sparse regions of forest reserve areas for the increase of population in the country. Therefore, creating the new work opportunity and supporting the required forest products by the extension of acre for the field cultivated with crops and trees, benefited the peasants. In this way, all the trees grown in the forest reserve areas were prevented and some valuable and scarce plants were preserved by the extraordinary laws. The first forest reserve areas announced by the government were four forest reserve areas in Tharrawady district, ten forest reserve areas in Hinthada district, and three forest reserve areas in Pyay township.²

The Department of Forest has to carry out the cleaning of big trees that are shaded from direct sunlight to other small trees. The department of forest defined the number of trees and its side in cutting down the trees permitted by the forest department to prevent deforestation.³ The government adopted the policies for the conservation and preservation of forest. These policies were as follows;

- (1) To carry out preserving the forest by cooperating with the state and the public
- (2) To carry out cutting the teak trees and intra-extra trading by the government
- (3) To carry out cutting down the hardwood by the government.⁴

The endurance and community forest management depended on biodiversity. Therefore, the department of the forest has changed the preservation method for the endurance of forests and implemented the method for the long-term ecosystems.⁵

To conserve the forests, the elephants and machines can be used in the following ways.

- (1) Using machines was more beneficial and expensive than using elephants in the forest.
- (2) Using machines was not useful in the raining season because of the climate changes in Myanmar and the elephants were relied on in the forest.
- (3) Using the machines affected the environment and the elephants were compatible with the ecosystem in using in the forests.
- (4) If the life span of an elephant used in the forest were defined as twenty years, the length of time for machines has depended on the rough surface areas in the forest.
- (5) The elephants were relied on to carry the baggage during the rainy season if the carts cannot be used in the some places.⁶

The production of timber affected the environment and many timber enterprises have benefited the biodiversity, carbon cycle system and conservation of water circulation.⁷

¹ *The collections of Conference Papers*, p. 39-40

² Dr. Kyaw Tint, *jynfoltwGuf opfawmynm (the forestry for the public)*, Yangon, Aung Thein Than Press, 2008, p. 20 (Hereafter cited as Dr. Kyaw Tint, *the forestry for the public*)

³ Dr. Kyaw Tint, *the forestry for the public*, p. 21

⁴ *The collections of Conference Papers*, p. 42

⁵ Dr. Kyaw Tint, *the forestry for the public*, p. 21

⁶ *The Experiences in the Socialist Period* p. 211

⁷ Dr. Kyaw Tint, *the forestry for the public*, p. 81

By studying the process of climate change, the climate change were faced as the most important problem in the 20th century world based on the scientific study regarding global warming. The climate changes were related to calamities such as the starvation, property, air pollution, the loss of fertile topsoil and deforestation. Therefore, The Ministry of Forestry carried out the sharing of knowledge with the public by passing laws to prevent deforestation, and issuing the journals. Although the government has earned foreign currencies by exporting teak wood abroad, the deforestation that occurred by the production of timber will be prevented. When the abundant production of timber were extracted from the forests, the preservation of biodiversity, carbon cycle system and conservation of water circulation will be made.¹

There were four sectors regarding the climate changes in the forest. They are as follows;

- (1) If the forests have been cleared, two-fifth of total carbon production from the world were released.
- (2) The forests transformed their patterns easily because of the climate changes in the world.
- (3) If the forests were conserved for long-term endurance, it produced fuel woods.
- (4) The forests have stored one tenth of carbon dioxide production in the world within the trees, the forests and forest products.²

The mangrove forests were grown in the six forest reserve areas that were a total width of 253,018 hectares in Ayeyarwady delta in Myanmar and it can be found the loss of mangrove forests in the region. These mangrove forests were invaluable for research and research activities. The causes for the loss of mangrove forest were the extension of cultivated lands. Moreover, the basic causes for the depletion of mangrove forest in Ayeyarwady region was that firewoods, charcoal and forest products were supplied to the cities of Yangon and Ayeyarwady region. The required fuel woods were more produced from the mangrove forests in accordance with the growth of population. Therefore, the mangrove forests were gradually lessened and some were damaged. In 1962, many villages were settled within the forest reserve areas in The Ayeyarwady region.³

Starting from 1970, the department of forest built the embankments at the *Pyindaye* forest reserve area of 27,596 acres in Bogalay Township with the assistances from the World Bank. Therefore, the ecosystem of this region was damaged and the forest products were scarce for the growth of mangrove forests to become less and less. Therefore, unless the increasing damage of mangrove forests were prevented, it can be a great loss for the people and the country.⁴

The government has implemented the system for the endurance of the ecosystem by coordinating with the related departments to prevent the damage of mangrove forests. Therefore, the management of the forest administration in the state level and drawing suitable plans for the productions of forest products have to lessen the damage of the environment and economy. In order to draw the implementation plan for the forest administration, the required preparations will be also carried out. The endurance of timber production and the success of

¹ Dr. Kyaw Tint, *the forestry for the public*, p. 65, 81

² *Ibid*, p. 66

³ *Ibid*, p.197-198, 201

⁴ *Ibid*, p. 202, 222

forest administration in the country depended on the benefits and compatibilities of the entire people.¹

Conclusion

The teak trade was the enterprise that earned foreign currencies for the economic development of the country and therefore it was necessary to preserve the forests in the country. It was also necessary to take assistance from the public in preventing deforestations. It can be seen that the protection by passing laws was little effective in preserving the forests.

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¹ Ibid, p. 210

