

The Union Solidarity and Development Party (USDP) led by Burma's current prime minister is campaigning aggressively by distributing loans at below-market rates, mainly in central Burma and Arakan State, according to the local sources.



A former party member of the National League for Democracy (NLD) from Nat Mauk Township in Magway Division told *The Irrawaddy*, “They [USDP] persuade people to take their loans by discounting their interest for the loans. If someone has to pay 5 to 10 kyat for the interest at other places, they [USDP] just asked the people to pay 2 kyat.”

A local farmer in Nat Mauk Township said, “The people are not forced to take the loans, but many people take it because the interests is cheaper than at other places.”

Under the party's rules, it will only give a loan from party funds to party members; if someone wants a loan, they must be a USDP member or they must join the party, said a local resident.

The party began distributing loans early this month in Taung Twin Gyi, Yaynangyaung, Nat Mauk and Magway townships in Magway Division.

“One household from Nat Mauk Township can get 30,000 kyat (US \$30) to 100,000 kyat (\$100) depending on the size of their farm,” said a farmer from Nat Mauk township.

The local authorities require people who apply for a loan to provide supporting documents and to sign a contract. They have to repay the loan within 6 to 12 months.

The USDP is authorized to use 8.4 million kyat (\$8,400) in loans in Taung Twin Gyi Township, according to an USDP organizer from Magway Township.

In Magway Township, the USDP also offers anti-snake venom because there are so many poisonous snakes in the area.

“If there are emergency cases in our region, many people has passed away because they didn’t get the treatment and anti-snake venom in time,” a local resident told *The Irrawaddy*.

The USDP is also campaigning in Northern and Eastern Shan State, Irrawaddy Division, Rangoon Division and Arakan State.

In Myay Pone, Minn Pyar and Ann townships in Arakan State, each township is allocated 2 million kyat (\$2,000) in loans and five CDMA mobile phones. Only people who have connections with USDP organizers can get the mobile phones, according to a source in Myay Pone Township.

A government employer from Rangoon told *The Irrawaddy*: “In Rangoon Division, the Rangoon mayor used more than 5 billion kyat (\$500,000) to give loans to farmers last year, and he's doing the same thing again this year.”

However, a USDP Rangoon Division organizer said that charge was incorrect.

“We didn’t campaign by offering money or something to the people to be a party member. We are campaigning under the rules of the Union Election Commission,” he said.

The USDP is led by former military general Prime Minister Thein Sein. The party is a proxy for the military government and received its funding from the government.