

# TOTAL DENIAL CONTINUES

EARTH RIGHTS ABUSES ALONG THE YADANA AND YETAGUN PIPELINES IN BURMA



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Finally, and most importantly, we salute the people of Burma whose struggles to preserve their land and protect their lives are described in this report. Many individuals from the pipeline region and elsewhere in Burma took great risks to offer the testimony and perspectives on which this report is based. While we cannot mention them by name for fear of endangering them, we can thank them for their courage and commitment and hope that, one day soon, their struggles will be rewarded.

## TOTAL DENIAL CONTINUES

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EarthRights International (ERI) is a non-government, nonprofit organization combining the power of law and the power of people to protect earth rights. Earth rights are those rights that demonstrate the connection between human well-being and a sound environment, and include the right to a healthy environment, the right to speak out and act to protect the environment, and the right to participate in development decisions. ERI is at the forefront of efforts to link the human rights and environmental movements.

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## SUMMARY & RECOMMENDATIONS

Since the early 1990s, a terrible drama has been unfolding in Burma. Three Western oil companies—Total, Premier, and Unocal—bent on exploiting natural gas, entered partnerships with the brutal Burmese military regime to build the Yadana and Yetagun pipelines. Determined to overcome any obstacle, the regime created a highly militarized pipeline corridor in what had previously been a relatively peaceful area. The results, predictable to anyone familiar with the recent history of Burma, were violent suppression of dissent, environmental destruction, forced labor and portering, forced relocations, torture, rape, and summary executions.

Since 1995, EarthRights International co-founder Ka Hsaw Wa and a team of field staff have been



traveling clandestinely on both sides of the border in the Tenasserim region to document the conditions in the pipeline corridor. In July 1996, EarthRights International and the Southeast Asian Information Network (SAIN) released *Total Denial*, a report that exposed the human rights and environmental problems associated with the Yadana pipeline. In the nearly four years since the publication of that report, the violence and forced labor in the pipeline region have continued unabated.

These human rights abuses have occurred and recurred with the knowledge of the corporate investors, Total and Unocal.

Despite the dangers of visiting the region, enough evidence of crimes against humanity has emerged to inform anyone who *wants* to know. And in the face of the misery caused by the first pipeline, construction on the second pipeline, the Yetagun, financed and operated by the British firm Premier Oil, was begun in the same corridor in the late 1990s.

The conditions in the pipeline region have become a focus of the worldwide movement for divestment from Burma, a landmark lawsuit in the United States, and one of the world's most notorious examples of corporate complicity in human rights abuses. Partly as a result of the suffering of some 35,000 villagers in the pipeline region, Burma has become a focal point in a global debate on business' role in human rights and environmental abuses.

The Burma Campaign U.K., which has worked to bring the Yetagun Pipeline to international attention, asked that EarthRights International investigate the Yetagun pipeline and Premier's involvement. The incriminating results of this investigation are exposed for the first time in this report, alongside the abuses surrounding the Yadana pipeline.

This report builds on the evidence in *Total Denial* and brings to light several new facets of the tragedy in the Tenasserim region. First, it shows that the human rights abuses are not isolated occurrences; they are commonplace and part of a pattern as predictable as it is real. Second, the abuses are not incidental or unrelated to the pipelines—they are a direct result of Western companies' investments. Third, the Yetagun pipeline, which has received almost no

publicity in the West, is as much a problem as the Yadana project, and Premier has surely benefited as much from these crimes as have Total and Unocal. Fourth, while the violence and suppression of basic political freedom in the area are shocking, the consistent violation of essential economic rights of villagers is equally pervasive and equally damaging. Fifth, the companies knew from their own consultants that abuses were occurring surrounding their projects, yet they continued their involvement. Finally, and perhaps most surprising, both pipeline projects are *completely unnecessary*. Thailand, which has and will have an enormous energy glut for the foreseeable future, is currently paying hundreds of millions of dollars to buy gas it does not need. In fact, delivery of the gas has been perpetually behind schedule since a planned start date of July 1998. As of this writing in May 2000, Thailand continues to pay for gas, much of which it is not using. The gas deals have been economically and environmentally damaging to Thailand, though the nature of that harm is mild compared with that inflicted on Burma.

This report is based on first-hand testimonies from several hundred victims and witnesses interviewed from the pipeline corridor and company documents never before made public. The testimonies were collected and translated in hundreds of hours of interviews by EarthRights International field personnel between 1995 and 2000. Most of the testimonies come from Karen, Tavoyan, and Mon villagers. Burmese army deserters corroborate their stories in further interviews. Some of these contacts are living illegally in Thailand, some are in hiding in Burma, and some have risked return to their villages. The identities of all these

individuals must be kept secret for their own protection.

Some of the most compelling and gruesome testimonials are not included in this report. Among them are the stories of the plaintiffs in a case in U.S. federal court, *John Doe I v. Unocal*, which are part of the sealed record in that case. Attorneys from EarthRights International are co-counsel in this lawsuit. Other stories have already been told in *Total Denial*. Still others remain untold, silenced by the terror and brutality that characterizes the Yadana and Yetagun pipeline region.

Even the most jaded human rights activist will be deeply affected by the cumulative impact of these testimonies. The fear, the violence, the forced labor, the theft and their combined result—utter poverty—have forced people off their land and into exile. Those who do not or cannot flee live in what is, in effect, an occupied country—but the occupying force is Burma's own army, supported by Western oil companies. Many people's lives have become simply unbearable.

Those of us working near the Thai/Burmese border knew this already, yet we find ourselves compelled to document the truth over and over again. The stories of the people in this report are part of that truth; to ignore them is to consign their voices to silence. And there is another reason to tell their stories: Despite the clear pleas of the victims, a few Western companies remain unmoved. Through unfathomable callousness or greed, they justify their presence with claims that they are actually helping the Burmese people.

Companies such as Premier, Unocal, and Total put the Universal Declaration of Human Rights on their websites; they speak of multi-party stakeholder processes; and they

*“I wish the foreign companies would go back to their country and do their business in their land, so the troops will go back to Rangoon”. —Anonymous Tavoyan Villager in the Pipeline Region, 1999<sup>3</sup>*

attempt to join the international humanitarian community. Meanwhile, their business partners in the Burmese military torture villagers, force them to build helipads and pipeline infrastructure, and then steal what little the villagers are able to salvage for themselves.

As a new century dawns, there are hopeful signs that the era of impunity for crimes against humanity is ending. From the spotlight of the Internet to the dockets of U.S. federal courts, there are countless efforts to hold the mighty—whether they be dictators or giant corporations—accountable for their actions.

We hope that this report will help to end the cover-ups, the excuses, the whitewashing of corporate complicity in crimes against humanity and finally, the murderous partnerships in Burma. That is what the victims of Yadana and Yetagun want and deserve—not gas pipelines, but peace and justice.

EarthRights International  
May 2000

## FINDINGS

This report is a detailed examination of conditions in the Yadana/Yetagun pipeline area in Burma’s Tenasserim region. It paints a picture of what life has been like over the past

decade through the voices of the inhabitants and includes a series of horrific and troubling findings. Through extensive interviews with villagers and Burmese army deserters, EarthRights International has confirmed a pattern of brutal human rights abuses. Our research indicates that the Burmese military—with the support of its Western oil company partners—has been committing crimes against humanity against its own people.

**Chapter 1** examines the questionable deals that created the Yetagun and Yadana pipeline consortiums, providing the projects’ background and identifying the players. Chapter 1 reveals that the Burmese military—rather than the companies—chose the pipeline corridor, a decision that was based on cost and security, not social or environmental concerns. One alternate route could have avoided some of the environmental problems and all of the human rights abuses.

**Chapters 2, 3, and 4** describe the complete militarization of the region beginning in 1991, and its attendant forced-labor practices. They further chronicle the brutality associated with the efforts to secure the area for the investment schemes, a strategy the military employed in conjunction with its efforts to suppress an armed resistance in the area. Chapter 2 documents the military buildup in the area and the massive impact it

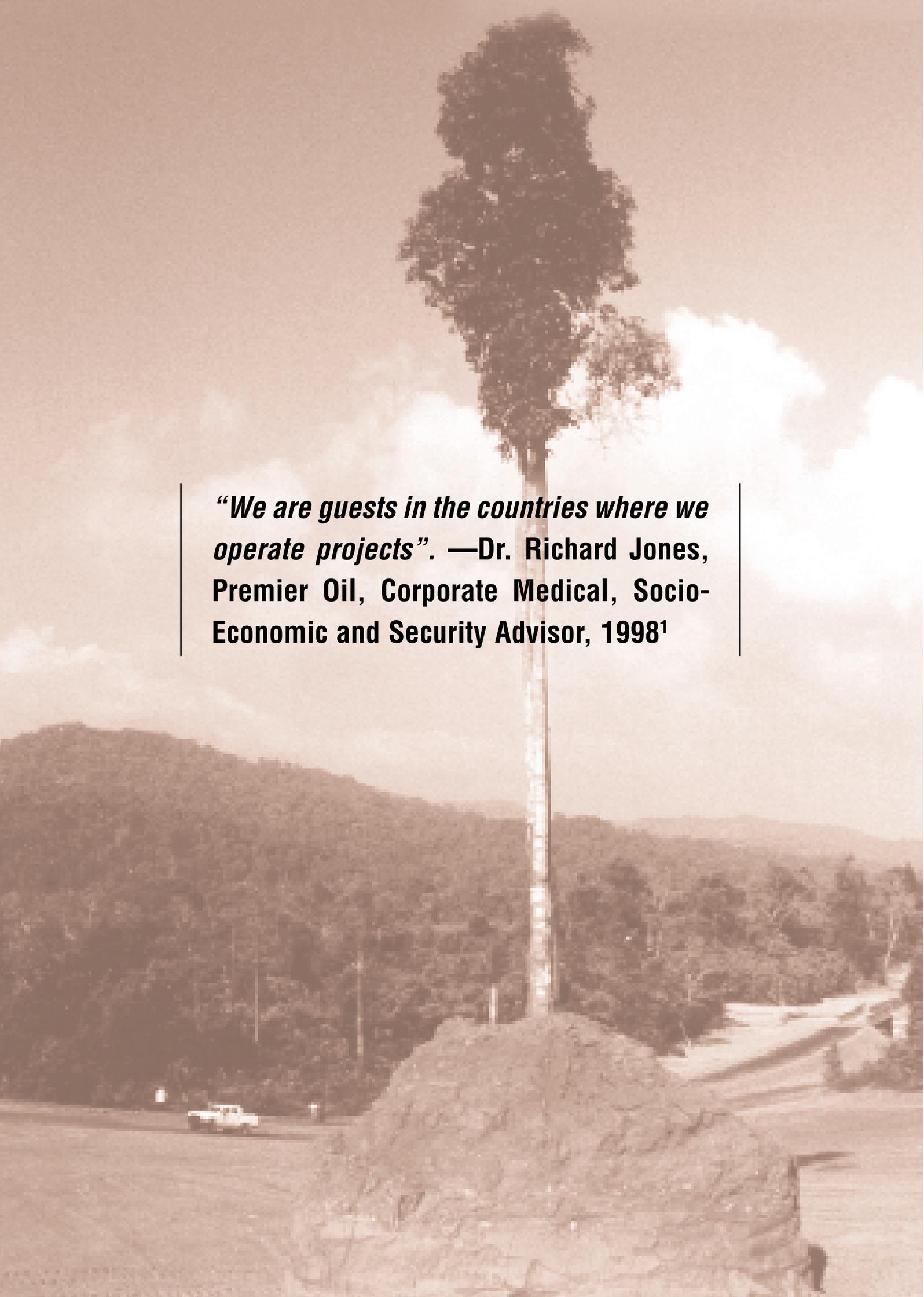
had on local villagers' lives, including the Burmese military's hallmark tactics of using systematic forced labor. Chapter 3 records the forced relocations, particularly of Karen communities, both north and south of the pipeline route to create the pipeline corridor. Chapter 4 documents how local villagers were forced to carry (or porter) ammunition and supplies for local troops securing the pipeline corridor, even during a targeted military operation to secure the pipeline border crossing with Thailand.

**Chapters 5 and 6** show just how closely the Western companies and Burmese army worked together and provide devastating evidence linking the companies—especially Total and Unocal—directly to human rights abuses. Chapter 5 proves that the military acted as security agents for both consortiums' executives and foreign personnel, and that the Yadana project supported military units despite knowledge of their *modus operandi*. It also provides a closer look at the abuses perpetrated by two battalions—commonly referred to as Total battalions. These battalions, which actually protect both the Yadana and Yetagun projects, were created solely for the security of these investments. Chapter 6 presents further “smoking-gun” evidence that Yadana and Yetagun officials knew that forced labor was being used surrounding the projects and in the region, and shows that Total paid people who were forced to work—linking forced labor directly

to the Yadana consortium. Finally, Chapters 5 and 6 describe how the Yadana consortium entrusted the military with recruiting local villagers to work on the project, supervising them, and even approving their payment. This delegation of responsibility resulted particularly in widespread forced portering, but also forced work on pipeline infrastructure, including helipads all along the routes of both pipelines.

**Chapters 7 and 8** depict the unbearable conditions that local villagers must endure or flee as a result of the pipeline projects and the occupation of the area by the Burmese army. Chapter 7 describes life under military rule—a life of fear, lawlessness, and deprivation. For almost a decade, the Burmese army has been living off the local people, shooting their livestock, stealing their crops, destroying their farms. Villagers have had to pay steady streams of fees to corrupt Burmese officers to avoid doing forced labor. Local people have even had to build and work large farms for the military. This chapter demonstrates the impunity with which the military rules, perpetrating summary executions, rape, and torture on the local communities. Chapter 8 exposes the corporate whitewashing in the pipeline region for what it is—an effort to deflect international attention from the military and its explicit role in the projects. It chronicles the inflation in the region resulting from the projects, and discusses the lack of jobs, and

*“When I’m visiting these people in these villages, they say, ‘We’re glad you’re here, please stay’.”* —John Imle, Former President, Unocal, 2000<sup>2</sup>



***“We are guests in the countries where we operate projects”.*** —Dr. Richard Jones, Premier Oil, Corporate Medical, Socio-Economic and Security Advisor, 1998<sup>1</sup>

the broken promises of the companies. Ironically, the corporations have created a situation in which the local people—who were once self-sufficient—now need the social programs that the companies boast to the outside world.

**Chapters 9 and 10** analyze the environmental impact of the Yadana and Yetagun pipelines on both sides of the Thai/Burmese border. The severe ecological harms which will be measured for generations to come began with a complete lack of transparency and unwillingness to allow public participation by all consortium partners. This is perhaps best exemplified by the companies' refusal to release their own environmental impact assessments to the public. In spite of the secrecy surrounding the project, Chapters 9 and 10 expose the detrimental impacts of the pipelines—and the resulting militarization of the region—on the pristine and sensitive ecosystems of the project area, including the rich forests and endangered wildlife species that inhabit them.

**Finally, Chapter 11** demonstrates the ultimate tragedy of the pipeline projects—that they need never have been built. The pipeline projects benefit the Burmese military rulers and their corporate partners almost exclusively. The companies' deliberate “see no evil, hear no evil, speak no evil” policy enables them to ignore the violence in the region and its direct link to their projects, but it cannot diminish their responsibility for the abuses, or their role in their commission. The Yadana and Yetagun deals may well be the main source of foreign exchange supporting the regime for years or even decades to come. Meanwhile, the projects are a boondoggle for Thailand, which is contractually obligated to buy gas from Burma even though it has an energy glut for

the foreseeable future, and to pay for the gas *even if does not take delivery*. This bad deal for Thailand is one of the least-examined aspects of the Yadana and Yetagun fiascoes.

## RECOMMENDATIONS

The final chapters on the Yetagun and Yadana pipelines have yet to be written. Construction of both pipelines is essentially complete, but the impacts of the projects are far from over. The human rights abuses continue. As long as the companies continue to live in total denial and insist on using the Burmese army for security, the suffering of the people of the pipeline region will continue. EarthRights International therefore recommends:

### TO THE COMPANIES:

1. Unocal, Total, Premier, and other companies involved in the pipelines should immediately withdraw from the Yetagan and Yadana projects. Companies should cease all business with the Burmese regime. They should refrain from further investments in Burma until a democratically-elected, civilian government is in place.
2. The companies should immediately terminate any contracts, payments, support, or promises to pay any members of the Burmese military for anything relating to the pipeline projects.
3. The companies should publicly attribute their divestment from Burma to the current political climate, which makes human rights promotion and protection impossible.
4. The companies should immediately make public all environmental surveys conducted, or any other information in

their possession, regarding social and environmental conditions in the Tenasserim region.

#### TO THE INTERNATIONAL COMMUNITY:

1. The international community, including governments both national and local, should not do business with Burma. Governments should coordinate their efforts and place multilateral sanctions on Burma that restrict investment in the country.
2. The international community, including governments both national and local, should not do business with corporations that do business with Burma. Local municipalities and states should pass selective purchasing laws that penalize corporations doing business in Burma.
3. The international community should pressure the regime to take steps towards tripartite dialogue with the democratic opposition and ethnic nationalities in an effort to bring the country greater political openness, democracy, and respect for human rights and the environment.
4. The international community should take particular note of the forced labor in Burma, including in the pipeline region. It should take note of the extraordinary condemnation by the International Labor Organization (ILO) of the Burmese regime's forced labor practices. All governments, including those in the Association of South East Asian Nations (ASEAN), should join the ILO in calling for an end to forced labor in Burma and should take strong measures to help eradicate this practice.

#### TO THE BURMESE REGIME:

1. The regime should cease to brutalize the people in the pipeline region, including ethnic minority groups living in the area. Civilians' civil, political, social, economic, cultural, and environmental rights should be respected.
2. The regime should immediately adhere to its obligations under international law to respect the fundamental human rights of the people of Burma. The government should adopt the recommendations of the international community as laid out in the U.N. General Assembly's and U.N. Commission on Human Rights' annual resolutions on the situation in Burma.
3. The regime should engage in tripartite dialogue with the democratic opposition and ethnic nationalities of the country to pursue a lasting peace in the country.
4. SLORC should relinquish its role in the government and allow a democratically-elected civilian government to govern.

#### TO THE ROYAL THAI GOVERNMENT:

1. Thailand should grant refuge to all civilians fleeing from the pipeline region of Burma. Thailand should respect the fundamental human rights of these refugees and uphold the internationally recognized principle of non-refoulement.
2. Thailand should reverse its failed policy of engagement with Burma and pressure its ASEAN partners to do the same.
3. Thailand should improve its legal mechanisms so people's rights to public participation, access to information, and environmental protection are enforceable.

and not further abused as they were surrounding the Yadana and Yetagun projects.

4. Thailand should pursue an energy strategy that stresses alternative and renewable energy supplies. In line with this, Thailand should adopt more demand-side management and rely less on fossil fuels.

# PART ONE

## CLEARING THE CORRIDOR

**Before the year of 1992, things were better. In 1992, [the soldiers] came and asked the people to work for them more and more. . . . It just got worse. The situation got worse and worse each year. . . . I realized that after the gas pipeline was built, the situation for the villagers got worse and worse. I don't know what others' opinions are, but from my viewpoint if there was not a pipeline, it would be good.<sup>1</sup>**

**Before [the soldiers] came, we got enough food from our farm, and we had time to work outside. From this work, we got some extra money to buy household materials and did not have to worry about anything. But after [the soldiers] came, we did not have enough time to work on our farm because if they wanted something they came and ordered us, and we had to go. . . . They forced us . . . . [T]hey always called for porters, and we always had to go for them.<sup>2</sup>**

**We were not happy after the troops came into the area. If we compare the strength between 1990 and 1991, there was a remarkable difference—more troop activity in the area than ever.<sup>3</sup>**

**As a villager, we have to respect and fear SLORC the same way we have to respect and fear God.<sup>4</sup>**

**Before 1991, we saw Burmese soldiers very seldom. . . . [A]fter 1991, LIBs 408, 409, and 410 . . . started to base their outposts in our area. . . . In 1992, we saw soldiers almost every day.<sup>5</sup>**

The pipelines and the troops sent to secure them have brought drastic changes to the region. In the early 1990s, the area was inhabited mostly by fisherfolk along the coast and by farmers and plantation owners in the inland areas. There was no military presence of any significance. Burmese troops might come occasionally, but they would not remain for long periods. While not wealthy in material terms, people could provide for themselves and live in their homes and villages in relative peace. To hear the villagers reminisce about their lives before the militarization speaks volumes about the impact that these development projects have had on the region.

Creating and securing the pipeline corridor was not a peaceful process. People were killed, tortured, and raped. With the deals under negotiation from 1990 through 1992, SLORC moved in their troops, and started forcing thousands to build barracks. The buildup of troops continued through 1996. In late 1991, SLORC also launched a small but targeted military offensive against one armed ethnic group, the Karen National Union (KNU), to secure Nat-E-Taung, which is currently the border-crossing point between Thailand and Burma for both the Yetagun and Yadana pipelines. With extreme precision, the army forcibly relocated a series of villages in the area through early 1993. The military eliminated any suspected resistance, especially connections—real or imagined—to armed ethnic groups, through intimidation and violence. They patrolled the area and forced villagers to work at upgrading infrastructure to help security forces mobilize in the region. SLORC created an atmosphere of terror which directly benefited companies like Unocal, Total, and Premier as they sought to exploit and transport gas without opposition.

## THE YADANA AND YETAGUN PIPELINES



**Both the Yadana and Yetagun pipelines originate offshore in Burma. The onshore portion of the pipelines on the Burma side stretches roughly 60 kilometers (40 miles) and crosses through villages, including areas where ethnic minority groups live. Towards the coast, the terrain is less mountainous and less forested. As the pipelines move east toward Thailand, there is an increasing amount of forest, pristine jungle, and hills. On the Thai side, the reverse pattern emerges—more forest and hills near the border, which diminish as the pipelines move southeast toward Ratchaburi and the Gulf of Thailand.**

## CHAPTER 1

### THE DIRTY DEALS

*[The] decision-making [was] not transparent. . . . Instead, there was only public relations . . . [and] the old paradigm that the power of a state . . . is above the rights and freedom of the people.*

—Anand Panyarachun,  
Former Thai Prime Minister, 1998<sup>6</sup>

**T**wo separate international consortiums are investing in the pipeline projects. The Yetagun consortium consists of Premier Oil (United Kingdom), Petronas (Malaysia), Nippon Oil (Japan), the Petroleum Authority of Thailand Exploration and Production (PTTEP), and Myanmar Oil and Gas Enterprise (MOGE). The Yadana consortium includes Total (France), Unocal (United States), PTTEP, and MOGE. Both consortiums sell their gas to the Petroleum Authority of Thailand (PTT), who will sell it to the Electricity Generating Authority of Thailand (EGAT). The two consortiums have their own individual pipelines inside Burma. The pipelines join together at the Thai/Burmese border and then share the same pipeline to the Ratchaburi power plant, which will burn the gas. Thus, in Burma there are two projects, while in Thailand, there is essentially only one. (See Map: The Yadana and Yetagun Pipelines)

A Japanese firm first discovered the Yadana gas field in the early 1980s, but the financing necessary to develop the field did not emerge for the remainder of the decade.<sup>12</sup> In the early 1990s, this changed. Thailand's desire for energy spurred the project forward at a

time when the Burmese regime was looking for foreign investors. This was not the first time that Thailand's thirst for natural resources and Burma's desperate need for cash were mutually beneficial. In 1989, Thailand signed lucrative logging concessions with Burma's junta.<sup>13</sup> On the heels of these deals, various oil companies signed exploration contracts to drill for oil onshore in Burma. They would invest more than \$400 million over three years—money that further sustained the regime.<sup>14</sup> Ultimately, most of the oil wells proved unsuccessful, and most companies withdrew.<sup>15</sup> The regime turned next to prospects for developing *offshore* natural gas—especially the Yadana gas field, which had been put on hold in the late 1980s.<sup>16</sup>

Thailand and Burma worked with international investors to put together the Yetagun and Yadana deals. In October 1993, Prime Minister Chuan Leekpai's first administration formally passed a cabinet resolution authorizing PTT to pursue negotiations with the Burmese regime for delivery of the gas, though interest in a deal with Burma predated this resolution by several years.<sup>17</sup> In early 1991, Thailand and other investors, including Premier Oil, were busy exploring various possibilities for investing in the oil and natural gas sectors in Burma. Indeed, in May 1990, Premier Oil had signed the first *offshore* contract with the Burmese regime, but at the time there was no existing known gas field as there was in the Yadana field.<sup>18</sup>

In early 1991, PTTEP, along with other investors including Total and Unocal, was

## THE CONTEXT

Burma has been ruled by a military regime since 1962, when General Ne Win took power. Following its independence in 1948, Burma was poised for economic success and democracy. Its potential was never realized, however, and Burma took a very different direction under Ne Win, following the “Burmese Way to Socialism.” The military nationalized industry and ran a centrally planned economy under single-party rule. Burma has been at civil war for more than five decades as well, with the Burmese military fighting against numerous armed anti-Rangoon groups, many of whom are from ethnic minority communities. In spite of the country’s vast development potential, by the 1980s, the economy had stagnated, and by 1987 the United Nations had recognized Burma as a Least Developed Nation.

The year 1988 brought a massive popular uprising calling for democracy and human rights. The uprising was viciously suppressed as the military killed thousands of peaceful demonstrators. Following international condemnation, the regime made cosmetic political changes: Ne Win retired, the military reshuffled, and the State Law and Order Restoration Council (SLORC) assumed power. Desperately in need of cash, SLORC quickly reversed the economic philosophy and principles of the “Burmese Way to Socialism” and opened the country up to foreign investors by promulgating a new investment law in November 1988.<sup>7</sup> Since then, Burma has seen a deteriorating human rights situation, a doubling in size of the army, skyrocketing inflation, and a sharp decline in of a host of social indicators including health, education, and poverty levels.<sup>8</sup>

Widespread opposition to the junta continued within Burma, which pressured SLORC to hold national elections in 1990. Much to SLORC’s dismay, Daw Aung San Suu Kyi’s party, the National League for Democracy, won 82% of the parliamentary seats in a free and fair election. The SLORC regime has refused to recognize the election results, maintaining its hold on power. In 1997, SLORC changed its name to the State Peace and Development Council (SPDC) and reshuffled its cabinet.\* The change in name was again cosmetic, however, and there are no indications that the military rulers are taking any real steps towards democracy or improving human rights.

Thailand, a constitutional monarchy, is a comparatively open society. In 1997, the country adopted its first People’s Constitution, and there are some prospects for a functioning democracy. But over the past half century, just like Burma, Thailand has seen a series of military coups and its share of military rule. The most recent coup took place in 1991 and resulted in the bloody crackdown of Black May in 1992. Since this coup, the pipeline deals have found strong support from the Thai government—no matter what administration has been in power.<sup>10</sup> Key aspects of the projects were hidden from the Thai people, especially local communities along the pipeline route, until very late in the

process—after binding contracts had been signed with the Burmese military regime. At this late stage, opponents of the construction had few options, and little could be done to stop or alter the fundamental project schemes. The desire to obtain gas from Burma was so strong that PTT and the government were willing to violate Thai environmental laws.<sup>11</sup> In all, while Thailand is much more open and democratic than Burma, the pipeline deals illustrated the power that transnational corporations and a small group of decision-makers still wield in the country. And given Burma's politics, there was no information provided about the projects in that country, or even the remote possibility of public participation, much less resistance, to the deals.

#### THE U.N. ON BURMA

The Burmese military regime's brutal human rights record is notorious the world-round. The United Nations, governments, and nongovernmental organizations alike have consistently documented the systematic human rights violations of the Burmese junta and condemned its practices. In April 2000, the U.N. Commission on Human Rights, by consensus, continued its annual condemnation of the regime and deplored:

The continuing pattern of gross and systematic violations of human rights in Myanmar [Burma], including extrajudicial, summary or arbitrary executions, particularly in areas of ethnic tension, and enforced disappearances, torture, harsh prison conditions, abuse of women and children by government agents, arbitrary seizures of land and property, and the imposition of oppressive measures directed in particular at ethnic and religious minorities, including systematic programmes of forced relocation, destruction of crops and fields, the continued widespread use of forced labour, including for work on infrastructure projects, production of food for the military and as porters for the army; [and] the continued violations of the human rights of, and widespread discriminatory practices against, persons belonging to minorities, including extrajudicial executions, rape, torture, ill-treatment and the systematic programmes of forced relocation directed against ethnic minorities, notably in . . . Tenasserim Division [through which the pipelines pass], resulting in the large-scale displacement of persons and flows of refugees.<sup>9</sup>

specifically bidding on a concession to develop existing natural gas deposits off Burma's coast.<sup>19</sup> This concession would come to be known as the Yadana gas field.<sup>20</sup> The reported plan envisioned that the gas would be delivered through a 500-kilometer-long pipeline to Kanchanaburi province in

Thailand and cost US\$1 billion to develop and construct.<sup>21</sup> In January 1991, PTTEP signed an offer to buy oil from Unocal's onshore exploration in Burma.<sup>22</sup> On the same day, both daily English papers in Thailand reported that PTTEP had also made an offer to the Burmese regime to develop an

## THE PEOPLE

The people who traditionally inhabit the area along the pipeline route in Burma are mostly farmers, fisherfolk, and local traders. Many own rice fields, fruit orchards, betel nut or cashew plantations, or raise livestock. Near the coast, many people fish and work in local mines. The people come from three major ethnic minority groups—the Tavoyan, Mon, and Karen.

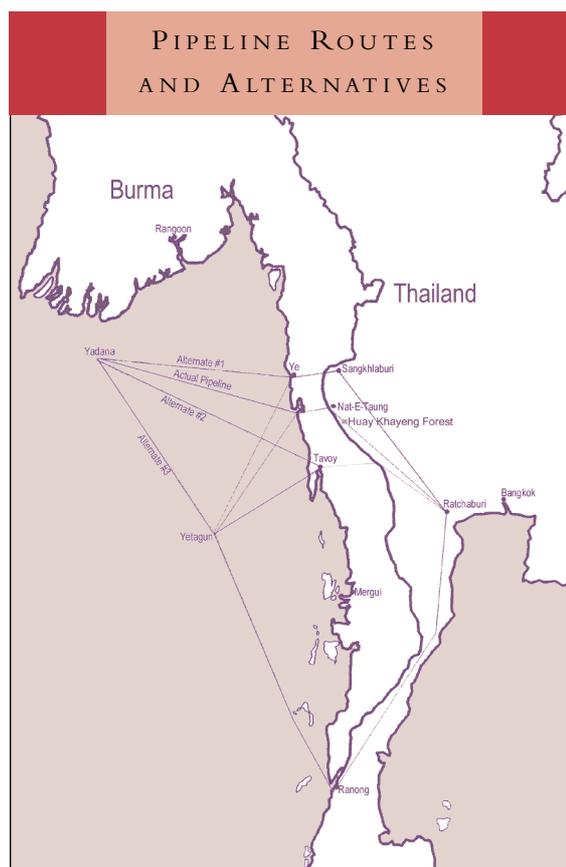
The Tavoyans are primarily coastal peoples, while Mon and Karen villagers live further inland and near the jungles bordering Thailand. The Tavoyans consider themselves culturally and ethnically distinct from the Burman majority, and although they share the same written language, they speak it quite differently. The Mon and Karen peoples have their own written and oral languages distinct from Burmese, as well as separate cultural histories, traditions, and identities. The Mon and Karen have been waging military campaigns against the Burmese military regime for the majority of the second half of the century, thus complicating the investment even further.

The New Mon State Party (NMSP) and other Mon groups have been part of the civil war in Burma for decades, fighting against the military regime in Rangoon. In mid-1995, shortly after the Yadana sales agreement was signed with Thailand and before construction of the pipeline had begun, the NMSP signed a cease-fire with Rangoon. The Karen National Union (KNU) has similarly fought against the military regime for decades, but is one of the few groups in the country that has yet to sign a cease-fire with the ruling regime. Cease-fire agreements are not political settlements, and human rights abuses have continued in cease-fire areas despite Rangoon's assurances that they would stop. While the NMSP and KNU fought against the Burmese military, most Karen and Mon people are not involved in armed struggle, but are simply civilians working to support their families. These unarmed individuals bear the brunt of the Burmese army's brutality and systematic human rights violations.

In the early 1990s, before the pipeline deals were signed, none of the local peoples—civilian or otherwise—were ever consulted about whether they wanted a gas pipeline to pass through the area. Most villagers learned of the deals only when they started to notice the massive military buildup and presence of foreigners. Others learned about the Yadana project from soldiers while doing forced labor. The military regime and the oil companies kept the people of Burma, particularly in the pipeline region, in the dark about the projects. Moreover, they knew that developing the projects would be impossible without the complete military control of the region. Without ever approaching the local communities, the companies and junta sent in the military, and the projects moved forward.

existing field in the Andaman Sea.<sup>23</sup> In February, General Sunthorn Kongsompong launched a military coup in Thailand—one day after returning from Rangoon on a visit during which he reportedly discussed, among other issues, a deal for natural gas exploration.<sup>24</sup> In March, the head of PTTEP visited Rangoon to discuss the deal further.<sup>25</sup> According to the U.S. Department of Labor, PTT was serious enough about the project to have submitted a funding proposal to the World Bank around this time.<sup>26</sup> In 1991, three new battalions moved into Kaleinaung and began building permanent military bases in what would become the pipeline corridor.<sup>27</sup>

This series of events shows that the Yadana project and its general route were conceived well before the signing of the first contract for the Yadana project in July 1992 by Total. With part of the route passing through an area controlled by armed ethnic groups, investors who were in negotiations with the Burmese military knew or should have known that a security buildup would follow if the project went forward. Given the Burmese military’s well-documented history of human rights violations and brutality, the investors were on notice that human rights abuses would accompany Burmese troops into the pipeline region.



## THE ROUTES

The routes that the pipelines would follow were of critical importance given the presence of armed ethnic groups such as the New Mon State Party (NMSP) and the Karen National Union (KNU) in the region in the early 1990s. The World Bank advised against

The precise attack on Nat-E-Taung, along with the sudden influx of troops into Kaleinaung in 1991, provides strong evidence that these events were related to the pipeline deals that were simultaneously being negotiated with the regime at the time.

the proposed route for the Yadana project—saying the pipeline should be directed “away from the Burmese-Thai border, where conflicts between Rangoon and the minority Karen group still continue.”<sup>28</sup> The key factors in determining the routes were *security* and *cost*. Putting a route over land and through Kanchanaburi would be the cheapest way of getting gas to Thailand because it would require the shortest amount of pipeline. (See Map: Routes—Actual, Alternative #1, and Alternative #2). It appears that the Burmese military was calling the shots to a large degree on where the pipelines would go.



Nat-E-Taung, on the Thai-Burmese border

One journalist wrote, “[I]n a non-transparent process, [the Thai government] agreed to build the [Yadana] pipeline based on Burmese specifications. The major considerations for the Burmese side were to make both the underwater pipeline—which is expensive—and the overland route, which is insecure, as short as possible.”<sup>29</sup>

Bringing the pipelines to Ranong

(Alternative #3) appears to have been too expensive, and thus a secure onshore route became critical. Going through Sangkhlaburi (Alternative #1) was problematic because the NMSP was actively fighting the regime at the time. Similarly, passing through Tavoy (Alternative #2) would be dangerous for the investors because of its proximity to the KNU headquarters in the Tenasserim division. This left the possibility of crossing Nat-E-Taung, where a small KNU outpost existed in 1991. In December 1991, SLORC launched a targeted offensive against Nat-E-Taung, capturing the base. Today, the pipelines enter Thailand at Nat-E-Taung. It is important to note that the KNU headquarters in the Tenasserim division closer to Tavoy was not captured by SLORC until early 1997. The precise attack on Nat-E-Taung, along with the sudden influx of troops into Kaleinaung in 1991, provides strong evidence that these events were related to the pipeline deals that were simultaneously being negotiated with the regime at the time.

In early 1998, the importance of Nat-E-Taung to determining the routes was further revealed. Nat-E-Taung had apparently been fixed by the Burmese regime as the border crossing in the early 1990s and was non-negotiable. “International law experts . . . observed that the point of delivery at Nat-E-Taung on the border in Kanchanaburi’s Thong Pha Phum district was insisted upon by Burma. This forced the PTT to fix a pipeline route that is unnecessarily destructive to the environment and the rights of local communities.”<sup>30</sup> With the point of delivery chosen, the Yetagun consortium

“the point of delivery at Nat-E-Taung . . . was insisted upon by Burma.”

## TROUBLE IN FRANCE

The pipeline deals have faced widespread criticism. Even the issue of guaranteeing Total's investment in the Yadana project raised concerns to a parliamentary mission in France investigating the project. The mission stated, "the decision taken by the French government to guarantee Total's investment in Burma in 1994 was unfortunate considering the elementary ethical norms that are systematically violated by the Burmese junta since it came to power in 1988."<sup>40</sup> The mission continued, "Indeed, it was possible in 1994 to foresee that charges of collusion and complicity with the Burmese junta could be brought against Total. . . . [A]s early as 1991, Daw Aung San Suu Kyi had expressed herself on the negative effects of foreign investment in Burma, and French and foreign NGOs had already raised the alarm."<sup>41</sup>

quickly followed the same path, choosing a parallel route in Burma that would join the existing pipeline in Thailand at Nat-E-Taung.

Social and environmental concerns were not at the forefront of the initial decision about where the pipelines would go. And with SLORC making decisions about the routes, it is not surprising that human rights violations and environmental degradation ensued. Indeed, one alternative route (Alternative #3), which would have brought gas to Thailand through Ranong, avoided human settlements in Burma completely, and made the militarization of a pipeline corridor unnecessary.

## THE CONTRACTS

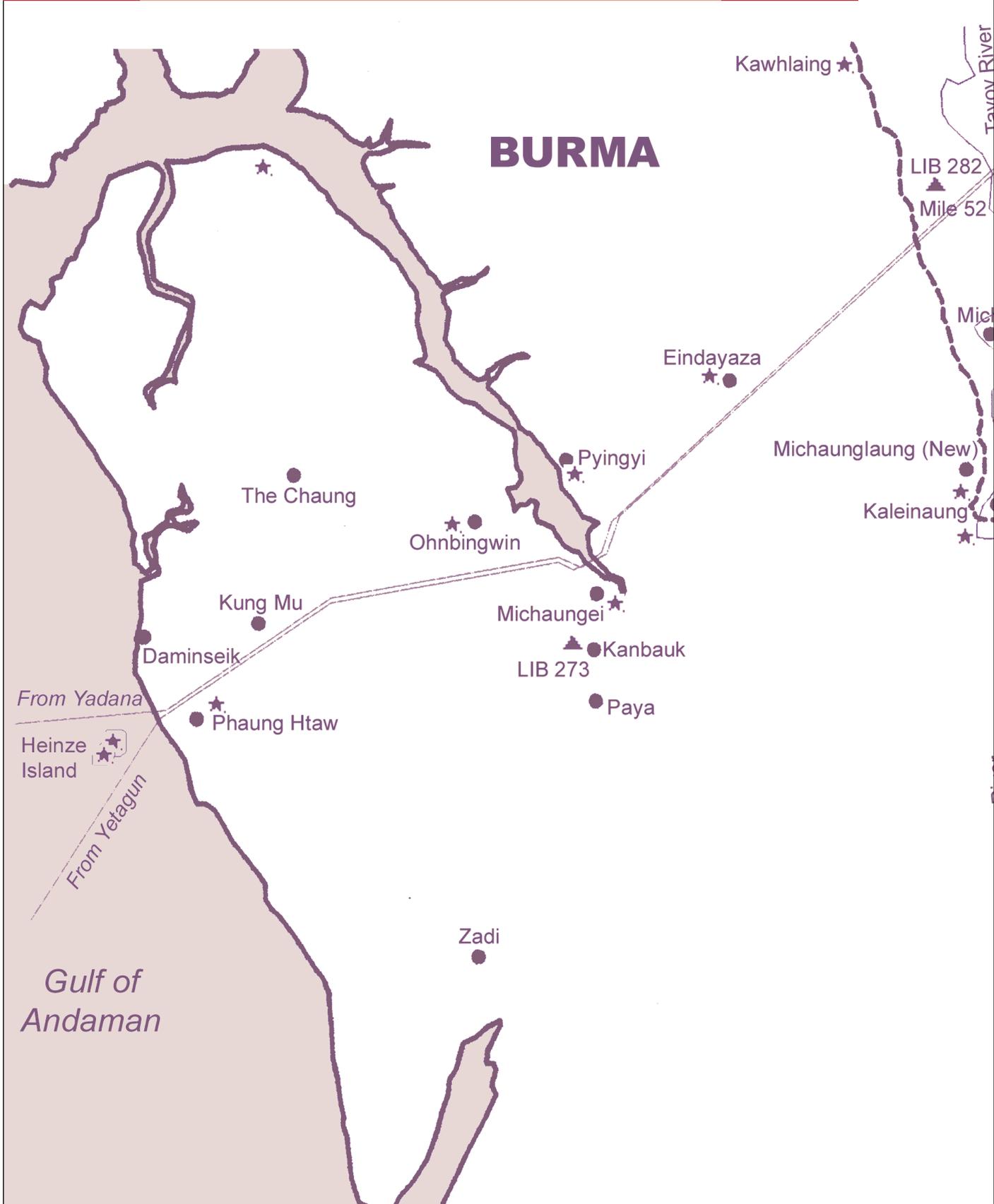
Ultimately, both the Yadana and Yetagun pipelines paralleled each other onshore in Burma, sharing virtually identical routes. Both the Yadana and Yetagun pipeline projects also involve similar contracts. In each deal the international consortium signed a production-sharing contract (PSC) with the Burmese military to explore and develop natural gas. A second contract—a sales contract—was later signed between each interna-

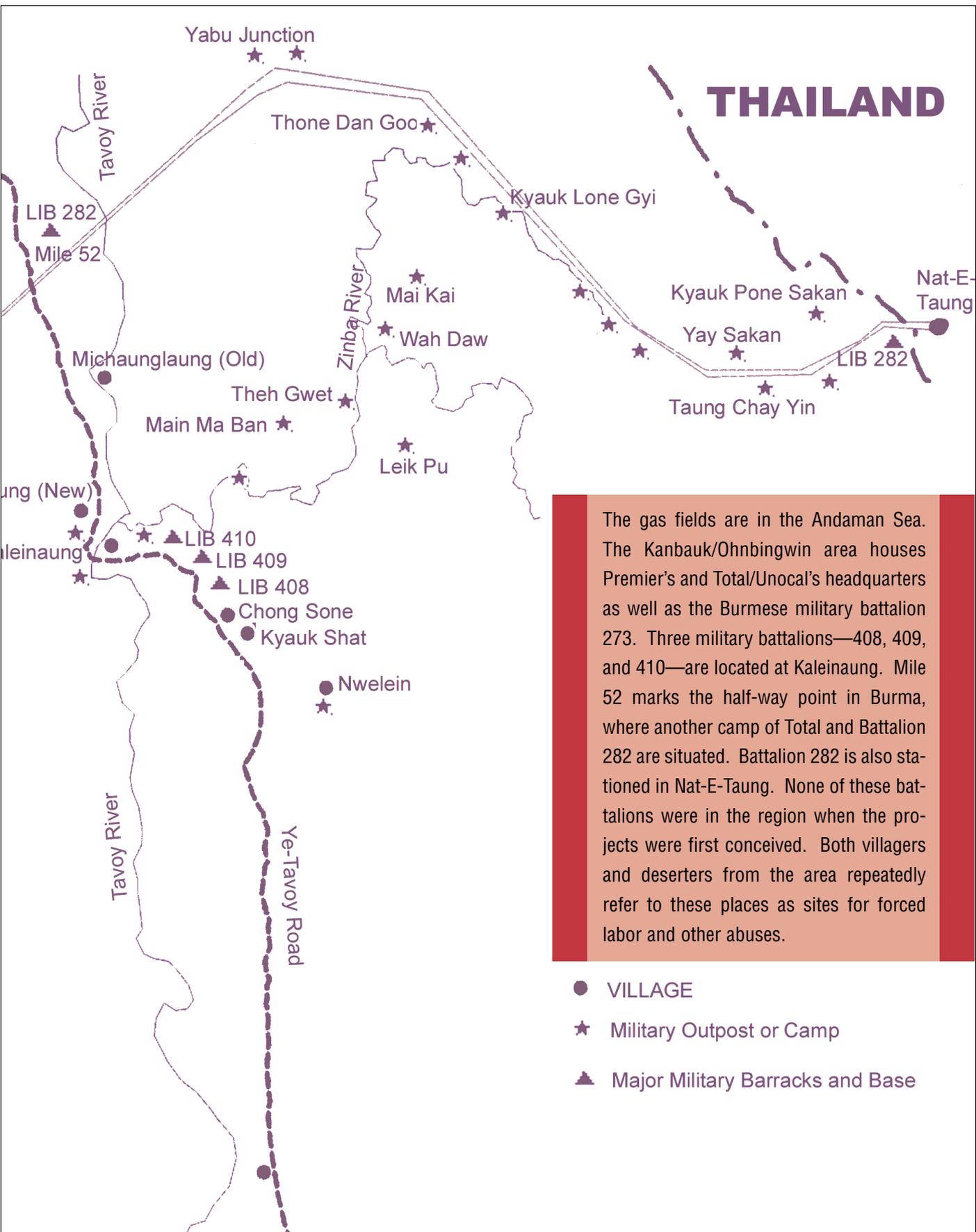
tional consortium and the PTT, which agreed to buy the gas and build the pipeline from the Thai side of the border to its endpoint in Ratchaburi. PTT pledged to deliver and sell the gas to a power plant built and owned by EGAT.

In May 1990, Premier Oil became the first company to sign a PSC for natural gas with the Burmese military regime; the concession was for the Yetagun gas field.<sup>31</sup> Premier was soon joined by Texaco (50%) and Nippon Oil (Japan) (20%) in 1991. Texaco sold its shares and withdrew from Burma in September 1997, and Premier is currently the operator of the project with an almost 27% interest. MOGE, the Burmese regime's state-owned oil company, has a 15% stake, and the remaining interests are held by Petronas (Malaysia), Nippon, and PTTEP.<sup>32</sup> The Yetagun has a US\$700 million development cost.<sup>33</sup> The Yetagun field has proven reserves of 1.4 trillion cubic feet of natural gas. A sales contract was signed with PTT in 1997 to deliver 200 million cubic feet/day to Thailand for 15 years.<sup>34</sup>

The Yadana gas field is larger than the Yetagun, with 5 trillion cubic feet of reserves, but its gas is of poorer quality.<sup>35</sup> The Yadana has a development price tag of

CLOSE-UP MAP OF THE PIPELINE REGION





“The money is of course going to the [generals].”<sup>47</sup>

US\$1 billion.<sup>36</sup> The initial Yadana PSC was signed in July 1992 by Total, and Unocal formally joined the consortium in early 1993.<sup>37</sup> The current partners are Total (31.24%), Unocal (28.26%), PTTEP (25.5%), and MOGE (15%); Total is the operator of the project in Burma.<sup>38</sup> The 30-year sales agreement with PTT was signed in February 1995, and at full capacity, 525 million cubic feet/day of gas will be delivered to Thailand.<sup>39</sup>

PTTEP is a partner in each of the international consortiums building the pipelines in Burma, while PTT—PTTEP’s parent company—is the buyer of the gas in the sales agreement. This raises issues of conflict of interest. When the deals were negotiated and

signed, only government officials and corporations were involved—not NGOs, local communities or the general public.

The involvement of MOGE in the projects also formalizes the foreign investors’ relationships with the Burmese military. The money generated by the projects will go directly into their coffers through this state economic enterprise.<sup>46</sup> The companies are well aware of the fact that their money goes to the regime. As President-Director Jan Diederik Bax of IHC Caland, a Dutch company and a subcontractor for the Yetagun pipeline project, acknowledged, “The money is of course going to the [generals].”<sup>47</sup>

#### DUTCH SUBCONTRACTOR UNDER FIRE

IHC Caland, a Dutch offshore company that builds dredgers and oil platforms, has contracted to build an oil platform in the Yetagun gas field. As the biggest Dutch investor in Burma, the company has come under fire for its investment. Within Europe, the campaign against foreign investment in Burma has gained support of the General Assembly of European Non-Governmental Development Organisations (CLONG), the International Confederation of Free Trade Unions (ICFTU) and national trade unions, many political parties, and the European Parliament. In late 1998, the Dutch government wrote a letter to its national parliament stating that it preferred that European companies not invest in Burma.<sup>42</sup>

In June 1999, in response to pressure from shareholders calling for the company to pull out, IHC Caland President-Director, Jan Diederik Bax dismissed political considerations. “We are not a political party. We are interested in business. That is it. Let’s not make things too complicated.”<sup>43</sup> However, in an earlier statement, he did not seem puzzled by the political-economic connection: “The money of course is going to the [generals].”<sup>44</sup>

After the shareholder meeting, Bax approached a Karen schoolteacher who had traveled to the Netherlands to lobby against investment. “I admire your courage to come over here. As a person I completely agree with you. But you must understand we are a company.”<sup>45</sup>

## ENTER SLORC: FORCED LABOR BEGINS

*The mission judges that the link between the military presence, the acts of violence against the populations and the forced labor is established as a fact. Total had to be aware of that fact.*

—French Parliamentary Mission Investigating the Yadana Project, October 1999<sup>1</sup>

*Military housing and all local infrastructure is provided by underpaid or unpaid labour. The harsh conditions of those carrying out such labour—including young children—and the testimony of local people who will go to extremes to avoid it, belies the Government claim that such work is voluntary.*

—Yetagun Project Impact Assessment, 1996<sup>2</sup>

*[U]nless the area is pacified, the pipeline won't last for its thirty-year period.*

—Total Executive, 1996<sup>3</sup>

*[O]bviously the government has told us that they will make the area safe.*

—Total Executive, 1992<sup>4</sup>

The lives of the villagers in the pipeline region in Burma began to change forever in 1991. The push was on to make the Yadana project a reality, and the militarization of the pipeline corridor had begun. Premier Oil had signed an offshore concession for the Yetagun field but had yet to find gas. The Thai government, hungry for energy, wanted to see the Yadana project come to fruition, and bids from international investors—including Total and Unocal—were on SLORC's table for this project.<sup>5</sup>

From the beginning, SLORC security was integral to the success of the pipeline projects. Before the projects could move for-

ward, Total, Unocal, and Premier required a secure area for their investment. And there could be no doubt that a vast mobilization of troops in their project area would be to the extreme detriment of the local population. The army did their part. They swiftly and fiercely brought these populations under their control.

In 1991, three Light Infantry Battalions (LIBs)—408, 409, and 410—began to build their barracks in what would ultimately be the pipeline corridor. Since 1991, at least two more battalions—LIBs 273 and 282—have been permanently stationed in the corridor solely to secure the route and protect the foreigners.<sup>6</sup> These two battalions are known as “Total battalions” by soldiers and villagers alike. In all, at least 16 battalions (LIBs 25, 61, 104, 267, 273, 282, 401, 402, 403, 404, 405, 406, 407, 408, 409, and 410) have either been stationed in the area or have patrolled the corridor at one time or another since 1991.<sup>7</sup> An area that previously had no permanent Burmese army outposts was suddenly flooded with troops that made the area safe and attractive for international oil giants like Total, Unocal, and Premier.

One villager after another reports that these Burmese troops are there to protect the projects. They forthrightly state their knowledge that some battalions “were hired by the companies to provide security; all the villagers know this.”<sup>8</sup> Deserters from units in the area routinely confirm the same, saying “we had to move to the area for the pipeline security”<sup>9</sup> and “our main responsibility for this area is to take security of the pipeline.”<sup>10</sup>

## KALEINAUNG SLAVE CAMP

One of the first orders of SLORC business upon arriving in the pipeline region was building their barracks. Thus in 1991, thou-

sands of villagers were forced to build the military barracks at Kaleinaung, the first major military base in the pipeline corridor. Kaleinaung housed LIBs 408, 409, and 410. (See Map, opposite) As soon as the troops arrived, the local people became a massive labor pool. From 1991 through 1992 and beyond, these LIBs forced villagers to build and maintain their barracks. Villagers came

from throughout the region, including the villages of Michaunglaung, Eindazaya, Mayanchaung, Ye Bone, Zadi, Kaleinaung, Zinba, Kanbauk, and Ohnbingwin. (See Map: Pipeline Region Close-up)

The army called on village heads to send forced laborers on a rotational basis. Typically, each group came for between one and two weeks, leaving only when a replace-

### ILO CENSURES BURMA

Forced labor is epidemic in Burma. Despite being a signatory to the Convention Against Forced Labor (ILO No. 29), the Burmese military flaunts its violations of this treaty. The transgressions are so severe and consistent that the International Labor Organization (ILO) has taken extraordinary steps over the past few years to condemn the ruling military and the practice in the country. In 1999, the ILO took the unprecedented step of expelling Burma from future ILO meetings. The ILO had previously launched a similarly rare Commission of Inquiry, and in the final observations of its 1998 report, it found:

[a] saga of untold misery and suffering, oppression and exploitation of large sections of the population inhabiting Myanmar [Burma] by the Government, military and other public officers. It is a story of gross denial of human rights to which the people of Myanmar have been subjected particularly since 1988 and from which they find no escape except fleeing from the country.<sup>11</sup>

The Commission found pervasive forced labor imposed throughout Burma, including:

portering, the construction, maintenance and servicing of military camps, . . . work on agriculture, logging and other production projects undertaken by the authorities or the military, sometimes for the profit of private individuals, the construction and maintenance of roads, railways and bridges, [and] other infrastructure work.<sup>12</sup>

In March 2000, the ILO invoked Article 33 of its constitution for the first time in history, taking an unprecedented step that may result in an appeal to member states to review their relationship with Burma and ensure that member countries—such as the U.S., the U.K. and France—do not take advantage of such relations to perpetuate Burma's use of forced labor against its civilian populations.

ment group arrived. One deserter explains how the soldiers secured laborers in the area:

They always had to work on a rotating basis. I think the villagers changed every 15 days. [Then,] the other villagers came. . . . Normally the village head would have to arrange for the forced labor according to the order of the army officer.<sup>13</sup>

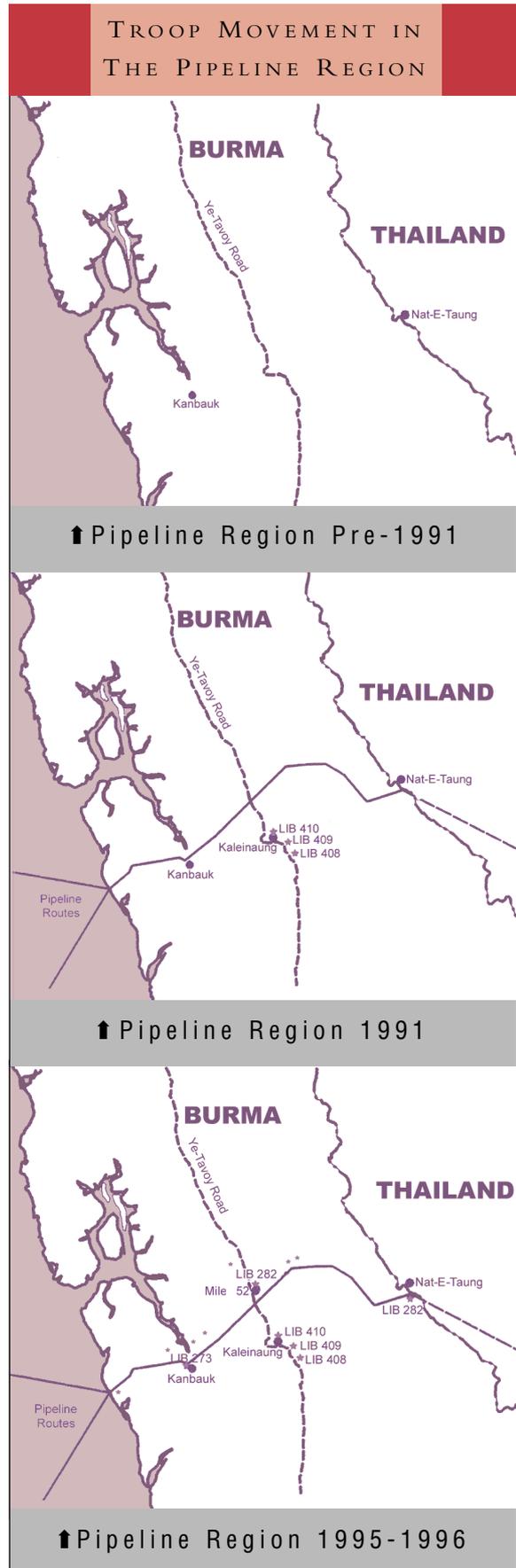
Consultants for Texaco (then the operator of the Yetagun Project) confirmed this practice:

Military housing and all local infrastructure is provided by underpaid or unpaid labour. The harsh conditions of those carrying out such labour—including young children—and the testimony of local people who will go to extremes to avoid it, belies the Government claim that such work is voluntary. . . . None of the people in the region who discussed the labour with the research team had received payment. Those drafted into such work have to provide their own food for the labour periods (usually cycles of 15 days or more).<sup>14</sup>

In spite of this knowledge, and their insistence that security would have to be “increased or relocated to enable the pipeline to be built,”<sup>15</sup> Premier and its partners forged ahead with their deal.

### BUILDING THE BARRACKS

Villagers were ordered to bring their own food and tools. Once the villagers arrived at Kaleinaung, which is about five miles from the pipeline routes, they were forced to clear





“If forced labor goes hand-in-glove with the military, yes, there will be more forced labor.”<sup>34</sup>

hundreds of acres of land for the compounds, to cut bamboo and trees in sometimes thick jungle, and to dig out tree stumps to clear and level the ground. They had to dig wells and trenches, build fences, and make posts and boards to build the barracks. Labor orders from the military were often accompanied by demands to provide wood and bamboo to build the barracks, or thatch for the barracks' roofs. Villagers also had to make their own shelters in which to sleep during their conscription. Forced laborers, among them teenagers and elderly people over 60-years-old, worked from sunrise to sundown under the hot sun and pouring rain—allowed a break only at midday. Soldiers usually guarded the villagers as they worked. Testimonials from villagers paint a grim picture:

[W]e had to continually provide . . . labor such as building the military posts at the LIBs 408, 409, 410 outposts.<sup>16</sup>

I had to work for the Burmese military a lot. . . . We had to build the military camp for LIB 408, at Zinba Junction [near Kaleinaung] . . . [I]f we wanted to go to the toilet we had to go with our entire group, and the soldiers guarded us. If the people from our village didn't come to relieve us when we finished our rotation we couldn't go back [home]. Sometimes the villagers couldn't get a replacement, and we had to continue to work for them.<sup>17</sup>

We had to go to Kaleinaung by car. . . . [T]he kind of work that I had to do was cutting trees and bamboo,

clearing, taking out the stumps, digging wells, cutting grass, cutting the bamboo and making them into small pieces of string or rope to tie the things (in the hilly regions they do not have rope or nails for the building so they have to use bamboo instead of rope and nails), carry trees and bamboo, cut the thatch, and build the barracks for the military. We worked from 6:30 a.m. to 11:30 a.m. and 1 p.m. to 5 p.m. every day. . . . We had to do this for LIBs 409 and 408. . . . If we bring our good food, then we can have good food. They did not give us any food. At night, we had to sleep on the small building that had no roof. They even did not allow us to make huts for ourselves. Most of us used plastic sheets or sacks for our beds, so many got malaria, colds, and coughs. Sometimes we had 400 people, but sometimes we had 300 people. We had about 10 people who were 60 to 70 years old. . . . If you had headache, coughing, cold, and a little fever, they did not let us take a rest.<sup>18</sup>

The LIBs 408, 409, and 410 were based in that area. . . . They built their post in the Zinba Junction [near Kaleinaung]. It was LIB 410 battalion. I had to go there two times. The first time I had to go with seven people from my village. . . . The first time I had to go was [around] 1991. I had to build the outpost for three days. One month later I had to go again, and we had to cut the trees and do many things at the outpost for seven days.<sup>19</sup>

All together there were 300 people who came and had to work for the soldiers. . . . We had to clear the land. . . . It was more than 100 acres that we had to clean. When we worked there, we had to build our own place, but we did not have a roof, so we had to build under the trees or the place that had good shade. We had to clean the place that was already burned, and we had to dig out the stumps and we had to flatten the land, cutting the trees and bamboo. We worked from 6:30 a.m. to 11 a.m. and from 1 p.m. to 5 p.m. The sergeant with 10 soldiers . . . guarded us in our work, and around us we were surrounded by more than a hundred soldiers.<sup>20</sup>

For three weeks, we had to dig the mound with only seven people . . . . At that time, we were beaten by soldiers one time . . . [Because the soldiers thought we were not working, they] called all of us and punished us. . . . [T]hey asked us to jump like frogs [a form of torture].<sup>21</sup>

I also had to go work for the building of the barracks for soldiers from LIB 408. It was in 1991 or 1992. The village head came and told us that we had to work for the soldiers. . . . Whatever the weather is, if the soldiers ordered us, we had to go and work for the soldiers. There are two times that I had to go and build the barracks for the soldiers. . . . The first time that I had to go and work, there were 15 people. . . . We had to go from our village to Kaleinaung by

foot. There were also people from other villages. We had to bring our own tools. We had to do the work such as cleaning the land and taking out the stumps. The LIBs that we had to work for were LIBs 408, 409, and 410. . . . We also had to bring our own food for 10 days. . . . The time when I went there were more than 50 buildings already. While we working, we were guarded by the soldiers. . . . While we worked, if the work did not please them, they scolded and threatened us. . . . [T]hey kicked us when we did not have enough strength to take out the stumps. At that time, I felt that I wanted to take revenge against them in my heart, but I dared not. During 10 days of working with them, we had problems with water. We had to go very far to get water. We even did not take a shower during the 10 days. . . . While we worked there the people who got sick asked [the soldiers] to take a rest, but they were not given medicine. We had to take our own money [in case] we got sick and [needed to] buy medicine.<sup>22</sup>

Testimonials from soldiers paint the same picture. One deserter describes the workers' frustration—and the typical army response:

[W]e heard the families were complaining all the time about the forced labor and how they were so fed up with the situation, but it's tough shit.<sup>23</sup>

Another deserter confirms what it was like at the actual work sites, the young and old working with soldiers standing guard:

When [the villagers] built the post, we guarded them because we were afraid that they would run away. I saw that the villagers who had to work for us were mostly older. Some were over 60 years old, and the youngest were 13 or 14 years old. I do not know the system about how did they come and work and who ask them to come and work. But I asked one of the villagers about that when I guarded them in the work. He told me, "The commander asked our villagers [to come] for one week, but now it was over one week, but they do not let me to go back to village

yet. Also the food that we brought for one week is almost gone." I told them to go and tell the authorities. But they were afraid to tell because they had to bring food for themselves from their village, [and] the LIB did not pay for food for them. They had to start work together with us at 7 in the morning and have a lunch at 11. In the afternoon, they started again at 12 noon and finished at 5 p.m. When they came and worked, one group of the villagers was about 30 people. The villagers had to dig the ground, build the post and make the building walls with bamboo. . . .

### SO MANY BATTALIONS

SLORC troops were constantly being rotated in and out of the pipeline corridor as part of security operations. For example, in 1996, the U.S. embassy reported that:

[b]riefing materials distributed by Total . . . suggest that the following infantry battalions are now or are in [the] future to be stationed along the pipeline route: The 403<sup>rd</sup> battalion, in the Kanbawk region; the 408<sup>th</sup> battalion, east of Kanbawk; the 409<sup>th</sup> battalion, in the Tavoy River valley; the 404<sup>th</sup> battalion, in the upper Zinba valley; and the 273<sup>rd</sup> battalion, which may be the battalion based in a series of forts on the Burmese side of the border ridge, near [Nat-E-Taung].<sup>31</sup>

A villager describes the ever looming SLORC presence in a Karen village, Eindayaza, situated very close to the pipeline route. Since 1996, no less than six battalions have been stationed in or near the village at one time or another:

In 1996 and 1997, LIB 403 and LIB 407 took security for the gas pipeline, and they stayed in and outside Eindayaza. In 1998 and 1999, LIB 405 and LIB 401 replaced 403 and 407. LIB 402 replaced 405 and 401 around September 1999. LIB 273 replaced LIB 402 starting in November 1999.<sup>32</sup>

In all, at least 16 battalions (LIBs 25, 61, 104, 267, 273, 282, 401, 402, 403, 404, 405, 406, 407, 408, 409, and 410) have either been stationed in the area or have patrolled the corridor at one time or another since 1991.<sup>33</sup>

[T]he soldiers guarded the workers, and if the worker escaped, [the commander] shouted at the soldiers. So sometimes the soldiers shouted at the villagers because they did not finish their mission on time. In the workplace, sometimes when the soldiers guarded the workers if the workers wanted to smoke or rest, they might allow it. But if the commander or officer came, [the villagers] were not allowed to take a rest. Moreover, the commander or officers swore at the soldiers who gave the villagers a rest. The officers told the soldiers [that the villagers] are not your fathers, so you should ask them to work.<sup>24</sup>

#### FORCED LABOR ON HEINZE ISLANDS

The military barracks in Kaleinaung were the first major evidence of the influx of troops in the area, and the resulting systematic use of forced labor. But other installations soon emerged. One was on the Heinze Islands, which are situated near where both the Yadana and Yetagun pipelines come onshore. (See Pipeline Region Close-Up) The Heinze Islands would provide a strategic naval base for protecting the pipelines in this area as well as vessels coming to the region to deliver supplies for constructing the projects. Again, villagers report the same forced labor orders and conditions that characterize the practice of the Burmese military throughout the region. The U.N. Special Rapporteur on Burma reported about forced labor on the Heinze Islands as well, stating “the military ordered 200 civilians to go to Heinze Island for two weeks in May 1995 in order to clear ground, build a helicopter pad and construct

several buildings.”<sup>25</sup> And again, the soldiers who forced them were those very troops providing security for the pipeline projects:

In the cold season of 1992, we had to go and work at Boad (Heinze) Island where the military made a plan to build the gas pipeline. . . . I was very afraid because we have heard from other villagers that the major . . . was very strict and they treat the villagers badly. They treated the villagers as prisoners. I always prayed that I would not have to go, but in August the time had come for my turn, so I had to go to the Boad Island. . . . On the Boad Island, we had to go and work for the gas pipeline. I know this because our village head told us that in four or five years the gas pipeline project would come and be built at the Boad Island and so we had to work to build the barracks, heliport, and some buildings. All the work that we had to do was for the pipeline project.<sup>26</sup>

First I had to work for the LIB in Kaleinaung, and after that I had to go and work in Boad Island. . . . Major Ohn Ko . . . said the villagers from Zadi, Kanbawk, Ohnbingwin, Paung Htaw did not have to work in Kaleinaung. They had to go and work on the Boad Island. . . . It was my turn to go and work in December 1991. . . . [T]here are about 100 soldiers on Boad Island. They were from LIB 410. There were 400 people who worked there. . . . [We] worked cutting trees and bamboo, clearing the bushes, cutting the vines,

# DENIAL

## MILE 52



Unocal Corporate Secretary Brigitte Dewez, in response to a shareholder's concerns about events at the Mile 52 camp, wrote in a February 1998 letter that:

the onshore pipeline is only 39 miles long, so there can be no "52 mile camp."<sup>44</sup>

Mile 52 refers to the milepost along the north-south Ye-Tavoy road where the road intersects the pipeline—not the east-west distance of the pipeline. (See Map: Pipeline Region Close-up) This camp designation is widely familiar to residents of the pipeline region, and Unocal's failure to acknowledge this is either deliberate misinformation or gross ignorance of their own project:

In September 1996, 20 villagers, including me, we had to build a military camp in the place we called Mile 52 for 13 days. . . . [W]e did not get any pay. We had to bring building materials from the village.<sup>45</sup>

We were responsible for the construction work between Mile 52 and Nat-E-Taung. The road came from Kanbawk, but someone else was responsible for the road from Kanbawk to Mile 52. After I got a job, I had to leave my house and my family, and I had to go and stay at the work site at Mile 52. All the workers had to stay there, and there were about 400 of us.<sup>46</sup>

At Mile 52, I saw a lot of Total buildings as well as many Total agents. The place that we had to work was close to the Tavoy [River].<sup>47</sup>

sawing, carrying sand, and we had to build wooden buildings and bamboo buildings and cement buildings, and heliports, and we had to fence in the whole military camp. . . . I saw about

10 teenagers, and they were about 13 and 14. The mountain that we had to carry sand [up had] 345 steps. . . . When we were carrying the sand, I saw a teenager from Paung Htaw vil-

lage take a break to eat during the work, and he was beaten four times. . . . After he was beaten he had to continue his work at once. When I saw this I felt so upset that the soldiers did not have any mercy to the young little hungry person who looked very tired. And I think about the way we had to do labor and we did not get pay, and we did not know what are they going to do on this island. All 400 villagers were treated by the military as prisoners. We had to bring our own food and tools and we had to build the huts for ourselves to stay. . . . I had to go again. . . . That was in 1992 January. . . . After I came back from my work, and I had taken a rest for 13 days, I had to go a third time and work on the island again. . . . In my viewpoint the work that we all had to do was because the pipeline. On the island they had beautiful buildings and heliport moreover from the foot of the mountain to the top of the mountain they had the stairs path. So maybe later this island might become the island which is very important for the pipeline.<sup>27</sup>

[In 1994,] the villagers had to provide a boat every day to bring rations to the Heinze Islands for the soldiers.<sup>28</sup>

If you wanted to go to Heinze you had to go by boat. LIB 410 was staying there. There were other villagers who had to go and work for them also. . . . We had to clear the heliport, clear the land and take out the stumps.<sup>29</sup>

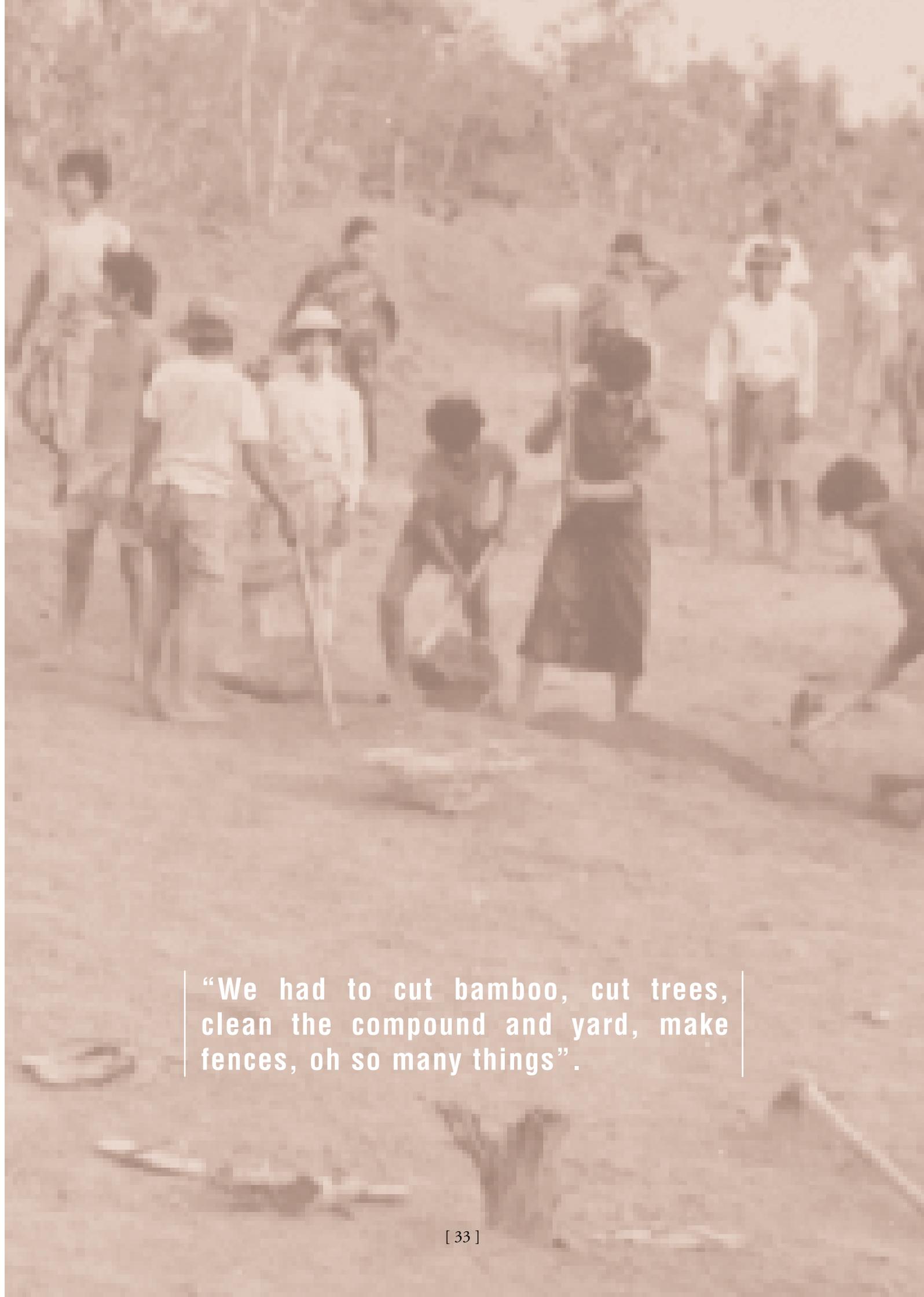
A deserter confirms the presence of a military base on the island and the use of forced labor:

I saw . . . some construction such as the building of a military camp and a heliport. There were about 15 or 20 villagers from Kanbauk and Zadi. They had been working on the island for a week. Some were sick from malaria.<sup>30</sup>

### CONNECTING THE DOTS BETWEEN THE MILITARY BASES— THE PIPELINE ROUTES APPEAR

Since 1991, other military barracks and outposts have sprung up all along the pipeline route—dotting the landscape and resulting in forced labor year after year. (See Map Series: The Military Buildup) The signing of the Yadana production-sharing contract in 1992 and the presence of foreigners through the years did not change the military's practice of conscripting local villagers. Indeed, with the deals moving forward full steam, two newly created battalions—the Total Battalions, LIBs 273 and 282—moved into the area and set up their barracks around 1995 and 1996. Abuses did not slow down. Of course, this came as no surprise to the companies. In fact, they predicted it. In early 1995, prior to the creation of the Total battalions, Unocal's then-President John Imle shamelessly stated, "If forced labor goes hand-in-glove with the military, yes, there will be more forced labor."<sup>34</sup>

In 1995 and 1996, LIB 273 forced villagers to build barracks in the area between Kanbauk and Ohnbingwin, where the battal-



“We had to cut bamboo, cut trees,  
clean the compound and yard, make  
fences, oh so many things”.



**Villagers labor under the hot sun as a SLORC soldier (center) stands guard.**

ion began providing security for the companies' base camps. (See Map: Pipeline Region Close-up) Villagers were conscripted around the same time to build an LIB 282 outpost at Mile 52 (about halfway to Thailand). (See Denial Box: Mile 52) A military base was constructed close to the Thai/Burmese border at Nat-E-Taung,<sup>35</sup> and LIB units from LIB 282 were also stationed there, replacing other battalions that had occupied the area since 1992. Numerous smaller outposts were also built directly along the pipeline route. (See Pipeline Region Close-Up)<sup>36</sup>

All these outposts brought more troops and, with them, more forced labor, portering, and violence. Not only did villagers initially have to clear the land and build the installations, but they continued to have to provide materials and labor for the upkeep of the military facilities. They knew then—as they know today—that the work they were forced to perform was and is connected to the pipeline projects.

The troops used forced labor to build the camp for Total Battalion 273, which was providing security for the companies' headquarters near Kanbauk and Ohnbingwin.

LIB 273 was setting up their camp between Kanbauk and Ohnbingwin. . . . The building of LIB 273's camp took more than a year to finish it. The time when the camp was built, the villagers from Kanbauk had to provide labor. The labor was arranged on a rotation. I myself had to work for the camp building two times. . . . We had to take our own food and tools for the work. We did not to sleep in the camp. We went in the morning and came back in the evening. The first time when I work for military outpost, there were no buildings there. We had to clear the bushes. That time there were 150 laborers. While we were giving labor

for the camp buildings, the soldiers were giving us order. . . . About the gas pipeline, I heard about it when I worked at the military outpost in 1995, and people said the [Westerners] would start to build a pipeline. At that time, I realized that LIB 273 was going to be the security for foreign company.<sup>37</sup>

In the hot season of 1996, I got the message [that a Total battalion] occupied my land. . . . I decided that I would go back to see what was going on there. But my wife was not sure for my security, so I asked my younger sister to go and arrange for the land compensation. She could not do anything about it. . . . My father said they could not do anything to save the land from the occupiers because those who occupied the land were not the foreign oil companies, but SLORC. Since the hot season of 1995, no one could enter that land. . . . I think SLORC did that because of the company. Our village is close to the company headquarters, . . . so SLORC was going to build up the military around that region.<sup>38</sup>

Forced labor was also used at Mile 52, the Yadana pipeline's half-way point and a strategic outpost for Total battalion 282:

[W]e were sent to Mile 52 at the place called Popata by the military truck. On the way to Mile 52, we had to pass the foreigners' base. At that time, I saw some foreigners in their base camp from the truck. We had to cut wood and bamboo to build the LIB 282 outpost. I did forced labor for three days. . . . On the way back to Ya Pu, we saw some foreigners and some Burmese employees in their camp again. Their camp was quite close to the LIB 282 outpost. We could see them from the car road. I think the foreigners saw us too.<sup>39</sup>

[W]e had to go to build a command post [near] Mile 52. We . . . took our own rice with us. There were 20 villagers from [my village] and altogether maybe 150 villagers. We had to cut down trees and bamboo to build the buildings. I had to clear the ground, the bush. . . . The villagers

“Military housing and all local infrastructure is provided by underpaid or unpaid labour. The harsh conditions of those carrying out such labour—including young children—and the testimony of local people who will go to extremes to avoid it, belies the Government claim that such work is voluntary. . . .”

came to me again and told me, “you do not need to go to work there,” but you have to give 16 measures of matted bamboo. Each one cost 400 kyat. I could not make it. I had to buy it, so it cost me 6,400 kyat. I bought it, and I gave it to LIB 282. . . . In the battalion outpost area, which was about 100 acres, all of the trees were cleared except for one kind of tree, the Pyinkado. All other bushes and trees were cleared.<sup>40</sup>

In 1997 the villagers had to work building the military camp at Popata [near Mile 52]. Each village had to send three people [continually to] work for two months. The work was building barracks, digging stumps and bamboo, and making a fence for the camp. Workers did not get any payment from the soldiers. During the two months, villagers replaced each other every seven days. Anybody who did not want to go had to pay 3,000 kyat in his place. The villagers knew that [the battalion in Popata] was taking security and guarding the gas pipeline.<sup>41</sup>

A Total battalion deserter confirms the reports of the villagers, including providing names of villages that were the sources of forced laborers at Mile 52:

At first we cleaned the forest to build the military outpost, and the barracks for the troops at Mile 52. In that area, there is a lot of hardwood for the buildings, so the villagers had to go and cut the wood, or the villages had to provide the wood. The villagers and we ourselves had to work

together, but we could rest whenever we wanted—but not the villagers.

The villagers had to work so much harder than the soldiers did. The villagers had to get up at 6 o'clock in the morning and work until 12 o'clock; then there was a one-hour break for lunch, and [work] started again at 1 o'clock and finished at 5 o'clock or 6 o'clock. In the daytime it was really hot, but there was no option for the villagers. But for the soldiers, as long as the hoes were moving or we were kind of moving, we were okay. No one cared whether or not we were working. We got the laborers from . . . . Mayanchaung, Ya Pu, Kaleinaung, . . . . Michaunglaung, Eindayaza, Kanbaw . . . . to go to the HQ of LIB 282 with the truck that Total had given us. . . . I did not know exactly how many villagers were working at the outpost. I saw lots of them. Approximately 200 villagers with 50 soldiers were working together. . . . There were very few soldiers in the HQ. Soldiers were still coming from several LIBs to found the new 282 LIB. . . . We were building the HQ for five months during that period. The villagers were working on the HQ.<sup>42</sup>

Even though the bulk of the work is completed on the battalions, the forced labor continues. As long as SLORC remains in the pipeline region to carry out the companies' contracts, they will force the local villagers to work for them:

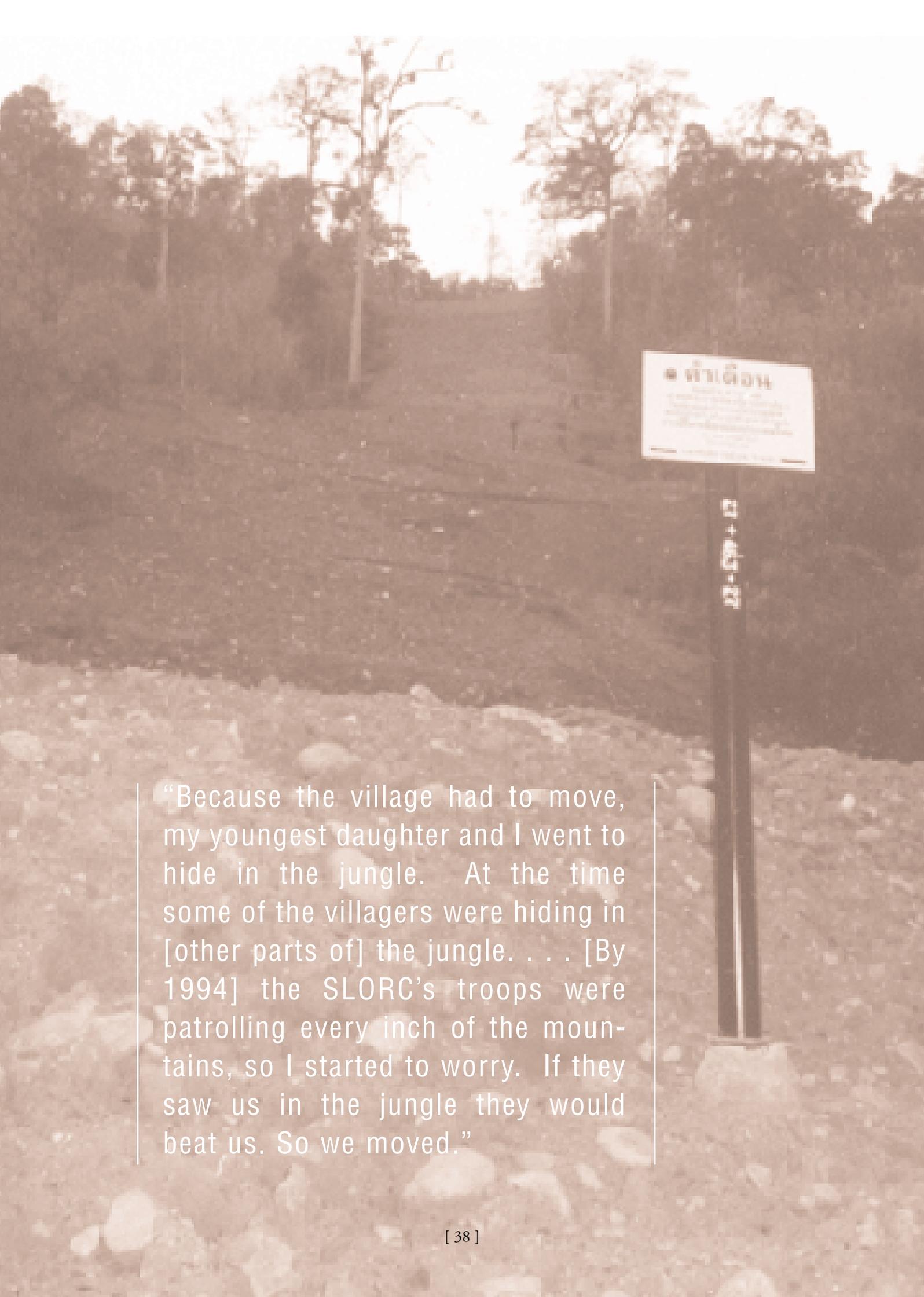
In November 1998, the Zinba villagers had to provide bamboo for LIB

410 to make a fence for their battalion outpost. The villagers had to do this kind of thing very often.<sup>48</sup>

In January 1999, villagers from Karen Shintapi village [south of the pipeline] had to give [the soldiers] 50 bamboo, 20 logs, and 20 sheets of thatch roofing. Also [the soldiers] asked for one person from every household to repair their outpost.<sup>49</sup>

Since the military came to [Eindayaza] we had to work for the soldiers by routine everyday as forced laborers. We have seven sections in the village and each section has to go and work for the military every day by routine. The work [includes] . . . clearing the military camp.<sup>50</sup>

The only ways to avoid working on the barracks were to flee altogether or to pay forced-labor fees—another hallmark practice of the Burmese military (See Chapter 7). Fees varied but could be as high as 1,500 kyat<sup>51</sup> or 3,000 kyat<sup>52</sup> or more—a month's wages for some in the area. Forced labor and fees are not the only abuses inflicted on the villagers. The army is and was there to control them—and the soldiers did just that—even when it meant ripping people away from their life-long homes during forced relocations. The army employed all methods necessary to secure the pipeline corridor so that their Western partners' investment could go forward unhindered.



“Because the village had to move, my youngest daughter and I went to hide in the jungle. At the time some of the villagers were hiding in [other parts of] the jungle. . . . [By 1994] the SLORC’s troops were patrolling every inch of the mountains, so I started to worry. If they saw us in the jungle they would beat us. So we moved.”

SECURING THE CORRIDOR:  
FORCED RELOCATIONS AND RESTRICTED MOVEMENTS

The influx of Burmese troops was only one step toward militarizing the region for the pipeline projects. To proceed, the soldiers had to take complete control. Villagers' movements had to be monitored. *Villages had to be moved.*

Through early 1993, Karen communities that lay east of the Ye-Tavoy road were particularly targeted for relocation to create a secure corridor for the pipelines. (See Map: Forced Relocations) Karen villages 15 to 20 miles both north and south of the pipeline routes were forced to move to the Ye-Tavoy road—closer to SLORC outposts—to create a labor pool and eliminate threats from armed ethnic groups. This relocation area became the pipeline corridor, and the timing of the relocations coincided with the negotiation of the pipeline deals and the attack on Nat-E-Taung in late 1991.<sup>1</sup> The pattern of relocations further suggests that the impending pipelines were related directly to the relocations and gave SLORC further pretext to control the population in this particular area. Indeed, villages outside this relatively narrow corridor were not relocated at this time despite the presence of armed ethnic groups in those areas. Villagers suspected of having contact with any resistance groups in the corridor were dealt with harshly (See Box: Eliminate All Resistance).

Some villages were completely relocated. In others, troops compelled residents living on the outskirts of the village to move to the center to enhance the military's control of the people. The relocations and subsequent sweeps of the forested areas for any villagers who might be hiding near the Thai/Burmese

border effectively depopulated the region east of the Ye-Tavoy road. The relocations and evictions devastated communities. Villages were split at times, with some people fleeing to Thailand, others to the jungle, and still others to the relocation sites. Those who did not flee endured forced labor and a life defined by fear.

Forced evictions in Burma are inevitably accompanied by the ever-present threats and violence, with Burmese soldiers entering a village to ensure that a relocation is accomplished. Villagers may be guarded at gunpoint while they move. Soldiers threaten to shoot them if they do not relocate. Bullets have been enclosed with written relocation orders to village heads—stark symbols of what will happen to those who disobey. Knowing that SLORC does not make idle threats, few villagers have dared to refuse:

SLORC told the village head, “your village has to move in one month starting from today. After one month, your village will be a free-fire zone.” Then no villager dared to stay, so everyone moved.<sup>2</sup>

I left my village because of the Burmese soldiers. They forced our village to move. That's why we left—because we had no choice.<sup>3</sup>

THE RELOCATION  
OF MICHAUNGLAUNG

The companies do not deny that Michaunglaung, a village within a few miles

## ELIMINATE ALL RESISTANCE

The military was bent on eliminating all forms of dissent and resistance in the region. Anyone with suspected contacts to armed ethnic groups was dealt with in brutal fashion. In spite of the forced relocations and violence inflicted on the villagers in the pipeline corridor to route out resistance, there nonetheless have been attacks through the years on pipeline installations and pipeline battalions. In 1995, five pipeline employees were killed by an attack.<sup>4</sup> In early 1996, another attack took place near Kanbauk and Total's compound.<sup>5</sup> In May 1998, the KNU soldiers fought with LIB 408, which was engaged in outer-zone security at the northern part of the pipeline around Kaleinaung. On the same day, another group launched [an attack] on LIB 409 headquarters [near] Kaleinaung. 10 Burmese soldiers were killed, and 13 wounded.<sup>6</sup> According to a soldier from a Total battalion, "Even if we patrolled all the time, the armed KNU came and shot us. . . . During a two-year period, they shot at us three times."<sup>7</sup> The military has responded to the incidents by torturing and killing civilians:

In January 1996, there was an explosion near the Total base. After the explosion, "the soldiers came to our village and interrogated us about the event. . . . Then the soldiers started to kill some people, so I dared not to stay. . . . The soldiers who took security for the foreigners came to the village and did that."<sup>8</sup>

The policy of forced relocations was designed in part to cut off any potential contact or support that villagers might give to armed ethnic groups. Villagers suspected of any connection with these groups endured violence and sometimes death. The Burmese military was out to terrorize or, if necessary, silence the local population in order to secure the pipeline corridor. Executing locals sent the message loud and clear—do not interfere with these pipelines:

I think LIB 403 is more cruel than LIB 409. They killed my brother. . . . He had seven children. He was 28 years old. He also owned land and was a farmer. He was not rich or poor, just

of the pipeline routes, was relocated in 1991-92, well after negotiations about the Yadana project had begun. The U.S. Department of Labor reported in 1998 that "in preparation for clearing the pipeline route . . . [o]n a recent visit to the pipeline [in 1998, a U.S. Embassy] officer was told by village[r]s that relocations did occur."<sup>11</sup> One deserter from LIB 407 confirms the events that are also corroborated by dozens of villagers:

In 1991-1992, the order came from above that we had to relocate the villages. . . . [I]f the villagers come and stay closer to the outpost it will be easier for the troops to control the villagers. I mean any time the troops can get the laborers or the porters for the patrolling. We, the LIB 407, had to take responsibility to relocate Michaunglaung village, and other

average. On June 15, 1996, at 9:00 a.m., SLORC ordered him to come, but he did not know why. They told him to come with the village headman, and two others. At that time, my husband and I were on the farm. And we heard the sound of automatic gunfire. And after I came home, [two of the people who had gone with my brother] told me that SLORC killed my brother. . . . I asked them why SLORC killed my brother. They just said that SLORC commanded us to go, and when we arrived, they just shot your brother. . . . I knew my brother, and all of the villagers knew my brother. He was a normal villager, just working very hard for his family. At that time, no KNU were in the village. . . . SLORC asked two Tavoyan villagers to come and burn the dead body. We do not know why they killed my brother. That really makes me sad. And I could not go to SLORC to ask them why. Even the villagers do not know why.<sup>9</sup>

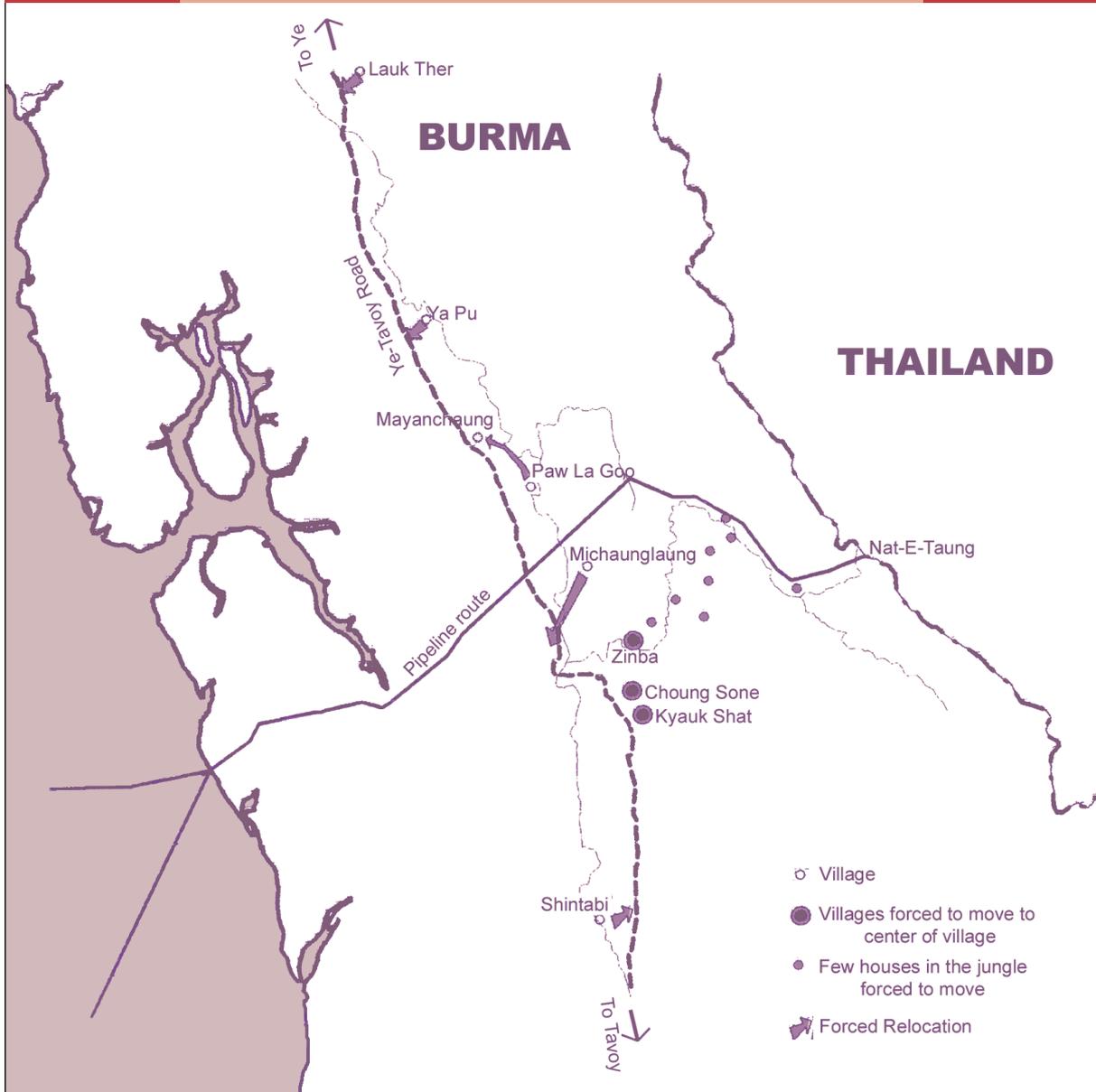
One villager was tortured and later died for suspected involvement with the KNU. The SLORC major said, "You . . . why do you cooperate with the rebels?" And [he] replied that he did not cooperate with the rebels. He said, "I am an ordinary villager." . . . Then the major beat him, and the other soldiers interrogated him and beat him, so blood came out from his mouth and nose. . . . They kept torturing him without giving him any food or water all day. . . . They interrogated him once every week. . . . Then the soldiers moved him to a new place called Zinba outpost. . . . he came home [two weeks later.] When he came, he had lost his left eye, and his arms and legs were wounded and swollen. His back was bruised and swollen severely. I saw the scar from the rope on both of his arms and legs. He lost [so much] weight I could not recognize him at that moment. My youngest daughter cried out loud as soon as she saw. . . . After three weeks he could walk slowly, . . . but he couldn't work as before. . . . One morning at the beginning of May 1996, when [he] was taking a bath, . . . he fell down, and it took him three days to wake up. Then he had to stay in bed until September, and he died.<sup>10</sup>

battalions had to relocate other villages in their regions. At the time Michaunglaung village was in our 407 area. When we were moving Michaunglaung village, I was in Kanbauk, but one of the platoons from my company was involved with the relocation of the village.<sup>12</sup>

Another deserter recounts:

I know that Michaunglaung village had to move. . . . When they went and ordered the villagers to move, I had to go with them, but I did not go with them into the village. Our group of five soldiers had to take security at the outside of the village. I do not remember the date. I just remember the day. It was a Sunday. When we arrived at the village, some

## FORCED RELOCATIONS



villagers were in church. They caught about 10 villagers and asked them to go to the LIB post.<sup>13</sup>

In addition, Premier Oil’s own publication about the Yetagun project includes a map that indicates two Michaunglaung villages—one labeled “Michaunglaung (new)” and the other “Michaunglaung (old)”.<sup>14</sup>

Thus, the companies clearly knew about this relocation, and in late 1996 or early 1997, Burmese troops and Total called a meeting in

“new” Michaunglaung. Each household was ordered to attend. The villagers were also ordered to dress in their traditional Karen ceremonial clothing. Present were commanders of LIBs 408, 409 and 410, and Regional Commander Zaw Htun (commander for the entire Tenasserim region of Burma), along with two Western males from Total. In this meeting, one Western Total representative made a speech through his translator. He stated that the company regretted that their village had been moved. He further stated

that because of this, Total had been asking the military to allow the villagers to return to their old village, from which they had been forced to move in May 1992. They stated that until the time of this meeting, they had been unsuccessful in their attempts; however, SLORC had finally granted permission for the villagers to return to their original village.<sup>15</sup>

The fact that the companies knew about the forced relocation of Michaunglaung village speaks for itself. Their claims of ignorance ring hollow, once again, in the face of such evidence. Yet Total did more than admit their knowledge of the relocation. Labeled as remorse, the foreign Total representatives admitted responsibility. And their ultimate “success” in allowing the villagers to return to their original homes speaks clearly to the level of control and direction that the companies can and often do exert over their SLORC partners.

## OTHER RELOCATIONS

The relocation of Michaunglaung was just one of a series of systematic relocations that helped secure the pipeline corridor for future construction activities. (See Map: Forced Relocations) Between 1991 and early 1993, the Burmese military relocated a number of Karen villages. Targeted Karen communities included Karen Shintapi, Chaung Sone, Paw La Goo, Ya Pu, Lauk Ther, and Zinba. Portions of Zinba and Chaung Sone—the outskirts of the village—were relocated to the center of the village, so the army could more effectively control the population. Several of the communities, namely Ya Pu and Lauk Thein, were relocated after July 1992, when the Yadana contract had been signed, which belies the companies’ assertions

about relocations and their projects. Other villages, such as Michaunglaung, were torched in late 1992, again after the contract had been signed, making the relocation final and crushing any villagers’ hopes of returning to their life-long homes.<sup>16</sup>

Unocal publicly asserts that “since the production-sharing contract was signed in 1992, no villages in the vicinity of the pipeline have been relocated.”<sup>17</sup> In spite of the consortium’s knee-jerk reaction to deny, the facts show that some villagers were forcibly evicted and moved after the contract was signed. And the fact that the relocations occurred a mere 20 miles north and south of the route strongly indicates the creation of a “secure corridor.” Deserters observed that there was more than one relocation and surmised that they were linked to the pipeline:

We . . . had to take responsibility to relocate Michaunglaung village, and other battalions had to relocate other villages in their region.<sup>18</sup>

When I was there, I just heard that the pipeline would come, but we did not know when. However, I think that they moved the village because of the pipeline.<sup>19</sup>

The relocations were an extreme form of control—designed to create a labor pool and keep people from the jungles and armed groups:

They said that our village was not safe from the rebels, so they ordered us to relocate the village close to their outpost in May of 1992. And they said that the way we were staying far from them might be a problem for us to go and work for them. .

“It is hard to escape the conclusion that both the burning of the camps . . . and the relocation from Loh Loe to Halockhani were connected to negotiations on the pipeline deal . . . In this sense, the relocation was not unlike the forced relocations that are taking place inside Burma.”

. . . And they said that they can control the villagers more easily than in the old village.<sup>20</sup>

Another villager recounts that they were forced to move near the Ye-Tavoy car road, a strategy that follows a clear pattern. (See Map: Forced Relocations). Relocation to the road and away from the Tavoy River provided the Burmese military with easier access to the villagers:

Michaunglaung village had to relocate to the [Ye-Tavoy] car road. In between 1991 and 1992, the villagers [in our village] who stayed far away from the car road had to move to the side of car road too.<sup>21</sup>

A military officer wrote a letter to our village head ordering the forced relocation. Our village head read the order and gathered all the villagers. He told us about the order from the LIB 410. He told us that the LIB ordered us to move close to the car road within seven days. We could not

move all of our belongings within in seven days but in the seven days all of us had to be in the new place. We could not finish our houses in one week, so we had to sleep under the tree before that.<sup>22</sup>

Even after the initial series of relocations, when foreigners were present in the region, other villagers were forced to relocate. And people were forbidden to live in the forest:

Because the village had to move, my youngest daughter and I went to hide in the jungle. At the time some of the villagers were hiding in [other parts of] the jungle. . . . [By 1994] the SLORC's troops were patrolling every inch of the mountains, so I started to worry. [If they saw us in the jungle they would beat us. So we moved] . . . in the summer of 1994. . . I had heard some of the villagers were talking about SLORC and said that if they saw any villagers in the jungle they would consider them to be collaborating with rebels. Then

they would put them in jail, so we were too afraid.<sup>23</sup>

Other villagers who were found in the jungle were beaten. A small settlement near Ya Pu suffered violence when its villagers were accused of connections to the armed groups. The villagers were only retrieving their belongings from the old settlement, but the military reacted violently:

The villagers were coming back from the old Ya Pu village to bring their belongings to the new place. They didn't know that the Burmese soldiers were in [their old settlement].

[When the soldiers saw them, they] accused all of them of bringing food to the KNU [the Karen National Union, an armed ethnic group]. So they captured all of them. They let all the villagers go back to the relocation place, [except one who they] tied with a rope. I think he was the headman or something for that area. He had already moved to the relocation place. I saw a major interrogate him, and some other officers about what they were going to do in the old village, and how they cooperated with the KNU troops. When he gave the same answers as the villagers and told them that, they were not cooperating with the KNU, but that they were just going to take their belongings and paddy, one of the officers beat him with the gun on his head, and his head was bleeding. I just saw them beat him one time. . . . They asked him many questions.

After they interrogated him for about 30 minutes, they covered his eyes

with [a cloth] so he could not see anything. Then they took him to the military outpost at Kaleinaung.<sup>24</sup>

At least one village—Eindayaza—saw the relocation of villagers from its outskirts to its center as late as early 1996. Following an attack on Total's base camp, the military units in the area forcibly relocated some homes in the village,<sup>25</sup> and the military summarily executed some villagers around this time as well.<sup>26</sup> One villager said:

After the 1996 attack, I heard that villagers on the outskirts of his village would be forced by LIB 405 to go into the center of the village. . . . I saw people who had been forced to move from the outskirts of town. I heard from a relative that people couldn't go back to look after their farms.<sup>27</sup>

The forced relocations destroyed communities forever—sending neighbors and families in different directions: to relocation sites, into the jungle, to other villages, and even to Thailand.

In Paw Law Goo, there were about 25 houses, but about 15 of them were moved . . . , and the other families escaped to refugee camps.<sup>28</sup>

There were so many households . . . before the village was relocated. Now it only has 18 households.<sup>29</sup>

The fear of living under the domination of the military sent countless people into hiding in the jungle or caused them to flee their lifelong homes and become refugees:

They ordered us to move within 10 days. We had just two choices—to

## THE YE-TAVOY RAILWAY: BURMA'S SECOND "DEATH RAILWAY"

The Yetagun and Yadana pipelines intersect the notorious Ye-Tavoy railway. (see Map: Pipeline Region Close Up) Tens of thousands of people have been forced to labor on what has been labeled Burma's Second 'Death Railway.' The project was built "with an amount and harshness of forced labor that is unusual even by contemporary Burmese standards."<sup>3</sup> The companies have denied that the railway has any relation to the project, and there are no indications that the companies have used the railway to transport equipment or supplies for construction of the actual pipeline. However, one U.S. Embassy official observed in 1996 that "Burmese army operations in the pipeline route area, including pipeline security, could be materially facilitated by the railway."<sup>4</sup> The U.S. Department of Labor noted that:

There is evidence that the original route of the railway reflected military, rather than economic or engineering properties . . . and the fact that the railway was scheduled to become operable at approximately the same time as the pipeline, suggest[s] that the military placed a high priority on access to the pipeline provided by the railway. The only merit to the original route of the railway was that it gave the military full access to areas where armed opposition groups traditionally operated—the rainforest hills along the Burmese-Thai border. The original route bypassed local population centers.<sup>5</sup>



**Villagers forced to rebuild a portion of the Ye-Tavoy railway after the rainy season.**

leave the village to the other place or to move to their place. . . . Some went to the relocation place, and some came to the border.<sup>30</sup> [The relocation site was far] from our village, so we did not want to move there. We asked the officer to allow us to move to a place near their military outpost instead. . . . But they did not allow us to move there. So the villagers were separated into many groups and left to the nearest town, such as Ye and Tavoy some moved to a village where their relatives are living, and some people moved to Thailand.<sup>31</sup>

The forced relocations destroyed people's connection to their environment, an integral part of their lives and culture. One villager laments about the change:

[A]ll the villagers were talking about how bad the forced relocation was and that the place that they had to go and stay was not as good as the old village because all of the families had to stay in the same place as a camp. I think, you know about the way that our Karen people live and survive in the jungle or in our village. Even though we are very friendly to each other, we do not like crowded living conditions. Mostly our Karen people like to stay on our own lands or in the peaceful living conditions of the jungle.<sup>32</sup>

## RESTRICTED MOVEMENTS

The relocations were part of a larger effort of the Burmese military to control the people in



Forced Labor on the Ye-Tavoy Railway



Villagers, including women and children, forced to work on the Ye-Tavoy railway

the pipeline region. Movements of villagers have also been severely restricted in an attempt to increase security. SLORC troops do not normally permit villagers to travel without military authorization:

Since 1996 until now we the villagers had to get permission papers to go out to our farms, to get vegetables, and to visit other villages. If we want to go other villages, we need to tell the soldiers who stayed close to our village.<sup>39</sup>

When we stayed in the new place if we wanted to go back to the old place and work, they let us to go back. They gave us seven days to go back and gave us written permission.<sup>40</sup>

500 kyat [to LIB 403] for the traveling permission pass.<sup>42</sup>

We had to pay 15 kyat for written permission [to go to our farms] for seven days.<sup>43</sup>

To obtain this authorization, they generally must pay for the “privilege” of moving through the area:

But even with permission, moving through the region and tending to the land is a risky business—to say the least:

[The soldiers] did not allow us to go outside the village. If they saw anyone, they fined them 500 kyat, and if we could not pay them, they would put us in jail for two days.<sup>41</sup>  
[In 1997,] the villagers who wanted to travel somewhere, they had to pay

When the villagers went to their farms, they got seven-day passes, and if the villagers brought more rice than they needed, [the soldiers] accused that villager of feeding the [rebels] and put them in jail for two years.<sup>44</sup>



Thu Ka, a settlement in Burma comprised primarily of displaced persons from the pipeline region. SLORC attacked and destroyed this village in 1997, leaving pipeline villagers homeless once again.

“When I returned to my village in 1996, I felt like I was not safe, so I didn’t want to stay with my family. Instead I went to the monastery and became a monk. Even in the monastery, we were closely monitored by SLORC. The security situation was tighter than it had ever been before.”

Obtaining permission to go outside the villages is not the only form of control SLORC exerts. They also monitor visitors in the area. And no place is sacrosanct, including monasteries:

When I returned to my village in 1996, I felt like I was not safe, so I didn’t want to stay with my family. Instead I went to the monastery and became a monk. [Even in the monastery, we were closely monitored by SLORC. The security situation was tighter than it had ever been before.] Any stranger who came to our village, even to the monastery, had to be registered with the headman, so that he could register him with SLORC.<sup>45</sup>

Random violence befell those who found themselves in the wrong place at the wrong time:

I know someone who in 1999 was beaten badly by soldiers as he was

returning to the village after tending his farm outside the village. As he passed by the sentry outpost, the soldiers, who were drunk, asked him why he was there and then began beating him on the head. He spent several days in the hospital, but died a month later from the injuries he suffered during the beating. An officer told his family not to file a complaint. The family was afraid . . . [T]he villagers feared the soldiers like they feared God.<sup>46</sup>

The soldiers’ brutality instilled the ultimate form of control—fear in the hearts of the villagers in the pipeline region.

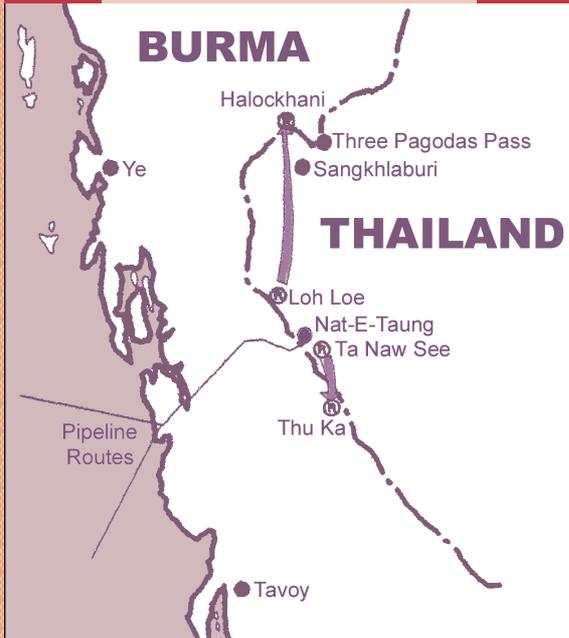
1991  
Attack on Nat-E-Taung



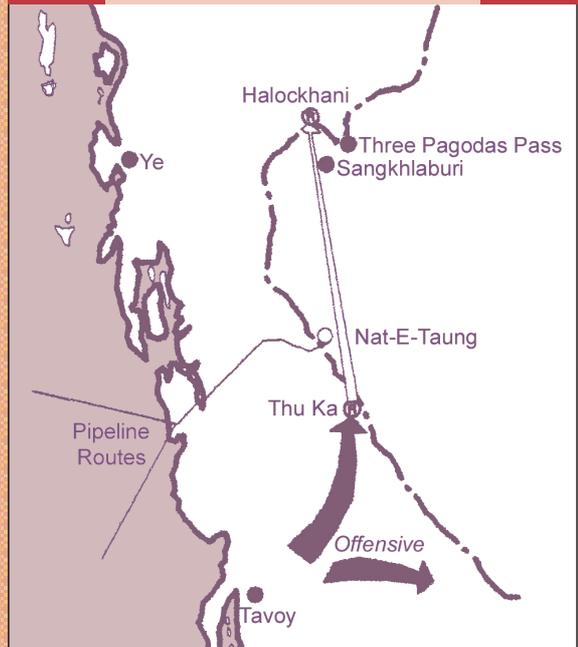
1992-1993  
Burning Refugee Camps



1994-1995  
Relocation of Loh Loe



1997  
Attack and Relocation of Thu Ka





## RELOCATIONS IN THAILAND

SLORC and the Burmese army were not the only ones moving villagers around to secure the pipeline corridor. On the Thai side of the border, between 1993 and 1997 the Royal Thai Army repeatedly moved refugees further away from the pipeline routes. This action was a clear indication of the importance of the projects to their perceived interests. (See Map Series: Relocations in Thailand)

The first indication of Thai interest in the pipeline corridor emerged in April 1993. The Thai Ninth Infantry Division set fire to two camps—Aung Tha Pye (occupied mostly by Burman students) and

Democracy Village (mostly Tavoyan)—after giving “the residents three minutes to collect what belongings they could carry and leave the area.”<sup>33</sup> The camps were very close to Nat-E-Taung. By April 1994, refugees in Loh Loe were moved with Thai military escort to Halockhani, inside Burma, near Sangkhlaburi and Three Pagodas Pass.<sup>34</sup> In 1994 and 1995, the Thai Army again pressured Karen, Tavoyan, and Burman students in Ten Aw See refugee camp just south of Nat-E-Taung to move further south, and inside Burma to Thu Ka.<sup>35</sup> Human Rights Watch/Asia observed:

Significantly, the return of the refugees coincided with the signing of an agreement . . . to build . . . a natural gas pipeline . . . in Burma’s Yadana area to Kanchanaburi district in Thailand. Under the terms of the agreement, the pipeline will . . . enter Thailand at Nat-E-Taung. . . . The two refugee camps razed to the ground by Thai troops [at] Aung Tha Bwe and Democracy Village were close to the route of the pipeline, and the Mon refugee camp at Loh Loe was only a few miles from Nat-E-Taung. It is hard to escape the conclusion that both the burning of the camps . . . and the relocation from Loh Loe to Halockhani were connected to negotiations on the pipeline deal. The relocation to Halockhani meant that the refugees, some of whom were suspected by the SLORC of having contacts with Mon rebels . . . were brought under the control of the nearby [Burmese military] base at Three Pagodas Pass. In this sense, the relocation was not unlike the forced relocations that are taking place inside Burma.<sup>36</sup>

*(continued on next page)*

Today, no refugees in Thailand are anywhere near the pipeline corridor. Through the years, the actions taken by both Burma and Thailand to secure the pipeline have been driven by a dictum: Nothing gets in the way of the pipelines.

*(continued from previous page)*

Following of the pressure from Thailand in 1994, the New Mon State Party (NMSP) signed a cease-fire agreement with the Burmese regime in late June 1995.<sup>37</sup> The Yadana sales agreement with Thailand was signed on February 2, 1995.

Thailand's actions to secure the pipeline corridor, however, did not stop with pressuring the Mon. In early 1997, the Burmese regime launched an offensive against the Karen National Union (KNU), during which the military attacked Thu Ka—the closest settlement of displaced persons to Nat-E-Taung. The residents of Thu Ka streamed into Thailand, and again the Thai Army moved them away from the pipeline corridor—north near Sangkhlaburi.<sup>38</sup> Today, no refugees in Thailand are anywhere near the pipeline corridor. Through the years, the actions taken by both Burma and Thailand to secure the pipeline have been driven by a dictum: Nothing gets in the way of the pipelines.



**Clearing the route in Thailand.**

## A HEAVY LOAD: FORCED PORTERING

The forced relocations and the massive military buildup beginning in Kaleinaung and extending all along the pipeline route did not exhaust the regime's methods for securing its prized investments. The Burmese military also launched an offensive to capture Nat-E-Taung from the Karen National Union (KNU) in late 1991—after negotiations for the Yadana project were under way. As part of this offensive and security operations in the pipeline corridor, the Burmese military began patrolling constantly, drawing on the local population to carry their supplies. As later chapters will show, the companies knew of the ongoing forced portering in the region and were aware that this was a notorious and systematic practice of the army. The companies also knew that these porters were carrying supplies for troops providing security for the project—and even paid some porters who were forcibly conscripted. This chapter highlights the hardships suffered by the villagers, such as the incredibly heavy loads that they were forced to carry, along with the pervasiveness of the practice and its importance to securing the pipeline corridor.

## CAPTURING NAT-E-TAUNG

The Burmese army offensive to capture the KNU base at Nat-E-Taung added to the abuses inflicted on the local villagers as they had to porter for the troops—even without warning:

LIBs 104 and 61 occupied Nat-E-Taung in December 1991. Then they set up over there. While they were

setting up at Nat-E-Taung, [the village] had to send a weekly rotation of porters for the troops. In addition, [the village] also had to arrange emergency porters for the occupation of Nat-E-Taung. Sometimes, this created problems for one rotation of porters because another rotation had to stay longer than planned. We did not have enough people to arrange [a proper] rotation.<sup>1</sup>

SLORC is really bad for us. . . . Sometimes there were big porter fees, costing 1,500 to 2,000 kyat. . . . In those times, we paid a lot because SLORC attacked the KNU area in Nat-E-Taung, and SLORC used a lot of porters. Sometimes after villagers had given both small and big porter fees . . . [SLORC] just simply entered the village and arrested the villagers and forcefully used the villagers as porters [anyway]. All the situations are under SLORC's control. They do whatever they want. No one dares to stop them or go against them.<sup>2</sup>

FORCED PORTERING  
IN THE PIPELINE CORRIDOR

Another telling sign of the high priority of security in the pipeline corridor was the growth in the number of Burmese military patrols in the area. This increase was accompanied by a corresponding and foreseeable jump in the conscription of porters. The welfare of villagers was precarious when they were portering. Violence was common.

“When we were patrolling for the safety of the pipeline, we always used the villagers as porters. In one company, we separated into many groups and split up all over the area . . . to take responsibility for security for the project. Therefore, we needed the villagers to be porters. Each separate group took six or seven porters”

Many who were sick, slow, or too tired to continue were tortured and even killed. Others died from sickness or exhaustion. SLORC deserters describe the military’s regular use of porters in the pipeline region:

When we were patrolling for the safety of the pipeline, we always used the villagers as porters.] In one company, we separated into many groups and split up all over the area . . . to take responsibility for security for the project. Therefore, we needed the villagers to be porters. Each separate group took six or seven porters.<sup>6</sup>

LIB 410’s area is between H7 and H8 [small military outposts along the pipeline routes], and LIB 408’s area is between Mile 52 and H8. . . . LIB 273 and other LIBs are taking security on the other side of Kaleinaung . . . For the patrolling groups, there are about 50 soldiers and 15 to 20 porters. We made them carry ammunition and food. Sometimes, we made them dig trenches. Porters

have to be with us for one-and-one-half or two months.<sup>7</sup>

In line with the statements of the deserters, villagers associated the security and patrolling with the pipeline project:

In my opinion, because of the company, we had to go porter. [My village] was not the only village, I think. [All of the villages in that region [had to go]. . . . SLORC [and the military] have been in Burma for a long time, but not as bad as now. Now, they have to provide security to the foreigners on the pipeline work-sites.]<sup>8</sup>

I had to go . . . about 30 times to secure the gas pipeline . . . In 1996, five people had to go porter on a rotation [two or three times a month]. In addition, there were three villagers who had to go and sent messages [for the soldiers] and work at the outpost everyday.<sup>9</sup>

The names of places near the route where

porters carried and continue to carry materials for the military appear again and again among villagers' testimony. They are familiar names—often directly along the pipeline route, culminating at Nat-E-Taung. Some villagers did not know that they were portering along the pipeline. Others did. But even those who were ignorant of the pipeline consistently and accurately describe passing through the same villages along the pipeline route. Likewise, they identify the soldiers for whom they were portering as being from the same LIBs that are known to be securing the pipeline. (See Map: Pipeline Close Up and Map: Forced Relocations)

When we arrived in Chaung Sone village there were about 50 porters, and when we all arrived at Kaleinaung village there were about 80. . . . From Kaleinaung, we had to go to Nat-E-Taung to bring food and supplies for LIB 104 which was based in Nat-E-Taung. The way to get to Nat-E-Taung was very dangerous because it was totally jungle.<sup>10</sup>

When I was in my village, I had to porter to Nat-E-Taung twice. Once was with LIB 409 in July 1994. There were about 10 people from my village.

We went to Zinba first, and there were 100 porters . . . . We spent three days in the jungle to get to Nat-E-Taung. We had to carry food for the troops that were based in Nat-E-Taung. After I came back for one month, I had to go again with LIB 408.<sup>11</sup>

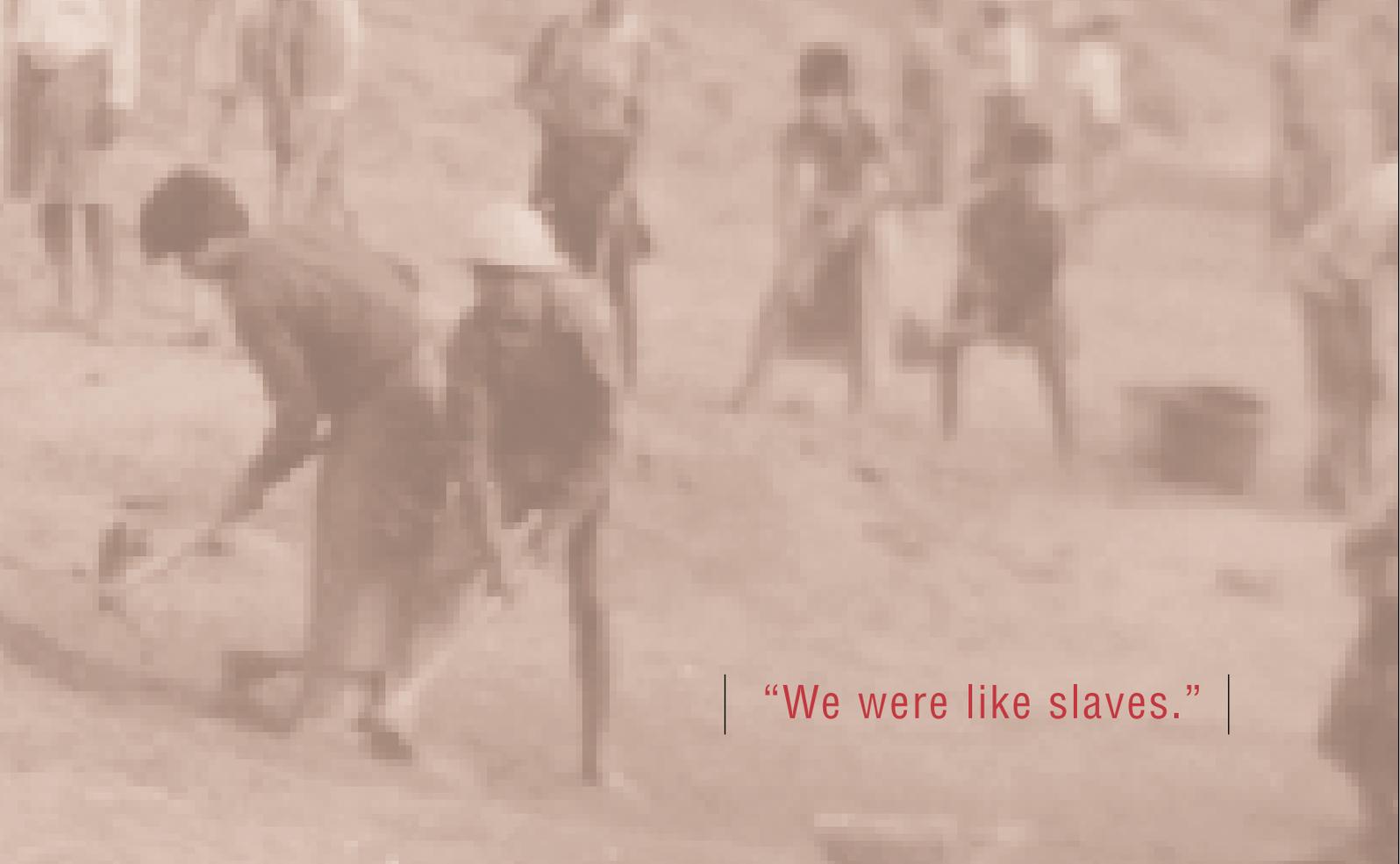
That morning some had to carry the bullets, and some had to carry the rations, and some had to carry food like milk, sugar, and snacks to Nat-E-Taung. . . . There were about 400 to 500 people.<sup>12</sup>

In the summer of 1993, I had to porter to Nat-E-Taung one time. . . . As I remember there were 400 porters that time. There were also 300 to 400 soldiers. That time they were sending the rations to the camp. . . . The way from Zinba to Nat-E-Taung.<sup>13</sup>

In addition to Nat-E-Taung, villagers also speak of portering to Mile 52, where the Yadana pipeline intersects the Ye-Tavoy road:

In February 1995 . . . at Mile 52 the troops were ready to go, but luckily, the troops had more porters than they

“All of the villages in that region [had to go]. . . . SLORC [and the military] have been in Burma for a long time, but not as bad as now. Now, they have to provide security to the foreigners on the pipeline work-sites.”



“We were like slaves.”

needed. Therefore, two Tavoyans and I, we were release to go home. My friend had to go to Nat-E-Taung for seven days. There were about 30 porters that had to go Nat-E-Taung.<sup>14</sup>

Ohnbingwin, Pyingyi, Eindayaza, Michaunglaung, Michaungei, and Thone Dan Goo, which all lie along the pipeline routes, also appear in villagers’ testimonials:

I had to porter from Eindayaza to Michaunglaung and [then to] Nat-E-Taung.<sup>15</sup>

I portered from my village to Mile 52, . . . Michaungei, . . . Eindayaza, and then they let me go home.<sup>16</sup>

I had to porter to . . . Thone Dan Goo, . . . Nat-E-Taung, . . . and Mayanchaung.<sup>17</sup>

From 1994 to 1996, the village had to make me porter because the situation had gotten worse. . . . We went to Ya Pu . . . Ohnbingwin, Pyingyi, and after that, I had to go to the island by boat. I was at the island for a week. . . . They beat me. . . . I was so tired because it was April, and it was so hot. My load was as heavy as a half of bag of rice (about 30 kilos). I was walking looking down, and the path forked. I was not watching the people in front of me. I went down the wrong path, and the soldiers behind me saw me and accused me of trying to run away. A soldier took a strip of bark from an old betel nut tree and hit me about 10 times. At that time I felt so tired that I almost fell down. But I tried to control myself, and I kept going.<sup>18</sup>

A deserter speaks of the same places as the villagers and links the work directly to the pro-

tection of pipeline company employees—here referred to by the common term “foreigners”:

In April 1995, I saw the foreigners come to Kanbawk and Eindayaza and Nat-E-Taung. We had to especially secure between Zinba and Nat-E-Taung very tightly. At that time, LIB 401 was in Nat-E-Taung.<sup>19</sup>

Not only did villagers porter along the pipeline route, but the military took porters from villages in the immediate vicinity of the pipeline:

A lot of people in the surrounding villages, such as Michaunglaung, Zinba, and Ya Pu, were forced to be porters.<sup>20</sup>

[W]e called the porters from Michaunglaung, Ya Pu, [and] Mayanchaung.<sup>21</sup>

[Porters] came from all the villages [in the area, including] Shintapi, Ye Bone, . . . Kaleinaung, [Michaunglaung], Ya Pu, and Eindayaza.<sup>22</sup>

Soldiers routinely took porters from villages along the pipeline route to porter their food:

While we [from LIB 402] were in Eindayaza, every time when we had to get the rations, we got porters from the villages to help.<sup>23</sup>

People tried to keep their children from work-

ing for the military, but it was not always possible. In the end, no one was spared:

At Zinba, we called for porters, and the porters had to serve us. Most porters were between 40 and 60 because they did not want their children to have to go and be porters. Some people who had money hired people to go for them, but mostly, they had to go by themselves because they couldn't hire the people anymore. The work for porters was not an easy task for them. Sometimes I saw they were beaten because they worked so slowly, and they lost their energy. If we were in their shoes, we could not bear it either.<sup>24</sup>

I saw [a] 13-year-old and [a] 12-year-old that I knew. They carried rice for SLORC. They were students, but their families were poor, and they had no money to pay SLORC, so the children went to work.<sup>25</sup>

## PORTERING TO DEATH

Pipeline portering were unbearable, sometimes deadly. Villagers were forced to carry extremely heavy loads, often weighing more than their own body weights; “while we went from [New Michaunglaung], one of my friends showed me his shoulder was peeling off because we had to carry such a heavy load.”<sup>26</sup> The porters were tied together with rope. They lacked sufficient food and water

“The load was so heavy, I couldn't even stand up without a friend's help.”

and were rarely allowed to rest. Those who did were beaten and whipped. The sick and weak were shot dead for being slow. Others were injured, maimed, or killed by land mines or falling trees. Indeed, for a variety of reasons, pipeline portering was an extremely degrading and treacherous form of forced labor. Their very hold on life was precarious when portering. One soldier alone said, “I saw about six porters die, and I heard about eight porters died, and a lot of porters were beaten.”<sup>27</sup> Violence, in the form of torture and even killings, was common. Exhaustion, illness and the terrain were often deadly as well:

The loads we had to carry were very heavy, and the soldiers were always shouting at us. One of the villagers stepped on a mine, lost his leg, and died. Along the way, there was shouting, swearing, and some people were crying. People could not carry anymore, but they had to because of the SLORC soldiers. . . . [W]e were like slaves.<sup>28</sup>

There are so many way[s] that the porters died—some suicides, sickness, exhaustion, stepping on land mines, trees falling on them, and being killed.<sup>29</sup>

The water in the river was high . . . [and] we had to use a string to cross to the other side. . . . When one soldier

was rescued, one porter drowned.<sup>30</sup>

The loads were so heavy sometimes that villagers needed help just to stand up:

They put thousands of bullets in a basket and they threw in their sandals and rice and everything else. [The load was so heavy, I couldn't even stand up without a friend's help.] [I was so thirsty, but I had no water. So I sucked in the sweat that was pouring down my face.]<sup>31</sup>

Porters were treated like prisoners. Afraid to run away, they endured humiliating treatment:

My second time was worse than the first time [I had to porter] because they tied us with a rope. They were afraid that we might escape. . . . They treated us as if we were their prisoners.<sup>32</sup>

I did not see any porters die, but I saw some porters hit, yelled at, and beaten by soldiers.<sup>33</sup>

Deserters from battalions in the pipeline region—including Total battalions—described the same graphic violence that awaited some porters. If a soldier was having a bad day, he might just shoot a porter for being too slow:

Sometimes the porters could not go anymore, so the officer ordered the

“I was so thirsty, but I had no water. So I sucked in the sweat that was pouring down my face.”

private to shoot. I, myself, saw three porters die. One of them jumped down the side of the hill with all his load. One died from sickness, and our officer killed one of them. It was terrible because it was so wet and raining. Almost all of us got the skin disease. Everybody was cranky, and one of the soldiers killed himself. [One soldier] killed one porter because he was cranky. . . . [T]he porter could not continue anymore [and] the soldiers had to wait for him, so they just killed him.<sup>34</sup>

When we went to Nat-E-Taung, in my own section, I saw two people die, and they were about 55 years old. . . . [One] got diarrhea, and I heard that he leaped from the mountain and died. [The other man] died because he had to carry 10 mortar shells, and he was very tired. Later he asked the officer to change his load with other people, and so the officer tortured him. . . he was shot and killed. After two porters died, four of the other porters escaped. When we arrived in Nat-E-Taung, there was LIB 104, and we changed places with them.<sup>35</sup>

If a soldier showed sympathy for a porter, his officer would beat him. In this case, the officer then shot the porter as well:

[In 1996,] when we restarted our travelling, one of the porters, a Muslim guy was crying because he could not continue. He had to carry mortar shells and half a bag of rice. . . . I felt pity on him, so I helped him to carry two small mortars for him.

When an officer saw that I was helping him, he punched me and told me not to show any pity to the porters. If we did like that, they would fuck us. Then he went to the porter and punched him. The Muslim porter could not get up, so he was so angry. He was not patient with that porter, so he shot him to death between H6 and H5 [small military outposts near the pipeline routes].<sup>36</sup>

Some porters died because they could not continue and the soldiers just left them behind. Older villagers are particularly susceptible, but young men also succumb in the end:

I saw the porters beaten a lot because the weather was too hot and their heavy loads made them tired on the trips. I saw two old guys die. . . . When we met them [on our way to Nat-E-Taung], they looked very, very tired—so tired they could not walk straight. When we met them they were begging us to give them some food and some medicine or an injection. But my captain said we had no time to take care of them, [telling them to wait for other troops] and ask for help. One was about 70, and one was about 60 years old. . . . Three days later when we came [back], we found them already dead.<sup>37</sup>

He was about [27 years old]. He was sick. . . . He could not walk any more, and he was very weak, so he was yelled at, sworn at, and beaten by the soldiers. Eventually, he was left behind and tried to go back home. Three days later, we found him dead

on the way, and the other porters brought him to Kaleinaung Monastery [so he could be buried by his relatives].<sup>38</sup>

After being released from portering duties for the regime at Nat-E-Taung in the early 1990s, one villager recounted the agony and terror porters experienced having to walk in areas with land mines:

I was not sure if I would make it home or if I would step on a mine. The only thing we could do was to pray. At that time, one of the Mon villagers stepped on a mine, and one of his friends was yelling “God, God” in the Mon language. One man could not walk because of the mine, and another was blinded. Since the time I saw the man whose leg was wounded,



Villagers as conscripted laborers.

I have not eaten pork because the wound was so gross. His leg looked like pork. All the porters were so tired and had no energy to carry this man, so we left him behind. We had to show the way for the man who was

blinded. Fifteen minutes later, a villager from Ohnbingwin stepped on a mine and lost his leg. He was begging everyone not to leave him and saying that he was very thirsty. We gave him water. . . . We made a fire and stayed there for the night. It was the cool season, so it was cold at night. The wounded man was crying all night, and no one could sleep very well. . . . Just before daybreak, the wounded man was going to die. He took two 90 Kyat notes out of his pocket and told an Ohnbingwin villager to bring it to his family because he knew he was going to die. Everyone tried to encourage him that he was going to be okay. Everyone was very sad, and I was very scared that I would end up like this man. I think he was very poor and that he loved his family a lot. I felt very sad for him. Just a moment after he gave the money, he died.<sup>39</sup>

## CONCLUSION

The companies and the regime have their secure pipeline corridor, but it did not come easily. Dirty deals, shrouded in secrecy, were struck. SLORC entered the scene, and forced labor began. They created a corridor with forced relocations. They forced people to porter, giving villagers’ heavy loads to carry. The veil of secrecy was important to the regime and the companies—because behind it lay horrors.

The local villagers live in the shadows of soldiers stationed at regular intervals along the pipeline route.<sup>40</sup> Permanent barracks, headquarters, and outposts dot the landscape. Troops patrol the area regularly. Thousands

of soldiers are directly responsible for pipeline security, with thousands of others reinforcing the region. One villager sums up the opinion of many in the pipeline region about what this has meant for them—more hardship:

I would say that the way that the foreign companies came and did their business in our land, we did not get any advantage from them. We faced more hardship because of the security issues, and we cannot [travel] from village to village freely like before. If the foreign companies were not doing business in our region, I do not think they would need so many troops like this.<sup>41</sup>

In its final report, the French Parliamentary Mission investigating the Yadana project asked these rhetorical questions: “What happened before the actual building of the pipeline when the Burmese army secured and cleared the area? Who built the military camps that have multiplied there? Who provided food to these troops?”<sup>42</sup> The answer is clear—the villagers. Innocent civilians were forced to work in brutal conditions so that the Western oil companies could carry out their lucrative investment in a secure, if terrifying, environment.

One porter conveyed the senselessness of the violence and the tragedy of it all:

When we arrived in [a] village, the SLORC saw one Mon villager and killed him for no reason. When I saw them kill an innocent person like that I wondered why we had to kill each other. We all live in the same country.<sup>43</sup>

But the troops remain to protect the pipelines. And as long as they remain, so will the abuses.

# PART TWO

## THE SMOKING GUN: THE ROLE OF THE CORPORATIONS

A U.S. Embassy cable from Rangoon sets the scene for the direct link between the gas pipeline projects, the companies, and human rights abuses. The cable reports on a 1995 meeting between U.S. Embassy personnel and Unocal's Joel Robinson. In this meeting, Robinson admitted that the Unocal and Total hired and paid SLORC for pipeline security, in spite of their knowledge that these troops forced civilians to porter. Not surprisingly, these private comments contradict Unocal's public statements; Unocal spokesman Barry Lane said, "There has been no support whatsoever, no funding in any shape or form, of the military on behalf of the project."<sup>1</sup> But Robinson's statements are clear that the companies "hired" the Burmese and paid them. Moreover, he admits that the companies not only directed military activities in the region, but also gave SLORC—with its well-known record of forced labor—the responsibility of building helipads for the project. For all their public assertions and claims, they cannot disavow the devastating evidence in the "Robinson Cable":

On the general issue of the close working relationship between Total/Unocal and the Burmese military, Robinson had no apologies. *He*

*stated forthrightly that the companies have hired the Burmese to provide security for the project and pay for this through the Myanmar Oil and Gas Enterprise (MOGE).<sup>2</sup>*

Robinson acknowledged that army units providing security for the pipeline construction do use civilian porters, and Total/Unocal cannot control their recruitment process.<sup>3</sup>

*[Robinson acknowledged that] it would hardly be surprising for the Burmese military to have access to the company's aerial photos, precision surveys, and topography maps since Total/Unocal uses [sic] these to show the military where they need helipads built and facilities secured.<sup>4</sup>*

*Robinson indicated at one point in the discussion that the military had not given Total/Unocal foreign staff access to helipad sites within many miles of the border during the period of their construction. But had allowed access after they were built. What has gone on at the sites is perforce out of view of expats. Given the easier access of villagers from these areas to Thailand, it is possible that some of those com-*

plaining of abuses to journalists and human rights groups may be from such areas where the Burmese military might have had a freer hand that were out of range of the direct oversight of the oil companies.<sup>5</sup>

The U.S. Embassy suspicions are borne out in the testimonials of the local villagers:

There were two heliports in Mai Kai area—one was on the hill and one was at the side of the Zinba river. Our . . . commander was the [one] in charge at the work site. He also beat the porters and soldiers. . . . I saw [the people] had to work very hard because the bushes were very thick. People were tired, and some were sick. (see Map: Pipeline Region Close-up)<sup>6</sup>

I helped build a heliport. . . . [W]e

heard from our village head that we might get the money, but to tell you the truth, I went . . . not because I wanted money, [but] because we had no choice.”<sup>7</sup>

By their own admission, Unocal directed the army where to build the helipads, but the companies did not always supervise the recruitment process or actual work. Instead, the Burmese army was given the responsibility of “hiring” individuals, supervising them, and even approving their payments. As improbable as it might seem that a foreign company would entrust the Burmese military regime with such responsibilities, given its long and well-known practices of forced labor, forced portering, and violence, this is exactly what happened in the pipeline region. The companies therefore are responsible, both morally and under U.S. law, for the actions of these troops and the human rights violations they have committed on their behalf.

**This prediction has certainly been realized in the Yadana project, perhaps best exemplified by the creation of new SLORC battalions known as “Total battalions.” An employee working on the Yadana project describes how close the protection was during the construction periods. SLORC troops were located at regular intervals all along the route.**

# DENIAL

**“THERE IS NO  
CONSCRIPTED LABOR”**



*I visited Myanmar [Burma] just six months ago. John Imle, Unocal's President, and several other Unocal employees accompanied me on this trip. Let me assure you—there is no conscripted labor work on this project.*

**—Roger Beach, Chief Executive Officer, Unocal,  
Shareholder Meeting, 1997<sup>8</sup>**

*There was—surrounding the question of porters for the military and their payment was the issue of whether they were conscripted or volunteer workers. And the consensus—although very hard to verify this—but the consensus was that it was mixed. Some porters were conscripted.*

**—John Imle, President, Unocal, Sworn Testimony,  
August 1997<sup>9</sup>**

*I am sure that the military uses conscripted labor for portage. And I—I know that in the early days of the execution of this project, military units in the area of the project were using conscripted labor.*

**—John Imle, Former President, Unocal, ABC  
News/Nightline, March 28, 2000<sup>10</sup>**

*[An] immediate issue for the project is the fact that military security will not only need to be maintained at its current levels, but will have to be increased or relocated to enable the pipeline to be built. There is a potential for any continuation of the past harsh policies of the army to be blamed on companies involved in the project . . . it is impossible to provide guarantees.*

**—Yetagun Environmental Impact Assessment, 1996<sup>11</sup>**

## PARTNERS IN CRIME

In spite of specific knowledge that SLORC was guilty of widespread abuses in the pipeline region, the companies contracted with the Burmese regime, and placed responsibility for project security in the army's hands.<sup>12</sup> The contractual relationship was just the first step that the companies took, however, towards building a close relationship with local military. Food, medical assistance, the use of company equipment, and even monetary support for the military units by the companies in the Yadana consortium further illustrate the alliance. Accounts indicate that the military units in the area were more analogous to security guards working for an employer—in this case foreign oil companies Unocal, Total and Premier—than an army working independently for its own purposes. The relationship was one of interdependence: The viability of the project relied absolutely on SLORC security, and SLORC needed the companies for food, money and equipment. As the Yetagun's own impact assessment stated: "the pipeline will create a major security role for the army."<sup>13</sup> This prediction has certainly been realized in the Yadana project, perhaps best exemplified by the creation of new SLORC battalions known as "Total bat-

talions." An employee working on the Yadana project describes how close the protection was during the construction periods. SLORC troops were located at regular intervals all along the route:

I saw that along the pipeline route military sentries were located every 1/8 of a mile, 30-40 feet from the pipeline itself.] I saw soldiers from many battalions: LIBs 273, 282, 409, and 410.<sup>14</sup>

Foreigners first began to visit the pipeline region at least as early as 1993, security operations intensified, and the impact of the Yadana and Yetagun projects became even clearer. Surveys were initiated in early 1993 and continued through 1994, until major construction began in 1995 and continued until early 2000 with the completion of the Yetagun pipeline. One deserter explained, "In 1993, foreigners came by helicopter and surveyed the area. In 1994, the villagers and the soldiers had to make the heliports."<sup>15</sup> As more foreigners arrived on the ground, villagers began making the links that the companies simultaneously began denying. They knew that the militarization and their suffer-

"I saw that along the pipeline route military sentries were located every 1/8 of a mile, 30-40 feet from the pipeline itself. I saw soldiers from many battalions: LIBs 273, 282, 409, and 410."

ing were the direct result of the foreigners' pipeline projects. The soldiers, hired by the companies and abusing the villagers, knew this best. One soldier said:

In the summer [between March and June] of 1993, there were three foreigners who came and surveyed the gas pipeline route from Paung Htaw to Nat-E-Taung. When the foreigners were surveying the gas pipeline, we had to secure them. Our LIB 409 with 50 soldiers and about 30 porters had to take responsibility . . . for six days. Then we had to guard hundreds of villagers from Zinba and Kaleinaung villages who were clearing ground for two heliports at the 410 outpost. They had to work for two days. The villagers never got paid for working for the military or the foreigners. But the Rangoon military outpost gave an order that every porter and laborer who was working for the military was supposed to get five kyat a day. However, the LIB commanders were corrupt, [and kept] that money and food supplies, and then made the vil-

lagers bring their own food and tools. . . . [T]he foreign investment . . . was really bad for the local villagers because the security of the foreigners was a big issue, and the troops made the villagers be their laborers. The villagers in that area had to pay a lot of tax, and all the money went to the officers' pockets.<sup>16]</sup>

Another soldier stated the exact locations where units were stationed to protect the surveys of the Yadana project. Soldiers were based in Kaleinaung, Pyingyi, Ohnbingwin, Eindayaza, Lauk Ther, Ya Pu, and Shin Ta Pi (see Map: Pipeline Region Close-up) The latter three villages were all forcibly relocated as part of securing the area. (see Map: Forced Relocation) This deserter's account stating that these villages had soldiers specifically based in them to protect the area provides further evidence that a pipeline corridor extended far to the north and south of the actual routes themselves:

I began to hear about the Yadana pipeline project in 1993 in the meeting at our LIB outpost. The strategic

“The foreign investment . . . was really bad for the local villagers because the security of the foreigners was a big issue, and the troops made the villagers be their laborers. The villagers in that area had to pay a lot of tax, and all the money went to the officers' pockets.”

“When we were patrolling for the safety of the pipeline, we always used the villagers as porters. Even in one company, we separated into many groups to split up all over the area that we had to take responsibility for securing the project. Therefore, we needed the villagers to porter. Each separate group took six or seven porters.”

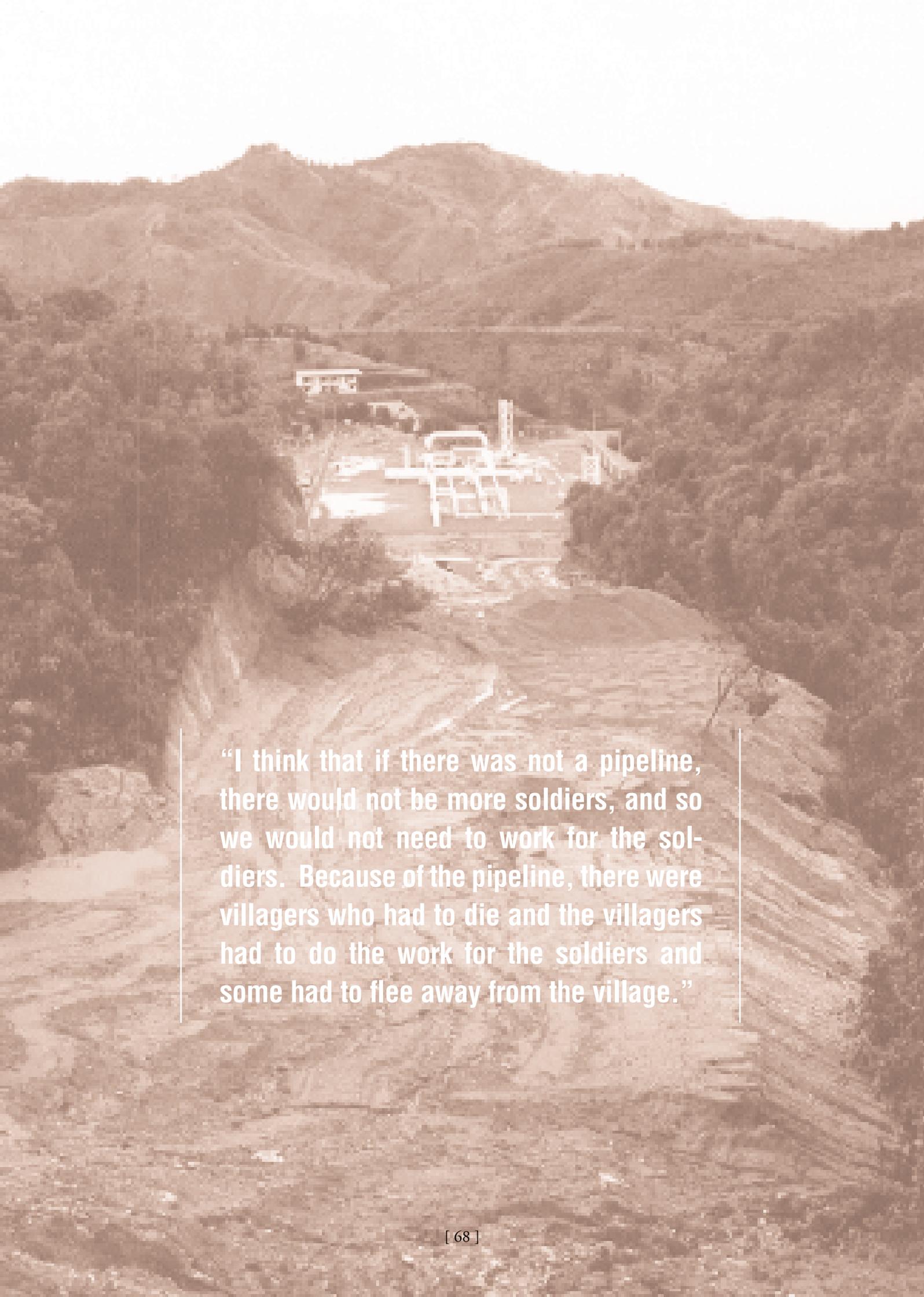
commander told us we had to take security of the gas pipeline in June 1993. . . . He said that we had to make sure the whole area was safe from the rebel group because the foreigners are going to come into this area and start to survey the pipeline very soon. When the foreigners are going to come, we have to make sure that everything is clear and safe for them. After the meeting, we, the LIB 407, started to take more security of the area. Company No. 1 was in Pyingyi village. Company No. 2 was in Ohnbingwin village. Company No. 3 was in Kaleinaung village with the Major. Company No. 4 was in the Lauk Ther and Ya Pu area. Company No. 5 was in the Eindayaza and Shin Ta Pi area. When we were patrolling for the safety of the pipeline, we always used the villagers as porters.] Even in one company, we separated into many groups to split up all over the area that we had to take responsibility for securing the project. Therefore, we needed the villagers to porter.

Each separate group took six or seven porters.<sup>17</sup>

And a third soldier confirmed the pattern that whenever foreigners were coming to the area, the military had to mobilize to protect them:

In April 1994 just before the Water Festival, we had to [go] for the pipeline measuring—security for the helicopter which was going to fly and survey the heliport and the whole region. Before we went there, we had a roll call and [an officer] told us about that and said the soldiers were not allowed to point their guns at the helicopters. . . . He said the gas pipeline will run from Paung Htaw to Nat-E-Taung and to Thailand. The foreigners will do the construction of it. So we have to take care of their security, their life, their helicopters, their belongings, their buildings, and the pipeline. Everybody has to notice that. It is very important to us.<sup>18</sup>

As more and more foreigners appeared in the company of SLORC soldiers, the local villagers' initial suspicions were confirmed.



“I think that if there was not a pipeline, there would not be more soldiers, and so we would not need to work for the soldiers. Because of the pipeline, there were villagers who had to die and the villagers had to do the work for the soldiers and some had to flee away from the village.”

Like the soldiers themselves, the villagers realized the nature of the security arrangement, and increasingly associated the militarization and abuses with the project. An Eindayaza villager said:

I think that if there was not a pipeline, there would not be more soldiers, and so we would not need to work for the soldiers. Because of the pipeline, there were villagers who had to die and the villagers had to do the work for the soldiers and some had to flee away from the village. In all my life, I never had to flee away and leave my village like that . . . [I]n my own viewpoint, if there was no pipeline that would be best.<sup>19</sup>

[B]efore the foreigners came there were not a lot of soldiers, and they would not come and give us problems like that. After the foreigners came, the soldiers increased a lot. Moreover, we the villagers had to work for the soldiers, and so I am sure that it must be the foreigners who caused our problems.<sup>20</sup>

### WARNINGS IGNORED

The soldiers and the villagers were not alone in their knowledge of the companies' roles in human rights abuses. Both the Yadana and Yetagun consortiums were well aware of this as well. Each consortium was specifically warned by their own consultants that human rights abuses would occur, or were already occurring, as a direct result of allowing SLORC to secure their pipelines.

Unocal hired a former Pentagon ana-

lyst to investigate whether the army was abusing human rights along their pipeline, and he warned Unocal executives that Myanmar's military was committing egregious human rights violations. According to company sources, the consultant flatly told executives that when they keep insisting that slave labor is not being used to support the project, they appear at best naïve and at worst a willing partner in the situation.<sup>21</sup> Unocal's consultant flatly told executives that when they keep insisting that slave labor is not being used to support the project, they appear at best naïve and at worst a willing partner in the situation.

Like most peasants, they mainly wish to be able to live their lives free of undue political interference or over taxation. . . . The use of local people in forced labour, and atrocities against these people and any others suspected of links to the insurgents are well documented by Amnesty International, the United Nations and Human Rights Watch/Asia. . . . [An] immediate issue for the [Yetagun] project is the fact that military security will not only need to be maintained at its current levels, but will have to be increased or relocated to enable the pipeline to be built. There is a potential for any continuation of the past harsh policies of the army to be blamed on companies involved in the project . . . it is impossible to provide guarantees.<sup>22</sup>

The consultants' reference to a needed increase in troops coincided closely with the

# DENIAL

## THE BRUTAL IRONY OF UNOCAL'S HUMAN RIGHTS INVESTIGATION



In its 1994 *Unocal in Myanmar: Report to Stockholders*, the company purported to investigate the human rights situation in the pipeline corridor, claiming to find no abuses, while just the opposite was the case. The *Report to Stockholders* reads:

As a rule, human rights groups do not have direct access to on-scene information in Myanmar. We do. In fact, a Unocal fact-finding team visited Myanmar in April 1994 and again in May. We wanted to investigate these allegations ourselves.

Allegation: Forced labor is being used to clear land for the pipeline route.

*Fact: This is definitely not true. . . .*

[W]e did detailed aerial surveys, including videotape. . . . If there were any possibility that our project was connected with human rights abuses, this would be absolutely unacceptable to us.<sup>30</sup>

That Unocal's "human rights investigation" was done from the sky would be laughable except for the irony that the very investigation itself resulted in forced labor. The aerial survey required helipads for landing, and the foreigners required security. True to form, SLORC forced villagers to construct the helipads and to porter, beating and physically abusing these villagers in the process. Soldiers recount with specificity the impact of these aerial surveys and the so-called human rights investigation on the local population:

In April 1994 . . . we had to move to the Nat-E-Taung area for the measuring of the pipeline and security for the helicopters which was going to fly over and survey . . . the whole region. . . . We had to patrol and clear the whole area, so that the helicopters would be safe.

**“When I saw the porters working very hard, and they were yelled at by the sergeants, I wondered, ‘Why didn’t the foreigners use equipment or vehicles to make their heliports, so the civilians and the soldiers would not be tired or suffer from that?’”**



. . . When they were working on the heliport, if the helicopters came close over the heliport, everyone had to stop work and hide in the bushes. . . . When I saw the porters working very hard, and they were yelled at by the sergeants, I wondered, “Why didn’t the foreigners use equipment or vehicles to make their heliports, so the civilians and the soldiers would not be tired or suffer from that?” As you know, in our country April is the hottest month in the hot season, so many porters got sick from malaria and so did the soldiers. . . . [P]orters had to work harder than soldiers. As they were civilians, they had to follow all the rules, and they had to work without take a break. Soldiers had to be sentries for the work site, so they had to do less than porters.<sup>31</sup>

In 1994, the villagers and the soldiers had to make the heliports. . . . In the Zinba, Mai Kai, and Thone Dan Goo area, we always used the porters. (see Map: Pipeline Region Close-up)<sup>32</sup>

“[Unocal’s] consultant flatly told executives that when they keep insisting that slave labor is not being used to support the project, they appear at best naïve and at worst a willing partner in the situation.”

creation of LIBs 273 and 282 which moved into the area in 1995 and 1996 (see Chapter 2). These two units became known as Total battalions.

#### TOTAL BATTALIONS

While commonly known as the Total battalions, LIBs 273 and 282 provide security for both the Yadana and Yetagan pipelines. According to one villager, “LIB 273 had no other mission.”<sup>23</sup> These LIBs quickly came to be well known, and predictably, they committed the same human rights abuses as the rest of the units in the area. A number of soldiers from LIB 282 confirmed the abuses and their relationship to the project:

For the soldiers like us, while we are patrolling around we had to go around the jungle all the time. I noticed about 15 porters died while I am in the LIB 282. There was a time that the tree fell while the soldiers were patrolling around. It was in H-8 [a small military outpost near the pipeline] . . . [and] the tree roots were cut off by the construction bulldozer. . . . Three porters and two soldiers died. . . . The foreigners knew and saw it exactly because I and the other five soldiers had to fol-

low them to guard them to go and see where that happened. Five of them took video. I saw it with my own eyes. I mean [I saw] the dead bodies, but I did not see when the tree fell. I only saw the dead bodies.<sup>24</sup>

Later, I had to change to [another battalion]. In 1996, they opened [a new battalion] . . . and they called it a Total battalion. . . . We had to take care of the place starting from Mile 52 . . . and if there is anything happened to the pipeline or the helicopter, we would be punished. . . . When they built the place for [our battalion], we called the porters.<sup>25</sup>

In August 1996, our LIB 282 unit replaced a LIB 273 [in one area]. The time that we moved to LIB 273’s place, there were 57 porters with us. . . . After we worked in the camp for 20 days, one of the porters died of malaria. . . . We went to clear the Zinba area [later]. . . . When we went back to from Zinba, another porter died.<sup>26</sup>

Villagers reported similar abuses by another Total battalion, LIB 273, which was charged with securing the companies’ headquarters

near Kanbauk and Ohnbingwin:

[The soldiers] abused the women. The women do not like the soldiers. The soldiers hold their hand, kiss them, and touch some part of the woman body. They kept doing it . . . the soldiers from LIB 273.<sup>27</sup>

The building of LIB 273’s camp took more than one year to finish. The time when the camp was built, the villagers from Kanbauk had to provide laborers. [The soldiers] asked that the labor be arranged on a rotation. I, myself, had to work on the camp buildings two times.<sup>28</sup>

In July 1998, one group of LIB 273 of about 10 soldiers had to take outer security for the gas pipeline. . . . For their group, they asked for rotating porters of two or three people a day. If people did not want to go, they had to pay 300 kyat to hire a person for the day.<sup>29</sup>

The same patterns of forced labor, portering, sexual abuse and harassment were associated with these pipeline security forces.

### HIRING SLORC

Unocal official Joel Robinson’s admission of “hiring” the military and paying MOGE for security is confirmed by interviews with soldiers stationed in the area. Soldiers also speak of other forms of support that they received from the Yadana consortium, which is corroborated by villagers from the area. Deserters stated that LIB 282 soldiers received money each month from Total—

the amount depending on rank.<sup>33</sup> One LIB 282 soldier said:

[W]hile we were in roll call, our captain told us that “the important duty for us was the security of Total. The second thing that I wanted you to know was each month Total will give 200 kyat to a soldier, 300 kyat to a second squad leader, 400 kyat to a corporal, 500 kyat to a sergeant, and an increase of 100 kyat for each rank. That is the stipend for all of you guys.” When the soldiers asked, “When are we going to get it?” the captain told us, “You are going to get it on April 16, 1996.”<sup>34</sup>

Promises were even made of payment in dollars if the pipeline was completed, though there is no evidence of any such payment.<sup>35</sup> “Our leader said that because of this pipeline, you will get your salary in dollars but until now, I never saw what dollars looked like.”<sup>36</sup> Another soldier said: “[Our battalion] got payment from Total. . . . Moreover, they provided rice, oil, beans, and



Total Battalion LIB 282 military outpost.

dried fish.”<sup>37</sup> Often, the troops did not receive this payment as officers kept the money for themselves:

[The foreigners] helped the soldiers with food (boxes of fish) and with money . . . . They gave the money directly to the battalion commander. I knew that from my squad leader. . . but we did not get any money. [The battalion commander] gave it to the lower officers, and if our officer wanted to give it to us, we could get it, but mostly, our officers did not give it to us.<sup>38</sup>

A soldier recounts that the arrangements for payment appeared to be rather informal at times as some SLORC officers received money on the spot after providing security:

[LIB 402 was] sent to Eindayaza and based outside the village. We stayed there for four months. We had to take security for the gas pipeline. . . . My officer told us about the gas pipeline and he told us that we had to take security for the work. Whenever the foreigners came along

the road, we had to go out and take security beside the road. After we sent the white people back, they gave money to the officers [in bills]. I did not know how much it was. Everyday we had to go out to patrol for pipeline security.<sup>39</sup>

## FOOD FOR SLORC

Soldiers recounted receiving food from Total, further indicating the uniquely close relationship between the military and the consortium. They were acting much as any employer and employee would; Total was the employer, and they had “hired” SLORC:

Three days after we finished clearing the heliport, I saw Total’s helicopter brought people and stopped at the heliport. People from the helicopter were Burmese workers, [and they brought] food, including 16 bags of rice for the soldiers.<sup>40</sup>

[LIB 402] moved to Ohnbingwin for pipeline security for five months. We had to patrol everyday to Mile 52 . . .

“The Total employees said that the soldiers ‘get food supplies and payment from the Total camp because they are securing the pipeline.’ They also said: ‘[T]here is no forced labor. If the military wants anything, they have to come to the foreigners and we’ll give the military money’.”

. While we were patrolling we saw the workers and foreigners. . . . The foreigners gave us cans of fish, chicken, and fried noodles.<sup>41</sup>

Soldiers securing the pipeline were so used to getting what they wanted that they would even ask pipeline workers for food right in front of western oil company personnel. The following exchange highlights the critical support that the foreigners were providing to the military including food and money. It also exposes the soldiers' willingness to freely threaten and intimidate villagers in the presence of foreigners, suggesting that they received no punishment for such abusive behavior:

I saw that soldiers ask the pipeline workers for food. I was with several employees of Total checking the pipeline when he saw this. Through an interpreter, the Total employees told the workers not to give food to the soldiers. [The Total employees said that the soldiers "get food supplies and payment from the Total camp because they are securing the pipeline." They also said: "[T]here is no forced labor. If the military wants anything, they have to come to the foreigners and we'll give the military money."] A sergeant who overheard this said it was "OK." [The sergeant also said, "We can survive as long as Total is here for 30 years. We [the soldiers] are not going to die from hunger. But you [the workers] may starve."]<sup>42</sup>

Employees working for Total subcontractors also describe how Total delivered food to the



Villagers forced to collect water.

troops in the area or how troops would go and pick up food everyday from the Total camp:

When Total bought the food like beef, they delivered it to the workers and also to the soldiers who took security for the gas pipeline.<sup>43</sup>

Each day at 3PM, several soldiers visited a camp of Total's to get food (rice & curry) that they took back to other soldiers. I witnessed this and know other people who saw it as well.<sup>44</sup>

#### EQUIPMENT FOR SLORC

Total also allowed military units to use equipment, and the company transported materials for the army guarding the

“The sergeant also said, ‘We can survive as long as Total is here for 30 years. We [the soldiers] are not going to die from hunger. But you [the workers] may starve.’”

pipeline corridor. The accounts exemplify another way in which the employer/employee relationship worked, each partner gaining from their mutual efforts. Total documents indicate that Total’s “bulldozer work in the villages” included “[f]inish[ing] dozing 273 battalion,” an apparent reference to providing assistance for one of the battalions specifically created to protect the companies and the pipelines.<sup>45</sup> This support did not stop forced labor in the area either; “[t]he building of LIB 273’s camp took more than a year to finish it. . . . [T]he villagers from Kanbauk had to provide labor. The labor was arranged on rotation.”<sup>46</sup> Numerous LIB 282 soldiers spoke of further equipment they received, including the constant use of trucks:

At the beginning of building the battalion outpost at Mile 52, the company provided us the building materials and gave us one truck. . . . LIB 282 was formed for the [pipeline] security, [and] that was why Total supported us.<sup>47</sup>

I started taking security for Total’s pipeline in . . . June 1996. Our battalion did not have any truck because LIB 282 just came there, so Total gave us a long truck to use.<sup>48</sup>

[In 1998,] the strategic command

ordered LIB 282 to negotiate with the Total company for the transportation of food to LIB 282.<sup>49</sup>

Allowing SLORC troops to use Total trucks for pipeline security became commonplace. Whether it was for transporting soldiers or food, the military could call on the company to supply them with transportation. Two employees working for Total subcontractors explain the arrangement, one even stating that troops have had regular use of trucks since 1996:

Total [gave] trucks (four wheel drive-Toyota Hilux whose colors were white and blue) to LIBs 282 and 273, two trucks for LIB 282 and two trucks for LIB 273. In a battalion, one truck was used by commander and one was used by a group of soldiers while patrolling. I saw the trucks being used by the military [through the year 2000]. I knew that the trucks were not from SPDC [SLORC] because it not like a military truck, and they started using them in 1996.<sup>50</sup>

When the Total official in charge of the pipeline drove on the pipeline, he was followed by a truck with soldiers. The truck that the soldiers used belonged to Total. [T]he truck was

white and the soldiers parked it in a car port for Total vehicles.<sup>51</sup>

Preserving the close working relationship between the companies and the SLORC was critical. Company employees knew of this imperative, and thus felt obliged to provide the soldiers with equipment and other assistance:

After the car road from Kanbauk to Nat-E-Taung was finished, the mili-

tary came and asked for the truck from our company to carry crabs and prawns up to the border. I do not remember how many times we gave them the truck, but I knew that whenever they asked for the truck, we have to give it to them because we had to be friendly with them. I believe that the military would also ask for the trucks from other companies because they asked the truck from our company.<sup>52</sup>



SLORC military outpost along the pipeline route

## MEDICAL ASSISTANCE AND EVEN BOOTS FOR SLORC

Total's own documents provide evidence that they have given medical assistance to local units, even stationing doctors in some battalions. Total assigned doctors to "Pyingyi and Battalion 403 . . . Battalion 403 and Eindayaza . . . Battalion 409, Tavoy River crossing . . . Battalion 404."<sup>53</sup> A Total employee described the extent of the overall support:

The Total Company helped . . . in the raining season—the helicopter brought the military food in Nat-E-Taung.

The other thing that I saw was Total gave military boots to LIB 273. That happened . . . in the summer. It was came from Rangoon seaport, and our group from Myit Company had to get those military boots. We counted them, and there were 1400 pairs. Our Myit Company took 30 pairs, and the others were sent to LIB 273.

The other things was that every time when the soldiers were sick and got injured from a mine, Total Company took responsibility for them. The military's foods was taken to LIB 273 and then Total helped take it to Nat-E-Taung by [helicopter]. We, the workers from Myit Company, had to [load and unload] the food to and from [the helicopter]. After the construction of the car road, the transportation for military's food was often sent by Total's truck.<sup>54</sup>

The widespread and ongoing support made sense in light of the fact that soldiers were acting as personal security guards for the foreigners. Furthermore, no matter what the

foreigners intentions were in giving the support, they were giving it to the battalions that were simultaneously inflicting human rights abuses on the local population.

## BODYGUARDS FOR FOREIGNERS

The companies, villagers, and soldiers all state the reason for the troops' presence—the foreigners and their project. The protection was constant and pervasive, as was the portering that flowed from it: "There were soldiers all over the place, in the work site and all around."<sup>55</sup> Wherever the foreigners went, soldiers accompanied them—whether it was to visit a village, work on the project, swim in the river, or exercise. The army appears to have been at their beck and call. The high level of security was specifically linked to protecting the foreigners; the average company worker from Burma did not receive such protection. The military was there for the Westerners:

Every time when Total employees (foreigners) came to pipeline area, the military had to guard them when they were travelling. The employees who [were] usually working there, they were not guarded by the military.<sup>56</sup>

One need look no further than company documents and personnel for evidence and details of how the arrangement worked. The "Robinson Cable," and the Yetagun EIA confirm the companies' reliance on SLORC and the negative implications of this reliance on the local villagers:

[Robinson] said three truckloads of soldiers accompany project officials as

they conduct survey work and visit villages. He said Total's security officials meet with military counterparts to inform them of the next day's activities so that soldiers can ensure the area is secure and guard the work perimeter while the survey team goes about its business.<sup>57</sup>

The work of the study team was constrained by restrictions imposed by security problems in the area. Mon and Karen insurgent activity in the area required that the team was always accompanied by armed Myanmar soldiers. . . , even in the market of Kanbawk where the team was accommodated. . . the presence of the soldiers made some locals feel uneasy.<sup>58</sup>

Premier Oil executives confirmed they had the same arrangement with the local military.<sup>59</sup> Deserters from the local units elaborate on how they protected foreigners who were from the Western companies, both inside and outside the immediate pipeline corridor:

Our officer and the foreigners have direct communication. Whenever the foreigners came and wanted to go somewhere, five or six soldiers had to guard them.<sup>60</sup>

Five soldiers and I had to take close security of the foreigners and the VIP company employees. . . . If they moved, we had to go with them. Always one squad had to provide the security for them. In a squad, we had six soldiers. . . . There was inner security and outer security. . . . Soldiers who patrol outside the pipeline did not see the foreigners.

Only six soldiers saw the foreigners. The security guards close to the pipeline did not use porters. Beside the security guards close the pipeline, they had an outer security group. . . . These [units] used porters. They always got porters because they carried heavy weapons with them. I know it because I was in the same battalion, and sometimes I also had to be in that [unit].<sup>61</sup>

There are three different lines of soldiers taking security. The first line is . . . like us six soldiers [who guard] the VIPs and foreigners. The second line . . . takes security around about 100 yards away from the pipeline. . . . I heard there are some soldiers beyond that.<sup>62</sup>

Foreigner camps were also heavily guarded. A January 1996 cable from the U.S. Embassy provided details:

The Total base camp at Kanbawk has three chain-link perimeter fences topped with barbed wire. . . . The exterior fence is separated from the others by a clear field of fire, possibly mined, about 20 meters wide. In the center of the camp are two underground bunkers. A squad of Burmese army infantry and another local-national Total security personnel were stationed at the dual gatehouses of the compound's only entrance. . . . European Total security personnel commanded by a former French Foreign Legion officer of German origin were present at or near Kanbawk on January 18.<sup>63</sup>

“The Burmese army essentially acts as hired security guards.”

Villagers recounted Total installations guarded by SLORC troops:

We went to the meeting in Kanbawk at one of the Total buildings. There were two foreigners and an interpreter, and the building was guarded by more than 10 soldiers.<sup>64</sup>

I went to apply [for a job] at the company’s headquarters at Ohnbingwin, but the military LIB 273 had a security checkpoint in front of the headquarters. The headquarters was surrounded by a barbed-wire fence, with a front and back gate guarded by the soldiers; there was a sign that said “LIB 273,” and I saw their shoulder patches.<sup>65</sup>

Wherever foreigners went, they would have a military escort:

The Unocal party’s morning car expedition to nearby community relations projects was accompanied by two Jeeps, each containing four Burmese army riflemen who deployed on foot whenever the cars stopped.<sup>66</sup>

The employees of the foreigners from Kanbawk and Rangoon had to bring their stuff to Kaleinaung and to Kanbawk at the Total base. We had to guard the foreigners and the employees by truck every time.<sup>67</sup>

[The foreigners] came there by car. I saw three cars. . . . We had to follow them. Three or four soldiers followed them, and I was among the soldiers.<sup>68</sup>

When foreigners visited villagers, they were accompanied by soldiers:

In September 1996, the foreigners came and showed a video of the pipeline. . . . Before the foreigners came, the soldiers called the headman and told him that foreigners would come to the village. At the same time, they also went around the village for security.<sup>69</sup>

When foreigners went swimming, they were accompanied by soldiers:

After we ate lunch, some other villagers and I went to go look at the [Tavoy] bridge. We saw about 10 foreigners swimming in the river in only their underwear. It made us embarrassed to see them with so little clothes on. There were soldiers protecting the foreigners while they swam. Every time a foreigner went into the work site, they were accompanied by the military.<sup>70</sup>

And when foreigners exercised, they were accompanied by soldiers:

As the foreigners increased, the soldiers had to take more responsibility

for the security issues for the foreigners. Every morning, the Major and some foreigners went running for exercise. . . . While they were running, two or three soldiers had to run with them, and around [the area], the soldiers secured the place.<sup>71</sup>

When SLORC's abuses are exposed, the corporate response has been to put distance between the companies and the military. Yet on the ground in the project areas, the foreign companies and the military enjoy an extremely close working relationship, including a contractual arrangement for security.<sup>72</sup> Indeed, the soldiers are nothing less than hired guns for the foreigners and without them the project could never have been launched. In spite of efforts to publicly distance themselves from the brutal military regime, the companies cannot hide from their own admissions; nor can they hide from the testimonials of villagers and former SLORC soldiers protecting them. Ultimately, in the region of the Yadana and Yetagun pipelines, the Western oil companies cannot separate themselves from their partners or from the abuses they commit.

## THE DIRECT LINK

*What I know is that in the very early stages of the project, in the very first months, we learnt about the use of force labor by the army . . . and we decided voluntarily to pay the people who had been conscripted.*

—Michel Viillard, Head of Total Myanmar, Canalplus 90 Minutes, 2000<sup>1</sup>

*The term “forced or compulsory labor” shall mean all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily.*

—Article 2(1), Convention Concerning Forced or Compulsory Labour, ILO (No. 29), 1930<sup>2</sup>

In spite of the Burmese military’s notorious human rights record and its widespread use of forced labor and portering, the companies allowed them to recruit villagers to work as porters and on pipeline infrastructure. The result was predictable: the widespread use of forced labor. One of the clearest indications linking the companies to the abuses is the fact that Total actually paid villagers who were forcibly recruited by the army to carry their ammunition and supplies and build infrastructure such as helipads. Total’s own briefing materials provide “smoking-gun” evidence of payment to villagers “hired by the Army.”<sup>3</sup> The direct link between the projects and forced labor is further illustrated by repeated accounts of forced labor on pipeline infrastructure, including building the many helipads that dot the area as well as clearing the pipeline route itself.



## LEGAL RESPONSIBILITY

The partnerships between the consortiums and the military regime—particularly the contractual relationship with SLORC and their troops acting as agents and personal security guards for the companies—brings the issue of legal responsibility to the fore. Unocal is facing legal action in U.S. federal court in two landmark lawsuits—*Doe v. Unocal* and *Roe v. Unocal*—for its involvement in the Yadana project and its resulting abuses. John Imle, former president of Unocal, maintains, “I cannot, personally, take responsibility for the conduct of the government of Burma,”<sup>4</sup> and “there was no contractual relationship with the military.”<sup>5</sup> Unless Unocal’s own president has no knowledge of his company’s contracts, Imle’s denials are not credible. The contracts do exist, and moreover Unocal’s Joel Robinson admitted that the company had “hired the military” to provide security. The companies are thus legally responsible for the abuses by the military in fulfillment of the contract. Jennifer Green, an attorney with the Center for Constitutional Rights and one of the attorneys in the *Doe v. Unocal* case along with EarthRights International, explains:

U.S. law is particularly designed to say you can’t have two people in the same business operation, one of them being clean and the other one playing dirty . . . without them both being held responsible.<sup>6</sup>

Ms. Green continues to explain that the companies cannot delegate responsibility to a known human rights abuser, saying, for example:

[Y]ou, my business partner, you’re going to take responsibility for making sure that the military barracks are built, that the helipad is built, . . . that enough soldiers are in the area to guard this pipeline. And you can do whatever you want.<sup>7</sup>

A company cannot escape liability by claiming it is not responsible for a partner’s actions. Unocal, Total, and Premier would quickly face legal consequences if they had similarly benefited from rampant human rights abuses in their home countries. By investing in Burma, the companies have attempted to thwart their legal responsibilities and take advantage of the legal vacuum there. In essence, they have followed the path of least resistance, investing in Burma, where they had hoped they could operate without opposition—and with impunity.

## FORCED TO BUILD HELIPADS

Because the terrain along the pipeline route is often rough, helicopters were an important mode of transportation during the initial stages of the project—for carrying out surveys and transporting crews into otherwise inaccessible areas. For the helicopters to land, helipads were built. And because the companies like Unocal and Total gave SLORC the responsibility for the construction, they were often built with forced labor. In the “Robinson Cable,” the U.S. Embassy reported that, “[Unocal’s] Robinson noted that the military has built helicopter landing pads at various points along the route.”<sup>8</sup> Robinson also stated that Unocal directed the



**The Burmese military forced villagers to build pipeline infrastructure.**

SLORC in this regard, instructing the army where to build the helipads along the route.<sup>9</sup> In a second cable, dated January 1996, a U.S. Embassy official reported that there were “at least a dozen helipads” in the area.<sup>10</sup> As already noted, the earlier “Robinson Cable” also indicated that “the military had not given Total/Unocal foreign staff access to helipad sites within many miles of the border during the period of their construction.”<sup>11</sup>

But even when foreigners were in the area, forced labor on helipads occurred. Villagers watched as foreigners emerged from helicopters landing on the very helipads they had been forced to build. And these foreigners observed the typical conditions of the forced laborers, who slept on the ground and did not have enough food:

[A]fter the soldiers and foreigners [visited], our village head explained about the pipeline. . . . [Later], I had to go porter again with the same LIB 405. . . . They went before the foreigners, and the foreigners followed them. . . . [T]hey said that it might take only one day, but it took us 15 days. . . . Altogether we had about 30 people portering and about 100 soldiers. My load was more than 50 kilos. I had never carried a heavy load like that. I went to Mile 52 and to Popata near the Tavoy river. We stayed there, and they did not give us enough food. We had to build the heliport. At first we had to clear the land, water the land and take the small rocks and arrange them [around] the heliport. The first day we had to sleep at Popata. The next day we had to build the heliport. We did not even have tools with us. . . . We had to clean [an area] 30 feet in diameter. There were a lot of bushes, and it was very hard to clean. . . . When the helicopter came, the soldiers asked us to hide in the bushes because they did not want us to meet with the foreigners. However, we could see the white helicopter, and it had English words on [it]. I saw just three or four foreigners, and mostly

“The foreigners came with their helicopter and landed at that heliport that I had to make.”

there were employees. I saw them wearing yellow uniforms. After they came, we also saw that they cooked and they stayed near us. Later they also knew that we were there. We stayed there for 13 days. The foreigners and the employees stayed . . . near us. They also made huts. . . . As for us, we had to stay and sleep on the ground. The foreigners also saw us, and sometimes in the morning when we went to the river, they called us and they gave us fried rice with egg. . . . I saw . . . that the foreigners also had pistols on their waist, and they also had mobile phones in their hands.<sup>12</sup>

Another villager describes similar working conditions on the pipeline helipads. Significantly, he describes the different clothing worn by the paid employees and the forced laborers. Thus, villagers—and anyone else who wanted to know—could easily distinguish the forced laborers from those who were legitimately employed on the pipeline:

In the cold season of 1996, the headman came to my house and said that I had to go and clear the ground for the heliport at Mile 52 and that we had to bring our own food and tools. . . . 70 people had to go from the whole village with [a Total battalion]. . . . The trees were already cut down, but we had to level the ground,

remove the tree roots, and clear the entire area. When we pulled up the tree roots we then had to fill in the holes with more earth. Then we would water the ground and pack down the ground to make it level and hard, so dust would not fly up when the helicopters landed. All the Total workers had white and yellow hats, but the forced laborers had none. In this way I could tell who was a Total agent and who was a forced laborer.<sup>13</sup>

Another account describes forced labor on a pipeline helipad in which 40 villagers, including four women, were forced to work while being guarded by SLORC:

In 1994 or 1995, three days after the Water Festival [in April] . . . we had to go and make the heliport for the foreign company, and we were guarded by the soldiers. . . . There were 12 of us from our village, including four women. . . . There were about 40 people on the work site. The laborers were from Ohnbingwin and my village. We had to cut down trees, clear all the bushes, and level the ground. There were about 15 soldiers guarding us, and we had to finish it in one day. . . . At that time, we had to move out a big log. . . . When people cut the trunk, the log slipped off the stump and fell on the right side of [my] ankle and it broke

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## FORCED LABOR OR FAMILY OUTING?



In April 2000, a French team of investigative journalists visited the pipeline region, interviewing forced labor victims in Thailand and Total personnel in Burma. As they were taken on a guided tour by Total along the road connecting two company base camps, they filmed armed soldiers in uniform, standing next to villagers in civilian clothing as the villagers worked to clear brush on the side of the road. Head of Total Myanmar Michel Viillard was present and also witnessed the scene:

Canalplus [journalist]: The guided tour is about to end. We are only ten minutes away from the Total base camp on the famous road from Ohnbingwin to Kanbawk. Suddenly, a furtive scene on the left: civilians clearing the bushes along the road. They are surrounded by soldiers. It looks strangely similar to the scenes described by our witnesses, so once again, recurring questions come to our minds. Is it forced labor? The villagers are working under the soldiers' eyes. Under the soldiers' eyes—or under their constraint?

Canalplus question to Viillard: On the road we saw people working surrounded by soldiers. Wouldn't you think it could be forced labor?"

Viillard (Total Myanmar): Listen, you already asked me this question. Listen, I think that I have seen some soldiers working with their families. I think that it was simply some soldiers carrying out their job.

Canalplus: It is the last image that we will keep in mind from this long inquiry in Burma: an executive manager, a French executive manager who chooses not to see, a French investment in a dictatorship and this scene which reflects the trap in which Total has fallen.<sup>15</sup>

the place between my ankle and calf. . . . After the log had broken my leg, I heard the villagers say that the foreigners came with their helicopter and landed at that heliport that I had to make. They said that foreigners were going to do the surveying of the gas pipeline. After my leg was broken while working on the heliport for the military and the foreigners, I was very upset and when my broken leg got better, I did not want to stay in the village. I had to work for them without payment, but when my leg was broken the military and the foreigners did not provide for me or take care of me.<sup>14</sup>

Forced labor on pipeline infrastructure was not limited to building helipads but also included clearing the actual pipeline route. Apart from actually laying the pipes into the ground, it is hard to get closer to the projects than this.

#### FORCED TO CLEAR THE ROUTE

The military forced people to clear the pipeline route of the Yadana as early as 1993 when the first surveys were taking place. Though construction was still several years away, the military was eager to begin the process of clearing

the route. One soldier in a battalion providing security during the survey said:

After the foreigners had surveyed the pipeline routes [in 1993], LIBs 408 and 410 ordered every village in the pipeline area to clear the pipeline route from Eindayaza to the Tavoy River.”<sup>16</sup>

It would not be the last time that the Yadana project’s partner, the military, would take matters into their own hands and force villagers to clear portions of the route. The companies’ specific knowledge of those dangers were laid out in the “Robinson Cable,” in which the U.S. Embassy elaborated and then commented on a specific incident of forced labor along the route. Unocal admits knowledge of forced labor on their pipeline, accepting the benefit while denying responsibility:

[F]orced labor near Paung Htaw may stem from the military’s order, after the March 8 [1995] attack on the Total survey crew, that villages clear 20 to 30 meters on either side of the road . . . that ran near the first part of the pipeline route. Robinson admitted that villagers were not paid for this work, which included removing boulders and large trees. . . . He claimed that Total/Unocal are not responsible for the people forced to do this work

“After the foreigners had surveyed the pipeline routes [in 1993], LIBs 408 and 410 ordered every village in the pipeline area to clear the pipeline route from Eindayaza to the Tavoy River.”

because the army decided “for its own purposes” that the roadsides should be cleared. Two to three months earlier, he [Robinson] recalled, the military believed the roadsides did not need to be cleared. *(Comment: this would seem to raise the prospect of the Burmese military coming to feel the same need for heightened security along the pipeline road—with similar consequences with regard to forced labor and the environment.)*<sup>7</sup>

The U.S. Embassy’s suspicions of forced labor are again confirmed by the testimony of victims and witnesses on the ground. Villagers were forced to work on the pipeline route in numerous places at numerous times:

They asked us to make a road. . . . The village head said we had to work . . . near the Tavoy River for 15 days, but he didn’t mention about any payment. . . . We took a military truck to reach there. . . . I saw the foreigners with my own eyes when I was working there. While they were looking at the work site and got in the car and moved around I saw them. . . . I saw they were talking to the soldiers while we were working at the work site. . . . The soldiers were guarding us. The battalion was LIB 409 because one of my friends could read it. There were about 400 to 500 people at the work site. They are Mon, Burman, and Karen. . . . The work site was located at the eastern part of the Tavoy River and close to Michaunglaung village. . . . As soon as we got to the work site we had to make a place to stay by ourselves. . . . [I]n 15 days . . . 15 of

us had to finish two furlongs. After we worked there . . . the truck picked us up at the work site, and we went back to the village. The next group of our villagers went there after we got back.<sup>18</sup>

[Around September 1995], the village headman came to me and said that I had to go and clear the bushes for the pipeline route. But at that time I was not feeling very well, so I had to hire a villager to go for me. I paid him 500 kyat for one day.<sup>19</sup>

LIB 407 sent an order to the village that every villager who can work and who was fit to work must go to clear the new road that came from Kanbawk to go through our area to Nat-E-Taung, and they would pay 200 kyat per day to everyone.<sup>20</sup>

In the summer of 1996 . . . SLORC came and called seven villagers to work on the pipeline route. . . . After two days, [two villagers] escaped from the work site and came back to the village. They said that the work was very hard, and [five villagers] were still working there.<sup>21</sup>

These consistent accounts of working along the route connect the forced labor directly to the projects. Total and Unocal went further to permanently bind their projects to the forced labor—they *paid* the workers *after* they had been conscripted.

#### PAYMENT FOR FORCED LABOR

Total’s payment for forced labor is perhaps the

most conclusive evidence that links the companies directly to this abuse. Forced labor is *forced*, regardless of whether or not payment is made. The issue of payment is legally irrelevant if the villagers had no choice but to perform the labor. The Convention Concerning Forced or Compulsory Labour states, “The term ‘forced or compulsory labour’ shall mean all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily.”<sup>30</sup> The “Robinson Cable” again illustrates the critical flaw in the companies’ plan when it states that “army units providing security for the pipeline construction do use civilian porters, and Total/Unocal cannot control their recruitment process.”<sup>31</sup> Failing to supervise recruitment and leaving this to SLORC resulted in forced labor. As much as they may try, the companies cannot escape their legal obligations by throwing money at the victims after the fact.

Yet this is what they apparently tried to do. Michel Viillard, the head of Total Myanmar said, “What I know is that in the very early stages of the project, in the very first months, we learnt about the use of forced labor by the army . . . and we decided voluntarily to pay the people who had been conscripted.”<sup>32</sup> Total’s own documents substantiate Mr. Viillard’s statement; during one six-week period between December 1995 and January 1996, Total supplied “payment of money to 463 villagers ‘hired by the Army’ ” and “food rations to villagers in the battalions.”<sup>33</sup> (See Box: Forced Portering: A Crime Against Humanity) These payments do not erase the human rights abuses as the companies had hoped. Instead, they establish the link between the work and the Yadana consortium. On-the-ground interviews show that villagers “hired by the Army” were

indeed forcibly recruited:

It was March 1996. I had to go porter for a week and got 200 kyat/day. We didn’t want to porter, but we were afraid, so we had to go. I stayed at home for 10 days after the first time portering, and then I had to porter again. Our village church deacon came and told me we couldn’t find people to porter, so please go. Then I went. . . . We had to go. . . . I hadn’t seen the gas pipeline because it was the very beginning of the construction, and the troops were just only for the security and mobilizing in the jungle. I felt afraid when I was a porter, but I had no choice to refuse to go, so I was dissatisfied with the money, but what else could I do? I love my village, so I had to go. If I did not go, the village head would be in trouble. . . . [A]fter that portering, the headman came to me and said that I had to go and get money for being a porter. He said I might get 6,000 kyat for one month in total. We had to go get money with our ID card at Paung Htaw. Total’s foreigners gave [money] to the village head, and he gave it to us. I got about 3,000 kyat that time. The money we got was from Total.<sup>34</sup>

No one wanted to go because you had to carry heavy loads and if you did not reach the [place] they scolded you. They did not give you enough food, so that’s why they did not want to go. It was just the order from the military. I did not want to go also but . . . I have to. . . . Except getting

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“I WENT TO WORK ...  
BECAUSE I WAS AFRAID”<sup>22</sup>



Unocal's March 1997 Yadana Report states:

“Since the beginning, all work on the Yadana project—including clearing, grading and infrastructure—has been done by labor paid under formal contracts. Unocal will not accept any other form of labor. Workers receive their pay directly, with receipt stringently documented.”<sup>23</sup>

The reality on the ground in the pipeline area stands in stark contrast to the images conveyed by Unocal's and Total's public relations materials. Even John Imle has admitted on numerous occasions that forced labor has occurred in connection to the pipeline.<sup>24</sup> As he and the villagers know, the work was not voluntary: “[Villagers] had to go [work] by the force of the order. It was not their own will [to go work].”<sup>25</sup> Many porters got nothing for their work; a Total battalion soldier said, “The porters never got money.”<sup>26</sup>

The following detailed accounts from one villager confirm the direct link between the pipeline work and the Western investors. Villagers were forced to work on the pipeline. Sealing the connection of the work to the pipeline, they were subsequently paid for their work. Ultimately, the army stole their money. First, the villager speaks of how he and others were compelled to work because they were “ordered by the military.”

I started to hear about the pipeline from the village headman and work for the gas pipeline in the end of the raining season between the cold season of 1996 . . . . He went to each house and called for one person. He was ordered to provide 20 villagers. They were all Mon. I was the only Karen. At that time, the village headman told all the villagers who had to go and work for the pipeline route that they would get paid by the foreigners who were building the gas pipeline. But he said that he was ordered by the military. That was why, even though we did not care about the payment, we had to go. Because it was an order by the local troops.

The villager continues his story, describing how the conditions were just like any other forced labor site. Villagers had to bring their own tools and food. They were scared, and soldiers guarded them:

[The village headman] told us to bring our own tools . . . and our own food. I myself brought the choppers. We had to cut down all the trees and the bushes to make a route of the pipeline. We, the Mayanchaung Mon village, had to start roughly clearing the pipeline route at Mile 52. . . . The pipeline came from Kanbauk to Mile 52. Then it kept going to the eastern part of the Ye-Tavoy car road. Then it crossed the Tavoy river. . . . In the work site a group of soldiers from LIB 408 guarded us with their guns. Twenty people rotated every two days. I had to go three times. We slept under the bushes near by the river. We cooked and ate there. . . . We had to start the work at 6 o'clock in the morning and we had to break for food at 11:30 a.m. In the morning we did not have a chance to eat any food. After we cooked we had to go to the work site then we ate when we stopped working at noon. We wanted to eat, but we did not have a chance to eat. In the evening as soon as we finished lunch at about 12 o'clock or 12:30, we had to continue until 5:30 p.m. We came back to the place that we stayed and took a bath, then cooked dinner. We did not have time to take a rest while we were in the work site. We dared not take a break because we were afraid of the soldiers yelling at us. I saw one young boy who was shouted at by a soldier for taking a break in work and the soldiers also scolded us not to do like this guy. We never saw people beaten because everybody followed what they said. The soldiers did not tell us anything about the pipeline. . . . One month later people from Michauunglaung, Ya Pu, Lauk Ther and all the neighboring villages came to get the payment at Kaleinaung at the LIB 407 area. . . . My village head told me that all the villagers who had to clear the pipeline or who had to go for the portering for pipeline security had to go and receive their payment.<sup>27</sup>

*(continued on next page)*

Payment does not negate the forced nature of the work. To the contrary, the legal definition of forced labor has nothing to do with payment, but the manner in which the labor is procured.

*(continued from previous page)*

Total's money directly linked the project to the human rights abuses that this one villager experienced. He continues his story, affirming that he was paid by foreigners themselves:

The headman told me that I might get 4,000 kyat because I had worked three times on the pipeline route and portering in 1996. In 1996, I had to go three times and it took me about 10 days in total. So he said that I had been working on the foreigners' project. Most of the villagers from every household went to Kaleinaung to get their payment. There were about 50 people from my village. When we were at the place where they would pay us, we had to stay separated from the other villagers. The Total employees were paying us village by village. Michaunglaung was the first group, and we were in the second group. All the headman from the villages had given the registration of villagers. So the Burmese employees called us one by one. There were no foreigners, only three [Burmese] employees and soldiers from LIBs 408 and 407. After we got the payment we could not go back yet, but we had to sit down in front of the building and wait for the other villages. I got 4,000 kyat, and they took a notice. Then I had to sign my name on their paper.<sup>28</sup>

After being forced to work and receiving payment from Total, the villagers' payments were stolen by the army:

After the foreigners' employees went back, a major took the registrations and did the same as the employees. I mean he made all the villagers come one by one to him and give all the money back to him. That was such an unfair thing. We were very angry at him and very ashamed, but we dared not say or do anything. I can never forgive or forget him. I still can recognize his face. The military did not say anything after they took money. They let us go back to our home. There was a pile of money in front of him. I was very upset for that. . . . So it did not make any sense for me to stay in that area. So after that happened about 10 days later I left the village. I could not suffer any more. From then on I realized myself that I was not able to deal with this kind of thing, so in desperation I escaped from them by leaving my village and all my belongings, to come to the border area.<sup>29</sup>

## “The porters never got money”

the money, there was no benefit for us. And I want to say that we got a lot of worse things [because of the pipeline].<sup>35</sup>

No amount of money can ever pay for the terror, humiliation, and suffering that the villagers endured throughout their conscription surrounding the Yadana project:

[Between 1995 and 1997,] I had to go two times, and got 200 kyat per day. . . . I didn't want to go, but I could not do anything, so I had to go. But I was still afraid to porter. . . . At first, the village head came and asked us to go to be porters, and he got an order from the military. . . . At that time, we did not hear anything about giving the money for the labor. . . . There were altogether more than 20 porters in that battalion. . . . [T]hey guarded the gas pipeline. I started knowing about the gas pipeline after, when I went back to my village. We had to carry ammunition and food for the soldiers. . . . Sometime I had to go and build the buildings for the soldiers' places. After a month when I came back from the work of the soldiers, the village head asked me to go and get the money for the work, and I had to go and get it at Ohnbingwin. Before we went and got the money, we had to take the picture [photo identification] at Kanbawk at the hospital, and it cost 100 kyat. After that, we showed it to the soldiers, and they gave us the money.<sup>36</sup>

We got the money, but I thought if we had to continue to carry the loads every day at least one person would die. They [the soldiers] didn't have sympathy. They thought of us like we are animals. . . . Our village headman told us that we had to go and get the money, so we went. At first, we didn't know we would get paid. . . . I got 1,400 kyat, and I was not pleased, but what could I do if I was not pleased with the pay. . . . I wanted to ask [for more] but I am sure that I would never get the pay. I dared not ask. . . . You could not ask them either, because there were the soldiers around us, and even the captain was staying among us.<sup>37</sup>

I had to porter . . . for LIB 405 for about 100 soldiers. . . . I carried ammunition from Eindayaza to Popata. . . . A month after returning home, the village head told me that I'd be paid for the portering I and other villagers had done. Village elders had spoken to an interpreter, who had in turn gone to foreigners. The village head told us that the foreigners had said they would pay the people who had been porters. I went to Kanbawk with 50 to 60 people to get our pictures taken. (Each person had to pay 100 kyat for two pictures). We walked back to Eindayaza and gave one picture to an LIB 405 soldier. Then we had to take another picture to a building on the way to Ohnbingwin. The names of the indi-

FORCED PORTERING:  
A CRIME AGAINST HUMANITY

A crime against humanity is characterized by “widespread or systematic abuses” against a civilian population.<sup>39</sup> The forced portering that villagers in the pipeline region endured for security on the pipeline projects was both widespread and systematic, and thus constitutes a crime against humanity. Chapter 4 of this report chronicles the years of SLORC orders for forced labor to support its militarization in the pipeline corridor. Soldiers took porters from villages as a matter of course:

While we [in LIB 402] were in Eindayaza, every time when we had to get the rations, we got porters from the villages to help.<sup>40</sup>

When we were patrolling for the safety of the pipeline, we always used the villagers as porters.<sup>41</sup>

And villagers speak of the hundreds upon hundreds of villagers who had to porter:

[We had to porter] to Nat-E-Taung. . . . There were about 400 to 500 people.<sup>42</sup>

In the summer of 1993, I had to porter to Nat-E-Taung one time. . . . As I remember there were 400 porters that time. There were also 300 to 400 soldiers.<sup>43</sup>

Total’s own briefing documents, to press and embassy officials in January 1996 provide further strong evidence of widespread abuse *and knowledge that the company knew it was happening*. They show in part that in just a month and a half—December 2, 1995 to January 17, 1996—the project paid 463 villagers “hired by the Army”<sup>44</sup> The documents indicate that the villagers were “hired by” LIBs 407, 401, 409, 403, 408, and 273, all battalions providing security for the pipeline corridor. This document [reproduced on next page] indicates only the number of porters who would have been *paid* by the companies. Many porters received nothing (See Box: All Work is Voluntary and Paid). Payment does not negate the forced nature of the labor, and as this report shows, the companies were indeed paying villagers who were forced to porter. With the pipeline security efforts dating back to the early 1990s, the numbers of villagers who were forced to porter in the pipeline region represents “widespread” abuse by any standard.

<b>Total Payments to Villagers "Hired by the Army"</b>				
<b>Date</b>	<b>Battalion</b>	<b>No. of Villagers</b>	<b>Amount</b>	<b>Remarks</b>
2/12/95	407	22	92,600	
5/12/95	407	51	26,200	
6/12/95	407	7	5,600	
7/12/95	407	48	263,000	
12/12/95	407	16	51,200	
	<i>Sub total</i>	<i>114</i>	<i>438,600</i>	
<b>Date</b>	<b>Battalion</b>	<b>No. of Villagers</b>	<b>Amount</b>	<b>Remarks</b>
7/12/95	401	19	167,200	
18/12/95	401	21	33,600	
26/12/95	401	51	119,000	
9/1/96	401	17	110,200	
	<i>Sub total</i>	<i>108</i>	<i>430,000</i>	
<b>Date</b>	<b>Battalion</b>	<b>No. of Villagers</b>	<b>Amount</b>	<b>Remarks</b>
9/12/95	409	14	8,400	
9/12/95	409	12	4,800	
15/12/95	409	2	2,400	
19/12/95	409	40	60,000	Michaunglaung
28/12/95	409	50	160,800	
	<i>Subtotal</i>	<i>118</i>	<i>236,400</i>	
<b>Date</b>	<b>Battalion</b>	<b>No. of Villagers</b>	<b>Amount</b>	<b>Remarks</b>
	403	4	20,000	
2/01/96	403	4	15,600	
3/01/96	403	3	4,600	
5/01/96	403	1	5,000	
6/01/96	403	3	15,400	
10/01/96	403	1	3,200	
11/01/96	403	22	61,200	
	<i>Subtotal</i>	<i>16</i>	<i>125,000</i>	
<b>Date</b>	<b>Battalion</b>	<b>No. of Villagers</b>	<b>Amount</b>	<b>Remarks</b>
9/1/96	408	44	192,800	
	<i>Subtotal</i>	<i>44</i>	<i>192,800</i>	
<b>Date</b>	<b>Battalion</b>	<b>No. of Villagers</b>	<b>Amount</b>	<b>Remarks</b>
9/1/96	274	11	3,200	
	<i>Subtotal</i>	<i>11</i>	<i>3,200</i>	
<b>Grand total numbers of villagers</b>			<b>463</b>	
<b>Grand total amount of payment</b>			<b>1,426,000 kyats</b>	

[150 Kyat equals \$US1]

viduals who had been porters were called and we were paid for the number of days we worked. I received payment for 14 days . . . I had to sign my name on a piece of paper.<sup>38</sup>

As these villagers attest, some forced laborers did receive money from Total. With such money surrounding the projects and in villagers' hands, the corrupt and opportunistic SLORC troops took advantage of the situation, stealing money from villagers.

### ROBBED BY SLORC

Typical of the corporations' "hear no evil, see no evil" mentality, they trusted their SLORC security partners to allow the villagers to keep the money. A U.S. Embassy official, present at the briefing in which Total's payment documents were distributed, recorded his own skepticism regarding this process, observing, "How much [villagers] manage to get and keep, of the money and food that Total says it pays them, is unknown to post."<sup>45</sup> Interviews with local villagers confirm that the U.S. official's concerns were well-founded. Villagers were not only forcibly recruited by the military, but when payment was made, it was sometimes stolen immediately by the local military units. The "Robinson Cable" again shows that the companies knew about the problem:

Robinson said Total inspects the working conditions of the porters,

issues them a photo ID and coupons for each day of work, and records the number of days the porter has worked, so that at the end of his service (some porters served for as long as two to three months) the porter himself can come to a Total camp and collect his wages of 200 kyat/day. He expressed their part in getting the proper wages to these workers directly, but cannot take responsibility for what might happen afterwards if some or all of the wages are taken by the military or others.<sup>46</sup>

With the military controlling the recruitment process, the predictable result was that the military used force to get villagers to work. The embassy and company suspicions that money would be taken also came to pass. Villagers, who repeatedly described their work as being "for the foreigners" consistently reported:

Villagers in Eindayaza had to porter for the military in 1996-1997. The porters got paid, but the military took half of the payment from each person.<sup>47</sup>

The village headman came to my house and said, you have to go and work for the gas pipeline road. . . . You know, when we had to go to work, we were ordered by the mili-

**"Sometimes the battalion commander . . . did not sign the sheet of paper because the work did not please his heart."**

tary and in the work site they guarded us and scolded us. In the end, they robbed all of the money.<sup>48</sup>

The villagers . . . were working for white people, and the work that they did was road work, clearing and sweeping the road and the path. The daily pay was 500 kyat for each person. They did not have work every day. They just got 250 kyat instead of 500 kyat because the soldiers took half. The company gave 500 kyat to each person each day but the soldiers took half from the villagers. The soldiers were looking after the workers.<sup>49</sup>

[V]illagers worked for the foreigners. Among them was my son, who worked on the Nat-E-Taung road construction. He [was supposed] to get 12,000 kyat for one month, but he never got a certain amount of money. The money wasn't issued from the foreigners directly. It was issued by the officer, so they gave 6,000 kyat for one month, and they never gave him 12,000 kyat for one month at all. So my son quit the work and said he was going to work on the farm.

#### PAYMENT NULL AND VOID

For others, whether working on the helipads, military outposts, portering or otherwise, the money never even reached their hands:

[In 1996], I [went] to work on the heliport. . . . At the heliport, there were a lot of Total people in their uniforms working on electronics and

welding and other things. We, the forced laborers, were split into many groups. . . . In this area there was this heliport, an area where Total agents were working, and a military post. All of it was surrounded and guarded by SLORC soldiers. I did not get any money from the work I did there, even though I was told that Total would pay us. I don't know if any money ever came to pay us and was taken by someone else. . . . I saw



**Forced laborers shield themselves from the hot sun.**

four foreigners come down from the helicopter. Three of them were holding cameras, and the other guy was the helicopter driver—he wore a red jumpsuit and flight helmet. The other three foreigners were wearing ordinary clothes and took pictures of the heliport, and they also took pictures of the villagers and their agents. . . . I realized that I was working for the Total Company because the Total agents led us on the work site. Many of the villagers said that the company was good and helpful for us. I did not see any benefit for me.<sup>51</sup>

In 1997, between January and August, the villagers in Eindayaza had to build a military outpost. During the eight months, one person from each household had to provide labour for building the military outpost. [We also] had to clear helipads . . . cut bamboo, and make thatch for roofs. They asked people to mark their name for payment, but they did not pay any money. I myself had to go, and if I was sick my younger brother went instead.<sup>52</sup>

In April 1996, 27 other villagers and I went to Popata [near Mile 52]. We cleared the ground, cut down trees and bushes. I do not know exactly, but my guess is that they were building a military camp or making a heliport, because I saw five foreigners walking around. Each foreigner had a radio and a hand grenade on his waist, but I did not see very carefully. I was afraid of the foreigners and SLORC. We worked there for three days, and then SLORC let us go home. I did not get any money from SLORC or the foreigners. But when I arrived home, I heard that six or seven people among the 28 of us received 600 kyat.<sup>53</sup>

One villager said plainly, “I went to work for the soldiers because I am afraid of them, not because I wanted the money.”<sup>54</sup> Ultimately, he received no money. He also elaborated on the portering, stating that he crossed the pipeline route, and that after portering, he fled from his village in fear:

I was the new person [in Ya Pu] and when the soldiers come into the vil-

lage, all the villagers escaped, but I did not know anything, so they found me and took me. They said that we had to work, and they even said that they will pay us the money of 200 or 300 kyat. But when we arrived the place called Mile 52, they locked us up, and we had to stay there for a night. . . . We had to carry the ammunition for them, and . . . when I carried the load for them, I had to cross or go through the gas pipeline and also the river called the Tavoy River. There was the bridge for the gas pipeline. They set up the gas pipeline to the foot of Nat-E-Taung. When we carried the load for them they even did not give us food, and the rice smelled so bad. When we arrived home they said that they would give us the money, but they did not. . . . Then we tried to ask the foreigners because the foreigners had their interpreter, but they did not know anything. . . . The soldiers came by themselves, and they told us that we had to go. They did not ask the village headman to come and arrange for them. . . . The military who came and caught us was LIB 282. They stayed at Mile 52. They rule that region, and they came to the village. . . . I know the military who came and called for me was LIB 282 because they have a patch on their uniform. . . . I came here because in the village, they . . . came and asked for porters. I was afraid of that, so I came here.<sup>55</sup>

As if trusting the military not to use forced labor or steal money was not egregious

enough, the companies entrusted the military with the responsibility of approving payments: “For the people that go to work, . . . the battalion commander had to sign and then they can go and get the money for the work. . . . [S]ometimes the battalion commander . . . did not sign the sheet of paper because the work did not please his heart.”<sup>56</sup> Public assertions that all labor is procured directly by company personnel evaporate in light of the sworn testimony of company officials, statements to embassy officials, company documents, and victims’ and soldiers’ consistent testimonies from the area. In the end, it is the actions of *all* consortium’s members—including the Burmese regime—for which the investors are morally and legally responsible. And they are responsible for the fear they have brought to the region—a fear that has driven villagers away and has them longing for the companies and the SLORC to leave, so they can go home.

## LIVING OFF THE PEOPLE

*Through our unique position and importance in the country and by working with the people of Myanmar, we can make a significant contribution to improving standards of living.*

—Premier Oil,  
*Our Global Responsibilities 1*

*Whenever I saw the foreigners, . . . I said in my mind that “foreigners, it is because of you that I had to leave my village and stay in the jungle and escape for my life.”*

—Anonymous Villager from the  
Pipeline Region, 1998<sup>2</sup>

*In 1991 and 1992, the situation in my village was bad. In 1993 and 1994, it was worse, and in 1995 and 1996, it was so bad that I could not live there. . . . I stayed outside the village in the jungle because I did not want to work for SLORC or the foreigners anymore. I let my wife stay at home. Then SLORC said that if her husband was not at home, they were going to bring my wife to the work site. So me and my wife, we left the village in October 1996. . . . I lost everything that I owned.*

—Anonymous Villager from the  
Pipeline Region, 1997<sup>3</sup>

**W**hile the violence associated with the militarization of the region is horrific, the slower yet steadier drains on the local population have had an equally terrible impact. These violations of economic and social rights have been just as powerful in driving people away. Unocal, Total, and Premier claim that the pipelines bring development to the people. More accurately, the pipelines bring the army, which lives off the people and brings poverty,

oppression, and cultural destruction, along with the violence that destroys their lives.

Despite their rhetoric that they exist to protect the people, Burmese soldiers behave more like enemy occupiers. Like a foreign force descending on an enemy land, the military moved into the pipeline region and began living off its own people. Nothing was sacred. Soldiers from the pipeline battalions invaded villagers' homes. They demanded money and stole food. Then soldiers began systematically forcing villagers to grow food for them on large farms. As the demands increased, villagers did what they could to survive. In the end, when nothing was left, many fled the pipeline region for their lives:

Whatever a villager does, it is just for SLORC. If the villagers' belongings [were gone], they became refugees.<sup>4</sup>

My money and all my belongings like chickens, pigs, and cows were almost gone. A month before I left my village, I had to pay 7,000 kyat. It was for portering, forced labor, and for the Boad [Heinze] Island labor.

Moreover, when the soldiers came into the village, all the food that they ate, we had to give to them. . . . In March 1996, I sold all my belongings and four cows that I had left . . . then me with my two children and my wife, along with 40 people, we escaped to Thailand. The people who stayed in the village were people who still had money; some didn't want to leave their parents who were old, and some people didn't have any relatives in Thailand.<sup>5</sup>

## WHO WANTS TO BE THE VILLAGE HEAD?

In the pipeline region, as in the rest of rural Burma, it is considered a cultural honor to be chosen as village head. Since the arrival of the pipelines, however, village heads have faced increasing demands, threats, and intimidation from pipeline security, and have been unable to handle the pressure of negotiating the constant demands from the military. A deserter said, “So many of the village heads ran away from their village because they could not deal.”<sup>7</sup> And a village head in the pipeline region said:

Absolutely nobody wants to be the village head, so we did it by turn for one or two months. As for me, I had to be one for 10 months because no one wants to be a village head. You did not have time to rest or look after your family. It was very busy work, but you got nothing for it.<sup>8</sup>

The villagers had to go and work. They could not work on their own fields, so they did not have enough food. . . . Before, there was only the railway, and it felt like we could breathe a little, but when the pipeline came there were two sides that were oppressing us, so we met with great hardship. I realized that after the gas pipeline was built the situation for the villagers was getting worse and worse.<sup>6</sup>

## PAYING TO SURVIVE

One way in which the army places unbearable economic pressure on the villagers is by forcing them to pay to be released from the obligation of forced labor. If villagers want to be free from enslavement, they must pay a

certain amount to the army commander, usually through the village headman, every time they are called to do labor. These arbitrary taxes are called “labor fees” or “porter fees,” and they vary widely depending on the military unit collecting them and the fees’ purpose. Fees range from as little as 50 kyat to as much as 5,000 kyat.<sup>9</sup> Higher fees normally are for more dangerous work such as portering. Consultants writing for the Yetagun consortium specifically warned of this problem in the pipeline region, stating:

Various forms of minor corruption and abuse of power are . . . an ongoing concern. Refugee reports say that the military in the Project area are already demanding payments by local people to support their activities. . . . The local people have been

“Whatever a villager does, it is just for SLORC. If the villagers’ belongings [were gone], they became refugees.”

and probably will continue to be subject to heavy levies of money and food from the military.<sup>10</sup>

Like the Yetagun companies, the people in the pipeline region are thoroughly acquainted with these fees:

At that time, if you didn't want to go, you had to pay 2,500 kyat. I did not have any money to pay, so I had to go with nine other people.<sup>11</sup>

Among 80 people, there were five people who gave money to the military, so they didn't have to go and work. They had to give 3,000 kyat [each].<sup>12</sup>

The demand for money has exacted its toll by forcing many to sell their animals to pay the fees. In the most extreme, but sadly common cases, the fees have obliterated people's resources, and as a result, they have had to flee the region. "[W]e had to give porters' fees and labor fees. I could not suffer [anymore], so I came to Thailand."<sup>13</sup> Villager after villager describes the steady depletion:

The problem was that we had to pay porter fees of 500 kyat per month, and we also had to go for forced labor. Then, if we could not go for the labor, we had to pay. So when we were there, we sold our cow and



Pipeline security at Nat-E-Taung, the point at which the pipelines cross from Burma into Thailand.

buffalo to pay these fees. After we finished with our cattle, we had no choice but to come here. For the other people who still had their belongings, they sold them and paid porter fees and labor fees.<sup>14</sup>

I did not know what we paid for. Sometimes we paid 500 kyat, 1,000 kyat, sometimes 50 kyat. But we did not have any income, so most of the villagers did not want to live in the village.<sup>15</sup>

Family members went to Thailand one-by-one as their savings were drained and they could no longer endure the situation:

I heard about [the pipeline] in 1994. I heard villagers say that the foreign company called Total would build the oil pipeline, and the pipeline would . . . cross part of the village. . . In 1994, SLORC built up their camp near the village, so the situation got worse and worse. At that time, my two older brothers went to Thailand to get jobs because they did not want to stay in the village. Then, in 1995, my two older sisters and my youngest brother went to Thailand as well. I did not want to leave the village, so my parents and I, we stayed in the village. I got married in 1995, but I still stayed with my parents. We had to pay 3,000 kyat for portering and many other things—500, 100, 50 kyat two or three times each month. At last, we had no more money to give, so when the soldiers came, I ran away into the jungle.<sup>16</sup>

## STOLEN FOOD

Through the years, the occupying troops in the pipeline corridor routinely stole food, livestock, and crops. Villagers' basic food staples were taken. For subsistence farmers trying to support their families, the thefts drained their source of income and nutrition. The thefts and requisitioning of food were institutionalized throughout the pipeline region:

In 1998, the Coastal Regional Command ordered that each battalion had to collect 2,000 baskets of rice paddy in their area and send it to them. So each battalion forced the villagers in their area to pay them money or rice paddy. All of the LIB 406, 407, 408, 409 under the Coastal Regional Command forced all the villages in Ye Pyu township [the township through which the pipeline crosses] to provide rice paddy for them. The villages that had many households had less to pay—about two or three baskets per family—but some villages that did not have many households had to pay about five to 10 baskets per family to [the military] battalion for free.<sup>17</sup>

The villagers routinely speak of how the troops in the pipeline region lived off the people—demanding food whenever they wanted:

[The soldiers] came in the village and asked the headman to give them chickens and pigs. . . . I had to [give] chickens for the Burmese soldiers who came every time.<sup>18</sup>

## THE SOLDIER'S LIFE

The pipeline security officers inflicted egregious human rights abuses on civilians in the project area and abused their own soldiers with impunity.<sup>29</sup> The high-ranking officers created an atmosphere of terror within the battalions to train and control soldiers, and life inside the army was fraught with violence and abuse. Though this reality does not excuse the soldiers' actions in the pipeline region, it is important to recognize that the cycle of violence begins within the military, and many of the pipeline troops endured regular brutality and abuse:

[T]he soldiers guarded the workers, and if the worker escaped, [the commander] shouted at the soldiers. So sometimes the soldiers shouted at the villagers because they did not finish their mission on time.<sup>30</sup>

As one deserter explained, soldiers who tried to help villagers doing forced labor faced violence at the hands of their officers:

I felt pity on him, so I helped him to carry two small mortars for him. When an officer saw that I was helping him, he punched me and told me not to show any pity to the porters.<sup>31</sup>

Compounding this particular violence is the fact that, as in other regions of Burma, many of the pipeline troops were forcibly recruited. Others who were not forced often lacked the maturity or alternative opportunities to make informed, meaningful choices about enlistment. In fact, many soldiers securing the pipeline were no more than children, suggesting that the companies turned the same blind eye to the conditions of their security guards that they did to the porters and forced laborers. A typical pipeline soldier, stationed in Eindayaza and Ohnbingwin with LIB 402, recounted, "I was forced to join the military when I was 13 years old."<sup>32</sup> Three years later, at 16, he fled. The youngest soldiers in Total Battalion LIB 282 were also 13 years old, and about 50 of the battalion soldiers were under 16 years old.<sup>33</sup>

It is clear that privates and foot soldiers learned their violent tactics from—and often at the hands of—their superior officers. But the ways in which terror is a weapon is not all that they learned. In a military system already characterized by corruption and greed, the pipeline projects offered new opportunities for exploitation. Officers taught soldiers to steal—and if they could not steal, they could not eat. Rank-and-file soldiers had little deterrence and significant incentive to steal from the villagers, as they were unable to survive on their salaries alone.<sup>34</sup> And while the soldiers were constantly ordered to steal, it was their officers who reaped the benefits:

Our officer [from LIB 402] ordered us to steal the villagers' chickens and ducks. If we could not get it, he did not let us eat. The officer taught us how to steal, told us to steal when people were sleeping and if the chickens made noise we had to escape without the villagers knowing. The villagers knew that the soldiers stole their chicken, but they did not follow up because they were afraid. In four months [we stole] a total of 80 chickens

near Eindayaza. Even though the soldiers stole the chickens, only the officers ate them.<sup>35</sup>

The officers employed many strategies for exploiting those under their command. From ordering soldiers to steal from the companies, to forcing them to work on the pipelines, the officers took advantage of the company presence in the area:

We stole the gas and cement from the company. They kept the supplies in their camp. . . . Our officer asked us to steal. I stole the blocks of wood. Each soldier had to steal two blocks of wood in the camp each night. . . . We had to carry it . . . and sell it. . . . The company knew, but they did not say anything. The company knew, but the foreigners did not know. There were Burmese people working in the company, so we worked together with them. . . . We gave security for them, and we stole their things. . . . But the soldiers did not get anything—only the officers.<sup>36</sup>

In the rainy season in 1997, the pipeline route was destroyed by rain, and we had to fix the pipeline for four months—more than 20 soldiers. None of the company employees did anything. Our commander Zaw Lwin ordered us, so we had to work. . . . We heard but we were not sure that the company gave money to an officer. . . . We did not get paid. While I was working, I just wanted to run and escape from the army.<sup>37</sup>

Another deserter described how soldiers worked in miserable conditions, wearing Total uniforms so that their superior officers could receive pay from Total:

I did not work as an employee on the pipeline. But we were ordered to work in a tricky way. In order to get better food, we pretended to be Total workers, put on Total company uniforms and work on the pipeline. We had to renovate the route that was eroded by water. . . . We got the company uniforms from our officers. . . . Our LIB commander . . . ordered us to work on the pipeline. We had to work in the rain. We were so cold. We did not want to work at all. But he would get money. . . . We didn't get any money, but . . . we heard that our leader would buy soda and blankets, but we did not get anything. We felt hatred and bitterness. . . . It looked like we were hired by the company because the company gave our leader money. We knew it because our commander told us. We had to repair the pipeline not because of our will. It was because we were afraid of his stars and position, his power. We could not refuse his order. We had to do the work.<sup>38</sup>

With soldiers so mistreated, the violence they perpetuated against the villagers was even more predictable. While the suffering of the soldiers does not compare to the abuses against the villagers, soldiers have expressed similar antipathy towards the projects. In the words of a SLORC defector from the pipeline region: “My view about the pipeline [is that] the plain soldiers and the villagers don't benefit. . . . The people who get the profits from the gas pipeline are the foreigners and the leaders in SLORC.”<sup>39</sup>

In 1995, there were soldiers stationed in [Eindayaza]. . . . The soldiers came to the area for the gas pipeline construction security. They were LIBs 404, 405, 273. The battalions changed very often. . . . The village head of Eindayaza said that any time they came into the village, they asked the villagers for food.<sup>19</sup>

In November 1998, troops from LIB 407 . . . came through Zinba village and asked the headman to provide rice for the troops.<sup>20</sup>

There were so many things that we couldn't do unless we gave [the soldiers] presents like chickens and ducks.<sup>21</sup>

While villagers were barely surviving, soldiers wasted food, taking just what they wanted and often destroying the rest. The SLORC troops practiced a scorched-earth policy at times—burning rice stores and plantations, further destroying the villagers' means of survival:

Then we slept in Mayanchaung. I had to carry backpacks and ammunition. After three days, we went back to Total's place at Mile 52. [The soldiers] gave me a piece of pork and some rice. They got pork from Michaunglaung villagers. I saw the soldiers shoot about four or five buffaloes. . . . They just took the legs and arms of the buffaloes. The [rest] was left behind.<sup>22</sup>

I had a farm that could produce 10 big tins of rice paddy, but the farm

was in the area that SLORC troops were patrolling, so we dared not to stay there anymore. After we finish harvesting, we left all the paddy at that place. Then we moved to another village . . . . SLORC's troop took the paddy that we already harvested. . . . [What] they could not carry, they just burned.<sup>23</sup>

In 1996 . . . LIB 409 was cruel. They killed the villagers' cows and buffaloes for their food. Also, they cut down the betel nut trees, coconut trees.<sup>24</sup>

In . . . 1998, LIB 405 stole five cows. . . LIB 410 burned a Zinba villager's sugarcane plantation for no reason.<sup>25</sup> In September 1998, [two majors] from LIB 408 captured 100 buffaloes from the buffalo traders and asked our villagers to drive all of the buffaloes to their outpost. That was the usual way that the troops did things.<sup>26</sup>

Soldiers—at least some of them—clearly recognized that in taking the villagers' livestock, food, and belongings, they were acting well beyond permissible bounds. Deserters noted the horrible consequences of this military theft:

When I arrived at [the] LIB, Michaunglaung village had already been relocated to the new place. I had been to the old Michaunglaung four times, and I saw the soldiers stealing the villagers' belongings and house supplies and cutting down the villagers' plantations. At that time,

the villagers in the new place were not allowed to come back to work on their farms. Therefore, the troops . . . were taking the belongings of the villagers and destroying the plantations of the villagers. In my opinion, the way that the villagers had to relocate to the new village was very bad for their survival because the people in the rural area love their plantations, animals, farms. And I think it would be very hard for them to survive in the new place because the new place was tightly controlled by the troops.<sup>27</sup>

When we [from LIB 402] stayed at Eindayaza, the soldiers killed cows and buffalo for food without asking permission. To do this, we got permission from our officer. The officer told us to shoot the villagers' cows and buffalo when they passed by our place without the villagers knowing. . . . When the villagers came and asked for their animals, the soldiers told them that they did not know anything about it.<sup>28</sup>

#### U N W A N T E D   G U E S T S

It was not enough that the army forced villagers to build their bases and give them money, and in return, stole their food. They would also often require people in the pipeline region to host them without compensation for indefinite periods. For example, one villager said, "LIB 407 [was] staying in our village. . . . They did not build their outpost. However, they stayed in the houses of villagers."<sup>40</sup> Patrolling troops would stay in villagers' homes without permission, tak-

ing food, animals, clothing—whatever they wanted—while they were there:

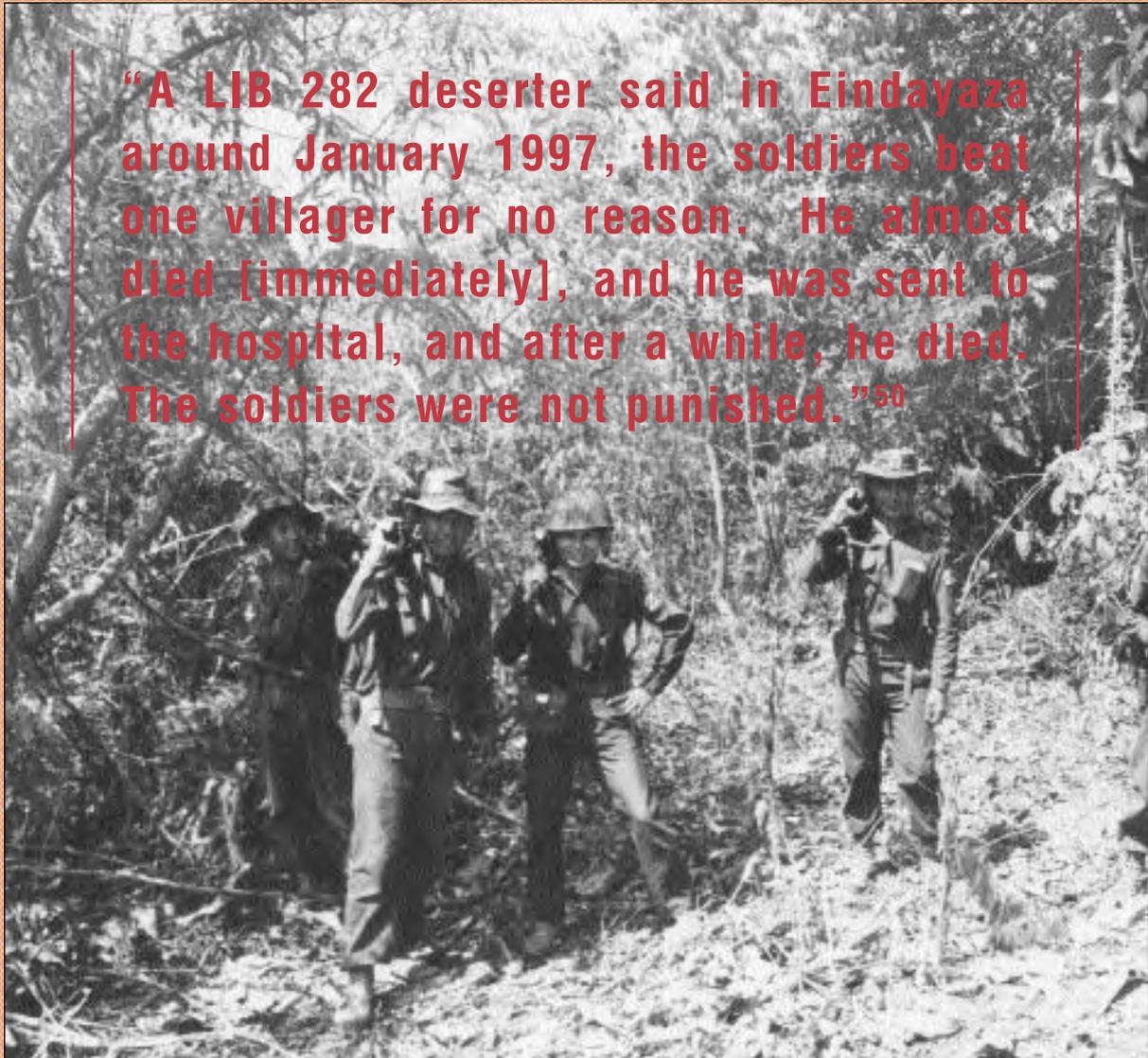
Without asking any permission from my parents, 10 [soldiers] stayed in our house. . . . The officer and his bodyguard were living [upstairs] in the house while other soldiers lived on the ground floor. . . . They used our kitchen and never collected firewood and water for cooking. They simply used our water and firewood that I had collected. We dared not tell them not to use [it]. . . . In order for us to get water, it was not easy. We had to go so far to get it as well as the firewood. They cooked twice a day. They just cooked our rice without asking permission. . . . They stole eggs, and they asked for the chickens. We dared not to refuse. We had to give it to them. Now because we gave them chickens all the time, we did not have any chickens. And also we lost our plates and clothes, and sometimes, they used our cooking pots and plates, but they never cleaned after using them.<sup>41</sup>

When they did not simply take food, the troops ordered villagers to provide it for them:

Sometimes the troops [from a Total battalion] were situated in my village, and they stayed at villagers' houses. When they were situated in the village, the headman had to arrange for their food.<sup>42</sup>

In the rainy season, SLORC came to our village once or twice a month. But in the early summer, SLORC

**“A LIB 282 deserter said in Eindayaza around January 1997, the soldiers beat one villager for no reason. He almost died [immediately], and he was sent to the hospital, and after a while, he died. The soldiers were not punished.”<sup>50</sup>**



#### TORTURING WITH IMPUNITY

Violence, torture, and death follow the Burmese army wherever they go. The pipeline region is no exception. The U.N. Special Rapporteur for Human Rights in Burma has reported on summary executions that were carried out in August 1994 by LIB 408, which is based in Kaleinaung.<sup>45</sup> Villagers report the same mayhem:

Before our village was relocated, the military killed many villagers in my village. Even though they were civilians, the soldiers did not trust them, so they were killed. I remembered one of [my relatives] was killed. That time I knew two civilians were shot to death.<sup>46</sup>

As is the case throughout the country, the violence can be sparked by the smallest of things—taking a rest under a tree, or visiting Thailand – or even nothing at all:

I once had an experience [while portering] when the soldiers asked me to go to climb up a coconut tree, and I did. After that, I came down, and he asked me to cut it for him. . . . We only had one knife, and my friend had cut it already, so I went under the tree and took a rest. Then the leader called me and slapped me on my ears two times. It hurt a lot, and I got dizzy.<sup>47</sup>

Last year my relative went to the border and when he came back the soldier captured him and tortured him. His mother had to go with a village headman and pay a lot of money to the soldiers. . . . Before, [another villager] was captured by the soldiers and put in the jail for three years. He did not do anything wrong, but the soldiers tortured him until he could not get up.<sup>48</sup>

Young boys forced to porter in the pipeline region were accused of supporting armed ethnic groups and beaten for not carrying their loads fast enough. They were threatened with death if they could not walk fast enough. Their youth, size, or other physical limitations gave them no protection from the soldiers:

He was Mon, a young little boy who was about 12 to 13 years old. He was very tired from walking the whole day. He was a small, young, skinny person. At that time, he looked very tired and very weak. That was why he was not able to walk any faster. However, the soldiers told him: "You are really not tired but you are just pretending to be a tired person. If you had to carry things for the [rebel] soldiers you would try your best but if we order you to do something you say you can't carry [it]. . . . Just shut up. Keep going faster." Unfortunately, he could not move faster. So they kicked and beat him many times and forced him to carry on faster. . . . Two soldiers kicked him with their jungle boots. The poor Mon teenager little boy fell down, and the soldiers bruised his whole back by kicking him. He did not cry or say anything, but he looked very afraid, upset, and angry. I thought that he could not keep carrying things because he was very tired and very hurt from being kicked. But when he heard the soldiers say they would kill him if he did not keep going, he tried to rise with all his strength because he was afraid to die. We had to encourage him to carry on. They pointed the gun and knife at him to shoot or to stab him. I was not sure whether they would kill him if he really could not keep carrying on or not. But we did not want to see that happen. However, the best way to stop the case was to encourage him to follow the soldiers' orders. Luckily he saved his life by continuing to carry on.<sup>49</sup>

Many died from the beatings and torture they received. They paid the ultimate price, but soldiers went unpunished:

A LIB 282 deserter said in Eidayaza around January 1997, the soldiers beat one villager for no reason. He almost died [immediately], and he was sent to the hospital, and after a while, he died. The soldiers were not punished.<sup>50</sup>

came very often, and sometimes they stayed in our village for one or two weeks. The villagers had to give them hens and pigs and food. I did not want to stay there anymore because the situation became worse.<sup>43</sup>

As guests, the Burmese army demanded not only the typical amenities from their hosts. Soldiers often committed sexual violence against the village women as part of their “prerogative” as occupiers:

In 1996, LIB 407 came and stayed at our house once. Nine of them came and stayed in my house without permission. The group’s responsibility was to take security of the road at Michaunglaung. While the LIB 407 came and stayed, a 17-year-old soldier . . . wrote a love letter to me. I completely ignored and refused his request. In the nighttime when my parents were not home, I went to my friend’s house and invited her to come and sleep with me because I was scared of the soldiers. At midnight I wanted to go to toilet, so I went to the toilet alone. On the way [the soldier] grabbed my hand and asked me to love him. I was really afraid that he is going to do something to me, so I tried very hard to escape. Finally, I was safe. Then I did not dare to go to the toilet. I just had to go back to bed without using [the toilet] for the whole night. Whenever the soldiers were in the village, we felt like we lost our rights. I was afraid of them. We dared not go where we used to go. I dared not sleep alone when my parents were not around.<sup>44</sup>

## FORCED TO FEED SLORC

Recently, the pipeline soldiers instituted a new kind of slavery, in which they require villagers to grow food for them. In some cases, the army simply takes existing farmland from villages and appropriates it with forced labor:

In July 1998, LIB 410 took half of [a villager’s] rice field and made it the military rice field. [The villager] owned about 70 acres. They forced the villagers in Zinba to plow, and the soldiers took care of the field. . . . In November 1998, after they gathered all the rice to their outpost, they continued to use his field and plant vegetables and beans. The troops also took the other villagers’ land.<sup>51</sup>

In other cases, the army requires villagers to clear fallow land and create new farms:

[In 1995,] the troops came into the village at nighttime and seized 10 villagers, including me. In the morning, we had to go to the place and do forced labor on LIB 410’s farm. . . . [Villagers] had made a big farm for the troops. . . . The villagers had to work on that farm for the whole year. At the heaviest time, there were about 60 villagers working, including women. It took 60 people seven days to finish the whole farm. We had to bring our own tools and food. There were about 20 women. They separated the women and men at nighttime. Moreover, soldiers visited the women villagers every night.<sup>52</sup>

The military, who came and stayed close to [Eindayaza] for the gas pipeline security, forced the villagers to plant cashew trees for them. LIB 401 asked villagers to clear five acres. . . . The villagers had to gather together and finished it within in two or three days. The villagers had to plant five acres of cashew trees for both LIB 402 and 407 as well.<sup>53</sup>

Clearing and planting new land can be back-breaking work, a difficulty compounded when it is uncompensated and involuntary:

In July 1998, LIB 408 was ordered by the Strategic Command #8 [that controls the pipeline area] that they had to have their own farm and rice field in order to support themselves. . . . [T]he soldiers forced villagers from Ye Bone, Kyauk Shout . . . to clean the forest and make rice farms. In total, they established 80 acres of rice farms. The villagers had to cut the trees and bushes for the new farms. The soldiers used the villagers' labor to make their farming projects. They called one person from each household and forced villagers to plow and plant rice and clean the grass or other small plants that are bad for the rice farm. . . . [Despite this,] in November 1998, LIB 408 asked the villagers to provide five baskets of rice paddy per family without payment. SLORC troops did not allow the [villagers] to go out of their village to farm, [so] the villagers did not have rice paddy to give to the troops. But they did cut bamboo and

trees to earn money to buy the rice paddy that the troops asked for. The current price for one basket is 500 kyat, so each family had to pay 2,500 kyat.<sup>54</sup>

And like the other examples of forced labor in this region, villagers can buy their way out of enslavement with money they cannot afford to spend:

[Villagers] had to plant summer rice paddy for LIB 273. It was about 60 acres. . . . [The] villagers had to do everything from planting the rice paddy until they harvested [it] on a rotation basis. If the people did not want to go for labor, they had to pay 500 kyat.<sup>55</sup>

## A CULTURE DESTROYED

SLORC destroyed a way of life in the pipeline region. By making it impossible for villagers to survive on their ancestral lands, the military helped to destroy the traditional cultures in the area. Many of the local people had lived in their villages their entire lives. Tavoyans and people near the coast had fished in the surrounding sea. Some peoples—such as the Karen and Mon—have traditional cultural connections to their environments and ecosystems. And Christian villagers felt a particular form of persecution: “As I was a [Christian], I felt very [bad] that I and all the Christian villagers had to work on Sunday.”<sup>61</sup> Other people's culture stemmed from a special relationship with the land. Some had inherited lands from their ancestors. For these villagers, leaving the area is tantamount to abandoning these ancestors and denying a

long-standing bond with the land:

Though we would like to sustain our ancestors' property such as their land, houses, orchards, . . . we could not endure the various kinds of persecution. Thus, we left our homes and property and escaped even though we wanted to sustain it and did not want to leave.<sup>62</sup>

I did not know anything about why our village had to move. I really enjoyed the old place because I stayed in that place when I was a child. I do not like the new place. . . .<sup>63</sup>

Not only did villagers feel that they could not take care of their lands; they also felt that their livelihoods were being destroyed. Those lucky enough to reach their farms

### RAPING WITH IMPUNITY

The Burmese military routinely practices sexual violence against women, especially ethnic women in border regions such as the pipeline area.<sup>56</sup> Pipeline security troops committed the same violations, devastating the lives of women in the region. Some officers were notorious, even among the soldiers:

In our LIB [407], our officers raped two Mon women. . . . The two women and I, we were like sisters and brother. . . . They came and told our captain that they were raped by [another] Captain. The night when four of them . . . were sleeping, [this] captain came into their house and raped them. Two of them were still young, and the other two were teenagers. . . . When [this] captain came into their home, two of them fled and the other two could not run because one of them was so young and still held on to her older sister [so that] she could not run away from the captain. So the captain grabbed her and pushed her younger sister under the house and pointed his gun at her to keep her from shouting. So the captain raped her. At that time, their parents were away cultivating the farm. . . . This captain was very rude and [he was] worse when he was drunk. I also heard he did the same thing to other women.<sup>57</sup>

Soldiers knew when other soldiers raped women in the region. One deserter reported numerous incidents of which he was aware, including a rape by a Total battalion soldier from LIB 282 and rapes by soldiers from LIB 410, which was based in Kaleinaung:

In the night, the sergeant who we called "one arm" because he had one hand, he came into the place and raped a woman, and later he was put in prison. At that time, her husband was at the front line. I did not see what he did exactly, but I saw he went into the bushes, and I also heard the woman crying. The next time I heard that [soldiers from] LIB 410 raped two women. They were from Kaleinaung. I heard it from our battalion

often found them depleted from neglect:

We built our house, and we were farming, but the problem was that we were not allowed to go to our farms whenever we wanted. Sometimes we could not go to our farm for two weeks or 20 days, so we could not take care of our farm on time, [and] so we barely got anything from our

farm. So we were facing the hardship pretty badly.<sup>64</sup>

When the village was moved, no one in our family looked after the farm, and it was getting [overgrown]. . . . [W]hen the forest burned, [some] parts were destroyed. Before the village was moved, we could produce more than 30,000 betel nuts, and we could get enough coconuts, mangos,

commander. . . . The soldier in LIB 282 raped a Mon woman when she went to the market in the evening. I knew it because he was put in prison after he raped that woman.<sup>58</sup>

Although occasionally soldiers are jailed for the rapes they commit, the wrongs of the Burmese soldier often go unpunished. Rape, when reported, is often ignored by the military, who protect their own:

[In August 1998,] LIB 273 was always around that village. . . . [O]n the way back from the video shop, four men wearing uniforms grabbed [a woman] and took her to the side of the road. And these four men covered her face with clothes and stripped her and rapidly raped her one by one. . . . [The woman] told the officer to take action about that rape. But everything that she said was ignored. . . . Most of the villagers were so angry with what happened, but they could not do anything.<sup>59</sup>

#### PROSTITUTION

If there is a large number of outside males coming to work in the area, it will be extremely difficult to stop entrepreneurs bringing prostitutes in. Since AIDS education in Myanmar is not yet a government priority, many locals will possibly be affected by the disease. One must bear in mind, moreover, that it is likely that local young women will be lured by those coming from the other side of the border to work as prostitutes in Thailand. This has been happening in other areas on the Thailand-Myanmar border.

—1996 Socio-Cultural Report for the Yetagun Project<sup>60</sup>

and jack fruit for our family. But now we can get just a little amount of all kinds of fruit because some are destroyed by squirrels, and some stolen by soldiers.<sup>65</sup>

Those who had traditionally fished for their survival discovered their livelihoods similarly destroyed. In the name of pipeline security, the army has curtailed people's fishing opportunities. Those still allowed to fish find that it is hardly worthwhile, as the military takes their best catch:

[The soldiers] do not allow fishing at nighttime. LIB 273 [a Total battalion] stopped them because they had to take security for the gas pipeline area. For the fisherman, they could not catch many fish in the daytime. Therefore, they had problems with food money. Also if they went to Kanbawk to sell the fish, they had to sign their name at the guard station of the water security group. It was under the LIB 273's control. When soldiers stopped [them] and [they] signed their names, the fishermen had to give [some] fish . . . to the gate.<sup>66</sup>

When I was [first] in the village, I worked as a fisherman, and there were no limits to where I could fish. [Later], there were limits and restrictions controlling where I could go to fish. Anytime that we went out to fish, we had to go to the outpost to register where we were going. . . . We were not allowed to fish [in one area] because the Total company built a structure with a big light, and they told us that the fishing boats could

not go in that area. [W]e often had to give fish to the LIB 407. Every time we saw them, they took our best, most expensive fish. . . . I realized that I could not earn enough money for my family by fishing, so I left my fishing job and came to Thailand.<sup>67</sup>

And many are simply unable to fish, as travel restrictions or forced labor requirements make it impossible:

Starting in September 1996, SLORC inhibited all the fisherman at Daminseik. . . . Most of the villagers . . . are fisherman, so they are facing the biggest problem. Some are still fishing around the coast, but absolutely cannot get close to the pipeline route. That is why so many villagers are coming to Thailand—because there are no other means for them to survive in that area.<sup>68</sup>

In May 1997, I just wanted to do my own work as a fisherman [from Michaugei]. The problem with fishing is that we had to provide passenger boats to the military. We had to work for the military, and one rotation was for 10 or 15 days. . . . We had to carry the military supplies and food from place to place in that area.<sup>69</sup>

Before Total came, people were able to fish freely, and there were no restrictions on fishermen's movements.<sup>70</sup>

Like farmers and fisherfolk, hunters in the

“Before Total came, people were able to fish freely, and there were no restrictions on fishermen’s movements.”



## KILLING WITH IMPUNITY

In early 1996, there was a rocket attack near the Total compound. In retaliation for the attack, the Burmese troops summarily executed Karen villagers in the area.<sup>74</sup> The executions terrified the community and drove families to flee:

There was an explosion . . . and I thought it must be a big bomb. It was near the place where the foreigners stayed, but I did not know anything at that time because I was in the jungle cutting firewood, and I slept there. In the morning when I went to sell my firewood, I heard other people talk about it. . . . The soldiers came into our village and asked who did it. We could not tell because we did not know, and so they came and arrested some people and killed them. I worried about it so I fled away to escape just outside my village and to listen to what might happen next. The situation became worse and worse and I was afraid so I escaped.<sup>75</sup>

There was a bomb explosion in Kanbauk. At that time, my son was portering, but he ran away. He came to me and said, “[the soldiers] were catching some villagers and torturing them. Some people died. I think we should not stay here because SLORC asked me to go and see what was going on in Kanbauk, but I escaped on the way.” So my family and I, we left the village.<sup>76</sup>

At that time, SLORC killed some people in my village, and they tried to catch more villagers to find out who did the attack in Kanbauk. But I am sure that the people who were killed by SLORC were not responsible and that they did not know anything about the explosion. . . . I was afraid that they would catch me and kill me, so I left my village.<sup>77</sup>

Villagers with no connection to rebel groups were summarily executed by the pipeline security troops:

None of those who were killed belong to the rebel groups. [One villager I knew who was killed] was very gentle, and he would never go against the soldiers. Even if you went and put your hand into his mouth, he would not bite it. He was very quiet. I knew that the soldiers were going to arrest us all, so I dared not to stay and ran away.<sup>78</sup>

Unfortunately, one [of my relatives] was not at home [and did not flee with us].

He was in the jungle with his friend. He was doing logging with elephants. . . . He was 16 years old and unmarried. When we arrived at the refugee camp, I heard from a Burmese woman that he was killed by SLORC. [We were not in any armed group.] I am a villager that worked hard for my family, and my [relative] was the same.<sup>79</sup>

SLORC killed [one of my relatives]. He was the same as me. We were farmers, and we had quite a large amount of land, and we had a bull cart. We worked so hard for a living. I do not know why SLORC killed him.<sup>80</sup>

#### HUMAN MINESWEEPS

Following the attack near Kanbauk in early 1996, villagers from the surrounding area were forced to search the environs for land mines. Villagers heard that Total would pay them for the work—but in the end they got nothing:

The terrible thing that the military made villagers do was secure the Total base after the attack launched on Total's Kanbauk headquarters in the hot season of 1996. . . . One person from every house had to go to clear mines. The villagers had to go all over the place to find out whether the land mines were set up or not. . . . We had to start . . . at the Michaungei monastery [and go] to Pyingyi and Eindayaza. I cannot say how many people had to go. We were guarded by a lot of soldiers. The soldiers guarded from far way on the car road and up on the hill. We had to go through the jungle and clear the bushes the whole day, but luckily we did not find or step on any land mines. We were very frightened of the land mines. When I first went, I did not think we would be paid, but when we went we heard that Total would pay us. I did not know how much, but I didn't ever get paid or see any money.<sup>81</sup>

“It seems artificial to separate the construction of the pipeline . . . from the measures taken by the Burmese regime to ensure its safety. . . . These security measures were what generated forced labor and population displacements in the area.”

pipeline region experienced the same problems:

In 1996, the Burmese military . . . forbid villagers in Kanbauk from going outside the village into the jungle at any time. They could leave by the road, but only between 6 a.m. and 8 p.m., or they'd be killed. . . . Also, villagers who used to hunt and eat deer and monkey were no longer allowed to go hunting because the military didn't want them to go into the jungle.<sup>71</sup>

Nor were traders exempt from the tight control of the military, which threatened their livelihoods as well:

Before the soldiers came to this area, we had freedom to buy and sell things from Thailand, and we could possess some money. After the soldiers came here, the local people's businesses didn't run very well like before. We lost our freedom of movement and doing business. . . . The soldiers were checking every

movement of the villagers, so we felt the situation got tight. That's why we were scared and dared not do our business very well.<sup>72</sup>

The pipeline projects have ruined the lives of local peoples in an astounding variety of ways. Villagers suffer torture, rape, and murder by the soldiers which is both random—one never knows who will be victimized—and consistent, in that it always happens to someone. A region that was not wealthy materially, but was largely self-sufficient and sustainable, is no longer. Farmers, plantation owners, fishermen, and local traders have all lost or decreased their livelihoods. People's movements have been restricted, limiting their abilities to practice their traditional ways of life. Their homes, farms, labor, and food have been hijacked by the military, which functions as an occupying army there to protect two pipelines. As one deserter soldier explains:

In my view about the pipeline, the plain soldiers and the villagers don't benefit. . . . For the villagers, it is the worst. I can give [an] example, the

time when we came and built up our LIB in 1996, and we took five months to build the place for us, and the villagers had to do it for us. We have lots of soldiers and different LIBs. Imagine the work that the villagers had to do for us. Moreover, they had to go to give labor, porters, work on the railway and the gas pipeline. The villagers have their own families, and they have to worry for the daily food also, not just work for the soldiers, the pipeline, and the railroad. . . . If you ask the people from Burma, “Why are you coming to Thailand?” they will answer you it is because of porters and forced labor. The people who get the profit from the gas pipeline were the foreigners and the leaders in SLORC.<sup>73</sup>

Because of the pipelines, the people in the Tenasserim area are living under military occupation. As demonstrated, the Burmese army is not a benign occupier: it carves out a path of demands and deprivation, of destroyed cultures, and of violence and mayhem. The military has transformed the people from self-sufficient villagers into veritable serfs, forcing them to grow food, hand over crops and animals, and pay for the privilege of surviving on their own lands. With the pipelines came the army. With the army came oppression—oppression severe enough to cause an exodus from the pipeline region, irreparably shattering lives, families and communities for the sake of investment.

#### CORPORATE SECURITY

SLORC security was absolutely essential to the viability of the project from the start. In

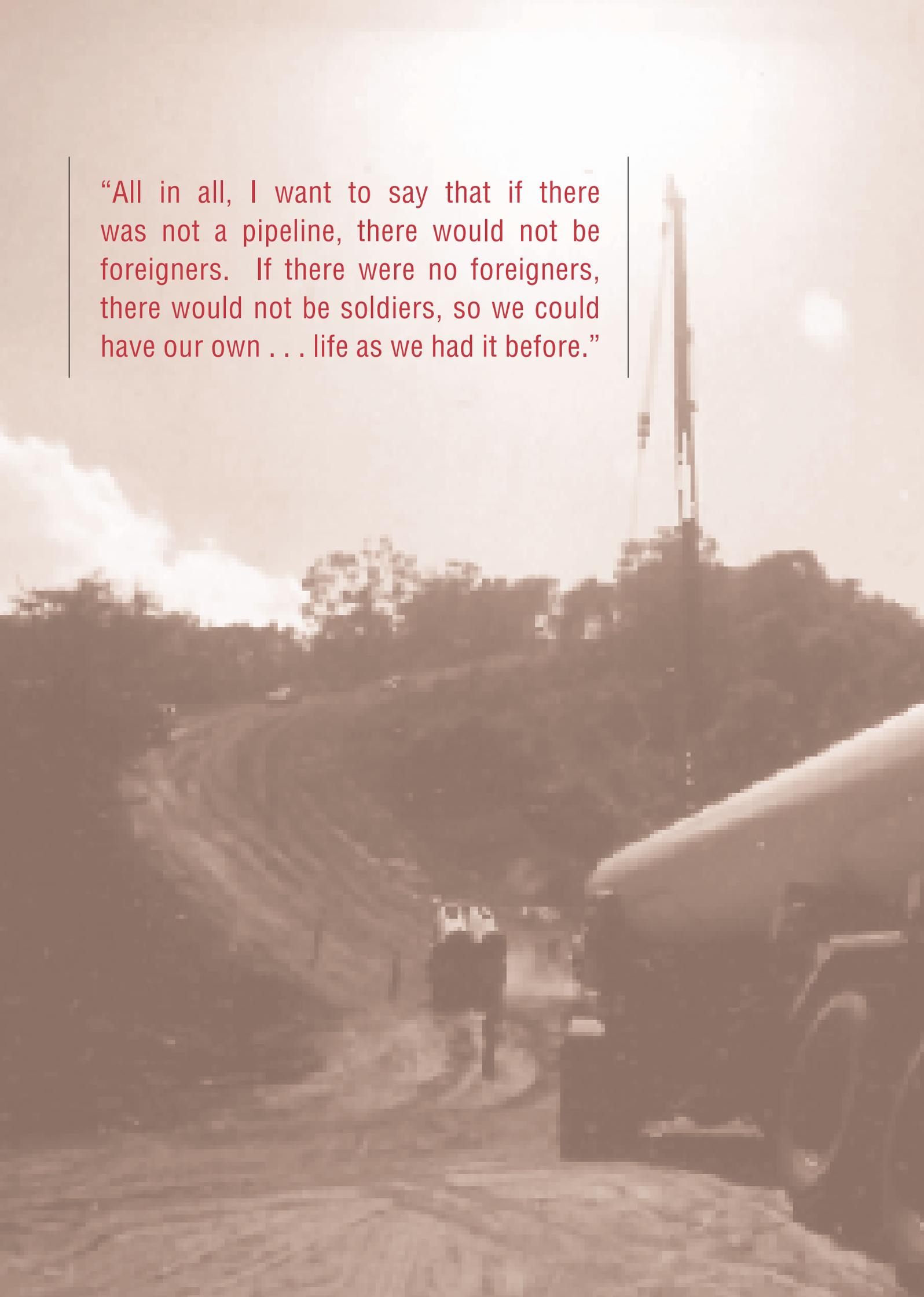
October 1999, a French parliamentary mission investigating the pipeline agreed. After an extensive inquiry, the parliamentarians found that the partnership—the absolute interdependence of the companies and the military—rendered corporate attempts at separation and line-drawing arbitrary and misleading. Further, their investigation concluded that this security relationship was the fundamental cause of the human rights abuses in the region:

It seems artificial to separate the construction of the pipeline which required the hiring of qualified labor and considerable technical means from the measures taken by the Burmese regime to ensure its safety. . . . These security measures were what generated forced labor and population displacements in the area<sup>82</sup> [It seems artificial to separate the construction of the pipeline . . . from the measures taken by the Burmese regime to ensure its safety. . . . These security measures were what generated forced labor and population displacements in the area—French Parliamentary Mission, October 1999]

The U.S. Embassy independently came to the same conclusion, observing that “it is impossible to operate in a completely abuse-free environment when you have the Burmese government as a partner.”<sup>83</sup>

The companies’ decision to give SLORC the responsibility of providing labor for pipeline infrastructure and for “hiring” villagers to porter its supplies constitutes a direct link between the companies and the abuses. This link highlights the recklessness and lack of responsibility that the companies have

“All in all, I want to say that if there was not a pipeline, there would not be foreigners. If there were no foreigners, there would not be soldiers, so we could have our own . . . life as we had it before.”



demonstrated throughout the life of these projects. All the companies' efforts to hide behind their public relations materials cannot mask these violations of the fundamental human rights of local villagers forced to work on their behalf. In spite of overwhelming evidence to the contrary, the companies still claim the villagers want them to stay:

Invariably, the people of these countries have welcomed our presence. Unocal is firmly committed to being a good corporate citizen wherever we work. We believe that Myanmar will be a better country in the future because of our investment today.<sup>84</sup>

Given the chance to speak openly in their country, many villagers would disagree:

All in all, I want to say that if there was not a pipeline, there would not be foreigners. If there were no foreigners, there would not be soldiers, so we could have our own . . . life as we had it before.<sup>85</sup>

## CONCLUSION

The abuses that are occurring in the pipeline region are universally condemned violations of fundamental rights such as the right to life, and freedom from torture and rape. The forced labor and portering are carried out in slave-like conditions. Unfortunately, the villagers whose lives have been destroyed by the pipeline have no opportunity to speak out or seek justice in their own country. Burma is a country devoid of the rule of law; and courts, if they operate at all, do not offer any fair redress or remedies. Speaking out against the military or its corporate support-

ers for their abuses is a dangerous business, and victims have no choice but to suffer in silence or flee.

In a working justice system, the abuses they have endured could lead to criminal prosecution—and large monetary awards against the investors. Absent a forum in which to hold accountable the perpetrators of these human rights abuse, the solution is to not give the SLORC military an explicit contractual role in the project. What this means, in practical terms, is that the solution is not to engage the regime. SLORC has the guns, the dismal human rights record, and they terrorize their people. They also have shown no inclination to listen to efforts to move toward democracy and the protection of human rights. The solution for socially conscious investors is easy. Don't invest.

# PART THREE

## WHITEWASH, GREENWASH & MONEY

*Our social responsibility programme will ensure that all our operations become ‘islands of integrity’. . . We are blazing a trail that other oil and gas companies will follow.*

— Premier Oil, 1999 Annual Report<sup>1</sup>

*The Yadana energy development project is helping to promote peace and prosperity through the Myanmar-Thailand region. We offer this project as a model of corporate responsibility in a developing country. . . . Our goal at Unocal is to operate as an “island of integrity” wherever we do business.*

— Unocal’s Website, April 2000<sup>2</sup>

*Premier Oil had said that they had been given the green light by the Foreign Office. I was very angry at that. . . . we made it clear to Premier Oil that we would prefer it . . . if they ceased their investment within Burma.*

—Robin Cook, Britain’s Foreign Secretary, April 20, 2000<sup>3</sup>

*Amnesty International is astonished that Premier Oil, in response to a call by the UK Government that it withdraw from Myanmar, has reportedly said in a news wire story that the company’s ongoing dialogue with Amnesty International “had made a significant difference in Myanmar.” The organization does not believe that this is the case. In fact, the human rights situation there continues to be extremely grave. . . . Amnesty International calls upon companies such as Premier, which believe that their presence in Myanmar can effect positive change, to demonstrate what effective improvements their presence has brought about. Amnesty does not endorse such a presence.*

—Amnesty International, “Public Statement: Myanmar and Premier Oil,” April 12, 2000<sup>4</sup>



**C**orporate misinformation surrounding the Yadana and Yetagun pipelines has penetrated every facet of the project. Whether the companies are talking about human rights, the environment, the contracts, or the money going to the Burmese regime, the companies would have the world believe that their projects are “islands of integrity” and “models of corporate responsibility.” Company reports, websites, and socioeconomic projects are all designed to deflect attention from the critical role SLORC has played in the projects and the resulting abuses—both human and environmental. Any mention of the Burmese military and security operations in the region is conspicuously absent from company public relations materials. The military and the security have always been essential to the projects, and to omit this from their materials is grossly misleading. The partnerships between the consortiums, the generals and the SLORC troops in the pipeline region are at the center of the pipeline story. These relationships will bring the regime hundreds of millions of dollars at a time when they are desperately in need of hard currency. And these relationships have resulted in the widespread suffering of the people of Burma and the destruction of important environmental areas. No amount of whitewash or greenwash that the companies undertake can clean the blood from their hands.

## FORCED SMILES AND BROKEN PROMISES

Unocal, Total, and Premier want the world to believe that their pipelines are good for the people of Burma, especially the villages in the pipeline region. The companies purport to give special attention and assistance to these villages, creating jobs, building schools and hospitals, and distributing new wealth. Central to this rhetoric are the highly-publicized socioeconomic programs, to which the companies point when highlighting their genuine concern for the people in the region. They maintain that their project enjoys local support, emphasizing that people smile at their staff. But behind these smiles, there are other, unhappy stories.

While the companies claim that the development projects are for the local people alone, in reality they are motivated by self-interest. In fact, the community development projects are part of the companies' overall security plan for their investment—the same security plan that brought thousands of SLORC troops to the region for the first time.<sup>7</sup> But the driving force behind the development projects is not the only way in which the companies have attempted to mislead the public about the projects; the projects in and of themselves are failures. The relatively few jobs generated by the projects have gone pre-

dominantly to outsiders, workers from Rangoon or friends of the military. Inflation caused by the companies' presence has made it impossible for all but the wealthiest to buy goods, even staples, without hardship. The pipelines have brought more poverty than wealth to the local people, as the military was pushed its way into the economic arena by taking over many local businesses.

This corporate whitewash is plain to the villagers who generally see the programs as handouts—"leftover scraps given to a dog, so he won't bite back." A few extra hospitals do little to help the men and women who are raped, tortured, and killed, and a few more schools do not stop children from being enslaved as laborers and military porters. Building schools does not alleviate responsibility for murder, torture, and rape.] In the end, the villagers may smile at the foreigners, but they do so under orders from the army.

## THE "PIPELINE VILLAGES"

Premier, Unocal, and Total assert that their projects only touch 16 "pipeline villages" in the very immediate vicinity of the routes—the so-called "island of integrity" of which they boast. As this report has shown, however, no villages are immune from the abuses of SLORC's pipeline security. Villagers from

**Building schools does not alleviate responsibility for murder, torture, and rape. In the end, the villagers may smile at the foreigners, but they do so because the army orders them to do so.**

# DENIAL

## FORCED SMILES



*I saw firsthand the positive impact of the good works we're undertaking. Our group was warmly received by the local residents everywhere we went. Everyone we spoke with supported the pipeline project. They clearly do not want us to leave.*

—Roger Beach, Chief Executive Officer, Unocal, Press Release, December 19, 1996<sup>8</sup>

*The truth is that the military asked us to smile or be happy.*

—Anonymous Villager from the Pipeline Region, 1998<sup>9</sup>

One villager explained that “[T]he villagers [had] to smile whenever they saw the foreigners to be safe from the scolding or swearing from the military. . . . The villagers who seemed sad, they scolded them; and so later, the headman asked the villagers to smile and be happy whenever they saw the employees.”<sup>10</sup> The opening ceremony for the Yadana pipeline on July 1, 1998, the date on which the pipeline was contractually scheduled to begin production, provides one of the most striking—and literal—examples of forced smiles for the companies. Although gas did not begin flowing that day, the companies maintained appearances by holding a celebration. Per military orders, local peoples maintained appearances as well. Thousands from surrounding villages were forced by the pipeline security battalions to attend the opening ceremony. The SLORC order, as always, was non-negotiable.

## ORDER

The opening ceremonies for the oil pipeline will take place on July 1st. It is mandatory that all of the villagers from the following communities attend the ceremony.

Kanbawk Village (1,200 people)	Gagawtaung Village (100 people)
Zadi Village (450 people)	Ohnbingwin Village (500 people)
Pachaung Village (100 people)	Peyah Village (150 people)
Pyingyi Village (50 people)	Meplaw Village (100 People)
Paung Htaw Village (500 people)	

Preparations must be made for the rehearsals to begin on June 28, at 08.00 a.m. Representatives from the following villages must attend the rehearsal:

KKanbawk Village (25 people)	Pyingyi Village (1 person)
Zadi Village (2 people)	Meplaw Village (2 people)
Pachaung Village (2 people)	

Each village, except Kanbawk and Ownbingwin villages, must also send one chairperson to the Pawpengwin office on June 27th at 16:00. Each village must submit the name of their chairperson as well as the date and time that they will arrive at the headquarters.”<sup>11</sup>

the “pipeline villages” have not been exempt from the forced labor on the pipeline route and helipads. Foreigners have seen it occurring and paid conscripted workers after the fact. There are no islands of integrity in the immediate pipeline region or beyond.

Accounts from the region do indicate, however, that SLORC did not always engage in its usual methods of abuse in the 16 pipeline villages. When foreigners were present they attempted to hide their brutality or make forced labor appear to be voluntary and paid. Rather than changing or eliminating their use of forced labor, the soldiers simply adjusted their recruitment methods, continuing to conscript villager labor from these villages—but doing so by randomly grabbing the people off their farms and along the road instead of through formalized orders. One villager said, “My friends told me that even though Total says it is protecting the 13 villages from forced labor, the villagers must secretly go to porter for the army.”<sup>12</sup> Since the projects began, the “pipeline villages” have not been immune from SLORC’s brutal tactics. The fact remains that the foreigners were the impetus for the military presence. That the foreigners chose not to see what was happening does not justify their attempts to whitewash the devastation their project has caused. Statements like the following do not appear in their public relations materials: Herve Chagneux, Total’s coordinator for Myanmar and Thailand, said, “All we can really guarantee is what we [ourselves] are doing, . . . What is being done nearby we do not know.”<sup>13</sup> Unocal’s John Imle said, “what the military may or may not have done, nobody knows about.”<sup>14</sup> And nobody will find accounts such as this in the company brochures touting development and islands of integrity:

[In 1998,] people in Zinba . . . always had to work for the military camps, and the villagers always had to porter with patrolling troops around the Mai Kai area. . . . [V]illagers wanted to report it to the Total company, but they were threatened by the local troops that “the company will leave soon, and they cannot protect you. If you report what you have to do for us, the company can help you for a while, but after they leave, you will know who the hell we are.”<sup>15</sup>

#### BEYOND THE 16 VILLAGES

While taking advantage of the benefit of militarization well beyond the route and the 16 villages, the companies continue to narrowly define their project to those sites. In reality, the pipelines have had a devastating effect far beyond these “pipeline villages.” Porters, for example, have been conscripted not only from villages in the immediate vicinity of the pipeline, but far beyond these as well. (See generally Chapter 4).

As shown in this account from a deserter, SLORC conscripted porters from as far away as Tavoy. (See Map: Pipeline Region Close-up).

They used porters whenever they sent us rations or supplies. Yes, they needed porters to carry those supplies . . . and ammunition. Normally, 30 soldiers dealt with sending rations, so they took 40 or 50 porters. I think we soldiers got the porters from surrounding villages such as Kaleinaung, Ya Pu, Michaunglaung, but sometimes it might be Tavoy.<sup>16</sup>

Soldiers may have learned from the companies the value of rhetoric and misinformation. But like that coming from Premier, Unocal and Total, it had little resemblance to reality. They continued to act with impunity:

In November 1998 . . . [an officer came to the village, held a meeting and said] “We have heard that you the villagers had to go porter for the local troops without payment, so now I will tell the local troops that the villagers do not have to go porter . . . without payment.” . . . After the meeting, before I came [to Thailand], I had to go porter for one battalion four times without payment. Three days after the meeting, I had to go [porter].<sup>17</sup>

[In July 1998, one] village was not too far from the Total company pipeline road. However, they always had to provide forced labor, rotating porters, and give porter fees because they were not included in the Total company’s local development plan.<sup>18</sup>

Premier, Unocal and Total claim that their projects affect only 16 villages and that the impacts are positive as a rule. In reality, most of the impacts are negative; moreover, they have been felt far beyond the region that constitutes the companies’ arbitrary definition of their project areas. Today, with construction complete, most of the foreigners have gone home. But the troops remain to protect their projects and the abuses continue—in the “pipeline villages,” the dozens of others located in the vicinity of the Yadana and Yetagun pipeline projects, and beyond.

## THE “DEVELOPMENT PROGRAMS”

The purposes of the socioeconomic programs touted by the Yetagun and Yadana consortiums are twofold: 1) security, and 2) public relations. In the “development” villages, the companies have built schools and hospitals, tested people for malaria, and introduced pig and shrimp farms. While most of these efforts constitute little more than cosmetic amelioration, more importantly, they would have been completely unnecessary if it were not for the pipeline projects and the consequent militarization of the region. The restriction on movements destroyed a way of life in the area, and the abuses of the military have prevented villagers’ abilities to provide for themselves. Furthermore, many of the programs themselves are reportedly ineffective. While independent assessments of the health and education of the area’s inhabitants is prohibited by the military, anecdotal evidence suggests significant deficiencies in the projects, with villagers perceiving them as handouts and empty gestures. The failure of the companies’ socioeconomic programs is not surprising, given that their intent is largely to pacify the local population rather than promote real, positive change. In his cable to the National Security Agency, a U.S. official from Rangoon clarified that the aim of the community projects is to ensure the safety of the pipelines:

In Total’s January 18 [1996] briefing, at the Kanbauk Base Camp, of SLORC members, Unocal Management, GOB [government of Burma], media representatives and others, the Total spokesperson explicitly stated that the community rela-

tions projects that Total plans to undertake at 33 sites near the pipeline route are intended to “contribute to pipeline security” by making local inhabitants “feel that this pipeline is theirs.”<sup>19</sup>

The efforts win local support for the pipeline projects were as unsuccessful as the socioeconomic projects themselves. Those that were not complete shams were either token handouts or unsustainable, and resentment among the population only increased.

### TOKEN GESTURES

Some programs were shams, such as the highly touted pig farms, which were in many cases nothing less than free labor for the companies. In fact, as this story shows, the pigs were given on loan, and when the Total employee came to buy them back, the villager received no money at all for five months of work:

I came and collected the pigs, and they also gave food for the pigs. I thought in that time after five months my pig definitely would grow, but my pigs were not healthy, so did not grow very well, so I got almost nothing. Th guy [who gave me the pigs] came back and told me, “OK you owe 4,000 kyat for two pigs and 1,000 kyat for the food.” Then he weighed the pigs and said [he would pay] 5,000 kyat, [but with my debt of] 5,000 kyat, [I got nothing]. . . . I had raised [pigs] for five months, and I got nothing. [I said to the man,] “You should help us with some money.” Then he gave me 160 kyat [the equivalent of one dollar on the black market]. I fed my pigs

twice a day and bathed them. . . . Three times the company employee came and injected [the pigs]. Supposedly the pigs were healthy, but they were not; but they did not die either. So for a five-month period, I got nothing for raising pigs.<sup>20</sup>

Other villagers describe handouts, as opposed to the corporate descriptions of sustainable programs:

Starting from 1995, the villagers got four small tins for one person for a week and half a viss of dried fish. But at Christmas, they gave us . . . three women’s sarongs, one mosquito net, one blanket, three men’s sarongs, three viss of dried fish, three viss of cooking oil, quite a lot of toys for the kids. Since then, the company gave us nothing.<sup>21</sup>

The companies sometimes even delegated responsibility to SLORC for administering the programs:

The company gave rations to villagers in Michaunglaung village. However, they gave SLORC the responsibility of allocating these rations. A woman whose husband was tortured to death . . . by SLORC troops securing the pipeline (LIB 408), her rations were cut five days after he died. The village head . . . explained that SLORC will not give rations to people whose family head is not there.<sup>22</sup>

### EDUCATION

The quality of life in the region has deteriorated rather than improved. While Total

## SECURITY AND TOTAL'S CHICKENS

Prior to the the influx of troops to protect the pipelines, people in the region were self-sufficient. Soon, however, the security-related restrictions on movement made survival in many villages virtually impossible. Rather than building local capacity or launching sustainable projects, the company "development" coupled with the oppression of the SLORC rendered the villagers dependent on the companies. The experience of one village reveals the true story:

Since 1996, the Eindayaza villagers had to get permission from the village head and military officer to leave our village. We only get one-day permission to leave our village. . . . If anybody leaves the village without permission, it will create a problem for the village head. . . . Because we are not allowed to leave the village, the only work for all the villagers is raising chickens and pigs that Total gave us for our livelihood.<sup>23</sup>

The villager continues to explain the negative impact of the projects on the health of the villagers. With chickens and pigs in the village, there came more mosquitoes, and, as a result, more malaria and other illness:

Since the company started the gas pipeline, the diseases have increased, because there are more mosquitoes and insects. Before we did not need to have mosquito nets, but now we cannot sleep without a mosquito net. It started when Total gave the chickens and pigs to the villagers to raise. The number of flies and insects increased, so people got sick more often from malaria and diarrhea.<sup>24</sup>

and Unocal publicize the schools that they built and subsidized, local people can no longer afford to send their children to school.

The company has built three primary schools in Kanbawk. But because of general inflation, fewer people than before can afford to send their children to school. People have to pay 700 kyat to get their children enrolled in primary school.<sup>25</sup> [Inflation has made] it more difficult for people to afford to send their children to school. Moreover, the price of schoolbooks has increased since 1995. Poorer people have to sell

pigs and fruit from their garden in order to pay for their children's schooling.<sup>26</sup>

Additionally, the quality of education appears to be in jeopardy due to a decrease in the number of qualified teachers. Those who taught, and taught well, have taken higher-paying company jobs.

Since Total company came to Kanbawk village in 1995 until [1998], . . . the people who work for Total included high school and private school teachers from Kanbawk village. When the company came, they paid a



**Pipeline soldiers bathed in the river, causing new health and sanitation problems and forcing villagers to seek alternative water sources.**

high salary for workers, so the commodity prices became higher. That is why they left their jobs at the school, because their salary was not enough for them. They just got 1,000 to 1,500 kyat [at the school]. For those reasons, during the 1996-97 school year, . . . just two people passed their exams [among 80 tenth-standard students]. During the 1997-98 year, the Kanbawk high school did not have enough teachers. The [military] could not send teachers on time. . . . One of the students from Kanbawk, he said that this year not too many students will take the final exam.<sup>27</sup> Since the company came, education has declined. The education system used to be good, and teachers taught well. Now, however, the teachers aren't doing a good job, and the stu-

dents don't learn, but the teachers pass them every year anyway. Because the company jobs pay well, some teachers have stopped teaching and tried to get company jobs.<sup>28</sup>

In addition to promises of improvement in education, the companies describe vast improvements made in the health conditions in the pipeline region. The people, on the other hand, describe the opposite.

#### DISEASES ON INCREASE

The corporations also hail their newly constructed medical facilities. However, reports of increasing incidents of disease and other public health problems are conveniently ignored. Restriction on movement has forced people to remain in towns and raise their animals closer to human

populations. The animals have attracted insects, leading to rising numbers of insect-borne diseases:

The health situation is worse than before because there are more people around, and some people have brought cows and buffalo very close to the village. There are more insects around now, and people are getting diarrhea, and more people are dying.<sup>29</sup>

After the company came, there was a higher incidence of illnesses in Kanbawk such as malaria.<sup>30</sup>

The company enlarged the hospital when they came, but there are many more patients now. There are more diseases, especially malaria, since the company has come, and road and work accidents have also increased.<sup>31</sup>

The military units' presence in the area adversely affected health and sanitation as well. Not surprisingly, the soldiers cared little about cleanliness and their health impacts on local communities. They bathed in villagers' water supplies, forcing them to seek alternative water sources:

Before the soldiers who took security [for the pipelines] came to our village, we could use the water in the river. But when the soldiers arrived, we had to dig a well for our house because they lived upstream, and the water is no longer clean. The soldiers shower and wash their clothes upstream, so we dare not use the water from the river.<sup>32</sup>

## COMPANY JOBS

Corporations often claim that putative social and economic benefits excuse their involvement with repressive governmental partners. Unocal, Total, and Premier similarly point to new employment opportunities as justification for their presence. In addition, they even claim to bring "modern values" to the region:

We have seen time and again how our presence has improved the quality of life for people. . . . We introduce modern values and concepts, such as equal employment opportunity regardless of sex, race, ethnic background or religious preference.<sup>37</sup>

Of course, the corporations' real goal is to increase their profits. Promised jobs went mostly to unskilled day wagers. Such employment did little to build local capacity or create self-sufficient communities—but to construct two pipelines. With construction complete, these few positions are now gone. According to Unocal, 2,600 jobs were provided during each dry season for three years.<sup>38</sup> According to Total's own information, 2,200 of the pipeline construction workers were recruited in Burma, but the majority of these—1,330 workers—were not hired locally.<sup>39</sup> Without sustainable economic benefits or employment opportunities, a corporation's promise of development is transitory and virtually worthless. In the pipeline region, the few temporary jobs for local people have steadily declined annually:

In Kanbawk village, there were more people who didn't have work because in 1997-1998, the Total committee

## HEALTH ALERT: GAS RELEASES FROM THE PIPELINE REGION

Several residents, when asked about the health situation, recalled Total's testing of the pipeline after the "opening ceremony" to commemorate the completion of the pipeline on July 1, 1998. After being forced to attend the ceremony (see Box: Forced Smiles), the villagers suffered a range of health problems from leaking gas, including eye problems and diarrhea. Young children even died from diarrhea.

The opening ceremony for the gas pipeline happened in the early part of the rainy season of 1998. The headman . . . told the villagers that one person from each family had to go for the opening ceremony. . . . We could see the light balls from our village while they tested the gas. After the gas was released, people from the Kanbaur area suffered eye disease and diarrhea. . . . The eye disease caused the eyeball to be really red, the eye-lashes to be swollen, and eye discharge. People suffered this disease from between one week and a month-and-a-half. . . . [W]e saw . . . children die from the diarrhea. In that time, there was no space in Kanbaur hospital for the people who got eye disease and diarrhea. In my neighbor's house, [one person] died after he suffered from diarrhea.<sup>33</sup>

Compounding the health problem was the fact that the companies failed to inform the villagers about the gas releases:

After the [opening] ceremony . . . when the gas was tested, the people in the village said that they were dizzy from having to smell the gas. . . . After the opening ceremony, the gas was released five more times. Local people were not informed about the gas release tests.<sup>34</sup>

In . . . 1998 [at the] opening ceremony, there was a test of pipeline equipment that involved releasing gas. Villagers had to go to this opening ceremony. Because of the gas release, people became ill—they were dizzy and fell down. Some people had to go to the hospital.<sup>35</sup>

Total company workers suffered eye problems, which they associated with the release of gas:

The testing of the gas [occurred] early in the rainy season, in July, so there was some rain in the area. When the rain came, it was like oil and gas mixed with the rain, appearing a little bit on the ground. I thought that when the gas was released, it spread in the air and then mixed with the rain. I'm not sure if that happened because of the gas release or not, [but] after this happened, many people got eye disease, and many people died of diarrhea. I myself also suffered eye disease for a week and got a little diarrhea. That time many Total company workers suffered eye disease. The eyes . . . were swollen, and the whole eyeball was red.<sup>36</sup>

hired less summer workers. Compared with 1996-1997, there were more workers in 1996-1997 than in 1997-1998.<sup>40</sup>

For others, the promise of “self-sufficiency” was little comfort when facing starvation and despair. People could no longer survive in the land of Unocal’s “model of corporate responsibility:”

[W]e came [to Thailand] to work and survive. We would be dead from starvation living in that [former] situation. And we are not educated, so we cannot get a job in the company. The only job that fits us is day labor, but there are no available jobs for the day labor.<sup>41</sup>

For the permanent pipeline staff, Total says that it is training a paltry 74 Burmese for onshore and offshore operations, admits that 90% of these workers are from Rangoon, and that all are college-educated.<sup>42</sup> A large majority of the pipeline-related positions were given to Burmese people from Rangoon—typically those with connections to the military and the company managers. Getting jobs on the project also requires significant bribes, which further discourages locals, especially poorer ones; “I also knew that some people who really needed the work from Total, they agreed to give the first month’s salary to the people who gave them the job.”<sup>43</sup> Overall, this has meant an increase in the number of Burmans coming into the area, and a corresponding exodus of local Tavoyan, Karen, and Mon. For some local residents who fear the oppression of the Burman majority, this Burmanization has caused resentment. On top of all the other

abuses, the local population feels victimized by corporate discrimination and unfulfilled promises:

Local people only make up 20% of the company workforce, and the rest are from Rangoon and elsewhere. Their villagers . . . don’t have much of a chance of getting a job, and the people who apply for jobs have to pay 20,000 to 30,000 kyat to the manager.<sup>44</sup>

[In Kanbawk,] the company manager—who is Burmese [Burman] from Rangoon—would need to be bribed 20,000 to 30,000 kyat for a job. . . . [M]ost people couldn’t get jobs with the company; 80% of jobs went to people from Rangoon, and [thousands] have come to the pipeline area from Rangoon. This is because the Burmese manager at Total is from Rangoon and has called his friends and relatives to work on the pipeline. . . . [M]ore workers from Rangoon are moving in.<sup>45</sup>

[I]n 1996, the Total Company set up a base close to Kanbawk village. A lot of educated civilians from Rangoon came to apply for jobs with the company. Most of them get jobs from Total. For people like us, the poor, uneducated villagers, it was very hard to get a job with Total. Only the higher-class people in the village who had money to bribe the soldiers and the Burmese Total managers could get jobs. If the SLORC soldiers liked the family, then they could get jobs. . . . We, the poor, never got any jobs.<sup>46</sup>

Villagers can also get positions if they have a government connection. Such cronyism is consistent for both Total and Premier, leading most people to give up hope of a job and depart for Thailand:

When Total Company came, the people who could get the jobs were from Rangoon, and people who had money. I myself got the job because my father worked for the government. Premier Oil Company is the same thing as Total, so I . . . gave up on the company's work and came to Thailand.<sup>47</sup>

With the inflation caused by the projects, the salaries offered to local people failed to sustain a single family:

[I] was paid 200 kyat a day, but quit because this was [not enough] to provide for [myself], [my] parents, and [my] siblings.<sup>48</sup>

I came to Thailand to look for a job. I left the Company's work because the salary and [my] expenses are not equal. I received 500 kyat per day, but one viss of pork costs 600 kyat. Because the price of food is rising, I came to find a job in Thailand. People who worked for Total were facing [difficulties] with daily expenses, [and] others who could not apply with the companies became poorer and poorer.<sup>49</sup>

Company personnel made simple promises which they failed to implement:

It was very hard for poor people, like

me, to get jobs. . . . When the company realized this, they gave all the poor villagers a chance to apply for jobs. We had to put all our applications into a box. I put an application in the box. One of the Burmese managers threw the box into the ocean. A fisherman from Michaungei found the box and brought it to the village. The box was brought back to the company, but there was no response.<sup>50</sup>

This is the question Premier, Unocal, and Total should have asked themselves before these projects started: "Do the local people want our jobs?" Had they known then what they know now—that the small amount of money received by some villagers would cost them their livelihoods and communities they would have answered as did this villager: "Except getting the money, there were no benefits for us. And I want to say that we got a lot of worse things."<sup>51</sup>

## INFLATION

With the influx of foreign money and foreign workers, inflation has skyrocketed. The pipeline presence has traumatized the local economy, perhaps permanently. The price of rice has doubled in some places, while vegetables cost four times the amount they did before the companies' arrival. And some foods, such as vegetables that villagers once collected from the jungle or grew themselves, now have to be bought at the market. The Yetagun Consortium described these problems in conjunction with the Yadana project, yet still chose to proceed with their own harmful project:

The influx of capital already

## WHITEWASHING HUMAN RIGHTS ABUSES

With SLORC as a partner in the project, company whitewash entered the human rights arena as well. In January of 1998, at the invitation of Unocal and Total, two Bangladeshi social activists, Father R.W. Timm and Justice K.M. Subhan, visited the pipeline region. They spent a mere five days in Burma, including two days in the villages along the pipeline, and subsequently issued a short report commending Total on its corporate responsibility.<sup>60</sup> In their letter to Unocal presenting their report, the authors' praise is almost hyperbolic: "Everyone in each village has a better life because of your work."<sup>61</sup>

A cursory examination of the factfinding methodology in the report undermines its credibility completely. Typically, human rights investigations are conducted independently of governments and corporations, and rely on large numbers of confidential interviews conducted in safe environments. The "Timm Report" has none of these characteristics; the authors were in the pipeline villages for only two days, and their trip was *organized and financed* by the corporations they purport to exonerate.<sup>62</sup> Compounding this strain on objectivity is the fact that an employee of MOGE, the regime's state oil company "accompanied us and acted as interpreter."<sup>63</sup> Not only does this contradict their claims that there was no "government presence" for their interviews,<sup>64</sup> it indicates a serious breach of human rights fact-finding protocol, which compromises their entire mission.

Given the pervasive human rights abuses perpetrated by the Burmese military government, no villager can be expected to talk freely through a Burmese government interpreter; nor is it likely that they would be inclined to criticize the pipeline—the military's flagship project—to a government translator or any person known to be working with SLORC or Total. Commenting on Unocal's general attempts to facilitate communication with local residents, the U.S. embassy in Rangoon observed that frank feedback was unlikely:

[O]ur knowledge of general conditions here leaves us to question how frank the feedback from villagers will be. . . . when outsiders arrive. . . . This would seem especially likely to be true in ethnic minority areas, where the [Burmese army] is viewed as a force not just of oppression but of occupation.<sup>65</sup>

occurring with other projects in the area is beginning what will be a rapid growth of consumerism. There is great potential for local business people to make large profits from the demand for basic necessities and luxury goods by workers from other countries. This will result in uneven distribution of wealth.<sup>52</sup>

What was a study for the companies was the reality defining the villagers' lives:

Because of the pipeline—in particular the influx of well-paid foreign employees as well as Burmese employees from Rangoon—prices in Kanbaw for foodstuffs have risen greatly. The pipeline employees are the only ones now who earn enough

“As one villager observed, ‘No pipeline and no SLORC [would be] the best for the civilians.’”

to buy food, whereas poorer villagers must sell their belongings to be able to do so.<sup>53</sup>

Because the people who had jobs had more money, they could pay more for food at the market. This made the prices go up, so it was harder for poor people to buy food.<sup>54</sup>

The gap between the rich and poor widened with the inflationary pressures and jobs in the hands of only a few.

[I] came to Thailand [in 1992] In 1997, I went back to my village and stayed there for two years. The income of merchants was not good because the price of everything was rising. Very few people had some money, and the others are poor, so the farmers and people who work for their daily work had to suffer from life's problems, so they came to Thailand.<sup>55</sup>

Villagers associated the change in prices directly with the arrival of the companies. Whereas people had once gathered their vegetables in the jungle or hunted for food, their movements were now restricted by SLORC troops, and they were forced to buy food at the high prices in the region:

Since the company came, the price of the food has increased. For example,

one pound of dry fish before only cost 200 kyat, but now it is 1,000 kyat.<sup>56</sup>

Before the company came, one viss of rice cost 70 kyat, and it is now 140 kyat; a vegetable was 5 kyat, and is now 20 kyat; one kilo of chicken used to be 200 to 300 kyat, and is now 700 kyat.<sup>57</sup>

In general, everything is more expensive since Total came. Vegetables used to cost just a few kyat or were free. Now all vegetables have a set price, which is much higher than earlier. In addition, it's harder to find vegetables to buy. One pyi of rice cost 90 kyat in 1994; now it costs 160 kyat. One pound of cooking oil was 500 kyat in 1994; now it's 700 kyat. . . . Since Total arrived, people were no longer allowed to hunt in the area. To get meat from monkey, deer, and wild pig, villagers had to depend on merchants from outside. But meat prices have also risen. One pound of deer now costs 1,000 kyat, [before] 1996 it cost 80 kyat (or people got it for free from hunting).<sup>58</sup>

The increase in prices and the concentration of wealth is so extreme as to be driving people out of business and to Thailand in search of new livelihoods:

[T]he local people who are doing business with officers of the local troops and the workers from the company and the people who work in the company were not getting any problems. However, many of the local peoples that worked on their own businesses had a problem with the prices going up. They could not stand it anymore because the trading and commodity prices hit them, so they came to the Thai border and looked for jobs.<sup>59</sup>

The loss of livelihoods in the region is further exacerbated by the fact that the military uses its power and the fear it has instilled to muscle into economic arena.

### SLORC'S NEWFOUND BUSINESS

With its penchant for abuse of power, the military has moved into the economic arena—with corrupt officers and their families controlling more and more local businesses:

The army bought [the fish] for 150 kyat when the villagers sold it for 300 kyat. . . . The army controlled the buying and selling of fish. The fishing boat owners had to sell to the army. The wives of the soldiers dealt with buying the fish. Before this, the officers told the village head to sell fish to their wives. . . . [S]elling to other people was illegal. . . . [T]he soldiers' wives bought [the fish] from the villagers and sold it to the company. Then they gave some big fish to the officers and

sold some in Kanbawk. From this, they got profit.<sup>66</sup>

The military in the Kanbawk area cornered the markets on bamboo, wood, and charcoal, forcing villagers to sell all they could produce to LIB 273. LIB 273 also forced villagers to sell them fruits and vegetables at below-market prices:

Villagers who cut and sold trees and bamboo had to sell all of the bamboo, trees, and charcoal that they got to LIB 273 soldiers. And they were not allowed to sell to other people. It was ordered by the soldiers. They threatened that if anyone sold to other people they would arrest the . . . seller and give a punishment.<sup>67</sup>

The local villagers who had farms . . . had to sell their fruits and vegetables to LIB soldiers' families at lower prices. They did not want to sell their things to soldiers' families because the soldiers gave the price that they wanted. It was very, very low compared to the current price. Also, if they [did] not sell to soldiers' families, their farm would be occupied by LIB 273, and their farm would become a military farm.<sup>68</sup>

Local villagers throughout the region had no choice but to abide by the order to sell to the military—whether it was their betel nuts or their rice:

In July 1998, LIB 408 ordered the village heads of Ye Bone . . . Kyauk Shat [to tell] all the betel nut farmers in the village to sell 90 betel nuts

from every tree to LIB 408. [The LIB would pay half the market value, and villagers] were not allowed to sell their betel nuts to any other place.<sup>69</sup>

In the rainy season of 1998, Zinba villagers . . . were farming on the eastern side of the Tavoy river opposite old Michaunglaung. After they harvested rice, they had to sell 500 baskets of rice to LIB 410 at 300 kyat a basket. In the market, one basket of rice is worth 500 to 600 kyats.<sup>70</sup> In March 1999, [in a village not far south of the pipeline,] LIB 403 forced every household to sell them seven baskets of paddy without refusing. And they gave 300 kyat for one basket of paddy. Some of the villagers did not have paddy to sell to the soldiers, so they had to pay 500 kyat for one basket of paddy at the current [market] price and sell back to the troops at 300 kyat.<sup>71</sup>

## CONCLUSION

The social and economic consequences of the pipeline projects can only be measured as easily as one can measure immense human suffering. The military units have violated the sanctity of people's homes and property. Troops have treated villagers like slaves, forcing them to grow food and work on farms. The lives and communities that have been destroyed may never be rebuilt.

Even when judged simply as development projects, the pipelines are failures. Locals, especially ethnic minorities, face discrimination during job searches—if not by the foreigners, then by the Burman managers who hire and routinely accept bribes for positions.

The jobs are not as numerous as the companies profess, and they will not employ the local population in the decades to come as construction of the pipelines is completed. The disparity between the rich and poor has widened. Some diseases appear to be on the increase. Villagers now complain about fallen educational standards. An area that once was self-sufficient now requires socioeconomic programs that are part of a security plan and come in the form of cosmetic handouts. This charity is necessary in large part because the military lives off the people, restricts movements, and controls the local economy. The total picture belies the sunny optimism of Unocal, Total, and Premier. As one villager observed, “No pipeline and no SLORC [would be] the best for the civilians.”<sup>72</sup>

## ENVIRONMENTAL IMPACTS IN THAILAND

*[PTT should try] to convince local people about [the] effectiveness [of safety measures] with clear and understandable information until the majority people [sic] feel that the project's safety measures are really effective and can be trusted.*

–Petroleum Authority of Thailand (PTT),  
Environmental Impact Assessment<sup>1</sup>

*[PTT's public relations campaign is] the highest degree [of manipulating the media] that we have experienced.*

–Professor Ubonrat Siriyuwasak, Faculty  
of Mass Communications,  
Chulalongkorn University, 1999<sup>2</sup>

*[T]he conflict surrounding the pipeline project was caused by a lack of information.*

–Anand Panyarachun  
Former Thai Prime Minister, 1998<sup>3</sup>

**T**he corporate misinformation did not end with the inaccurate portrayal of social conditions in the pipeline area, but extended to the environmental arena as well.

Greenwash, corporate attempts to cast devastating environmental impacts in a positive light,<sup>8</sup> has been widespread surrounding the Yadana and Yetagun pipeline projects, and has extended to the impacts in the Thai section of the pipeline route. The Petroleum Authority of Thailand (PTT) conducted a misinformation campaign, obscuring the fact that the pipeline cuts a corridor through the forest, fragmenting what was previously a cohesive ecosystem, and that alternative routes were available.

The only publicly available Environmental Impact Assessment (EIA) carried out on the project was commissioned by PTT, and roundly criticized for its many flaws and omissions. Despite these problems, this

*What is the definition of "public"? If it only refers to villagers affected by the project, then I insist that we have given them enough information, and more than 90 per cent of them agree with construction.*

–Piti Yimprasert, Petroleum Authority of Thailand (PTT) Gas Director, 1998<sup>4</sup>

*Percentage of socioeconomic survey respondents in favor of the pipeline project: 79%*

–Yadana Natural Gas Pipeline Project, Environmental Impact Assessment  
(reported by PTT)<sup>5</sup>

*Percentage of socioeconomic survey respondents with no understanding at all of the pipeline project: 81%*

–EIA of Yadana Natural Gas Pipeline Project (unreported by PTT)<sup>6</sup>

*The EIA was conducted without public participation.*

–Anand Committee, 1998<sup>7</sup>

document helps predicted the enormity of the pipeline project's impact on the environment in Thailand, and those impacts also offer insights into the well-hidden effects of the pipeline on the Burmese side of the border (see Chapter 10).

PTT was not forthcoming with vital information about the pipeline project and often gave out misleading and plainly false information. Such actions by private corporations may be considered a breach of ethical business practices, and a public agency such as PTT should have a higher duty of accountability. PTT's misinformation was part of a broader public relations campaign to ensure that the pipeline project went through at any cost, without regard for the damage to local communities, procedural rights, and the environment. Public debate about the pipeline project was limited by a lack of hearings, little or no access to information, and the silencing of dissenting opinions. As the Anand committee concluded in its report on the pipeline project, "The project's decision-making is not transparent, and the EIA was conducted without public participation. Instead, there was only public relations."<sup>9</sup>

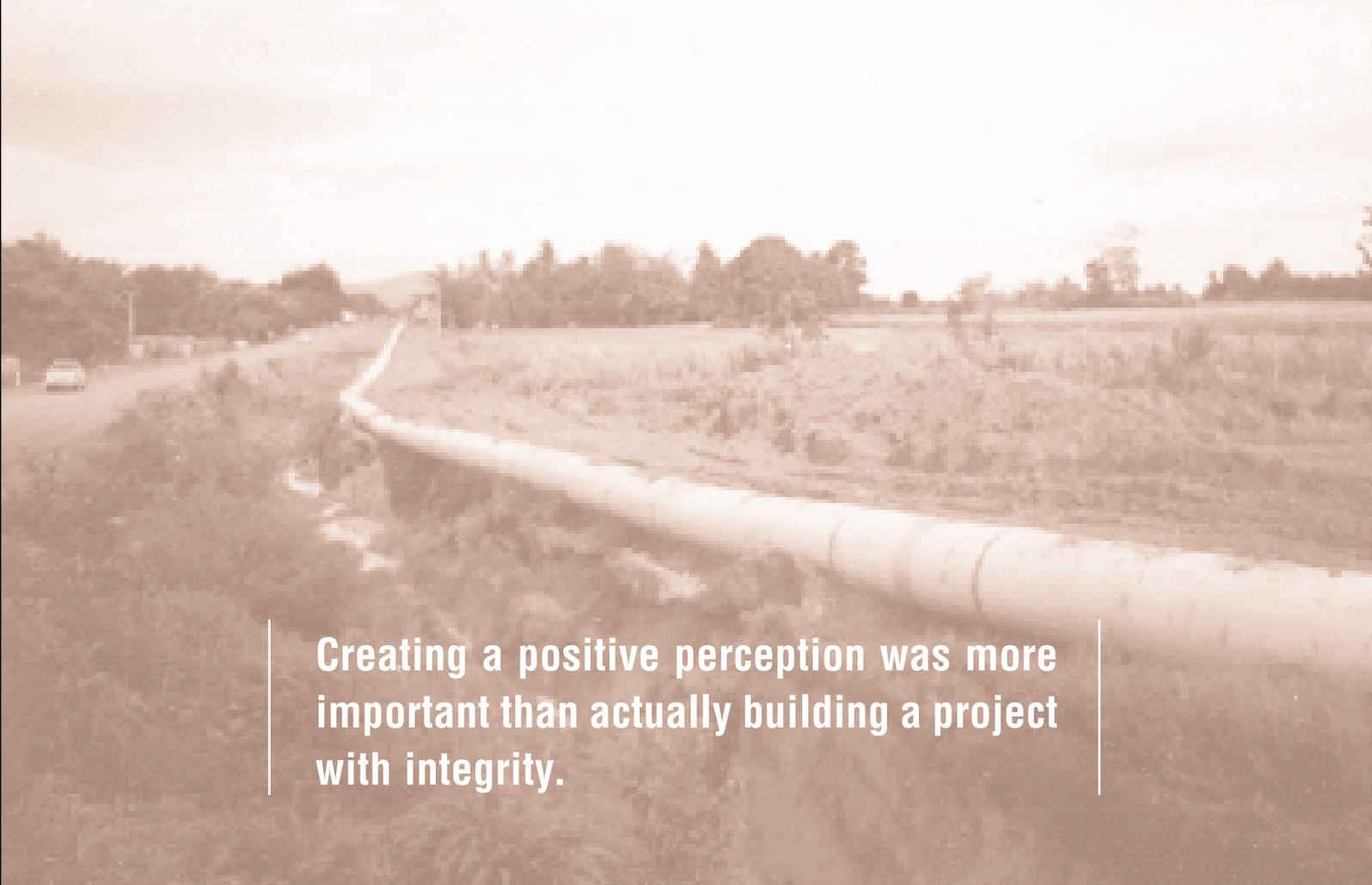
## PUBLIC RELATIONS CAMPAIGN

Rather than address concerns about the project through a responsible process—such as thoughtful debate and a comprehensive EIA—PTT engaged in an aggressive public relations campaign to depict the pipeline in wholly desirable terms. The EIA actually recommends a "proper public relations program" as a mitigation measure.<sup>10</sup> To assuage local fears about the project's safety, the EIA suggests that PTT try "to convince local people about [the] effectiveness [of safety mea-

asures] with clear and understandable information until the majority people [sic] feel that the project's safety measures are really effective and can be trusted."<sup>11</sup> The EIA divides the public relations plan into three periods of two years each, plus additional programs to publicize the PTT's involvement in projects such as the "Youth PTT Forest Conservation Project."<sup>12</sup>

The EIA's estimated costs confirm that creating a positive perception was more important than actually building a project with integrity. For public relations alone, the EIA estimates an expenditure of 10 million baht—four times the amount to be spent on further mitigation programs for the wildlife in the region.<sup>13</sup> In fact, PTT appears to have spent far more than this in their public relations campaign, including television and radio commercials. As *The Bangkok Post* noted, "TV spots alone would cost more than 10 million baht." Unfortunately, the *Post* said, PTT refused to release any figures on their public relations expenditures, calling it "confidential information."<sup>14</sup>

The PTT's public relations campaign may also have been designed to "buy" the approval of the Thai-language media. By handing money—through advertisement purchases—to the very same sources that had the power to publicly criticize the project, the PTT made it lucrative for the local media to remain quiescent. *The Bangkok Post* suggested that local media "may have turned a blind eye on certain occasions to avoid offending advertisers," and also questioned "whether a state enterprise like the PTT is entitled to spend taxpayers' money to boost the image of one of its projects."<sup>15</sup> Boonsong Chansongrassamee, a leading pipeline opponent with the Kanchanaburi Environmental Group, told the *Post* that "we used to work alongside" the local media, "[b]ut since the



**Creating a positive perception was more important than actually building a project with integrity.**

PTT bought full-page ads from them, they have changed their tune completely. Now they call us bad people who are against the country's development, while all the time printing information supplied by the PTT."<sup>16</sup>

Professor Ubonrat Siriyuwasak, of the Faculty of Mass Communications at Thailand's Chulalongkorn University, considers PTT's tactics to be a "new strategy" in corporate communications, in which "the entire local media has been bought up." Professor Ubonrat specifically points to advertisements placed by PTT in local Thai-language newspapers, noting that these advertisements were written in the form of news stories attributed to a special reporter, and that "they used the same font, format of presentation, the same style of writing" as the news articles in the paper. "I think they intended it to be understood as news," she says. Although Professor Ubonrat believes that PTT's campaign is the worst of its kind

to date in Thailand—"the highest degree [of manipulating the media] that we have experienced"—she recalls that one of the pioneers in this sort of corporate relations was none other than Unocal Thailand. Unocal placed expensive television and print advertisements that ensured that a story about mercury contamination from Unocal's offshore platforms in the Gulf of Thailand, though covered by the English-language papers in Bangkok, was ignored by the Thai-language media.<sup>17</sup>

#### ACCESS TO INFORMATION

PTT failed to provide important information to those closely affected by the pipeline. Former Thai Prime Minister Anand Panyarachun himself condemned PTT for its concealment of vital information, stating that "[t]he entire committee agrees that the conflict surrounding the pipeline project was caused by a lack of information."<sup>18</sup>

For public relations alone, the EIA estimates an expenditure of 10 million baht—four times the amount to be spent on further mitigation programs for the wildlife in the region.

On many occasions when PTT *did* offer information, they used “mouthpieces” to do so. PTT persuaded local village leaders to convince residents that the pipeline was a good idea. “[T]hey can explain our project to the villagers,” Songkiat Thansamrit, PTT’s spokesperson, told *The Nation* in September 1997, long after the project had been approved and after construction had started.<sup>19</sup> The village leaders would not have had the information to answer technical questions, and likely gave local residents broad assurances instead.

When PTT anticipated challenges to the project, they simply refused to present information. PTT cancelled a planned meeting in July 1997 in one village after environmentalists talked there, alleging that their safety might be in danger.<sup>20</sup> Again, in August, PTT representatives failed to attend a meeting with the Lawyers’ Council of Thailand, which was representing Kanchanaburi villagers in an effort to get more information about the risks of the pipeline and the compensation plan.<sup>21</sup>

In a socioeconomic survey conducted as part of the EIA,<sup>22</sup> PTT concluded that 79% of the respondents considered themselves to be in favor of the pipeline project. They neglected to report, however, that 81% of the respondents said that they had no understanding at all of the pipeline project, 59% of the respondents had not received any information about the project, and 85% of the respondents

did not know how far their land was from the gas pipeline route.<sup>23</sup> PTT failed to educate even those people most affected, and then misrepresented their ignorance as public approval.

#### ALTERNATIVE ROUTES

One indicator of the importance of the ecosystems along the pipeline route is the number of existing and proposed protected areas in the vicinity. As previously stated, the pipeline route passes through several protected areas, including a national park and conservation forest areas. During the Anand committee hearings, the Office of Environmental Policy and Planning Secretary-General Saksit Tridech suggested that the remaining forest area along the pipeline route might soon be declared an environmental conservation zone.<sup>24</sup> The EIA refers on several occasions to the “proposed Thong Pha Phum National Park,”<sup>25</sup> which would encompass the Huay Khayeng forest reserve (through which the pipeline passes) and would confer upon the area a higher degree of protection. However, the plans for the Thong Pha Phum National Park have yet to materialize.

The environmental impact assessment includes a brief mention of two alternatives to the final pipeline route. These alternatives appear to have been proposed to provide a foil to the final route, as both of them pass

through Class 1A watershed areas and forest conservation areas for greater lengths than does the final route.<sup>26</sup> The impacts of these alternatives were not seriously considered; in the opening pages of the EIA, they are given only cursory treatment.

True alternative routes were proposed by conservation groups attempting to mitigate the impacts of the pipeline project both before and after the project commenced. Although such routes would have been longer than the chosen route, and therefore more expensive, they would have avoided the remaining forests of Kanchanaburi entirely, as well as the security concerns associated with the Burmese section of the route. PTT also had options available to mitigate the project's environmental impact. However, PTT never considered a change after the EIA was approved, choosing instead to build the

pipeline through pristine forests that are home to dozens of endangered species. Dr. Surapon Duangkhae, Acting Secretary General of Wildlife Fund Thailand, who negotiated with PTT about the pipeline's impacts, says that they were not open to any alternatives; although a different route might have had a lesser impact, it would have been more expensive and was therefore ruled out.<sup>27</sup>

## ENVIRONMENTAL IMPACTS

The pipeline projects' negative impact on Thailand's environment is potentially monumental. A unique and critically important ecosystem is being disrupted and, to a large extent, destroyed. Animals are at risk. More than half of the mammal species will ultimately be harmed. The forest is in danger. A swathe of trees has already died. The soil is

### DANGER OF EXPLOSION

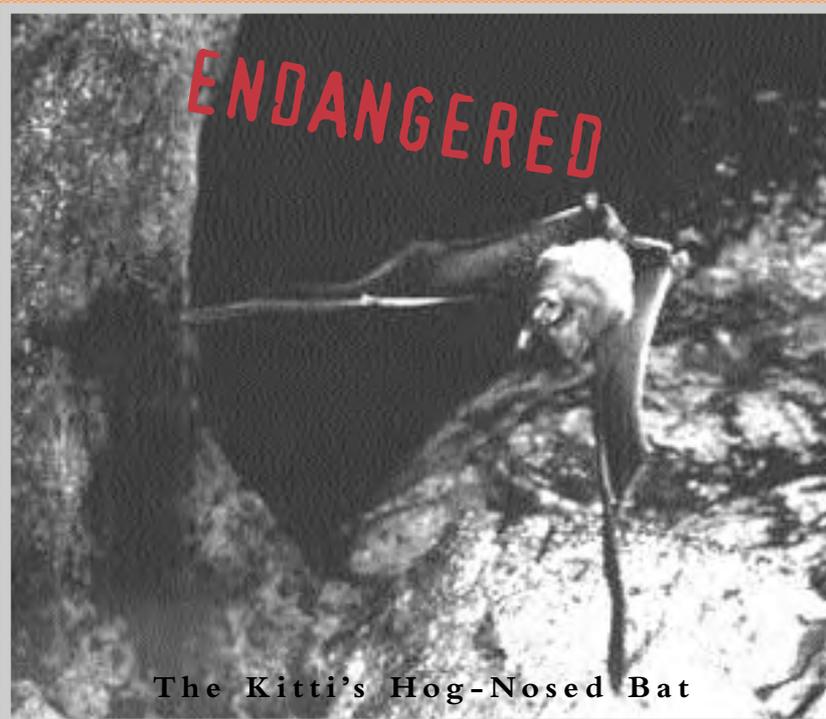
Natural gas, unlike oil, is explosive, which makes gas pipelines inherently dangerous. The Yadana Pipeline may be even more so due to the builders' lack of attention to this risk. Unfortunately, the EIA's treatment of the possibility of an explosion is especially incoherent, and its conclusions are virtually indecipherable.

There has already been at least one report that the Yadana pipeline has leaked in Thailand. In September 1998, villagers in Kanchanaburi's Sai Yok district became alarmed when they learned that a pressure-control station along the pipeline had been leaking. Although PTT later denied that there had been any leakage, *The Bangkok Post* reported that Kanchanaburi Governor Direk Uthaipol stated that the leakage was not dangerous and had been fixed.<sup>37</sup>

To the extent that the EIA acknowledges the risk of explosion, it focuses exclusively on the danger to residents of the pipeline region and does not even mention the danger of forest fires, which would be an obvious consequence. The evergreen forests along the route are susceptible to forest fires, and a pipeline explosion that ignited the evergreen forest might cause irreparable damage. The catalogue of potential causes of a gas explosion or leak—human error, seismic faults, landslides and breakage from rocks backfilled into the pipeline trench—is sufficiently long to make a gas explosion or leak a real possibility.

A CLOSER LOOK AT THREE ENDEMIC SPECIES:  
THE KITTI'S HOG-NOSED BAT, THE REGAL CRAB  
AND THE ASIAN ELEPHANT

Kitti's hog-nosed bat (*Craseonycteris thonglongyai*), the smallest known mammal species in the world, was discovered by a Thai researcher in 1973 and is known only from a handful of caves in Kanchanaburi province; its known population consists of no more than a few hundred individuals.<sup>49</sup> The bat is considered "endangered" by The World Conservation Union-IUCN, a classification defined as "facing a very high risk of extinction in the wild in the near future;" it is also listed as endangered on the U.S. Endangered Species List and considered by the EIA to be threatened.



Experts, including Dr. Surapon Duangkhae, have documented the ways in which the bats were likely affected during pipeline construction, including interference with feeding and mating activities and habitat loss. The EIA, however, did not even *find* bats along the pipeline route. As a result, the EIA simply concludes that it will be able to adapt easily to the pipeline construction and will not suffer adverse effects.<sup>50</sup>

Similarly, the only known habitat of the regal crab (*Demanietta sirikit*) is in Kanchanaburi. Although this creature has not been extensively studied, Dr. Surapon believes that the pipeline route cuts directly through the regal crab's habitat, which would be negatively impacted by any changes caused by the pipelines in the subsurface hydrology of the region. Again, the EIA team failed to find the crabs in their survey, apparently because they were searching the water for a land crab, and because the survey was carried out in the dry season, when the crabs are difficult to find.<sup>51</sup> In fact, after the EIA had been written, the regal crab was spotted in the Huay Khayeng forest close to the pipeline route.<sup>52</sup>

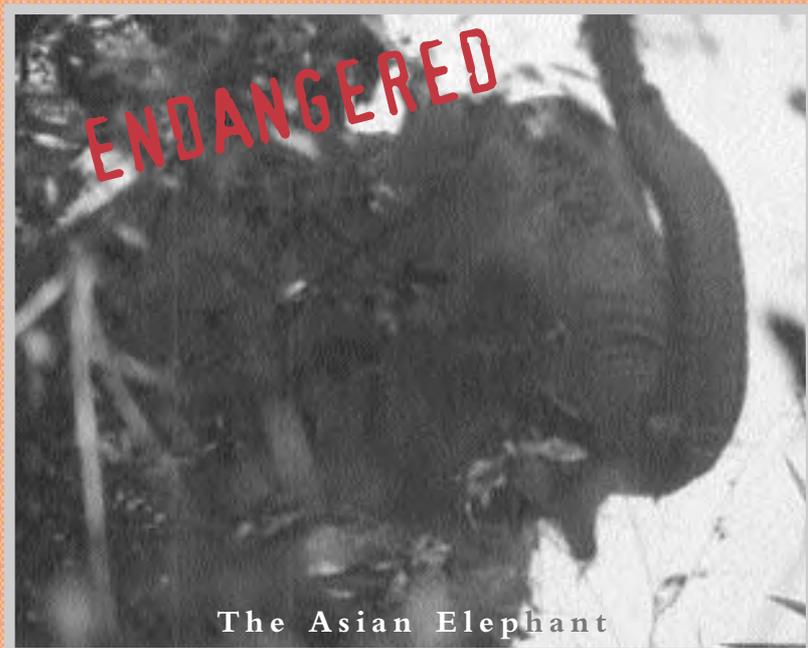
Wild Asian elephants (*Elephas maximus*), the largest terrestrial mammals in Asia, are increasingly endangered throughout their range, including Thailand; they are given IUCN's "endangered" status; they are also listed as endangered on the U.S.



Endangered Species List and described as endangered by the EIA. The forests along the Burmese border, as the largest remaining intact forest region in Thailand, are critical elephant habitat. In spite of the animals' size, the EIA team somehow failed

to actually find any elephants, finding only traces of activity from a few elephants, whose herds are seriously affected by the pipeline.

The pipeline construction, especially the clearing of bamboo forest, deprived wild elephants of critical food sources, and forced them onto local farms. Conservation groups have documented several herds in the pipeline region of Thailand. Experts expressed concern that the pipeline would threaten the elephants by fragmenting the forest. More specifically, one herd would be forced to feed in too small an area, while two others would be cut off from the area's only salt lick.<sup>53</sup> Finally, the replanting of fruit trees along the pipeline route—rather than native plants such as bamboo—reduces the elephants' food supply.<sup>54</sup> Typically, the EIA contains no mitigation measures tailored for the elephant population.<sup>55</sup>



at serious risk of erosion. And if the pipeline should ever rupture or explode—a possibility given scant attention by the EIA—the damage to the environment, as well as to local communities, would likely be enormous.

### FORESTS, EROSION, AND GEOLOGY

In Thailand, the forest through which the pipeline passes is recognized by the World Wide Fund for Nature (WWF) as a globally significant ecoregion, containing “the largest block of moist forest in Indochina” with “one of the richest forest floras of Indochina.”<sup>28</sup> The most obvious impact of the pipeline in Thailand, acknowledged by the EIA, is the direct clearing of forest land. The EIA originally contemplated that a strip of forest

reserve 20 meters wide by 9 km long would need to be cleared, amounting to about 18 hectares of forest land. PTT later agreed to reduce the width of the cleared area from 20 meters to 12 meters in the forest.<sup>29</sup> Several individuals who visited the pipeline route after the construction, however, verified that the cleared area was not in fact 12 meters wide, but actually 20 meters or more;<sup>30</sup> figure 1 demonstrates the size of the clearing through parts of the forest.

While the actual area of forest cleared may not seem substantial, cutting a corridor through the forest effectively destroys the cohesiveness of the ecosystem. A distance of 20 meters is easily large enough to effectively separate the forest into two halves, turning one large chunk of forest into smaller forest fragments. In fact, this fragmentation is considered

#### ENDANGERED ANIMAL SPECIES IN THE PIPELINE REGION

Different sources vary as to which specific species are endangered, but all demonstrate that the fauna in the pipeline region is highly threatened.

Environmental Impact Assessment: 23 endangered species, 42 threatened species<sup>40</sup>

Thai law: 6 reserved species, 424 protected species<sup>41</sup>

Burmese law: 106 completely protected species,  
105 protected species<sup>42</sup>

The World Conservation Union-IUCN Red List: 3 critically endangered species, 6 endangered species, 23 vulnerable species, 22 lower-risk/-near-threatened species, 6 data-deficient species<sup>43</sup>

Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES): 23 appendix I species, 64 appendix II species<sup>44</sup>

U.S. law: 20 endangered species, 1 threatened species<sup>45</sup>

by Dr. Surapon to be the most harmful environmental impact of the entire pipeline project.<sup>31</sup> Like other environmental impacts, this harm extends to both sides of the border.

In addition to the forest land actually cleared by PTT, the pipeline construction has opened up forested areas to new clearing and encroachment. The pipeline corridor might also increase the forest's vulnerability to fire. The deciduous bamboo forest that forms part of the pipeline route is commonly subject to fire, and as grasses and other pioneer species colonize the pipeline route, they will provide a corridor of flammable fuel that could bring a destructive fire into the heart of the forest.<sup>32</sup> Finally, at least one critically endangered plant species, and possibly many others, are at risk. It is impossible to state precisely how many plant and, as a result, animal species are at risk, because the data presented in the EIA is not of sufficient quality to make a true assessment of the tree species in the region.<sup>33</sup>

Much of the most ecologically sensitive portion of the Thai section of the pipeline runs through limestone soils, which are highly susceptible to erosion. Some erosion has already been documented by those who have visited the pipeline route, as shown in figure 1. There is also evidence that PTT failed to restore the pre-existing soil layers following the laying of the pipeline, leaving farmers' fields strewn with rocks, as shown in figure 2. This has made the fields difficult to till and caused yields to fall;<sup>34</sup> figure 3 shows that large rocks have been left along the pipeline route in other places as well.

Finally, the EIA does not adequately consider the unique geological formations in the region which are dominated by limestone (karst) structure. This structure includes underground streams and caverns which create an important subsurface hydrology. The



Figure 1



Figure 2



Figure 3

EIA fails even to mention karst geology or subsurface hydrology. In addition to the importance of hydrology to surface waters and the organisms living within them, it is vitally important for the survival of certain wildlife species. Animals may depend on springs for their water sources, and a change in hydrology could have drastic ecological effects.<sup>35</sup> In spite of this, the EIA includes no monitoring of springs or subsurface hydrology during or after the construction of the pipeline.<sup>36</sup>

## WILDLIFE

Even without detailed analysis in the EIA, it is clear that the pipeline is quite detrimental to local wildlife. A total of 541 species of higher vertebrates—mammals, birds, reptiles and amphibians—are estimated to inhabit the pipeline region and its environs.<sup>38</sup> As a measure of the relative abundance of species found in this area, for each of these four groups, the EIA lists more species than occur *in the entirety of France*.<sup>39</sup> Many of the species found in the pipeline region are considered endangered by a variety of sources (see Box: Endangered Species).

Most of the endangered species will suffer from the forest clearing and encroachment detailed above, as well as from the forest fragmentation. Animals may hesitate to cross the pipeline corridor, effectively decreasing the size of their available habitat.<sup>46</sup> No measures have been prescribed for the movement or protection of large mammals, including endangered animals found along the pipeline route, such as elephants, tapirs, bears, wild bovines, gibbons, and tigers.

The pipeline route has additionally facilitated hunting in the deep forest of Huay Khayeng forest reserve (see MAP: Alternative Routes). The EIA makes a ridiculous effort to propose mitigation measures to control

hunting in the post-construction period, recommending that “all access road [sic] should be properly paved and used for hunting controls.”<sup>47</sup> It is debatable whether paving access roads to the pipeline corridor will help *control* hunting; in fact, it is much more likely that such measures will improve the hunters’ access to the forest. Ultimately, it appears that none of these “hunting controls” have been implemented, which is not surprising, given the fact that the EIA described neither the controls nor how they would be funded.

Because the EIA failed to include a pre-construction survey of wildlife species, there is no way to implement strategies during and after construction that would minimize the harm to them. Several individual species are of special concern. Thirteen of those listed by the EIA as inhabiting the pipeline route are included in the top three categories of the IUCN Red List of Threatened Animals (Critically Endangered, Endangered, or Vulnerable), and thought to be disadvantaged by the pipeline.<sup>48</sup> In addition to these 13, the pipeline passes through the habitat of three locally endemic species: the kitti’s hog-nosed bat, which is the smallest mammal in the world; the regal crab; and the largest mammal in Asia, the Asian Elephant.

The environmental impacts in Thailand provide important data and analysis for looking at the Burmese side of the border and the degradation caused by the parallel pipelines of the Yadana and Yetagun consortiums in that country. Forests and wildlife in Thailand have come under threat because of the pipeline there. A strikingly similar experience is emerging in Burma. As in Thailand, the companies’ unrelenting attempts to greenwash the projects and conceal information about the pipelines have misled the public about the real environmental impacts in the area.

## ENVIRONMENTAL IMPACTS IN BURMA

*No canopy*

–Unocal’s Classification of the Forests  
Along the Pipeline<sup>1</sup>

*It’s a lie.*

–Dr. Surapon Duangkhae  
of Wildlife Fund Thailand Response<sup>2</sup>

*[It is a] well-worn track (used regularly for exporting fish to Thailand) and goes through areas of degraded vegetation (characterised by few trees with a diameter greater than 0.5 metre, already damaged by the effects of slash and burn agriculture).*

–Total’s Description of  
the Yadana Pipeline Route<sup>3</sup>

*[I]t is strongly recommended that [the Yetagun Project] avoid any association with Total’s track, particularly in the minds of the local villagers.*

–Yetagun Environmental Impact  
Assessment’s Analysis of the Yadana  
Pipeline Route, 1996<sup>4</sup>

**A**s with Thailand, the companies’ greenwash efforts to make the pipelines in Burma look environmentally friendly have been ongoing and vigorous. Experience in Thailand informs us that the choice of the routes was critical and that the building of the pipelines fragmented a fragile ecosystem, splitting important forests in two and impacting wildlife, water sources, and soils through erosion. Two pipelines were built on the Burma side when only one needed to be, epitomizing the corporations’ lack of genuine concern for the environment. The building of a permanent, all-weather access road to service the pipelines in Burma

further betrays the company’s claims of commitment to the environment. The road will likely bring people, including hunters and loggers, which will probably only mean more fragmentation of the forest over time.

The analysis of the situation in Thailand, interviews with local villagers and soldiers from the pipeline region, and a recently obtained copy of a near-final draft of the 1996 EIA undertaken for a section of the Yetagun Project have provided a fresh perspective on the environmental situation in Burma. In addition to the human suffering in the region, the militarization has had a detrimental environmental impact in the pipeline corridor. And despite the fact that both the Yetagun and Yadana projects have not circulated their Environmental Impact Assessments (EIA) publicly, the environmental impacts of the pipelines are better known now than ever before.

## PUBLIC RELATIONS

The companies make sweeping statements about how they will protect the environment. Totals says, “No economic priority shall overrule . . . respect for the environment.”<sup>5</sup> Premier purports to “strive . . . to be a leader in achieving excellence in environmental standards.”<sup>6</sup> The Yadana consortium continues:

Construction of the pipeline conforms with Total and Unocal policies, national and regional laws, applicable international conventions (e.g., World Bank) and generally accepted industry guidelines. Construction plans already have addressed the possible

issues of topsoil replacement, tree replanting, waste management and treatment, and drainage system.<sup>7</sup>

Unocal's statement that their environmental practices conform to World Bank standards is plainly disingenuous. The World Bank's policies have for several years emphasized consultations with affected local populations and public release of information, including EIA's.<sup>8</sup> In contrast, Total and Unocal have not released the results of their purported environmental surveys, and did not consult the local communities for input prior to the commencement of the pipeline project.

Unocal's proposition that its project conforms to Burma's "national laws" is equally problematic, as such laws are flawed, are seldom enforced, and do not meet international standards of environmental protection.

Both Unocal and Total promise that the forest through which the Yadana pipeline passes is not ecologically valuable. Unocal

states that the pipeline route "affects mostly scrub vegetation and degraded forest, but will cross small areas of farmland and a short span of previously impacted forest."<sup>9</sup> Total claims that the route "follows a well-worn track (used regularly for exporting fish to Thailand) and goes through areas of degraded vegetation (characterised by few trees with a diameter greater than 0.5 metre, already damaged by the effects of slash and burn agriculture)."<sup>10</sup> In reality, the forests along the border are quite dense and rich. Unocal classifies these forests as "no canopy," claiming that ". . . tree-top is non-existent; climbing plants become dominant; broken trees are covered with vines."<sup>11</sup> Dr. Surapon Duangkhae of Wildlife Fund Thailand responds simply, "It's a lie."<sup>12</sup>

The corporations also give misleading statements about reforestation. Total claims that "the entire route" of the pipeline will be "rehabilitated," without mentioning that a four-meter-wide road paralleling the pipeline

### Forest area cleared for the pipeline.



route will not, in fact, be reforested.<sup>13</sup> Total also notes that “at least as many trees are to be planted as have been cut during construction,”<sup>14</sup> a relatively meaningless statement given that only a small fraction of seedlings planted will survive to maturity. Unocal and Total also appear to have lied about the width of the cleared right-of-way through the forest as well. Total’s own photographs demonstrate a right-of-way of 30–40 meters, but both Unocal and Total claim that the right-of-way was only 18 meters.<sup>15</sup> Total also stated that 18 meters was “the minimum to ensure an acceptable degree of safety for bulldozers and other kinds of earthmoving equipment in laying the pipe.”<sup>16</sup> But the Yetagun EIA found Total’s planning and implementation so poor that “it is strongly recommended that [the Yetagun Project] avoid any association with Total’s track, particularly in the minds of the local villagers.”<sup>17</sup>

## THE ROUTE AND THE ROAD

As Dr. Surapon Duangkhae of the Wildlife Fund Thailand noted that the swathe of land which has been cleared for the pipelines effectively splits the forest into two parts, fragmenting it. This division of the forest is perhaps the most harmful environmental impact of the pipeline projects.<sup>18</sup> This fragmentation was unavoidable considering the pipeline corridor that was chosen early on in the project schemes. The process surrounding the choice of the corridor was not transparent, and environmental organizations were not included (see Chapter 2: The Routes and Map: Alternative Routes). The decision was based on cost and security, and Nat-E-Taung, the border crossing with Thailand was fixed by the Burmese regime and non-negotiable. Without a doubt, the alternative route with

the least impact on Burma would have traveled undersea to Ranong, then overland to Ratchaburi. (see Map: Alternative Routes #3) This route, favored by environmentalists, would bypass Burmese territory entirely. As noted in the previous chapter, it would also have had a lesser impact on Thailand.

With Nat-E-Taung a fixed site, the pipelines were forced to go through the forests of the Tenasserim and western Thailand, which are the major links between the faunas of both Indochina and the Himalayas and those of the Malayan peninsula. Similarly, with major populations on either side of these forests, they serve as a critical migratory path for animals, such as birds. The pipeline access road—which in most areas runs alongside the pipeline—drastically reduces the safety and suitability of this migration corridor, threatening the stability and cohesiveness of the entire forest ecosystem.

Although Unocal did not indicate that the permanent right-of-way would be reforested, Total said in 1997 that “the area was reseeded with grass (for soil retention) and planted with different varieties of shrub and trees.”<sup>19</sup> Neither company, however, calls attention to the fact that they have paved an “access track” the length of the pipeline route, and that this road will certainly not be reforested.<sup>20</sup> This permanent-access road may have a far greater impact than the temporary clearing for the pipeline construction; even more than the pipeline right-of-way clearing, the road will fragment the forest and destroy its ecological cohesiveness.

## NO NEED FOR TWO PIPELINES

While Unocal and Total have tried to convince the public that their pipeline project is

ecologically responsible, Premier, for its part, has said little about the impacts of the Yetagun pipeline. Premier prefers to hide behind what has already been said by Total and Unocal: “The onshore [Yetagun] pipeline route . . . will parallel that of [the Yadana pipeline]. . . . The existing pipeline route from Yadana was selected so as to minimise environmental impact.”<sup>21</sup> But while claiming to support the environment, Premier’s decision to build an unneeded second pipeline is baffling.

With the Yadana pipeline in place, it is not entirely clear why Premier chose to build another pipeline alongside, rather than to use the existing pipes which would have been more efficient and environmentally friendly. On the Thai side, no new construction is planned for the Yetagun pipeline; it will tie into PTT’s existing pipeline at Nat-E-Taung along with the Yadana pipeline. It is thus technically feasible to pipe the gas from both fields through the same line. However, on the Burmese side, according to Premier, the “pipeline route will be in an adjacent right of way and will parallel that of the [Yadana] pipeline.”<sup>22</sup> Maps show that although the Yetagun gas field is southeast of the Yadana field, both pipelines will reach the land at the same point, then travel in parallel to the Thai border.<sup>23</sup> (See Map: The Pipelines)

Premier does not explain why, if the gas from both fields can travel in the same pipeline in Thailand, the same could not be done from the landfall point in Burma. In addition to being more efficient and less expensive, such a plan would minimize the environmental impacts of the project. The construction of a parallel pipeline, however, amplifies the impacts of the Yadana pipeline. Paths for both pipelines entail greater forest clearing and greater fragmen-

tation of the existing forest. This corridor will act as an even greater barrier to the movement of large mammals and other species. It will also cause more erosion and may further disrupt the waterways of the pipeline region. Another pipeline also means more work for the military units as they provide protection, and the military personnel themselves often log and hunt. The Yetagun consortium readily acknowledged the need for increased military, stating that: “An immediate issue for the project is the fact that military security will not only need to be maintained at its current levels, but will have to be increased or relocated to enable the pipeline to be built.”<sup>24</sup>

Sources within Total indicate that undisclosed business reasons led to the development of the parallel pipelines.<sup>25</sup> Another possible explanation is security: the pipeline corridor was almost certainly determined in part due to security concerns, and so it is possible that the decision to build a second pipeline was dictated by similar concerns. Facing the threat of possible attacks on the pipelines, the Burmese military may have reasoned that two pipelines would be more difficult to destroy than one. Whatever the reason for having two pipelines in Burma, the environmental impacts of the projects have been significant.

## ENVIRONMENTAL IMPACTS

The projects and the chosen routes impacted the environment in numerous ways. The impacts from the projects themselves were significant as was the influx of troops which have logged the area and hunted wild animals. While a detailed scientific assessment of the area is not possible without access, there is compelling evidence that the impor-

tant ecosystems in the pipeline region have been considerably harmed.

## FORESTS

Along with the forests of western Thailand, Burma's Tenasserim forests are included as globally significant forest ecosystems.<sup>26</sup> Unocal's own information indicates that the pipeline passes through about 23 kilometers of forest in Burma, although it maintains that none of this forest is pristine, closed-canopy rainforest.<sup>27</sup> This factor alone does not determine the ecological value of a tropical forest.<sup>28</sup> Independent observations from the Thai-Burmese border (see figure [border photos]) and a briefing prepared by staff of the U.S. Embassy in Rangoon confirm that, whether previously impacted by human activity or not, the forests in the pipeline area are dense, closed-canopy ecosystems.<sup>29</sup> More reliable than the companies' descriptions of the forests are those of the people who fled the pipeline region, such as this description of Heinze Island: "A very, very thick forest, and the trees were huge. The trees that we cut were five or six arms lengths in diameter."<sup>30</sup> Accounts such as this from the pipeline region,<sup>31</sup> photographs taken by field researchers in the area (see figure), as well as Total's own photographs (see figures) all confirm the density of the tropical forest through which the pipelines pass. Total, Unocal, and Premier have not released any scientific information on the forests, nor have they allowed independent ecologists to visit the region.

If not managed properly, the access road also opens the area to those who wish to log or clear the forest, with the military heading the list of likely culprits.<sup>32</sup> Villagers and soldiers confirm logging by military officials whose entry into the region was facilitated

by the pipeline projects. One refugee and former Total employee who fled the region related that, in addition to engaging in logging, one of the military units assigned to protect the pipeline was running a sawmill along the pipeline route near the Thai border, selling the timber to the local villagers and to Total.<sup>33</sup> The Yetagun EIA confirms such logging and the companies' role:

Total . . . has required timber to build their base camp and also a number of structures throughout the project area. . . . Timber felling in the remnant forest area around the small stream near [the Yetagun]'s proposed base camp has seen up to ten trees felled very recently. . . . The survey team was informed, but it was not officially confirmed, that these trees were felled and would be processed for sale to Total. Whether this is true or not, it is likely that this could be a significant impact in the future.<sup>34</sup>



Premier building in the pipeline region. The companies have required significant timber to build their facilities which has had a detrimental impact on the forests surrounding the pipelines.



**Construction and logging in the pipeline area have adversely impacted the surrounding forests.**

Soldiers similarly attest to the fact that logging is occurring in the region, even stating that it is the main business of their commander:

The main business of our commander [of the Total battalion] was logging. There were around ten sawmills in the area. The commander just ordered the local sawmill owners to work for him. He literally gave the permit to the local people, and he got money from logging. Sometimes, we troops had to carry wood for the commander.<sup>35</sup>

Unspoiled environs were destroyed by the Yadana pipeline—a clean stream and thick forest disrupted, opening the area so soldiers had to “walk in the sun”:

When we were near the place called H3, Total’s subcontractor called ARC came and built the road. . . . We had to go before them and clear the land

mines. That was our duty. . . . They cut down many big trees with their three chain saws. I saw them cutting down many kinds of trees . . . [some] that I had not seen very often in my life. It was [near] H3, and that place was very nice before the company came. There was a thick forest and bushes. Therefore, when the travelers came, they could take a break and rest there because the place was green, and the streams were clean. But after the company cut down many big trees, we had to walk in the sun. That happened in September 1997.<sup>36</sup>

Logging was also allowed near Zinba and Mile 52, both close to the pipeline route, particularly the later location which lies right on the Yadana pipeline route (Map: Pipeline Region Close-up):

The authorities from Ye Pyu town-

ship [through which the pipeline passes] gave out eight logging contracts . . . in the eastern part of Zinba logging area. Each logging contract [allowed] for fifteen workers, three elephants, and sawmills. In that area, they had to [give] the Ye Pyu authorities ten tons of each kind of wood. They had to send the logs to Zinba village by elephant. After that, they had to send them to Ye Pyu. . . . The logging area that Ye Pyu authorities gave out . . . allowed logging not too far from the gas pipeline, from the Mile 52 camp to the border. Some logging camps are seven miles and some logging camps are three miles away from the gas pipeline.<sup>37</sup>

Large trees are being felled and sold in Tavoy, with the military reaping the benefits of the trade:

We had to follow and clean up [an area] along the right side of Total

company's pipeline road. In our work site, we had to cut down the forest [around] Mile 52. . . . For cutting down the forest, they gave us equipment like chainsaws to cut down the trees, [along with] knives, and axes. It was about more than 200 hard labor workers including some officers. After we cut down the trees, Strategic Command #8's elephants came and pulled the logs. One of the elephant owners said that Strategic Command #8 asked for the elephant labor from [the surrounding area villages]. After that, they . . . sent [the logs] to Tavoy to sell.<sup>38</sup>

I saw that the government loggers were doing logging upstream of Kyaut Shat. They were cutting down many big trees by using the chainsaws, and then bringing them to the car road with elephants. Then they brought them to Kaleinaung and to Tavoy by logging truck. There were

#### DANGER OF EXPLOSION

The factors that might contribute to rupture and explosion of the gas pipeline in Thailand apply as well to the Burmese section of the pipeline. As in Thailand, one incident of gas leakage has already been reported. In July 1998, Burma held a celebration in Kanbauk for the completion of the pipeline;<sup>43</sup> residents of the pipeline region report that they were forced to attend the opening ceremony, at which gas escaped and sickened many villagers, some of whom required hospitalization.<sup>44</sup> The pipeline in Burma faces the additional threat that ethnic Karen and Mon rebels, who previously controlled much of the region, might attack and attempt to destroy the pipeline. (See Chapter 3, Box: Eliminating Resistance)

As with any other cause of rupture, an attack on the pipeline could cause a devastating explosion, setting off forest fires in addition to rapidly destroying anything in close proximity to the pipeline. And unlike ruptures caused by earthquakes, landslides, or other natural phenomena, an attack on the pipeline would almost certainly ignite the gas immediately, maximizing the damage to the surrounding area.

not less than 50 loggers upstream of Kyaut Shat. Upstream of Ye Bone and the Mai Kai area, there were also many loggers logging. When I was a porter, I had been upstream of Kyaut Shat at that logging place. In that place, there was a very large [flat] land full of logs. There were about 300 logs in the [area], and the elephants were bringing the logs to the [flat] land, and logging trucks were bring them to Tavoy.<sup>39</sup> (See Map: Pipeline Region Close-up)

Even around the villages not located in dense forest, such as Total headquarters in Kanbauk, villagers say that forest area has declined since the construction of the pipeline.<sup>40</sup> One villager reported that Total has cut down many large trees, some of which pulled down other smaller trees in the process, which has contributed to the decline of the forests around Kanbauk.<sup>41</sup> Predictably, logging is impacting the local climate, and villagers have noticed a decrease in the amount of water in the river in recent years:

In [the area surrounding] Ye Bone River and Tavoy River, Michaunglaung, are the most places that people are logging and now they still do it. Most of the people who did logging were Burmese and some are Karen. . . . I saw them put the logs together in some places in the river. . . . The weather before and now is really different. Now the weather is very hot, and the water in the river is decreasing. The number of fish in the river has decreased because the soldiers use bombs to get the fish. The

water now is muddy and not like before. Before the water was clean.<sup>42</sup>

These accounts provide the best evidence to date that similar impacts are occurring on the forest inside Burma. Other general impacts on the forest may be similar to those on the Thai side. The degradation of the forest, however, is not the only consequence of the pipeline projects.

### SOILS, EROSION, AND HYDROLOGY

Most of the information on erosion along the Burmese pipeline must be extrapolated from known effects in Thailand. Despite NGO scrutiny of PTT's pipeline construction in Thailand, considerable erosion has still resulted. Sources within Total report that erosion is their worst problem, in part because the rainfall in the region is even heavier than anticipated: up to 7,000 mm per year.<sup>45</sup> Again, the Yetagun EIA provides important insights:

The cleanliness of local water supplies is already becoming an issue with the Total pipeline construction activities resulting in erosion of cleared areas and siltation of streams.<sup>46</sup>

Total's pipeline track, at the time of examination, had been poorly constructed and was expected to wash out during the rainy season without stabilisation and drainage work. This would reduce access along the pipeline route, impact on stream flora and fauna and deposit greater silt into downstream watercourses and estuaries. The water quality for downstream water users would therefore be restricted.<sup>47</sup>

Roads in the project area, both pre-existing and newly constructed, have a number of design flaws which will lead to erosion and stream siltation and increased turbidity in local water courses.<sup>48</sup>

## WILDLIFE

The wildlife in the pipeline region is also at risk because of the pipeline projects, and while little detailed information is known about the species in the region, the potential biological diversity is likely to be high, as the region is densely forested. The access road and the influx of patrolling soldiers both threaten the animals in the region by increasing the number of hunters who can reach the area. A veteran Burmese conservationist sug-

gests that the road may increase the transborder trade in endangered species products at Nat-E-Taung, currently the main point of entry for such products into Thailand from the Tenasserim Division.<sup>49</sup> While wildlife is rendered increasingly vulnerable to hunting, its survival is also threatened by way that the pipeline access road has likely disrupted migration routes, even more than has the pipeline right-of-way on the Thai side.

Unocal claims to have conducted a survey of faunal diversity,<sup>50</sup> but it has not been published, and no independent studies have been carried out by zoologists or ecologists. The information that is available, however, indicates that the Burmese side of the pipeline, like the Thai side, is home to some of the most critically endangered large mammals in the world. In fact, the forests of

### THE ELUSIVE WHITE ELEPHANT

In 1998, the Burmese troops in the pipeline corridor tried to capture a white elephant near the Zinba River and Mai Kai jungle. (See Map: Pipeline Region Close-up) In Burmese history, an army that is lead by a white elephant is thought to be invincible:

In May and April 1998, several units, including from LIBs 282 and 404, were hunting wild elephants around the H3 and the Zinba River.<sup>59</sup>

Some elephants live in Mai Kai [area]. The villagers from Michaunglaung said that they saw a white elephant. The villagers from Michaunglaung and Ya Pu had to search for it for the soldiers.<sup>60</sup>

In the end, the troops failed to seize the elephant, but along the way, they forced villagers to porter their things in a typically brutal fashion:

In the beginning of the rainy season of 1998, [one battalion] was trying to catch the wild white elephant in Mai Kai jungle. At that time, I had to go with them as a porter. They requested three porters from my village. [I hired a villager to go instead of me for 3000 kyat.] They could not catch the wild white elephant or black elephant. They tried for about one month.<sup>61</sup>

Thailand and Burma along the Tenasserim are contiguous, so many species—especially large mammals with large ranges, such as elephants, tigers, tapirs and bears—likely travel across the border; as Dr. Surapon points out, animals do not observe international borders.<sup>51</sup>

ERI has collected anecdotal information about individual species in the region. A Kanbawk villager described seeing monkeys and deer frequently; he could not, however, identify whether they included any of the endangered monkey or deer species also found on the Thai side.<sup>52</sup> A deserter from a military unit in the pipeline region said that

the soldiers would hunt birds, wild boars, and bears—but, unfortunately he did not specify what type of bears.<sup>53</sup> Another villager from the region described how LIB 282 was chasing wild elephants; they were trying to capture a prized white elephant that was reported to have been seen in the forests near the pipeline.<sup>54</sup> Although far from a scientific survey, these accounts demonstrate that animals similar to those in Thailand—and similarly endangered—are found along the Burmese side of the pipeline route. They also demonstrate that the military presence is having a detrimental effect on the local wildlife; two Kanbawk residents, one of

#### TIGERS AND RHINOS?

A few species that may remain in Burma deserve special mention, namely the tiger and rhino. With large animals such as elephants in the region, other important high mammals may also be present.

One Kanbawk resident reported that he had seen rhinoceroses while driving in the area. He went on to say, however, that the wildlife has decreased since the development of the pipeline. This is in part due to the military presence: Although it is illegal to hunt a rhinoceros, he saw soldiers from LIB 104 shoot a rhino in order to sell valuable body parts.<sup>62</sup> Dr. Surapon also reports that he has heard stories from Karen villagers in the pipeline region confirming that there are still rhinoceroses in the area.<sup>63</sup> Although the local residents cannot identify the rhinoceros species, both species thought to inhabit the area—the Javan and Sumatran rhinoceroses (*Rhinoceros sondaicus* and *Dicerorhinus sumatrensis*, respectively)—are highly endangered; the Javan rhinoceros is possibly already extinct in Burma and Thailand. Both are listed as Critically Endangered on the IUCN Red List, the most extreme classification available; both are listed in Appendix I of CITES, listed as Endangered on the U.S. Endangered Species List, and completely protected under Burmese law. The building of a paved road through their habitat and an influx of heavy machinery and military units is certain to be extremely detrimental to their chances of survival.

PTT's EIA also presumed that tigers were found along the route in Thailand, and, as top predators, tigers have large ranges that likely span both countries. Tigers in general are endangered, and some subspecies are already extinct. The species is listed as Endangered on the IUCN Red List and the U.S. Endangered Species List, as well as in Appendix I of CITES. Like rhinoceroses and other large mammals, they may face severe impacts from the pipeline construction.

whom has worked for Total, separately confirmed that wildlife has been in decline since the pipeline construction began.<sup>55</sup>

This decline can largely be attributed to hunting in the region that increased with the influx of soldiers to protect the pipelines. Soldiers protecting the pipelines report regular hunting of wildlife in the area—including bears, monkeys, wild pigs, and birds:

As the jungle was there, I think there were many kinds of wild animals. . . [S]ome soldiers were hunting and got monkeys, wild pigs, birds, deer, wild hens, squirrels, large lizards, and bears. During the two months, I saw a corporal get one deer, wild pigs, and many kinds of birds. Another corporal got five wild pigs. I myself got one squirrel, and for one parrot, I got 300 kyat. Another corporal got a mother bear with a live baby bear. He sold the baby bear to a foreigner.<sup>56</sup>

Sometimes if we went hunting, we got some meat . . . If another group went hunting and got some meat, we would eat it, and sometimes we would sell it. They got like bear and wild pig, and they ate it, and sometimes they sold it.<sup>57</sup>

Soldiers used mines to fish—and sometimes foreigners even joined them in the “fun:”

The way we fished was not with the fishing net, but we used mines. I remember once when we went fishing with the mines, the foreigners went with us. After we exploded the mine, the foreigners and we had a lot of fun catching the drugged fish. At

that time, the Major took a picture of us. We still have that picture at our LIB 282 outpost. . . . Then the Major gave his revolver to [the foreigners] and each foreigner fired one time.<sup>58</sup>

These impacts on wildlife resemble those on the Thai side of the border—increased exposure to hunting and other human contacts. Other negative effects in Thailand are likely to appear in Burma, including decreases in food supply and fragmentation of populations on either side of the pipeline route.

The species inhabiting the pipeline area—some perhaps never before found—are at risk. In addition to degrading the rainforest, the pipeline cuts a path through a vibrant and cohesive ecosystem, seriously damaging a previously healthy environment. As with all other aspects of the pipeline projects, the companies have tried to keep all environmental information carefully guarded, so they can present *their truth*, a greenwashing of classic proportions.

## “BLOOD ON OUR HANDS”

**F**or Thailand, the pipelines have turned into an economic disaster. For Burma and its generals, the projects are their pot of gold generating billions in revenue.

Thailand's severe energy glut means there is no one to use the gas from the pipelines right now. But because the contracts say the Thai authorities have to pay for the gas *whether they use it or not*, the Burmese regime and the international consortiums still get their money. Along with projected income from the deals, this foreign exchange will be a critical economic lifeline to Burma's regime for decades to come. In short, Thailand is not only paying for what it cannot use; it is also paying for an oppressive, corrupt, and violent neighbor.

INVESTING IN BURMA:  
MONEY IN THE BANK  
FOR THE GENERALS

The primary beneficiary of the investment money has been the ruling military in Burma. According to the director of one Dutch company investing in the Yetagun pipeline project, “the money is of course going to the [generals].”<sup>1</sup> And currently, the regime needs money. The junta's hard-currency reserves were down to an estimated US\$50 million in mid-1998, enough to finance only a month or two of imports.<sup>2</sup> From the standpoint of Burma's generals, the sole bright spots in this otherwise grim economic picture are the Yadana and Yetagun

deals, which are the largest foreign business ventures in the country. This fact was not lost on the companies. As the impact assessment for the Yetagun Project stated:

It is important to the international profile of the Myanmar Government that foreign companies be active in Myanmar, and it is especially important in terms of foreign debt. Business in Myanmar will continue to operate under semi-socialist conditions for the foreseeable future, with Government involvement in, and shares of, all major enterprises.<sup>3</sup>

According to estimates of energy consultants Wood Mackenzie, the regime's revenues from the Yadana gas field will amount to US\$2.873 billion over the expected life of the field (until the year 2030).<sup>4</sup> Wood Mackenzie also calculates that the Burmese junta will earn US\$823 million from the Yetagun gas field between 2000 and 2025.<sup>5</sup> Thailand has already begun making payments on the Yadana deal. By April 2000, PTT had paid the Yadana consortium US\$50 million for the first year's supply of gas. A second payment of US\$280 million was due on March 1, 2000 but had not yet been paid, pending approval by the Cabinet.<sup>6</sup>

Because the junta has joined the Yadana consortium and has had to invest in the project to the tune of \$150 million, profit-taking will be delayed until 2002.<sup>7</sup> Nonetheless,

**The primary beneficiary of the investment money has been the ruling military.**

Yadana and Yetagun promise to be a key ongoing source of hard currency during the next several decades. The Yadana project alone is conservatively estimated to give US\$150 million annually to the military regime—for almost three decades.<sup>8</sup> This low estimate represents “a sum equivalent . . . to two-thirds of the [government of Burma’s] total revenues in [fiscal year] 1995/96.”<sup>9</sup> Some estimates for Yadana say the regime will receive as much as US\$400

million annually.<sup>10</sup> Given that Burma’s military controls a reported 50% of the national budget, much of this foreign exchange will doubtless help fund the regime’s future repression.<sup>11</sup> A look at events since 1988 foreshadows the future. The statistics are staggering.

According to the U.S. Embassy in Rangoon, since 1988, the military regime has significantly increased military spending, while slashing budgets for education and health.<sup>12</sup> According

#### COMPANIES WITHDRAW FROM BURMA IN DROVES

“We are Different. . . . We are blazing a trail that other oil and gas companies will follow.”

—*Premier Oil’s Website, 200022*

“[Staying], it’s the right to do. It’s the wrong thing to do to cut and run.”

—*John Imle, Former President, Unocal, 200023*

“With the current situation we wouldn’t start new business in Myanmar.”

—*Phil Watts, chief executive of Royal Dutch/Shell Group’s Oil and Gas Exploration Business, 200024*

“The mission considers that Total and Unocal did not deliberately use forced labor for the construction of the pipeline but indirectly benefited from it due to the militarization of the area. For this reason, the delegation is not in favor of Total’s establishment in Burma.”

—*French Parliamentary Mission, October 199925*

“Premier Oil had said that they had been given the green light by the Foreign Office. I was very angry at that. . . . we made it clear to Premier Oil that we would prefer it . . . if they ceased their investment within Burma.”

—*Robin Cook, Britain’s Foreign Secretary, April 20, 200026*

Corporate entities that have withdrawn from Burma include oil companies Amoco, Arco, Petro-Canada, Shell, and Texaco; and international companies such as Levi-Strauss, Liz Claiborne, Reebok, Smith & Hawken, Carlsberg, Eastman Kodak, PepsiCo, Phillips Electronics, Motorola, Ralph Lauren, Compaq Computers, Walt Disney, Hewlett-Packard, Heineken, Eddie Bauer, J. Crew, Macy’s, Wente Vineyards, Columbia Sportswear, Apple Computer, Anheuser-Busch, Ericsson, British Home Stores, Burton and River Island, and Intrepid Travel.

to the United Nations, from 1990-97 the military regime spent 264% more on the military than it did on health and education *combined*.<sup>13</sup> (Only Somalia spends a higher percentage of its government budget on military expenditures.<sup>14</sup>) In the decade since the army viciously cracked down on the democracy movement and opened the country to outside foreign investment, the Burmese military has more than doubled in size—from 180,000 troops to over 400,000.<sup>15</sup> Its stated goal is to reach 500,000 by the year 2000.<sup>16</sup> To keep the military supplied and modernized, the regime has spent vast sums on weaponry—from small arms to planes—much of it coming from China. Though exact numbers are difficult to determine, it is estimated that the Burmese military has spent at least US\$1.2 billion on arms from China alone and possibly as much as US\$2 billion in total.<sup>17</sup>

In light of the arms buildup and the military regime's dismal human rights record, in 1997, the United States imposed sanctions against future investment in Burma. Similarly, U.S. cities and one state as well as consumers around the world have called for companies to divest from the country—and said that they will not do business with companies that invest there. These actions, combined with strong annual condemnations of Burma's human rights record by the United Nations, have influenced many foreign companies to withdraw from the country in recent years. Premier Oil, Total, and Unocal show no such inclinations, however, as they press ahead in the name of development, "responsibility" to their shareholders, and constructive engagement. Not even their partners in the consortiums are so blind to the growing international pressure to divest.

#### RATCHABURI PLANT MAY BE SOLD

Major portions of the Ratchaburi plant, which is slated to burn the Burmese gas, are destined for the auction block as part of its privatization plans for the industry. As of April 2000, the Ratchaburi plant had not yet been sold.<sup>49</sup> Proponents expect the net proceeds from this sale to exceed US\$1.3 billion (50 billion baht).<sup>50</sup> EGAT has been searching for foreign investors for some time. "We are interested in multinational companies such as Esso or Unocal," an EGAT official said in late 1998.<sup>51</sup> Ratchaburi's sale has aroused enormous opposition from EGAT's workers' union.<sup>52</sup> EGAT's 30,000 employees, 80% of whom opposed the sale in recent opinion surveys, accuse EGAT of plundering national assets to pay for the consequences of its economic mismanagement.<sup>53</sup> These workers also question the sale's potential impact on electricity prices.

The proposed sale is part of a privatization of the electricity-generating sector. While there are uncertainties, it seems clear that privatization means perpetuating the "bigger-is-better," fossil-fuel-based model that EGAT has long pursued. EGAT has offered long-term contracts to private firms to construct or take over large-scale facilities.<sup>54</sup> Critics point out that the proposed privatization plan simply transfers the current EGAT monopoly into private hands, and does not liberalize or open up the sector to market forces and competition. Absent liberalization and effective, independent regulations, privatization may mean more of the same for Thailand.<sup>55</sup>

Texaco, once the leading investor in Yetagun and its operator, pulled out of Burma in September 1997.<sup>18</sup> Premier Oil decided to remain, increasing its share in the project from 20% to almost 27%.<sup>19</sup> In April 2000, British Foreign Office minister John Battle told Premier chief executive Charles Jamieson that his company should withdraw from Burma. Battle said, "I set out our position in a way which could not be misunderstood. . . . I really expect Premier to do the decent thing without having to resort to legal pressure."<sup>20</sup> As of May 2000, Premier intends to remain.<sup>21</sup> In the end, this will mean money in the bank for the Burmese generals without any commitment on their part to change how

they conduct business or treat their own people. The abuses continue—and the generals are being paid for it.

## THAILAND—A DEAL GONE TERRIBLY WRONG

In 1993, the cabinet of Prime Minister Chuan Leekpai formally authorized the Petroleum Authority of Thailand (PTT) to negotiate with Burma's military junta to purchase gas from the Yadana field.<sup>27</sup> The cabinet also approved a plan by the state-owned energy utility, the Electricity Generating Authority of Thailand (EGAT), to construct a huge, 4,600-megawatt (MW) power plant in the

# DENIAL

## PTT LIES ABOUT FINES



With mounting evidence of human rights and environmental abuses associated with the pipeline's construction, opponents of the Yadana project called for its delay or cancellation. The project's sponsors responded with deceit. PTT repeatedly claimed that it would be subject to fines on the contract of at least US\$1 million per day were the pipeline unable to transport gas by July 1998.<sup>38</sup> This lie was revealed only at a hearing by a Thai National Commission investigating the project. There were no so-called fines. PTT had to pay the Yadana consortium in advance for any gas that it was supposed to but did not receive, for whatever reason. PTT could claim this gas at a later juncture, however, and the only money PTT would actually lose was *the interest on bank loans* used to make the advance payments.<sup>39</sup> The loss of the interest would be *only a fraction* of what PTT had falsely said it would incur in order to counter its critics.

town of Ratchaburi to receive the Yadana gas. Two years later, in February 1995, PTT and Burma's Energy Minister signed a 30-year sales agreement for the Yadana gas. For most people in Thailand, the deal was signed before they even knew it existed. And it was a bad deal—one that today forces Thai consumers to pay the consortium for expensive gas they do not even need.

### A BAD DEAL FROM THE START

Had Thai electricity consumers been informed about the terms of the agreements PTT signed, they would have been justified in firing their country's energy policymakers. It remains unclear why, as the sole purchaser of Burmese gas, Thailand failed to negotiate better deals with Burma and the Yadana and Yetagun consortiums.

The Yadana deal epitomizes the contract's flaws. First, although PTT claimed Yadana gas was a cheap source of power, the original sales price was inexplicably high—45% higher than gas produced domestically.<sup>28</sup> The wellhead price of Yadana gas was US\$2.52 per million British Thermal Units (BTUs, or units of heating capacity), whereas gas produced in the Gulf of Thailand cost US\$1.74 per million BTUs.<sup>29</sup> Gas from Yadana was also more expensive than gas Thailand negotiated to import from Malaysia for the Joint Development Area in the mid-1990s. In that later arrangement, Thailand demanded that Malaysia reduce the field price of the gas from US\$2.50 to US\$2.30 per million BTUs.<sup>30</sup>

Second, the Yadana agreement contained a "take or pay" clause, which obligated PTT to pay for gas beginning in July 1998, regardless of whether it actually took delivery.<sup>31</sup> Consequently, when Thailand experienced

myriad problems in receiving the gas (see Appendix, PTT), it was exposed to unnecessary additional costs. It is another mystery why PTT consented to the "take or pay" clause rather than negotiating to pay only for gas actually taken.

These various lapses in logic, so apparent in the Yadana contract, are part of underlying problems in Thailand's energy policy.<sup>32</sup> In short, there are both too little demand for and too great a supply of energy; and Thailand's rigid, top-down policies, which produce mega-projects like the pipelines, have left them cornered. (see BOX: "Energy Policy Gone Mad" and BOX: "Small Is Beautiful.") Thailand's economic "bubble" has burst, but its inflexible energy policy has made it impossible to slow supply to match declines in demand. For many years to come, Thailand will have the capacity to produce at least 50% more energy than it actually needs. If the pipelines had never been built, Thailand would still be able to produce enough energy to meet its needs—and probably at a lower cost.

### WHO PAYS?

Thai electricity customers have paid and are likely to continue to pay for mistakes in the energy policy and in the building of the Yadana and Yetagun pipelines. EGAT, with a virtual monopoly over the delivery of electricity, can pass along increased costs that are the result of extravagant or inefficient investments and operations.<sup>33</sup> Thus, between 1996 and 1998, rates for the two basic kinds of electricity supply—"bulk" and "retail"—increased by 15% and 7%, respectively.<sup>34</sup> These price hikes came directly out of consumers' pockets.<sup>35</sup> And because of scheduled investment in new projects, PricewaterhouseCoopers, a UK-based

consultant that issued a study on Thailand's energy policy in 1999, stated that EGAT's electricity rates "will need to rise substantially."<sup>36</sup> Without competition from other energy companies, consumers have no choice but to pay for EGAT's mistakes.<sup>37</sup>

## ENERGY POLICY GONE MAD

Experts agree that Thailand grossly miscalculated its energy needs, leading to the bloated program dragging it down today. Even before the economic crisis began, Thai energy planners consistently provided electricity-demand

growth figures that subsequently proved to be too high. Indeed, EGAT's own figures reveal that forecasters have, with just one exception, overestimated the country's need for electricity in every year since 1993.<sup>40</sup> Such discrepancies offered repeated warnings about the reality of Thai electricity consumption. Nonetheless, policymakers persisted in pursuing more and more generating capacity through development of large-scale, capital-intensive projects.<sup>41</sup> The Yadana and Yetagun pipelines and the Ratchaburi facility are only the most conspicuous examples of this trend.

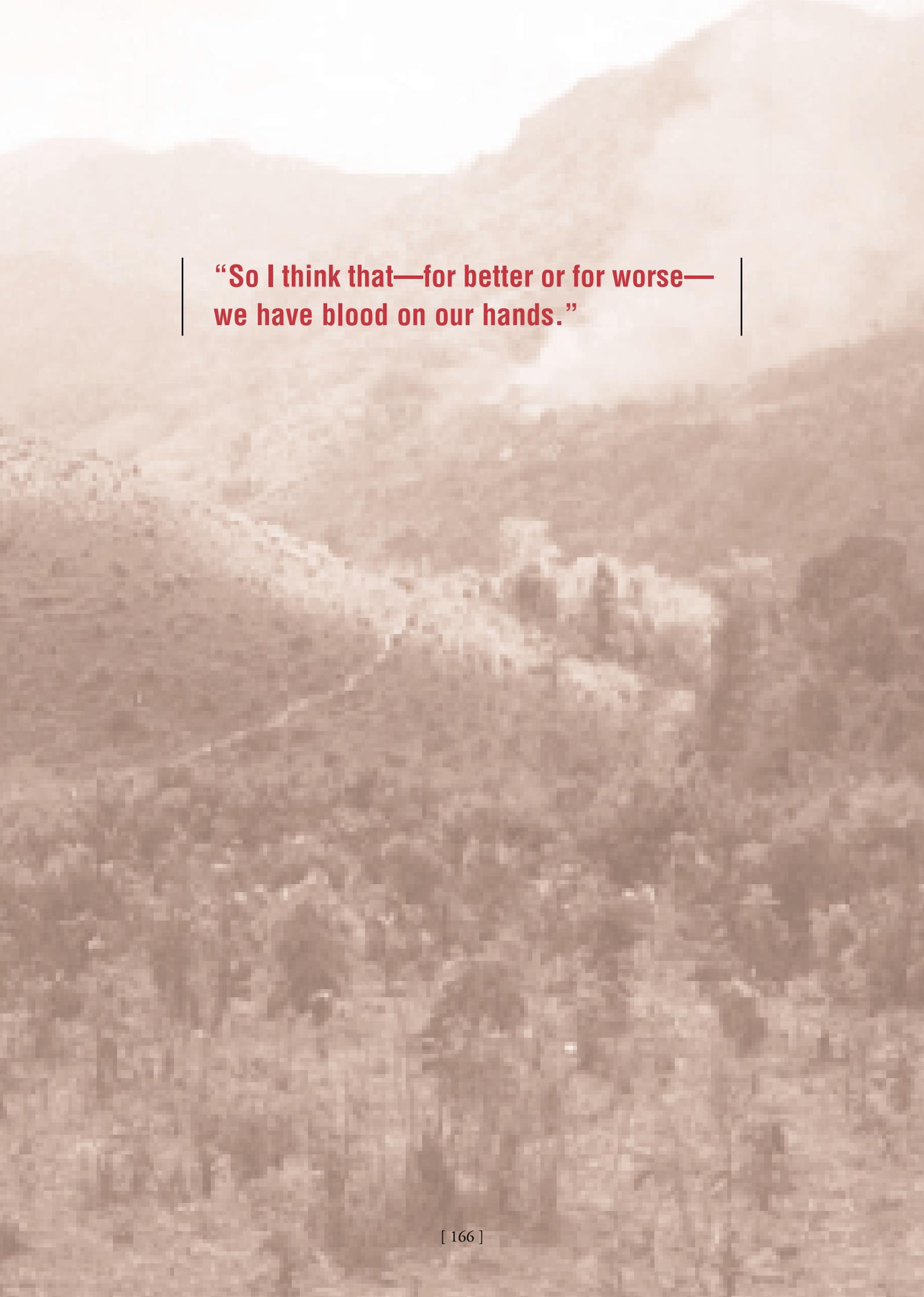
Thai energy planners did revise the coun-

### SMALL IS BEAUTIFUL

A shift away from the old reliance on polluting, non-renewable energy sources could lead to cleaner and cheaper energy. In Thailand, as elsewhere, construction of large-scale power plants has gone hand-in-hand with heavy dependence on coal, oil, and gas. Consequently, investment in massive projects such as the Ratchaburi facility has meant that conservationist approaches to energy policy that are compatible with smaller-scale, decentralized supply systems have received short shrift.

There is little economic or technical justification for the energy-supply model that Thailand has long embraced: one characterized by "top-down," centralized management; monopolies over electricity generation; and the construction of large-scale power plants. Rather, analysts argue, there are many advantages to decentralized electricity supply systems, which are made up of multiple service providers and function with smaller-scale generating technologies and facilities. Increasingly, these systems can offer consumers the potential of receiving electricity more flexibly, reliably, and cost-effectively than the traditional "bigger-is-better" model.<sup>46</sup>

EGAT has failed to develop this more flexible approach. For example, renewable energy technologies such as solar and wind made up a mere 0.534MW of EGAT's installed electricity capacity as of 1998. This represented a decline from 1996 levels.<sup>47</sup> EGAT's demand-side management (DSM), which incorporates incentives designed to encourage more efficient energy use by consumers, is now in jeopardy. Thailand's DSM program has been fairly effective. But now, EGAT has promised that if DSM continues to be successful in lowering electricity consumption, it will reduce demand figures, thus further inflating Thailand's already bloated reserve margin.<sup>48</sup> By this bizarre and stunning logic, electricity savings, rather than EGAT's own excesses and miscalculations, are the culprit behind the country's flawed energy-policy planning.



**“So I think that—for better or for worse—  
we have blood on our hands.”**

try's power plans and defer or downsize some projects amidst the economic crisis. But they have not slowed down enough, and EGAT still intends to unnecessarily spend billions of dollars on new power-generation and power-transmission\_projects in coming years.<sup>42</sup> By 2011, Thailand is scheduled to have electricity capacity of over 39,000MW, more than twice its presently installed capacity.

Due to profligate spending on new projects, Thailand faces a substantial energy glut for the foreseeable future. The surplus is often measured in terms of a "reserve margin"—the amount of generation capacity beyond actual need.<sup>43</sup> EGAT has set the reserve requirement at 25%, which PricewaterhouseCoopers believes is "too high" with respect to Thailand's demand and relative to comparable margins for other countries in the region.<sup>44</sup>

Worse, as EGAT's own data shows, Thailand's rapid push to develop generating capacity far beyond demand growth will inflate the country's reserve margin to levels that are double the 25% figure, even according to estimates revised in the wake of the economic crisis. Projections EGAT published in 1999 indicate that Thailand's reserve margin will be 51% in 2000, 50% in 2001, 48% in 2002, and 52% in 2003.<sup>45</sup> These are absurd, wasteful reserve margin levels that will continue to burden the Thai people well into the future.

## CONCLUSION

The pipeline projects have left behind a trail of human rights abuses, environmental destruction, and back-door deals that benefit the few at the expense of the many. The fact that the projects are currently unnecessary only adds insult to injury and makes the

words of Thailand's current Deputy Foreign Minister,\* Sukumbhand Paribatra, all the more troubling:

Our links with SLORC grew very strongly because of the business interests between many groups in Thailand and members of the SLORC regime. So, what happened was that the minorities who used to be our buffer were crushed, on the one hand, between SLORC's growing state power and, on the other, between our—well, greed, if you like—our greed for natural resources. . . . I regret very strongly that a company, the Petroleum Authority of Thailand, which is owned by the government, was part of a deal which bought gas from Burma, and hence opened up the conditions for the suppression of the Karens in the area where the gas pipelines have to pass. So I think that—for better or for worse—we have blood on our hands.<sup>56</sup>

One of the tragic ironies of the Yadana and Yetagun pipelines is that the Thai people, who have struggled for decades for democracy in their own country, are now needlessly subsidizing the Burmese military regime's grip on power. The pipeline deals made behind closed doors left the Thai people, like the Burmese people, out of the negotiations. Without a seat at the table, the average person in both countries is now paying a heavy price, while the dealmakers—the Burmese regime and the companies—walk away with the profits.

SUMMARY

1. Premier Oil, *Premier Oil: Annual Report & Accounts 1998* (1998) at 14.
2. ABC News Nightline, "Should Unocal be held responsible for Burmese government's human rights violations against people working on a natural gas pipeline?" March 28, 2000 [hereinafter Nightline, March 28, 2000].
3. ERI Interview #87 (on file with authors).

PART I

1. ERI Interview #3 (on file with authors).
2. ERI Interview #13 (on file with authors).
3. ERI Field Document #44 (on file with authors).
4. ERI Interview #9 (on file with authors).
5. EarthRights International and Southeast Asian Information Network (SAIN), *Total Denial* (July 1996) at 14; see also ERI Interview #24 (on file with authors) ("[In 1990,] there were [only two battalions] in the area [but later four battalions were based there, and] we had to go and do labor and portering for them. In 1991, [one battalion] came and called us to give labor for them when they built their outpost.").

CHAPTER 1

1. James Fahn and Pennapa Hongthong, "No action by Yadana committee: Lack of transparency attacked," *The Nation*, February 26, 1998, at A1, A3. For further discussion on problems in Thailand surrounding the pipeline projects, see *infra* Chapter 9: Greenwash in Thailand.
2. *Foreign Investment Law and Related Procedures* (November 30, 1988).
3. See generally Tyler Giannini, EarthRights International, *Destructive Engagement: A Decade of Foreign Investment in Burma* (October 1999).
4. "Question of the Violation of Human Rights and Fundamental Freedoms in Any Part of the World: Situation of Human Rights in Myanmar," U.N. Doc. E/CN.4/2000/L.33, 12 April 2000 (cited in *The BurmaNet News*, April 19, 2000).
5. See *infra* Chapter 9: Greenwash in Thailand, for discussion of the environmental impacts that resulted primarily because the public was excluded from the decision-making process and the environmental impact assessment process broke down.
6. See *infra* Chapter 9: Greenwash in Thailand, for discussion of PTT's public relations efforts to paint the project in a favorable light despite the documented environmental impacts.
7. Total, *The Yadana Gas Development Project* (November 1995) at 3 ("The field was discovered in the early 1980s. Further exploration work took place the same decade but it was not until 1992, having secured a potential market, that TOTAL signed a Production Sharing Contract.").
8. In late 1988, after a visit by then Thai Army General Chavalit Yongchaiyudh, SLORC signed more than 40 timber concessions with Thai companies, many with connections to local Thai military interests. James Eckardt,

- "Awaiting the Third Wave," *Manager* (April 1993) at 30-34. Worth US\$112 million a year, the concessions provided a much-needed influx of cash for the Burmese regime, which was reportedly down to US\$12 million in foreign reserves in September 1988. Martin Smith, Article XIX, *Paradise Lost? The Suppression of Environmental Rights and Freedom of Expression in Burma* (1994) at 13 [hereinafter *Paradise Lost*]; see also Jake Brunner, Kirk Talbot, Chantal Elkin, World Resources Institute (WRI), *Logging Burma's Frontier Forests: Resources and the Regime* (1998) at 17 [hereinafter *Frontier Forests*]. Teak sales in 1995 alone earned the regime US\$150 million, some 10% of the country's Gross Domestic Product, making it the single largest foreign exchange earner. *Frontier Forests* at 13. In the early 1990s, timber sales approached US\$200 million annually, making the forestry industry a vital source of foreign exchange for the regime. *Paradise Lost* at 13. WRI recently concluded in a report on Burma that "timber exports . . . helped pay for the regime's arms purchases and a doubling in the size of the army." *Frontier Forests* at vii.
9. See *supra* Chapter 1, note 8, "Awaiting the Third Wave," at 30. By 1990, Burma reported foreign exchange reserves of US\$468.9 million, up from US\$12 million just two years earlier. *Id.* Two-thirds of this new cash came from nine well known TNC oil companies—Royal Dutch Shell (United Kingdom-Netherlands), Broken Hill Proprietary (Australia), Amoco and Unocal (United States), Croft Exploration and Kirkland Resources (United Kingdom), Idemitsu (Japan), Petro-Canada (Canada), and Yukong Oil (South Korea). *Id.* at 31. In late 1989, the companies had to provide US\$5 to US\$8 million each to secure the exploration rights for the fields. *Id.* at 30; see also "Burma/Myanmar: Test well finds natural gas," *Southeast Asia Mining Letter (SAML)*, January 17, 1992 (saying 10 firms paid a total of US\$476 million in signature bonuses [which is roughly consistent with the figure of US\$5 million to \$8 million for each firm]). During the three years of exploration, the oil companies invested more than US\$400 million in Burma. *Id.*
  10. By 1992-93, most oil companies had begun to pull out due to "a combination of factors, including poor discoveries, high operating costs and though never publicly admitted, in at least two cases concern over the poor human rights conditions in Burma." See, e.g., *supra* Chapter 1, note 8, *Paradise Lost* at 16.
  11. Natural gas had been identified by the International Development Agency, an arm of the World Bank, as a major potential source of revenue for Burma as early as 1987. The IDA provided \$63 million credit to help develop the Payagon gas field in the Irrawaddy delta. The IDA wrote, "Increasing the role of Burma's sizeable natural gas resources as a major force driving economic growth has become one of the key opportunities available to the country." "Memorandum and Recommendation of the President of the International Development Association to the Executive Directors on a Proposed Credit to Burma for the Gas Development and Utilization Project," June 19, 1987.
  12. Pipob Dhongchai, "It's time to look again at the controversial Burma gas pipeline," *The Bangkok Post*, February

25, 1998.

13. Premier Oil, *Our Global Responsibilities* (no date) at 5.

14. "PTTEP seeks new concession in Burma," *The Bangkok Post*, January 17, 1991; "Four-way pact on Burma concession," *The Nation*, January 17, 1991; Pichaya Changsorn, "Junta helps Thais in Burma gas deal," *The Nation*, March 8, 1991; see also U.S. Department of Labor, Bureau of International Labor Affairs, *Report on Labor Practices in Burma* (September 1998) at 48-49 [hereinafter DOL Report]; Green November 32, "Gasfield Developments," *Deadly Energy*, August-September 1993 at fn. 5 (citing "Junta Helps Thais in Burma Gas Deal," *The Nation*, March 8, 1991) at 6 (citing "Stepping on the Gas," *Manager*, September 1991) and accompanying text; Boonsong Kositchotethana, "Burma may liquefy own gas if talks with PTT break down," *Bangkok Post*, February 28, 1992 (stating MOGE was engaged in negotiations with PTTEP and three multinational oil firms—Total, Unocal, and Shell—to bring gas from the Martaban to Kanchanaburi).

15. See *supra* Chapter 1, note 14, "PTTEP seeks new concession in Burma;" *supra* Chapter 1, note 14, "Four-way pact on Burma concession;" *supra* Chapter 1, note 14, "Junta helps Thais in Burma gas deal." These 1991 articles discuss an existing gas field with three to six trillion cubic feet (tcf) of reserves, and a scheme that would deliver 500 million cubic feet (mmcf)/day to Thailand. *Id.* While the name "Yadana" is not used, they are definitely referring to this field. The Yadana field in the Gulf of Martaban has five trillion cubic feet of reserves and will deliver about 525 mmcf/day to Thailand at full capacity. See Unocal, *Unocal in Myanmar (Burma): The Yadana Project* (March 1997) at 2 [hereinafter *Unocal in Myanmar*]. In addition, no other gas fields had yet been discovered offshore Burma as of 1991. The Yetagun field was discovered in November 1992. See *supra* Chapter 1, note 13, *Our Global Responsibilities* at 7.

16. See, e.g., *supra* Chapter 1, note 14, "Junta helps Thais in Burma gas deal."

17. "PTT offers to buy all oil from Burma tract," *The Bangkok Post*, January 17, 1991; *supra* Chapter 1, note 14, "Four-way pact on Burma concession."

18. See *supra* Chapter 1, note 14, "PTTEP seeks new concession in Burma;" *supra* Chapter 1, note 14, "4-way pact on Burma concession."

19. See *supra* Chapter 1, note 14, "Junta helps Thais in Burma gas deal."

20. *Id.*

21. See *supra* Chapter 1, note 14, DOL Report at 48-49.

22. See *infra* Chapter 2: Enter SLORC, Forced Labor Begins, particularly section on "Kaleinaung Slave Camp."

23. See *supra* Chapter 1, note 14, DOL Report at 48-49.

24. James Fahn, "When gas is not so nature friendly," *The Nation*, May 5, 1997.

25. Staff Editorial, "Moment of truth arrives," *The Nation*, January 10, 1998.

26. See *supra* Chapter 1, note 13, *Our Global Responsibilities* at 7.

27. *Id.*

28. *Id.* at 5.

29. *Id.* at 7.

30. See *supra* Chapter 1, note 15, *Unocal in Myanmar* at 2.

31. *Id.* at 4.

32. *Id.* at 3.

33. *Id.* at 2.

34. *Id.* at 2, 4.

35. Mme. Marie-Hélène Aubert, Mm. Pierre Brana and

Roland Blum, "Rapport d'Information, Par la Commission des Affaires Étrangères (1) sur le rôle des compagnies pétrolières dans la politique internationale et son impact social et environnemental," 13 octobre 1999, Volume 1, at 94 (unofficial translation by Info-Birmanie)[hereinafter French Mission Report].

36. *Id.*

37. Tom Kramer, "Oil Companies Investing in Burma Under Fire in Europe," *The Irrawaddy* (June 1999).

38. "IHC Caland Barely Addresses Criticism," *Financiële Telegraaf*, June 5, 1999 (unofficial translation by Burma Center Netherlands).

39. See *supra* Chapter 1, note 37, "Oil Companies Investing in Burma Under Fire in Europe."

40. *Id.*

41. U.S. Embassy, Rangoon, Burma. *Foreign Economic Trends* (1996) at 48 [hereinafter *Economic Trends*]. The military also often formalizes relationships with foreign investors through the Union of Myanmar Economic Holdings (UMEH). The Directorate of Defense Procurement, which secures the military's arms and imports, owns 4 percent of UMEH, and the remaining 60 percent is owned by "defense services personnel." *Id.* ("UMEH is a specially privileged holding company formed in February 1990. As stipulated in its charter, 40% of its equity is owned by the Directorate of Defense Procurement, a Defense Ministry agency that supplies the GOB's military imports; the remaining 60% is owned by 'defense service personnel,' notably senior military officers including SLORC members, and by 'military regiments and war veterans (organizations or individually). UMEH, as stipulated by its charter, operates 'under the guidance of the Directorate of Procurement,' with which it is co-located across the street from the Defense Services Museum in Rangoon."); see *id.* at fn. 31 (The charter is "GOB Ministry of Trade Notification No. 7/90, Rangoon. 19 February 1990, entitled 'Formation of the Union of Myanmar Economic Holdings, Limited.' At that time, Col. David Abel, who signed this notification, was both Minister of Trade and Director of Defense Procurement, as well as Minister of Finance. He is now . . . a brigadier general.")

42. See *supra* Chapter 1, note 37, "Oil Companies Investing in Burma Under Fire in Europe."

## CHAPTER 2

1. See *supra* Chapter 1, note 35, French Mission Report at 102.

2. LeProvost Dames & Moore, *Yetagun Development Project (Phase I): Environmental and Cultural Impact Assessment for Onshore Zone 1*, (August 1996)(draft)[hereafter *Yetagun EIA*], at Socio-Cultural Report (Confidential Addendum for the Attention of Texaco Management) at 3 [hereinafter Confidential Addendum].

3. Ted Bardake, "Burma's Pipeline Rouses Opposition," *Financial Times*, January 24, 1996.

4. David Brunnstrom, "Total's Burma Gas Venture May Cost US\$1 Billion," *Reuters Financial Report, Energy News*, October 16, 1992.

5. See *supra* Chapter 1, notes 14 to 21 and accompanying text.

6. See *infra* Chapter 2, "Connecting the Dots Between the Military Bases—The Pipeline Routes Appear," and notes 36 to 41 and accompanying text.

7. See *supra* Part I, note 5, *Total Denial*, at 13-15; ERI Field Data (documenting the presence of battalions providing

security for the pipeline, including LIBs 25, 104, 273, 282, 401, 402, 403, 404, 405, 406, 407, 408, 409, and 410)(on file with authors); *see also* Chapter 1, note 14, DOL Report at 54-55 (listing 10 different battalions active in the pipeline region at one time or another: LIBs 273, 282, 401, 403, 404, 406, 407, 408, 409, and 410; the reports rely on a U.S. Embassy officer's 1996 report and a journalist who visited the region and took a photograph of a map identifying the active battalions in the region in 1998)

8. ERI Interview #83 (on file with authors).
9. ERI Interview #39 (on file with authors).
10. ERI Interview #40 (on file with authors).
11. *Forced Labour in Myanmar (Burma)*, Report of the Commission of Inquiry appointed under article 26 of the Constitution of the International Labour Organization to examine the observance by Myanmar of the Forced Labour Convention, 1930 (No. 29), Geneva (July 2, 1998) at 160, para. 543.
12. *Id.* at 155, para. 528.
13. ERI Interview #40 (on file with authors).
14. ERI Field Document #34 (on file with authors).
15. ERI Interview #29 (on file with authors).
16. ERI Interview #50 (on file with authors).
17. ERI Interview #31 (on file with authors).
18. ERI Interview #24 (on file with authors).
19. ERI Interview #32 (on file with authors).
20. ERI Interview #6 (on file with authors).
21. ERI Interview #40 (on file with authors).
22. ERI Interview #41 (on file with authors).
23. *See supra* Chapter 2, note 2, *Yétagun ELA*, at Confidential Addendum at 3.
24. *Id.*
25. *See supra* Chapter 1, note 14, DOL Report at 54 (citing "Interim Report of the Special Rapporteur on Burma" (1996), UN Doc. A/51/466, para. 135).
26. ERI Interview #24 (on file with authors); *see also* ERI Interview #15 (on file with authors)(discussing the working and portering for the army on an island for a week offshore the pipeline area in 1995).
27. ERI Interview #50 (on file with authors).
28. ERI Interview #58; *see also* ERI Interview #71 (discussing work on the Heinze Island for LIB 410).
29. ERI Interview #81 (on file with authors).
30. ERI Interview #39 (on file with authors).
31. U.S. Department of State Unclassified Cable from U.S. Embassy in Rangoon, Cable No. 00220, January 22, 1996 at para. 22 [hereinafter U.S. Embassy Cable, January 22, 1996].
32. ERI Interview #109 (on file with authors).
33. Transcript, Meeting between Unocal President John Imle and a group of activists interested in the pipeline (Jan. 4, 1995)(on file with authors).
34. ERI Interview #9 (on file with authors)("[In late 1991 or early 1992 in Nat-E-Taung,] we stayed there for 20 days. We had to work very hard while we were there digging their communication lines. We also had to build a military post there.").
35. ERI Interview #71 (on file with authors)(discussing working on an outpost of LIB 407 near Ohnbingwin).
36. ERI Interview #60 (on file with authors).
37. ERI Interview #11 (on file with authors).
38. ERI Field Document #49 (on file with authors).
39. ERI Interview #15 (on file with authors).
40. ERI Interview #27 (on file with authors).
41. ERI Interview #40 (on file with authors); *see also* ERI

- Field Document #49 (on file with authors).
42. ERI Interview #25 (on file with authors).
43. Letter from Brigitte M. Dewez, Corporate Secretary, Unocal Corporation, to Fr. Joseph P. La Mar, Maryknoll Fathers and Brothers (Feb. 13, 1998) (on file with authors).
44. ERI Interview #28 (on file with authors).
45. ERI Interview #8 (on file with authors).
46. ERI Interview #9 (on file with authors).
47. ERI Field Document #40 (on file with authors).
48. ERI Field Document #42 (on file with authors).
49. ERI Interview #109 (on file with authors).
50. ERI Interview #24 (on file with authors).
51. ERI Interview #50 (on file with authors).

### CHAPTER 3

1. *See supra* Chapter 1 for discussion of the timing of the deals, the choice of the routes, and the attack on Nat-E-Taung.
2. ERI Interview #5 (on file with authors); *see also* ERI Interview #57 (on file with authors)(discussing a relocation in 1992).
3. ERI Interview #35 (on file with authors).
4. *See supra* Part I, note 5, *Total Denial* at 15-16.
5. *Id.* at 16-17.
6. ERI Field Document #3 (on file with authors).
7. ERI Interview #40 (on file with authors).
8. ERI Field Document #38 (on file with authors).
9. ERI Interview #54 (on file with authors).
10. ERI Field Document #37 (on file with authors).
11. *See supra* Chapter 1, note 14, DOL Report at 56 (citing U.S. Department of State Unclassified Cable from U.S. Embassy in Rangoon, Cable No. 00302, 1998 at para. 79).
12. ERI Interview #42 (on file with authors).
13. ERI Interview #41 (on file with authors).
14. *See supra* Chapter 1, note 13, *Our Global Responsibilities* at 11 (map).
15. EarthRights International, "Responses to Unocal's Testimony Submitted to the City Council of New York City" (March 25, 1997); *see also supra* Chapter 1, note 14, DOL Report at 56 ("Residents of one village told U.S. embassy officials that their village was ostensibly relocated for security reasons, but that with the assistance of Total, they were able to petition the government to allow them to return."). Some villagers did return to "old" Michaunglaung. "[Michaunglaung] was relocated to a new place, but some villagers could go back to live with the foreigners' help. The foreigners helped them to build the buildings." ERI Interview #46 (on file with authors).
16. *See supra* Chapter 1, note 14, DOL Report at 56 (citing U.S. Department of State Unclassified Cable from Embassy Rangoon, Cable No. 00302, 1998 at para. 82); *see also supra* Chapter 1, note 15, *Unocal in Myanmar* at 3; *see also supra* Chapter 2, note 31, U.S. Embassy Cable, January 22, 1996 at para. 20.
17. ERI Interview #42 (on file with authors).
18. ERI Interview #41 (on file with authors).
19. ERI Interview #21 (on file with authors).
20. ERI Field Document #34 (on file with authors).
21. ERI Interview #93 (on file with authors).
22. ERI Interview #16 (on file with authors).
23. ERI Interview #29 (on file with authors).
24. ERI Interviews #6 and 6II (on file with authors).
25. ERI Interview #4 (on file with authors); *see also supra* Part I, note 5, *Total Denial* at 16-17.

26. ERI Interviews #6 and 6II (on file with authors).
27. ERI Interview #15 (on file with authors).
28. ERI Interview #65 (on file with authors).
29. ERI Interview #21 (on file with authors).
30. ERI Field Document #45 (on file with authors).
31. ERI Interview #29 (on file with authors).
32. Human Rights Watch/Asia, *The Mon: Persecuted in Burma, Forced Back from Thailand*, Vol. 6, No. 14 (1994) at 11.
33. *Id.* at 12.
34. Personal communication with anonymous source, January 25, 2000 (on file with authors).
35. *See supra* Chapter 3, note 32, *The Mon: Persecuted in Burma, Forced Back from Thailand* at 14.
36. *See, e.g.*, “Mon rebels negotiating with Burma junta,” *Agence France Presse*, June 27, 1995 (“Three meetings last year were unsuccessful. Mon representatives alleged they had been pressured by Thai authorities when Thai soldiers pushed Mon refugees back into Burma where they were attacked by Burmese troops. Mon activists said the Thai action was intended to pressure the ethnic rebels into accepting a planned pipeline from Burmese natural gas fields in the Andaman Sea to Kanchanaburi in Thailand.”); *see also* “World News Summary,” *Agence France Presse*, June 29, 1995 (“Burma’s ruling military junta signed a ceasefire accord with . . . the Mon state, the 7,000-strong New Mon State Party (NMSP).”);
37. ERI Field Documents (spring 1997)(on file with authors).
38. ERI Interview #27 (on file with authors).
39. ERI Interview #47 (on file with authors).
40. ERI Interview #3 (on file with authors).
41. ERI Field Document #39 (on file with authors).
42. ERI Interview #47 (on file with authors).
43. ERI Interview #5 (on file with authors).
44. ERI Interview #8 (on file with authors).
45. ERI Interview #87 (on file with authors).

## CHAPTER 4

1. ERI Field Document #44 (on file with authors).
2. ERI Interview #36 (on file with authors).
3. *See supra* Chapter 2, note 31, U.S. Embassy Cable, January 22, 1996 at para. 24.
4. *Id.*
5. *See supra* Chapter 1, note 14, DOL Report at 57-58.
6. ERI Interview #42 (on file with authors).
7. ERI Interview #40 (on file with authors).
8. ERI Interview #26 (on file with authors).
9. ERI Interview #33 (on file with authors).
10. ERI Interview #9 (on file with authors).
11. ERI Interview #31(on file with authors).
12. ERI Interview #50 (on file with authors).
13. ERI Interview #60 (on file with authors).
14. ERI Interview #48 (on file with authors).
15. ERI Interview #71 (on file with authors).
16. ERI Interview #15 (on file with authors).
17. ERI Interview #57 (on file with authors).
18. ERI Interview #15 (on file with authors).
19. ERI Field Document #48 (on file with authors).
20. ERI Interview #12 (on file with authors).
21. ERI Interview #43 (on file with authors).
22. ERI Interview #35 (on file with authors).
23. ERI Interview #110 (on file with authors).
24. ERI Field Document #38 (on file with authors).
25. ERI Interview #28 (on file with authors).

26. ERI Interview #4 (on file with authors).
27. ERI Interview #44 (on file with authors).
28. ERI Interview #9 (on file with authors).
29. ERI Interview #40 (on file with authors).
30. ERI Field Document #49 (on file with authors).
31. *See supra* Summary, note 2, Nightline, March 28, 2000.
32. ERI Interview #50 (on file with authors).
33. ERI Interview #35 (on file with authors).
34. ERI Interview #40 (on file with authors).
35. ERI Field Document #49 (on file with authors).
36. ERI Field Document #49 (on file with authors).
37. *See* ERI Interview #39 (on file with authors); *see also* ERI Interview #44 (on file with authors)(“I saw two porters die of malaria.”).
38. ERI Interview #39 (on file with authors).
39. ERI Interview #9 (on file with authors); *see also* ERI Interview #44 (on file with authors)(“Some porters died from landmines while they were looking for vegetables.”); ERI Interview #50 (on file with authors)(“[On the way to Nat-E-Taung, “one mine exploded, and five soldiers and five porters died; moreover there were seven people who were wounded. We buried all the dead bodies and continued our journey. After about 10 minutes, there was another mine explosion, so four soldiers with one major died. There were also four soldiers and 10 porters that got wounded. The last time when the mine exploded, there were 12 porters that died, and 10 people got wounded.”).
40. *See, e.g.*, ERI Interview #87 (on file with authors).
41. ERI Interview #33 (on file with authors).
42. *See supra* Chapter 1, note 35, French Mission Report at 102.
43. ERI Interview #9 (on file with authors).

## PART II

1. Alex Katz, “Unocal implicated in Burma strife,” *L.A. Weekly*, January 15, 1999.
2. U.S. Department of State Unclassified Cable from U.S. Embassy in Rangoon, Cable No. 002067, 1995 at para. 28 (*emphasis added*)[hereinafter “Robinson Cable”]; *see also supra* Chapter 2, note 31, U.S. Embassy Cable, January 22, 1996 at para. 22 (“Briefing materials distributed by Total [included] medical, construction and financial services to be provided by the project to supporting Burmese army units.”).
3. *See supra* Part II, note 2, “Robinson Cable” at para. 20 (*emphasis added*).
4. *Id.* at para. 27 (*emphasis added*).
5. *Id.* at para. 22 (*emphasis added*).
6. ERI Interview #39 (on file with authors).
7. ERI Interview #6 and #6II (on file with authors).

## CHAPTER 5

1. Holly Fisher and Katherine Pieratos, “When Spiders Unite . . .” (produced for the Free Burma Coalition)(1999)(on file with authors).
2. Deposition of John Imle, *John Doe I v. Unocal*, August 1997 at 170.
3. *See supra* Summary, note 2, Nightline, March 28, 2000.
4. *See supra* Chapter 2, note 2, *Yetagun EIA*, at Confidential Addendum at 2.
5. “Myanmar Trouble in the Pipeline,” *The Economist*, January 18, 1997 at 39 (“The government of Myanmar is contractually obliged to provide access to Total’s corridor and to protect it.”); *see also* author’s notes from meeting

with Premier Oil Executives, London, England (May 1999)(on file with authors)(executives confirmed that security was the responsibility of the Burmese in the Production Sharing Contract); *see also supra* Part II, note 2, “Robinson Cable” at para. 28.

6. *See supra* Chapter 2, note 2, *Yetagun EIA*, at Confidential Addendum at 2.

7. ERI Interview #87 (on file with authors).

8. ERI Interview #42 (on file with authors).

9. ERI Interview #56 (on file with authors).

10. ERI Field Document #35 (on file with authors); *see also* ERI Interview #42 (on file with authors).

11. ERI Interview #39 (on file with authors).

12. ERI Field Document #37 (on file with authors).

13. ERI Interview #4 (on file with authors); *see also id.* (“I realized that before the foreigners came the soldiers did not come into our village often.... but after the foreigners came [the soldiers] came into our village and outside the village. Moreover, the village head told us about that, so we know that [the soldiers] came and guarded the gas pipeline. . . . The village head told us that the soldiers came to take care of the foreigners.”)

14. National Public Radio, “Unocal Pipeline Lawsuit,” on “All Things Considered,” March 10, 2000 (cited in *The BurmaNet News*, March 13, 2000)[hereinafter “All Things Consider,” March 10, 2000].

15. *See supra* Chapter 2, note 2, *Yetagun EIA*, at Confidential Addendum at 2.

16. ERI Interview #83; *see also* ERI Interviews #40 and #43 (deserters stating that the LIB 282 was “created for gas pipeline security”)(on file with authors); ERI Interview #33 (“I . . . know that LIB 282 [are] special troops for the pipeline security.”).

17. ERI Field Document #39 (on file with authors).

18. ERI Interview #43 (on file with authors).

19. ERI Field Document #38 (on file with authors).

20. ERI Field Document #51 (on file with authors).

21. ERI Field Document #38 (on file with authors).

22. ERI Field Document #17 (on file with authors).

23. Unocal, *Unocal in Myanmar: Report to Shareholders* (July 1994) at 6.

24. ERI Interview #39 (on file with authors).

25. ERI Interview #42 (on file with authors).

26. ERI Interviews #40 and 43 (on file with authors).

27. ERI Field Document #51 (on file with authors).

28. ERI Interview #40 (on file with authors).

29. ERI Interview #40 (on file with authors).

30. ERI Interview #43 (on file with authors).

31. ERI Interview #52 (on file with authors); *see also* ERI Interview #20 (on file with authors)(“The foreigners hired [the soldiers], and they also got their salary from the foreigners. I know that because my village head told me that.”).

32. ERI Interview #110 (on file with authors).

33. ERI Field Document #38 (on file with authors); *see also id.* (“If anything happened to the foreigners, we would be in big trouble. Our group had to give special security for three foreigners. The foreigners gave us apples and oranges.”).

34. ERI Interview #110 (on file with authors).

35. ERI Interview #87 (on file with authors).

36. ERI Interview #111 (on file with authors).

37. ERI Interview #87 (on file with authors).

38. Total’s Briefing Materials (January, 18 1996)(on file with authors)[hereinafter Total’s Briefing Materials], *see also* ERI

Interview #82 (eyewitnesses’ testimony of LIB 273 using Total construction vehicles to clear an outpost at Kanbauk)(on file with authors).

39. ERI Interview #60 (on file with authors); *see also supra* Chapter 2 for discussion about ongoing work on various barracks in the pipeline corridor.

40. ERI Field Document #51 (on file with authors).

41. ERI Field Document #38 (on file with authors).

42. ERI Field Document #51 (on file with authors).

43. ERI Interview #111 (on file with authors).

44. ERI Interview #87 (on file with authors).

45. ERI Interview #111 (on file with authors).

46. *See supra* Chapter 5, note 38, Total’s Briefing Materials; *see also* ERI Field Document #1 (“The Total company doctor, who was working with [a] battalion . . . gave all his supplies and medical equipment to another doctor funded by Total in May 1998.”); ERI Field Document #40 (“In May 1998, soldiers . . . were getting medical treatment by the Total Company’s doctor at the southern pipeline patrolling area.”).

47. ERI Interview #60 (on file with authors).

48. ERI Interview #8 (on file with authors).

49. ERI Interview #111 (on file with authors).

50. *See supra* Part II, note 2, “Robinson Cable” at para. 28; *see also* ERI Interview #4 (on file with authors)(“I saw three cars. The first car and the third car were the soldiers, and the second car was the employee.”).

51. *See supra* Chapter 2, note 2, *Yetagun EIA*, at Socio-economic Report at 6.

52. Author’s notes from meeting with Premier Oil Executives, London, England (May 1999)(on file with authors).

53. ERI Interview #43 (on file with authors).

54. ERI Interview #40 (on file with authors).

55. ERI Interview #40 (on file with authors).

56. *See supra* Chapter 2, note 31, U.S. Embassy Cable, January 22, 1996 at para. 18.

57. ERI Field Document #37 (on file with authors).

58. ERI Interview #83 (on file with authors).

59. *See supra* Chapter 2, note 31, U.S. Embassy Cable, January 22, 1996 at para. 21.

60. ERI Interview #42 (on file with authors).

61. ERI Interview #52 (on file with authors).

62. ERI Field Document #38 (on file with authors); *see also* ERI Interview #6 (on file with authors)(“The village headman said that the foreigners will come and in the afternoon the foreigners arrived our village. They came and show the movie and after then they went back by the helicopter. They stayed in the village for more than one hour. They also take a picture of the village and it was my first time that I see foreigners. . . . When the foreigners came they also brings some snacks and toys for the children. They showed in the church to all the villagers. There were some soldiers to guard them.”).

63. ERI Interview #9 (on file with authors).

64. ERI Field Document #38 (on file with authors).

65. *See supra* Chapter 5, note 5.

## CHAPTER 6

1. Canalplus, 90 Minutes, “Total en Birmanie: l’autre scandale,” April 11, 2000 (8:40PM) and April 16, 2000 (11:45AM)(unofficial translation by Info-Birmanie)(“ce que je sais, c’est que tout à fait à l’origine du projet, dans les tous premiers mois, nous avons eu connaissance de l’utilisation par l’armée de travail forcé pour les travaux que vous

mentionnez et nous avons pris la décision de rémunérer volontairement les gens qui avaient été associés à ces travaux.”)[hereinafter Canalplus, 90 Minutes].

2. Article 2(1), Convention Concerning Forced or Compulsory Labour, ILO (No. 29), *adopted* June 28, 1930, 39 U.N.T.S. 55 (*entered into force* May 1, 1932)[hereinafter ILO Convention No. 29].
3. *See supra* Chapter 5, note 38, Total’s Briefing Materials.
4. *See supra* Summary, note 2, Nightline, March 28, 2000.
5. *See supra* Chapter 5, note 14, “All Things Considered,” March 10, 2000.
6. *Id.*
7. *See supra* Summary, note 2, Nightline, March 28, 2000.
8. *Id.*
9. *See supra* Part II, note 2, “Robinson Cable” at para. 8. Villagers often reported seeing civilian helicopters in the pipeline region: “We saw [a helicopter] flying. It was white.” ERI Interview #4 (on file with authors); *see also*, e.g., ERI Interview #52 (“I saw a helicopter at Total’s place. I saw two helicopters. One was white, and the other was red.”).
10. *See supra* Part II, note 2, “Robinson Cable” at para. 27.
11. *See supra* Chapter 2, note 31, U.S. Embassy Cable, January 22, 1996 at para. 16.
12. *See supra* Part II, note 2, “Robinson Cable” at para. 22.
13. ERI Interview #6 (on file with authors).
14. ERI Interview #9 (on file with authors).
15. ERI Interview #34 (on file with authors); *see also* ERI Interview #32 (on file with authors)(“[W]hen the foreigners came, we could not watch because the Burmese [soldiers] did not let us watch. Our workplace and where the foreigners came was not too far. The heliport was near the place where we go and work. When the [helicopter] came we saw that. . . . When we finished clearing they started to build the heliport with cement. . . . [T]hey put the stones around the heliport.”); *see also* ERI Interview #43 (on file with authors)(“We . . . had to build the heliports, and now we have five heliports for the pipeline.”).
16. *See supra* Chapter 6, note 1, Canalplus, 90 Minutes, April 11, 2000.
17. ERI Interview #56 (on file with authors).
18. *See supra* Part II, note 2, “Robinson Cable” at para. 23 (*emphasis added*).
19. ERI Interview #46 (on file with authors).
20. ERI Interview #33 (on file with authors).
21. ERI Field Document #38 (on file with authors).
22. ERI Interview #70 (on file with authors).
23. ERI Interview #45 (on file with authors).
24. The Investors Responsibility Resource Center (IRRC) 1998 Company Report—E and E:2: Unocal (May 11, 1998) at 5; *see also* Part II, note 2, “Robinson Cable” at para. 20 (“Robinson said Total meets the porters at the marshalling camp, where a Total doctor give them a physical exam. Some are sent home due to their poor physical condition (the companies accept only male porters between 18 and 24 years of age). Robinson said Total keeps careful records of the porters to ensure they are paid. He said these records of workers and porters showed that they had not been overly drawn from just one village, in fact, the most that had been drawn from a particular village so far was three.”).
25. *See supra* Summary, note 2, Nightline, March 28, 2000; *see supra* Chapter 5, note 2, Deposition of John Imle.
26. ERI Interview #3 (on file with authors).
27. ERI Interview #40 (on file with authors).

28. ERI Interview #29 (on file with authors).
29. ERI Interview #29 (on file with authors).
30. ERI Interview #29 (on file with authors).
31. ERI Interview #29 (on file with authors).
32. *See supra* Chapter 6, note 2, Article 2(1), ILO Convention No. 29.
33. *See supra* Part II, note 2, “Robinson Cable” at para. 20.
34. *See supra* Chapter 6, note 1, Canalplus, 90 Minutes, April 11, 2000.
35. *See supra* Chapter 5, note 38, Total’s Briefing Materials (*emphasis added*).
36. ERI Field Document #38 (on file with authors); *see also* ERI Interview #70 (“I went in March 1996. LIB 404 asked the village head to provide five villagers, including me, for portering. . . . We carried rice, bullets and food. . . . We [went] for one month and 15 days. . . . I got 9000 kyat. I was paid 200 kyat a day.”).
37. ERI Interview #3 (on file with authors).
38. ERI Interview #20 (on file with authors).
39. ERI Interview #4 (on file with authors); *see also id.* (“Before we got the money, we had to take the picture in Kanbauk first, and later we can go and take the money. The soldier took us the picture, [and] it was 100 kyat. . . . We had to pay by ourselves. . . . It was my first work that I got paid. Later I never got paid.”).
40. ERI Interviews #6 and #6II (on file with authors).
41. “International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia Since 1991,” *Report of the Secretary-General, pursuant to para. 2 of the Security Council Resolution 808* (1993), S/25705 (May 3, 1993), para. 48 at 13.
42. ERI Interview #110 (on file with authors).
43. ERI Interview #42 (on file with authors).
44. ERI Interview #50 (on file with authors).
45. ERI Interview #60 (on file with authors).
46. *See supra* Chapter 5, note 38, Total’s Briefing Materials.
47. *See supra* Chapter 2, note 31, U.S. Embassy Cable, January 22, 1996 at para. 27.
48. *See supra* Part II, note 2, “Robinson Cable” at para. 21.
49. ERI Interview #109 (on file with authors).
50. ERI Interview #29 (on file with authors).
51. ERI Interview #27 (on file with authors).
52. ERI Interview #17 (on file with authors).
53. ERI Interview #9 (on file with authors).
54. ERI Interview #109 (on file with authors).
55. ERI Interview #70 (on file with authors).
56. ERI Interview #45 (on file with authors).
57. ERI Interview #45 (on file with authors).
58. ERI Interview #3 (on file with authors).

## CHAPTER 7

1. *See supra* Chapter 1, note 13, *Our Global Responsibilities* at 5.
2. ERI Interview #4 (on file with authors).
3. ERI Interview #70 (on file with authors).
4. ERI Interview #5 (on file with authors).
5. ERI Interview #50 (on file with authors); *see also* ERI Interview #63 and ERI Field Document #38 (on file with authors)(“SLORC from LIB 409 forced us to work all the time, and we did not even have time to work for ourselves.. And the other thing is they are looking for a fight with us all the time, and we could not tolerate it anymore. We decided to come Thailand. . . . They forced us to do so many

things, and they demanded porter fees, and we had to work all the time. Monthly we had to provide them 2"x4"x6' pieces of wood and 200 kyat and 2,000 kyat for porter fees. . . . The whole village had to pay like that. [The people who could not pay], usually [the soldiers] took them to their military outpost to work for four or five weeks on several things such as cleaning, carrying water, digging trenches.”).

6. ERI Interview #3 (on file with authors); *see also* ERI Interview #52 (on file with authors)(“Because the villagers had to do the work for the military, they didn’t have a chance to do their own work, so they didn’t have enough food.”).

7. ERI Interview #40 (on file with authors).

8. ERI Field Document #37 (on file with authors).

9. ERI Interview #3 (on file with authors)(“[I]t was their turn to go, but they didn’t want to go anymore, so they had to pay 5,000 kyat [to] hire the people for them.”).

10. *See supra* Chapter 2, note 2, *Yetagun ELA*, at Confidential Addendum at 3.

11. ERI Interview #24 (on file with authors); *see also* ERI Interview #15 (on file with authors)(discussing the working and portering for the army on an island for a week offshore the pipeline area in 1995).

12. ERI Interview #50 (on file with authors).

13. ERI Interview #24 (on file with authors).

14. ERI Interview #5 (on file with authors).

15. ERI Interview #28 (on file with authors).

16. ERI Interview #26 (on file with authors).

17. ERI Field Document #51 (on file with authors).

18. ERI Interview #47 (on file with authors).

19. ERI Field Document #37 (on file with authors).

20. ERI Field Document #40 (on file with authors).

21. ERI Interview #5 (on file with authors).

22. ERI Field Document #50 (on file with authors).

23. ERI Interview #16 (on file with authors).

24. ERI Field Document #38 (on file with authors).

25. ERI Field Document #40 (on file with authors).

26. ERI Field Document #51 (on file with authors).

27. ERI Interview #44 (on file with authors).

28. ERI Interview #110 (on file with authors).

29. *See generally* Betsy Apple, EarthRights International, *School for Rape* (1998).

30. ERI Interview #41 (on file with authors).

31. ERI Field Document #49 (on file with authors).

32. ERI Interview #110 (on file with authors).

33. ERI Field Document #39 (on file with authors).

34. “Our salary is 600 kyat a month, but it is nothing. After they cut out our money for so many kinds of donations [taxes], finally, we were left with around about 500 kyat.” ERI Interview #40 (on file with authors).

35. ERI Interview #110 (on file with authors).

36. ERI Interview #40 (on file with authors).

37. ERI Field Document #39 (on file with authors).

38. ERI Interview #40 (on file with authors).

39. ERI Interview #40 (on file with authors).

40. ERI Interview #64 (on file with authors).

41. ERI Interview #14 (on file with authors).

42. ERI Interview #34 (on file with authors).

43. ERI Interview #14 (on file with authors).

44. ERI Field Document #38 (on file with authors).

45. *See supra* Chapter 1, note 14, DOL Report, at 55 (citing Yozo Yokota, “Report of the Special Rapporteur of the Commission on Human Rights on the Situation of Human Rights in Myanmar,” A/50/568, October 16, 1995 at 15).

46. ERI Interview #65 (on file with authors).

47. ERI Interview #20 (on file with authors).

48. ERI Interview #65 (on file with authors).

49. ERI Interview #29 (on file with authors).

50. ERI Field Document #39 (on file with authors).

51. ERI Field Document #40 (on file with authors).

52. ERI Interview # 48, ERI Field Document #37 (on file with authors); *see also* ERI Interview #52 (“[The soldiers] asked the villagers to do the cultivation for them. They asked the villagers to pay for the rice for them.”).

53. ERI Interview #109 (on file with authors).

54. ERI Field Document #40 (on file with authors)(also describes forced farming in 1998 for LIB 406); *see also* ERI Field Document #22 (on file with authors)(describing forced farming by LIB 408).

55. ERI Field Document #14 (on file with authors).

56. *See generally supra* Chapter 7, note 29, *School for Rape*.

57. ERI Interview #61 (on file with authors).

58. ERI Interview #40 (on file with authors).

59. ERI Interview #28 (on file with authors).

60. *See supra* Chapter 2, note 2, *Yetagun ELA*, at Socio-Cultural Report at 40.

61. ERI Interview # 48, ERI Field Document #37 (on file with authors); *see also* ERI Interview #52 (“[The soldiers] asked the villagers to do the cultivation for them. They asked the villagers to pay for the rice for them.”).

62. ERI Interview #13 (on file with authors).

63. ERI Interview #47 (on file with authors).

64. ERI Interview #18 (on file with authors).

65. ERI Interview #17 (on file with authors).

66. ERI Field Document #51 (on file with authors); *see also* ERI Interview #83 (on file with authors)(“Fisherman have to give fish to the military whenever they’re stopped.”).

67. ERI Interview #12 (on file with authors).

68. ERI Interview #58 (on file with authors).

69. ERI Field Document #39 (on file with authors).

70. ERI Interview #84 (on file with authors).

71. ERI Interview #82 (on file with authors); *see also* ERI Interview #83 (on file with authors)(describing how some areas are off limits, such as areas around military camps in Ohnbingwin after 6 p.m.).

72. ERI Interview #51 (on file with authors).

73. ERI Interview #40 (on file with authors).

74. *See supra* Part I, note 5, *Total Denial* at 16-17.

75. ERI Interview #4 (on file with authors).

76. ERI Interview #1 (on file with authors).

77. ERI Interview #2 (on file with authors).

78. ERI Interview #4 (on file with authors).

79. ERI Interview #1 (on file with authors).

80. ERI Interview #2 (on file with authors).

81. ERI Interview #9 (on file with authors).

82. *See supra* Chapter 1, note 35, French Mission Report at 103.

83. *See supra* Part II, note 2, “Robinson Cable” at para. 36; *see also id.* at para. 1 (“While Robinson made a convincing case on a great many points, even he seemed to acknowledge that, with the Burmese military as a partner, it is impossible to eliminate all potential abuse.”).

84. <<http://www.unocal.com>> (visited on April 16, 2000).

85. ERI Interview #4 (on file with authors).

### PART III

1. <[http://www.premier-oil.com/annualreport/annual\\_report\\_99\\_00/responsible\\_business.htm](http://www.premier-oil.com/annualreport/annual_report_99_00/responsible_business.htm)> (visited on April 28, 2000).

2. <<http://www.unocal.com>> (visited on April 16, 2000).
3. Foreign & Commonwealth Office, Press Department, "Edited Transcript of Press Conference Given by the Foreign Secretary, Robin Cook, Tham Hin Refugee Camp, Thai/Burma Border, April 20, 2000" (cited in *The BurmaNet News*, April 22-23, 2000).
4. Amnesty International, "Public Statement: Myanmar and Premier Oil," April 12, 2000, AI INDEX: ASA 16/02/00.

## CHAPTER 8

1. *See supra* Chapter 6, note 1, Canalplus, 90 Minutes, April 11, 2000.
2. *See supra* Chapter 2, note 31, U.S. Embassy Cable, January 22, 1996 at para. 19.
3. Roger Beach, Unocal Corp., Press Release, December 19, 1996; *see also* <<http://www.unocal.com/>> (visited on April 16, 2000) ("Invariably, the people of these countries have welcomed our presence.").
4. ERI Interview #3 (on file with authors); *see also* ERI Interview #18 (on file with authors) ("All the LIBs and the foreigners came to our village and had a meeting. And we villagers were required to go to the meeting, one person for one family, and [we] had to wear Karen traditional shirts.").
5. *Id.*
6. ERI Field Document #1 (on file with authors).
7. Gregory Millman, "Troubling Projects," *Infrastructure Finance* (Feb/March 1996)
8. *See supra* Chapter 5, note 14, "All Things Considered," March 10, 2000.
9. ERI Interview #8 (on file with authors).
10. ERI Field Documents #15 and #51 (on file with authors).
11. ERI Interview #40 (on file with authors).
12. ERI Field Document #17 (on file with authors).
13. ERI Interview #33 (on file with authors).
14. *See supra* Chapter 2, note 31, U.S. Embassy Cable, January 22, 1996 at para. 19.
15. ERI Interview #18 (on file with authors).
16. ERI Interview #18 (on file with authors).
17. ERI Field Document #38 (on file with authors).
18. ERI Interview #109 (on file with authors).
19. ERI Interview #109 (on file with authors).
20. ERI Interview #82 (on file with authors).
21. ERI Interview #87 (on file with authors).
22. ERI Field Document #51 (on file with authors).
23. ERI Interview #83 (on file with authors); *see also* ERI Interview #85 (on file with authors) ("Since the company came, the education has gotten worse. The students don't come to school on time and don't do very well in school, but they are passed on to the next grade anyway.").
24. ERI Interview #85 (on file with authors).
25. ERI Interview #82 (on file with authors); *see also* ERI Interview #87 (on file with authors) (stating he also believes that there has been an increase in malaria since Total arrived).
26. ERI Interview #83 (on file with authors).
27. ERI Interview #109 (on file with authors).
28. ERI Interview #7 (on file with authors).
29. ERI Interview #60 (on file with authors).
30. ERI Interview #82 (on file with authors).
31. ERI Interview #60 (on file with authors).
32. <<http://www.unocal.com>> (visited on April 16, 2000).
33. *Id.*
34. Total, *Yadana Gas Development Project* (July 1997) at 19.

35. ERI Field Document #17 (on file with authors).
36. ERI Interview #58 (on file with authors).
37. *See supra* Chapter 8, note 34, *Yadana Gas Development Project* at 18-19. Few, if any, of the local villagers are college-educated.
38. ERI Interview #111 (on file with authors).
39. ERI Interview #85 (on file with authors).
40. ERI Interview #83 (on file with authors).
41. ERI Field Document #38 (on file with authors).
42. ERI Interview #60 (on file with authors).
43. ERI Interview #84 (on file with authors).
44. ERI Interview #60 (on file with authors).
45. ERI Field Document #38 (on file with authors).
46. ERI Interview #3 (on file with authors).
47. *See supra* Chapter 2, note 2, *Yétagun EIA*, at Socio-Cultural Report at 40.
48. ERI Interview #82 (on file with authors).
49. ERI Field Document #38 (on file with authors).
50. ERI Interview #7 (on file with authors).
51. ERI Interview #109 (on file with authors).
52. ERI Interview #83 (on file with authors).
53. ERI Interview #87 (on file with authors).
54. ERI Field Document #51 (on file with authors).
55. R.W. Timm and K.M. Subhan, "Humanitarian report: Yadana project," January 1998, published online by Unocal Corp., "Unocal in Myanmar (Burma)" <<http://www.unocal.com/myanmar/timm2.htm>> (visited on July 26, 1999) [hereinafter Timm Report].
56. Letter from R.W. Timm and K.M. Subhan to Roger Beach, Chairman and Chief Executive Officer, Unocal Corporation (Jan. 28, 1998), published online by Unocal Corp., "Unocal in Myanmar (Burma)" <<http://www.unocal.com/myanmar/timm.htm>> (visited July 26, 1999) [hereinafter Timm Letter].
57. The Investors Responsibility Resource Center (IRRC) reported the following communication from Unocal: "Unocal told IRRC it agreed to pay the reasonable expenses that Father Timm and Justice Subhan incurred in undertaking this inspection. Those expenses covered only air-fares; airport departure and entry fees; hotel and meals. The total in each case was \$2,000 or less. Unocal paid them no other fees, and made no other promises or agreements." IRRC 1999 Social Service Company Report A and A:2, Unocal, Human Rights – Burma (1999) at 8.
58. Timm Report.
59. Timm Letter.
60. *See supra* Part II, note 2, "Robinson Cable" at para. 30.
61. ERI Interview #51 (on file with authors).
62. ERI Field Document #21 (on file with authors).
63. ERI Field Document #21 (on file with authors).
64. ERI Field Document #40 (on file with authors) (also describing forced selling of betel nuts and cashews to LIB 403 in 1998); *see also* ERI Field Document #29) (discussing LIB 403 forcing the sale of betel nuts below market prices).
65. ERI Field Document #40 (on file with authors).
66. ERI Field Document #42 (on file with authors).
67. ERI Interview #71 (on file with authors).

## CHAPTER 9

1. TEAM Consulting Engineers Co., Ltd, *Environmental Impact Assessment of Yadana Natural Gas Pipeline Project, Final Report, Main Report*, prepared for The Petroleum Authority of Thailand (April 1997), ch. 6 at 24 [hereinafter EIA].

2. Telephone interview with Prof. Ubonrat Siriyuwajak, Faculty of Mass Communications, Chulalongkorn University, in Bangkok, Thailand (Aug. 6, 1999).
3. See *supra* Chapter 1, note 1, “No action by Yadana committee.”
4. *Id.*
5. See *supra* Chapter 9, note 1, EIA App G.
6. *Id.*
7. See *supra* Chapter 1, note 1, “No action by Yadana committee.”
8. Kenny Bruno and Jed Greer, *Greenwash: The Reality Behind Corporate Environmentalism* (1996).
9. *Id.*
10. See *supra* Chapter 1, note 1, EIA ch. 5 at 34.
11. *Id.* ch. 6 at 24.
12. *Id.* ch. 7 at 12.
13. *Id.* ch. 7 at 9, 12.
14. Supara Janchitfah, “Environmentalists turn to religion to save doomed forest,” *The Bangkok Post*, November 9, 1997.
15. Supara Janchitfah and Vasana Chinvarakorn, “Manipulating consent, Thai-style,” *The Bangkok Post*, March 27, 1998.
16. *Id.*
17. See *supra* Chapter 9, note 2, Telephone interview with Prof. Ubonrat Siriyuwajak.
18. See *supra* Chapter 1, note 1, “No action by Yadana committee.”
19. Kamol Sukin, “PTT targets village heads,” *The Nation*, September 10, 1997.
20. “Meeting over gas pipeline called off,” *The Bangkok Post*, July 5, 1997.
21. Chakrit Ridmontri, “PTT no show leaves lawyers complaining,” *The Bangkok Post*, August 6, 1997.
22. The results of the socioeconomic survey are deeply suspect, as the survey procedures deviate from accepted techniques in several significant aspects. The EIA indicates that the surveys were conducted on a household-by-household rather than an individual basis, which is inappropriate for a survey in which individual opinions are solicited. See *supra* Chapter 9, note 1, EIA ch. 3 at 114. No statistical analysis appears to have been conducted. The EIA indicates that they surveyed 136 of the 1347 households in the 12 villages closest to the pipeline route, which seems to yield a relatively high response rate of about 10%. However, considering that the surveys actually reflect the opinions of individuals rather than entire households, the response rate—based on the survey’s stated average result of 4.31 persons per household—drops to 2.3%. *Id.* App. G. The villages included in the survey comprised only those with households within 100 meters of the pipeline route, and even of those, about 28 villages were apparently excluded from the survey “for practical reasons.” *Id.* ch. 3 at 114. Finally, the survey itself, reproduced in the EIA, appears to be written in English; apparently the interviewers would translate the questions to the local residents, and translate the answers back onto the response form. This allows for substantial bias in the translation of the questions and/or answers, despite the EIA’s claims that interviewers were “trained to administer the questionnaire properly.” *Id.* ch. 3 at 116.
23. *Id.* App. G.
24. James Fahn, “Review panel attacks assessment of Yadana pipeline,” *The Nation*, February 18, 1998.
25. See, e.g., *supra* Chapter 9, note 1, EIA ch. 3 at 44–46.
26. *Id.* ch. 2 at 10–13.
27. Interview with Dr. Surapon Duangkhae, Acting Secretary General of Wildlife Fund Thailand, in Bangkok, Thailand (July 20, 1999).
28. David M. Olson and Eric Dinerstein, *The Global 200: A Representation Approach to Conserving the Earth’s Distinctive Ecoregions* (Draft manuscript of the Conservation Science Program, World Wildlife Fund-US, 1998) at 72. WWF lists the “Kayah-Karen/Tenasserim Moist Forests” among its “Global 200” globally significant ecoregions for conservation. At the moment, the forest is rated “relatively stable or intact” by WWF. *Id.* at 42.
29. Chakrit Ridmontri, “Work begins on key phase of pipeline,” *The Bangkok Post*, November 14, 1997.
30. Uamdao Noikorn, “PTT accused of breaking pipeline pledge,” *The Bangkok Post*, May 31, 1998.
31. See *supra* Chapter 9, note 27, Interview with Dr. Surapon Duangkhae. Although the EIA suggests that the natural forest will re-grow in the pipeline corridor, therefore leaving few lasting effects on the ecosystem, the corridor is an entryway for invasive species that may prevent forest regrowth. *Id.* As the EIA notes, the clearing in the forest will also have microclimatic effects on the forest edges. Increased light and solar radiation, as well as exposure to wind, may hinder the growth of shade-loving deep-forest species that previously grew in the area.
32. *Id.*
33. For tree species diversity along the pipeline route, 17.85m-radius circular sampling plots were used, with 5 x 5m and 2 x 2m square sampling plots at the center of each circular plot for sapling and seedling surveys, respectively. Thirty-one plots were randomly selected across the entire 260-km length of the pipeline route, within a corridor of 100m on either side of the route. This is an average density of one sampling plot each 8.4 km, and the EIA specifies that the plots “were distributed randomly by land-use types, forest types, altitudes, and topographic condition.” Although the location of the plots is not specified, an average of only one sampling plot would be expected through the Huay Khayeng forest section of the pipeline route. Despite acknowledging that the natural forest is found predominantly within the first 50 km of the route, the EIA apparently made no attempt to sample these forests more intensively. Furthermore, no raw data is furnished for the sampling plots, such that it is not possible to extrapolate species-area relationships to attempt to develop a more comprehensive picture of the plant species diversity along the route; no statistical information is provided to assess the EIA’s estimate that, on average, 88 trees, 1,974 saplings, and 11,210 seedlings are found per hectare of the pipeline route.
34. Supara Janchitfah, “Credibility on the line,” *The Bangkok Post*, March 14, 1999.
35. Dean Smart, a hydrology consultant working with the Royal Forestry Department, explained to *The Nation* that “karst hydrology is very fragile,” and that the pipeline “could divert some [water] channels, causing some springs to dry up and new springs to form elsewhere.” James Fahn, “Yadana threatens water supplies,” *The Nation*, March 26, 1998.
36. See *supra* Chapter 9, note 1, EIA ch. 6 at 17.
37. “Pressure builds over Yadana pipeline leak,” *The Bangkok Post*, September 30, 1998.
38. See *supra* Chapter 9, note 1, EIA App. D. The “pipeline region” as used in this section includes the pipeline route as well as the protected areas considered by the EIA, namely,

Sai Yok National Park, Khao Laem Wildlife Sanctuary, and Thung Yai Naresuan Wildlife Sanctuary.

39. World Resources Institute, *World Resources 1998-99: Environmental Changes and Human Health* (1998) at 322.

40. See *supra* Chapter 9, note 1, EIA App. D. These assessments, however, are based on outdated scientific literature rather than legal status. *Id.* ch. 3 at 74.

41. *Id.* App. D. In Thailand, animals are protected under the 1992 Wild Animals Reservation and Protection Act (WARPA).

42. Forest Department, Ministry of Forestry, Government of the Union of Myanmar, *Notification No. 583/94* (Oct. 26, 1994), reproduced in Seatec International, *Myanmar-Thailand transborder study in forest and wildlife products from proposed Thanintharyi Nature Reserve* (June 1999) at Appendix II. The Burmese list was compared with the list of animals found on the Thai side of the pipeline, and does not represent a survey of fauna found along the route on the Burmese side. In Burma, animals are protected under the Protection of Wildlife and Wild Plants and Conservation of Nature Areas Law of 1994.

43. World Conservation Monitoring Center, “Threatened Animals of the World [1996 IUCN Red List of Threatened Animals]” <[http://www.wcmc.org.UK/species/animals/animal\\_redlist.html](http://www.wcmc.org.UK/species/animals/animal_redlist.html)> (visited on Aug. 30, 1999). IUCN’s categories are defined as follows: A species is considered Critically Endangered “when it is facing an extremely high risk of extinction in the wild in the immediate future”; a species is considered Endangered “when it is not Critically Endangered but is facing a very high risk of extinction in the wild in the near future”; a species is considered Vulnerable “when it is not Critically Endangered or Endangered but is facing a high risk of extinction in the wild in the medium-term future”; a species is considered Lower Risk/Near Threatened “when it has been evaluated, [and] does not satisfy the criteria for any of the categories Critically Endangered, Endangered or Vulnerable . . . [and is] close to qualifying for Vulnerable”; a species is considered Data-Deficient “when there is inadequate information to make a direct, or indirect, assessment of its risk of extinction based on its distribution and/or population status. . . . Listing of taxa in this category indicates that more information is required and acknowledges the possibility that future research will show that threatened classification is appropriate.” IUCN Species Survival Commission, “IUCN Red List Categories” <<http://iucn.org/themes/ssc/redlists/categor.htm>> (visited on Aug. 30, 1999).

44. CITES Secretariat, untitled webpage [CITES Appendices I and II] <<http://www.cites.org/CITES/english/eap2fauna.htm>> (visited on Aug. 30, 1999).

45. Fish and Wildlife Service, United States Department of the Interior, “Foreign Listed Species” <<http://www.fws.gov/r9endspp/fornsp.html>>. In the United States, animals are protected under the 1973 Endangered Species Act.

46. See *supra* Chapter 9, note 27, Interview with Dr. Surapon Duangkhae.

47. See *supra* Chapter 9, note 1, EIA ch. 6 at 21.

48. These species are the bear macaque (*Macaca arctoides*), Assamese macaque (*Macaca assamensis*), pig-tailed macaque (*Macaca nemestrina*), dhole (*Cuon alpinus*), Asiatic black bear (*Ursus thibetanus*), tiger (*Panthera tigris*), Malayan tapir (*Tapirus indicus*), gaur (*Bos gaurus*), southern serow (*Naemorhedus sum-*

*traensis*), common porcupine (*Hystrix brachyura*), elongated tortoise (*Indotestudo elongata*), Burmese brown tortoise (*Manouria emys*), and the Asiatic softshell turtle (*Amyda cartilaginea*). Unfortunately, there is not enough data to provide an accurate assessment, or even a reasonable estimate, of the impacts on these species, aside from the general impacts outlined above.

49. Surapon Duangkhae, “Ecology and behavior of Kitti’s hog-nosed bat (*Craseonycteris thonglongyai*) in western Thailand,” 38 *Natural History Bulletin of the Siam Society* 135, 135-138 (1990) [hereinafter “Ecology and behavior of Kitti’s hog-nosed bat”].

50. See *supra* Chapter 9, note 1, EIA ch. 5 at 23.

51. See *supra* Chapter 9, note 27, Interview with Dr. Surapon Duangkhae.

52. See *supra* Chapter 9, note 24, “Review panel attacks assessment of Yadana pipeline.”

53. Nantiya Tnagwisutijit, “Conservationists say PTT’s plans threaten wildlife,” *The Nation*, January 29, 1998.

54. See *supra* Chapter 9, note 34, “Credibility on the line.”

55. Oddly, at one point the EIA appears to forget that it is an assessment of the pipeline’s impacts, offering general suggestions for enhancing elephant conservation unrelated to the pipeline (such as controlling the introduction of domestic elephants, associated with illegal logging crews, into national parks). See *supra* Chapter 9, note 1, EIA ch. 3 at 83.

## CHAPTER 10

1. See *supra* Chapter 1, note 15, *Unocal in Myanmar* at 17.

2. See *supra* Chapter 9, note 27, Interview with Dr. Surapon Duangkhae.

3. See *supra* Chapter 8, note 34, *Yadana Gas Development Project* at 26.

4. See *supra* Chapter 2, note 2, *Yetaqun EIA*, at Onshore Biophysical Environment Report, Zone 1, at 24.

5. Total, S.A., “Health Safety and Environment Charter,” <[http://www.total.com/us/cahier/y\\_charter.html](http://www.total.com/us/cahier/y_charter.html)> (visited on Aug. 30, 1998).

6. See *supra* Chapter 1, note 13, *Our Global Responsibilities* at 3.

7. See *supra* Chapter 1, note 15, *Unocal in Myanmar* at 18.

8. World Bank Operational Directive 400—Annex A, <[www.worldbank.org/html/opr/opmanual/ods/400a.html](http://www.worldbank.org/html/opr/opmanual/ods/400a.html)>

9. See *supra* Chapter 1, note 15, *Unocal in Myanmar* at 5.

10. See *supra* Chapter 8, note 34, *Yadana Gas Development Project* at 26.

11. See *supra* Chapter 1, note 15, *Unocal in Myanmar* at 17.

12. See *supra* Chapter 9, note 27, Interview with Dr. Surapon Duangkhae.

13. See *supra* Chapter 8, note 34, *Yadana Gas Development Project* at 27.

14. *Id.*

15. See *supra* Chapter 1, note 15, *Unocal in Myanmar* at 5; “Yadana gas development project” at 27.

16. See *supra* Chapter 8, note 34, *Yadana Gas Development Project* at 27.

17. See *supra* Chapter 2, note 2, *Yetaqun EIA*, at Onshore Biophysical Environment Report, Zone 1 at 24.

18. See *supra* Chapter 9, note 27, Interview with Dr. Surapon Duangkhae.

19. See *supra* Chapter 8, note 34, *Yadana Gas Development Project* at 27.

20. See *supra* Chapter 1, note 15, *Unocal in Myanmar* at 3, 5.

21. See *supra* Chapter 1, note 13, *Our Global Responsibilities* at 8.

22. *Id.*

23. *Id.* at 7.

24. See *supra* Chapter 2, note 2, *Yetagun EIA*, at Confidential Addendum at 3.

25. Interview with two Total executives in Paris, France (1999).

26. See *supra* Chapter 9, note 28, *The Global 200: A Representation Approach to Conserving the Earth's Distinctive Ecoregions* at 72.

27. See *supra* Chapter 1, note 15, *Unocal in Myanmar* at 17.

28. Indeed, some ecologists have questioned the meaning of "primary" tropical rainforest, because such forests typically exist in an environment of relatively frequent but low-intensity disturbances. This may be one of the contributing factors to the forests' diversity, and the forests with the highest biodiversity may be those with relatively frequent rates of turnover of trees and patches of forest. See, generally, Joseph H. Connell, "Diversity in tropical rain forests and coral reefs," 199 *Science* 1302 (1978); Oliver L. Phillips, Pamela Hall, Alwyn H. Gentry, Stanley A. Sawyer, and Rodolfo Vásquez, "Dynamics and species richness of tropical rain forests," 91 *Proceedings of the National Academy of Sciences* 2805 (1994). Even if the forests have been affected by shifting cultivation, the impact of shifting cultivation on, for example, bird faunas may last as little as 10 years. German I. Andrade and Heidi Rubio-Torgler, "Sustainable use of the tropical rain forest: Evidence from the avifauna in a shifting-cultivation habitat mosaic in the Colombian Amazon," 8 *Conservation Biology* 545 (1994).

29. The forests of both Burma and Thailand along the pipeline route are visible from a vantage point on the Thai-Burma border overlooking the pipeline tie-in point, just north of Nat-E-Taung. Although access to the pipeline route is strictly forbidden, at least several kilometers of the route are visible from the border, and the forest through this area is quite dense; photos taken by Total also show the forest—and the pipeline route—from the other side of the border. Dr. Surapon Duangkhae, who has much experience working in the forests of western Thailand, has also seen the route from the border, and comments that "it's dense forest." See *supra* Chapter 9, note 27, Interview with Dr. Surapon Duangkhae. Similarly, a briefing prepared by staff of the U.S. Embassy in Rangoon who have visited the pipeline region notes that "a 20-km wide stretch of rain forest, somewhat degraded, but mostly still closed canopy" is present at Ban-I-Tong, although much of the rest of the pipeline runs through "broken-canopy forest." See *supra* Chapter 2, note 31, U.S. Embassy Cable, January 22, 1996 at para. 23.

30. ERI Interview #71 (on file with authors).

31. Although few people live in this region, making eyewitness accounts of the state of the forest difficult to establish, at least one refugee who has left the pipeline area worked in the forest section of the pipeline route. He was an employee of Total based at Yahanpyo, about two kilometers from the Thai border; he described that, around Total's camp, a large area of jungle had been cleared, and that large stumps (more than a meter in diameter) were visible in the cleared area, indicating a mature tropical forest. ERI Interview #82 (on file with authors).

32. Logging by the military has been documented most recently by the World Resources Institute, which noted that, for example, "poorly paid troops in Kachin State

engage in logging, brick-making, and other timber-consuming activities to sustain themselves." See *supra* Chapter 1, note 8, *Frontier Forests* at 22.

33. ERI Interview #82 (on file with authors).

34. See *supra* Chapter 2, note 2, *Yetagun EIA*, at Onshore Biophysical Environment Report, Zone 1 at 15.

35. ERI Interview #40 (on file with authors).

36. ERI Field Document #38 (on file with authors).

37. ERI Field Document #17 (on file with authors).

38. ERI Interview #66 (on file with authors).

39. ERI Interview #33 (on file with authors).

40. ERI Interviews #82 and #83 (on file with authors).

41. ERI Interview #85 (on file with authors).

42. ERI Interview #80 (on file with authors).

43. Chakrit Ridmontri, "Burma marks completion of last pipeline section," *The Bangkok Post*, July 1, 1998.

44. ERI Interview #82 (on file with authors).

45. See *supra* Chapter 10, note 25, Interview with two Total executives.

46. See *supra* Chapter 2, note 2, *Yetagun EIA*, at Executive Summary at 7.

47. *Id.* at 10.

48. *Id.* at 10.

49. Interview with Burmese conservation researcher, in Bangkok, Thailand (Aug. 9, 1999).

50. See *supra* Chapter 9, note 27, Interview with Dr. Surapon Duangkhae.

51. ERI Interview #83 (on file with authors).

52. ERI Interview #40 (on file with authors).

53. ERI Interview #33 (on file with authors).

54. ERI Interviews #82 and #83 (on file with authors).

55. ERI Field Document #38 (on file with authors).

56. ERI Interview #40 (on file with authors).

57. ERI Field Document #38 (on file with authors).

58. ERI Field Document #51 (on file with authors).

59. ERI Interview #80 (on file with authors).

60. ERI Interview #33 (on file with authors).

61. ERI Interview #83 (on file with authors).

62. See *supra* Chapter 9, note 27, Interview with Dr. Surapon Duangkhae.

## CHAPTER 11

1. See *supra* Chapter 1, note 37, "Oil Companies Investing in Burma Under Fire in Europe."

2. See, e.g., "Burma," *Far Eastern Economic Review Asia 1999 Yearbook* (1999) at 88. According to one Burmese official, Burma's has enough reserves to finance two months worth of imports. "Burma seeking IMF, World Bank aid," *The Nation*, July 12, 1999. Other observers suggest that this estimate may be optimistic. The U.S. State Department says that the country's reserves are sufficient to fund no more than a few weeks worth of imports. U.S. Department of State, Bureau of East Asian and Pacific Affairs, *Conditions in Burma and U.S. Policy Toward Burma For the Period March 28, 1998-September 28, 1998* (October 29, 1998).

3. See *supra* Chapter 2, note 2, *Yetagun EIA*, at Confidential Addendum at 4.

4. Neil Fullick, "Myanmar's gas success seen double edged," *Reuters*, August 11, 1998. This estimate is based on the real value of the earnings over the period using a discounted rate of 10% per year. Without any adjustments, income from the Yadana field is calculated by Wood Mackenzie to be just under US\$15 billion.

5. *Id.*
6. Boonsong Kositchotethana, "Egat Rejects Request to Share Costs, PTT Wants Help with Burma Gas," *The Bangkok Post*, April 19, 2000; Watcharapong Thongrungs, "Burmese Gas Bill on Way to Cabinet," *The Nation*, April 6, 2000.
7. <<http://www.totalfinal.com/us/html/de/index.htm>> (visited on April 16, 2000) ("No tax will be paid before the start-up of production, i.e. 1998, and as MOGE has elected to take 15% interest in the project, it is bearing its share of the investment (approximately US \$150 million). Little tax will be paid during the first 3 years of production. For the country, the accumulated revenue will become positive in 1999. As part of this revenue is in kind (domestic gas), the cash flow will become positive in 2002.").
8. See *supra* Chapter 1, note 15, *Unocal in Myanmar*, at 5; see also *supra* Chapter 2, note 31, U.S. Embassy Cable, January 22, 1996 at para. 7.
9. *Id.*
10. *Id.* (stating estimates between US\$160 and US\$400 million annually); see also *supra* Chapter 1, note 14, DOL Report at 50 ("The uncertainty about the [regime's] total revenues from the project stem from secrecy surrounding its contractual terms."). *The New Light of Myanmar* estimated that revenue from the gas sales alone at US\$164 million per year. *Id.* (citing "Yadana Natural Gas Project," *The New Light of Myanmar*, September 13, 1995 at 3 ("Myanmar will earn 4900 million US dollars in thirty years for the sale of gas and this is about 450,000 US dollars a day.")).
11. U.S. Department of State, American Embassy, Rangoon, *Country Commercial Guide: Burma* (1997) at <<http://www.stat-usa.gov>>.
12. See *supra* Chapter 1, note 41, *Economic Trends*, at ii; see also *id.* at 101 ("[T]he undemocratic form of government contributes greatly to Burma's macroeconomic instability and retards development of a healthy and educated workforce. The government's reliance on armed force rather than popular support is directly related to its disproportionately high levels of defense spending."); *id.* at 103 (Similarly, in 1995, "the U.S. Secretary of State . . . stated that 'Burma is clearly a country where there is a substantial political risk of investment,' and . . . [there is] 'the strong possibility that a successor government could cancel an arrangement made with the current Burmese government.'").
13. Carol Bellamy, United Nations Children's Fund (UNICEF), *The State of the World's Children 1999* (1999) at 116.
14. *Id.* at 114-117. This figure is the latest available for Somalia, which currently has no functioning government.
15. United Nations Development Programme, *Human Development Report 1999* (1999), at 190 (estimating total armed forces at 429,000 in 1997); see also Open Society Institute Burma Project, *Burma: Country in Crisis* (1998) at 9 (estimating troop strength of over 400,000 in 1997, citing Stockholm International Peace Research Institute, *Jane's Defense Weekly*, and *Far Eastern Economic Review*); see *supra* Chapter 1, note 41, *Economic Trends* at 21 (estimating troop strength of 175,000 in 1988-89 and 325,000 in 1994-95).
16. See *supra* Chapter 1, note 41, *Economic Trends*, at 21; Andrew Selth, "The Armed Forces and Military Rule in Burma," in *Burma: Prospects for a Democratic Future* (Robert I. Rotberg ed., 1998) at 88.
17. See *supra* Chapter 1, note 8, *Paradise Lost* at 6 (discussing US\$1.2 billion arms contract with China); *Burma: Country in Crisis* at 9 (estimating US\$2 billion); see also *supra* Chapter 1, note 41, *Economic Trends* at 22 (citing U.S. Arms Control and Disarmament Agency (ACDA)'s 1993-94 edition of *World Military Expenditures and Arms Transfers* that shows the increase in military imports as the Burmese regime had an influx in hard currency in the late 1980s and early 1990s; military imports in 1988 at US\$20 million; 1989 at US\$20 million; 1990 at US\$110 million; 1991 at US\$390 million; 1992 at US\$140 million; and 1993 at US\$120 million).
18. See *supra* Chapter 1, note 13, *Our Global Responsibilities* at 7.
19. *Id.*
20. "Myanmar angered by British 'witch hunt,'" *Agence France Presse*, April 13, 2000; see also David Litterick, "Premier could snub request to quit Myanmar," *The Daily Telegraph (London)* (City section), April 12, 2000 ("Foreign office minister John Battle met Premier chief executive Charles Jamieson to ask him to withdraw 10 days ago and followed it with a written request.").
21. See *supra* Chapter 11, note 20, "Myanmar angered by British 'witch hunt.'"
22. <<http://www.premier-oil.com/MainTitle.htm>> and <[http://www.premier-oil.com/annualreport/annual\\_report\\_99\\_00/responsible\\_business.htm](http://www.premier-oil.com/annualreport/annual_report_99_00/responsible_business.htm)> (visited on April 28, 2000).
23. See *supra* Summary, note 2, Nightline, March 28, 2000.
24. "Shell's Watts on Natural Gas, BG Group, Burma: Company Comment", London, April 12, 2000 <A HREF="aol://4344:30.bloombrg.389091.602536905"> from Newsgroups soc.culture.burma from <BurmaWatch@aol.com>.
25. See *supra* Chapter 1, note 35, French Mission Report at 103.
26. See *supra* Part III, note 3, "Edited Transcript of Press Conference Given by the Foreign Secretary, Robin Cook, Tham Hin Refugee Camp, Thai/Burma Border, April 20, 2000."
27. See *supra* Chapter 1, note 12, "It's time to look again at the controversial Burma gas pipeline."
28. Boonsong Kositchotethana and Chatrudee Theparat, "Fairness of Burma gas deal questioned in light of price: gas piped from Gulf of Thailand estimated to be 45% cheaper," *The Bangkok Post*, September 6, 1994; Supara Janchitfah, "Surplus power vs. powerless people," *The Bangkok Post*, September 20, 1998.
29. See *supra* Chapter 11, note 28, "Fairness of Burma gas deal questioned in light of price." The wellhead price of US\$2.52 should be distinguished from the price PTT agreed to pay for Yadana gas at the point of delivery at the Thai-Burmese border—US\$3 per million BTUs—for the first 15-month period of the contract. The wellhead price should also be distinguished from the price EGAT will pay PTT for the gas, which is US\$3.48 per million BTUs. According to 1998 data, the latter figure was 20-50% higher than that EGAT pays for gas from various Thai sources. See Table 1, Kanchanaburi Conservation Group, "Lessons from the Energy and Economic Aspects of the Gas Pipeline Project," March 1999, c/o Pipob Udomittipong (kc@ffc.or.th).
30. James Fahn, "Opponents bare cheap gas options," *The Nation*, February 17, 1998.
31. Kamol Sukin and Nantiya Tangwisutijit, "Construction delay to cost PTT," *The Nation*, July 2, 1998.
32. The troubles unfortunately are deeper than poor negotiating, misjudgments, and logistical setbacks. During the 1990s, chronically overestimated projections of electricity

demand spurred Thailand to invest in power generation capacity well in excess of actual need. By 1998—and without the gas pipelines and Ratchaburi plant in action—Thailand had over 18,000MW of installed capacity, while its peak energy demand was only around 14,000MW. The Yadana project has become symbolic of more fundamental flaws with the country's energy policy. Supunnabul Suwannakij, "Wang Noi power plant's unit delayed," *The Nation*, August 8, 1998; and Thai-Danish Cooperation on Sustainable Energy, *Sustainable Energy, Sustainable Society: A Non-Governmental Energy Sector Analysis* (May 1999) at 18.

33. See generally Chuenchom Sangarasri, "Falling Demand for Electricity, Rising Demand for Change: EGAT and Its Legacy in the Era of Privatisation," *Watershed*, Vol. 4, No. 2. (November 1998–February 1999); Grainne Ryder, Probe International, "Thailand's Flawed Electricity Privatization: The Case for Citizen-Oriented Reform," Power Sector Reform Series Paper #4, May 1999, <<http://www.nextcity.com/ProbeInternational/Mekong/reports/psr4.html>>; PriceWaterhouseCoopers, *Review of Electric Power Tariffs*, Inception Report Executive Summary (February 1999) at para. 37–38; see also Chapter 11, note 32, *Sustainable Energy, Sustainable Society* at 49–50.

34. See *supra* Chapter 11, note 33, *Review of Electric Power Tariffs* at para. 7.

35. PriceWaterhouseCoopers, *Review of Electric Power Tariffs*, Inception Report Main Report (February 1999) at Table 3.1.

36. See *supra* Chapter 11, note 33, *Review of Electric Power Tariffs*, at para. 8; Bangkok's rates could jump by 20%. *Id.* at para. 9.

37. In a competitive electricity market, PriceWaterhouseCoopers added, rates would not increase in order to subsidize excessive generation capacity. Instead, new investment would be scaled back, existing surplus would be mothballed wherever possible, and operating expenses would undergo severe trimming. *Id.* at para. 10–11.

38. "PTT has badly misled the public," *The Nation*, February 24, 1998.

39. "Ratchaburi power plant in for delay," *The Nation*, February 19, 1998; see also *supra* Chapter 1, note 12, "It's time to look again at the controversial Burma gas pipeline."

40. Thailand Department of Economic Policy, *Facts and Solutions for the Financial Condition of EGAT* Department of Economic Policy (June 1999) at 43–44.

41. A common explanation from government officials for Thailand's over investment in electricity supply was that the country was seeking to assure foreign investors of its energy potential. Even in 1998, a PTT spokesperson still offered this rationale in response to questions about the need for the Yadana project given Thailand's declining energy demand. See *supra* Chapter 9, note 34, "Credibility on the line."

42. PriceWaterhouseCoopers, *Review of Electric Power Tariffs*, Draft Final Report Executive Summary (July 1999) at para. 15.

43. In Thailand, the reserve margin is calculated as a percentage of capacity on top of annual peak power generation.

44. See *supra* Chapter 11, note 33, *Review of Electric Power Tariffs* at para. 18. EGAT raised the reserve requirement from 15% to 25% several years ago, when Thailand's energy generation system was much smaller and less stable than today. Arguing that the reasons that underlay this increase are now less relevant, PriceWaterhouseCoopers has recommended that Thailand reduce its reserve margin requirement to 18%. See *supra* Chapter 11, note 42, *Review of Electric Power Tariffs* at para. 14.

45. Electricity Generating Authority of Thailand, "EGAT Power Development Plan (Revised PDP 99-01) General Information" (January 1999) at 105–6.

46. See *supra* Chapter 11, note 33, "Thailand's Flawed Electricity Privatization."

47. See *supra* Chapter 11, note 32, *Sustainable Energy, Sustainable Society* at 134.

48. See *supra* Chapter 11, note 40, *Facts and Solutions for the Financial Condition of EGAT* at 97–98. EGAT further argues that if demand-side management is temporarily suspended, the reserve margin will improve and there will be no need to cancel planned increases in generation capacity. At 98. Criticism of EGAT notwithstanding, it must be noted that Thailand is thus far the only Southeast Asian nation even to have begun pursuing the possibilities of demand-side management. Greenpeace, *Renewable Independent Power Producers (RIPPs): Restructuring the Southeast Asian Electricity Sector using Sustainable Energy* (April 1999) at 20.

49. Boonsong Kositchotethana, "Egat: Outlook Favourable for Ratchaburi Financing," *The Bangkok Post*, April 26, 2000.

50. PriceWaterhouse Coopers, *Review of Electric Power Tariffs*, Draft Final Report Main Text (July 1999) at 31.

51. "Thai Egat to detail major power plant sale plan," *Reuters*, November 16, 1998.

52. Jirajaree Chaimusik and AP, "Electricity workers resume protest," *The Bangkok Post*, July 23, 1999.

53. *Id.*

54. See *supra* Chapter 11, note 33, "Thailand's Flawed Electricity Privatization."

55. See, e.g., *supra* Chapter 11, note 33, "Falling Demand for Electricity, Rising Demand for Change: EGAT and Its Legacy in the Era of Privatisation," at 40.

56. Options 2000, "Bordering on Tyranny: Thailand's Dilemma," (1997)(video).

**“The money is of course going to the [generals].”**

*—Jan Diederik Bax, President-Director, IHC Caland,  
subcontractor for the Yetagun pipeline project*

**“I am sure that the military uses conscripted labor for portage. And I — I know that in the early days of the execution of this project, military units in the area of the project were using conscripted labor.”**

*—John Imle, former President, Unocal*

**“What I know is that in the very early stages of the project, in the very first months, we learnt about the use of forced labor by the army.”**

*—Michel Viillard, head of Total Myanmar*

**“For better or for worse,  
we have blood on our hands.”**

*—Sukumbhand Paribatra, Deputy Foreign Minister of Thailand*



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