
Burma: Gas, dictatorship and multinationals at Yadana

Gas and oil exploitation constitute a cause of forest destruction and human rights abuses in many countries and particularly in Burma. The construction of the Yadana gas pipeline -linking gas fields in this country with Thailand- constitutes one of the hotspots regarding nature conservation and human rights in that country.

The presence of foreign companies in Burma -among them oil companies- is linked to the military dictatorship that has governed the country since 1962, confronting the will of the vast majority of the population and imposing a regime characterised by repression, human rights abuses, disregard to ethnic groups' rights and -since 1989- the opening of the country to forest investors.

The involvement of the French authorities in favour of French company Total's investment in the Yadana gas pipeline was studied by an Independent Mission during 1999. This is a long story beginning in 1988 when the government -known as SLORC (State Law and Order Restoration Council)- launched a bid for tenders for the development of the country's gas fields. In July 1992, Total signed a contract for shared production with the State Company MOGE (Myanmar Oil and Gas Enterprise) to exploit and develop the Yadana field in the Gulf of Martian, where gas reserves are estimated in about 140,000 million cubic metres. Total sold part of the shares of the project to various partners and nowadays the consortium includes the US company Unocal (28.6 % of the shares), the Thai company PTT-EP (Petroleum Authority of Thailand Exploration and Production 25.5%), MOGE (15 %) and Total (31.24%). A pipeline crossing the Tenasserim region over a distance of 63 kilometres had to be built in order to carry the gas to Thailand. A large coalition of NGOs in this country strongly oppose the project and have questioned PTT's role in it (see WRM Bulletin 22). The Yadana pipeline, which is currently valued in 1.2 billion dollars, is expected to provide the State an annual revenue of more than 200 million dollars.

Even though Total denies giving support to the military Junta or even interfering in domestic political affairs, opponents to the project hold that the firm is strongly linked to the military and provide them with key information on the activities of the rebel Karens and Mons that operate in the Tennasserim region, thus directly promoting the military presence in the area. As a matter of fact, the completion of the project in so far as it guarantees future incomes, has allowed the Burmese government to contract loans and to buy arms on long-term payment conditions. The Observatoire Géopolitique des Drogues (Geopolitical Drugs Observatory) considers that the Yadana project is being used as a means for the laundering of drug money. Total has recognized that it paid 15 million dollars for the contract and it is suspected that this sum was injected into the financial circuit covering drug trade. Additionally, the 1999 Independent Mission testified that for ethical reasons none of the NGOs present in the country -such as "Médecins du Monde" or "Action contre la Faim"- wish to participate in this operation despite the high level of financing proposed by the company.

It is clear that the French government has given its support to Total, regardless of its alleged opposition to the military regime. In fact, the risk taken by Total for operating in Burma was covered in 1994 by the French Company for the Insurance of Overseas Business (COFACE). According to the French Ministry of Foreign Affairs, this country's position is not contradictory, since the construction

of the pipeline would contribute to the "development" of the region, but this is contradicted by reality.

The installation of Total and Unocal in Burma has been monitored by national and international NGOs. The International Federation for Man's Rights (FIDH) considers that Total backs and supports the dictatorship and that the construction of the controversial pipeline has contributed to the aggravation of the situation in the areas it goes through. The Mon, Karen, Tavoyan and Thai who live in the project area are suffering its consequences: "development" promises have evaporated and the only thing the project has brought them is blood and tears. Since work began, the Government put one of the coastal region commanders in charge of the security of the area, which led to forced displacements and other kinds of human rights violations. Four battalions were engaged to ensure inside security, and twenty battalions were mobilized to counter the Karen forces. More than 13 villages occupied by Mons and Karens have been displaced, which means that more than 3000 families were forced to move. During its visit to Thailand, the Independent Mission tried to visit refugee camps inhabited by displaced people from neighbouring Burma, but the Thai authorities didn't allow it because the border between Thailand and Burma is under the administration of the Thai army, which is apparently trying to act friendly towards their Burmese colleagues.

There are even evidences that forced labour is being used at the pipeline site. The latter has not been completely proven; nevertheless, testimonies show that villagers are recruited by the army to work for the pipeline construction and they do not have a way out. The 1998 United Nations Special Recorder's report on the Human Rights situation in Burma registers forced labour of men, women and even children in several parts of the country. A report released by the International Labour Organization in August 1998 emphasizes the generalized and systematic use of forced labour by the Burmese authorities. Each year, a special report by the United Nations Human Rights Committee proves the same facts.

In sum, what is happening at the Yadana gas pipeline has many similarities with what usually happens in most oil producing countries in the South, but in this case especially aggravated by the nature of Burma's political regime.

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