TURNING TREASURE INTO TEARS

Mining, Dams, and Deforestation in Shwegyin Township, Pegu Division, Burma

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EarthRights International (ERI) combines the power of law and the power of people in defense of human rights and the environment. We focus our work at the intersection of human rights and the environment, which we define as earth rights. We specialize in fact-finding, legal actions against perpetrators of earth rights abuses, training for grassroots and community leaders and advocacy campaigns. Through these strategies, ERI seeks to end earth rights abuses, and to promote and protect earth rights.

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Preface

This report addresses the environmental and human rights situation faced by villagers and migrant workers in Shwegyin township of Nyaunglebin District, Pegu Division, Burma. Specifically, it examines the area around the Shwegyin and Mawtama Rivers where the State Peace and Development Council (SPDC) and its business partners are engaged in building a dam, mining for gold, and logging the forests.

The Burmese Army has heavily militarized the area in order to guarantee security over the land, people, and these lucrative projects. As a result of this militarization, the military has demanded money, labor, and materials from local villagers. The Army has also confiscated civilian land to use for Army camps and commercial farming. These practices violate customary and conventional international law.

Much of the research for this report was conducted between 2003 and 2005. In 2006, during the writing of this report, the SPDC launched a major new offensive throughout northern Karen State and eastern Pegu Division which has completely destroyed the ceasefire agreement between the SPDC and the Karen National Union (KNU), which was originally initiated by a “gentlemen’s agreement” in January 2004.

Shwegyin township was targeted in the offensive and at least fifteen battalions have been operating within the township. Columns of soldiers have hunted down villagers in the mountains to the east of the Shwegyin River, shooting them on sight and destroying their food supplies. This continues to date. At present, as a result of the SPDC’s offensive, there are almost 6,000 internally displaced villagers in Shwegyin township.

This report looks at human rights and environmental abuses in an area controlled by the SPDC, but within which the KNU is still able to operate. The current offensive is directed at areas just to the east, which the SPDC does not control. It can be expected that, once the Burmese Army has pushed the KNU out of the area and established control over it, the human rights abuses and environmental exploitation occurring in the western portion of Shwegyin township will likewise occur in the newly occupied areas.

Mining companies have already been lobbying the Army to increase security on the east side of the Shwegyin River so that they can expand their mining operations. Logging companies will likewise be very interested in logging the forests in the hills, which have for a long time been protected by the KNU and are thus relatively untapped.

If the SPDC’s offensive is not halted, the abuses that have already been committed along the Shwegyin and Mawtama Rivers will be expanded to these newly gained areas as well as to the other areas of Karen State and Pegu Division, where SPDC Army columns are trying to take control.

This report aims to focus attention on the SPDC’s use of the military to seize territory for business interests, provide security for business projects, and to exploit the people and environment in areas under its control.
Although this report focuses on a specific and relatively small geographic area, these abuses pervade Burma, especially in areas where there is active resistance to the regime. Increased international pressure must be placed on the SPDC to discontinue these practices and to involve the local population in decisions that affect their lives and the environment.
We all suffer, but in different ways around the Shwegyin River. Some people suffer from mining, some from damming, some from taxes and some from other oppression. It is very hard to live in this difficult situation. .... What we once considered our treasure has now become our sorrow. .... All the places and fields along the Shwegyin River used to be owned by the Karen people. Many of these places are old village sites. When the next generation is asked where their parents lived, they won’t be able to say anything because the land will have been destroyed and there won’t be anything left to show them.

- Karen farmer in Shwegyin township.
Abbreviations

►Acronyms
SPDC  State Peace & Development Council, military junta currently ruling Burma
SLORC  State Law & Order Restoration Council, former name of the SPDC until November 1997
BSPP  Burma Socialist Program Party, military regime prior to the democracy demonstrations in 1988, replaced by SLORC
KNU  Karen National Union, main Karen opposition group
KNLA  Karen National Liberation Army, military wing of the KNU
DKBA  Democratic Karen Buddhist Army, Karen group allied with the SPDC

►Military Terms
LID  Light Infantry Division; ten battalions
SOC  Strategic Operations Command; area headquarters with 3-4 battalions under it
IB  Infantry Battalion; usually about 250-500 soldiers
LIB  Light Infantry Battalion; usually about 250-500 soldiers
Company  Military unit of about 100 soldiers, though often understrength
Column  Combination of companies assembled for operations, usually 100-300 soldiers
Camp  Army base or outpost; from remote hill posts of ten soldiers to battalion headquarters camps of several hundred soldiers

►Administrative Terms
Division  Civil administrative unit for the seven predominately Burman areas of Burma; made up of several districts
State  Civil administrative unit for the seven predominately non-Burman areas of Burma; made up of several districts
District  Civil administrative unit made up of several townships
Township  Civil administrative unit made up of several village tracts and a central town
Village Tract  Civil administrative unit made up of several villages grouped around one larger village
PDC  SPDC organized administrative units that exist at the State/Division, District, township and villager tract level.

►Common Measurements
Kyat  Burmese currency; approximately 5.7 Kyat = $1 at current official rates. At the unofficial exchange rate Kyat was at nearly 1,400 Kyat / $1 US at the end of 2005. All prices, unless otherwise noted, are unofficial.
kyat  Unit of weight used for gold; 1 kyat = 16.3 grams (about 16 pehtha)
**Other Terms**

*loh ah pay* Voluntary labor to make merit, but commonly used by SPDC for most forms of forced labor.

*Kaw Thoo Lei* Karen name for their homeland; also used to refer to the KNU/KNLA

*IDP* Internally Displaced Person; villagers who have become internal refugees.

**Units of Weight Used for Gold**

- **peh tha**: Unit of weight used for gold; 1 *peh tha* = 1.021 grams (about 6 *kyat tha*).
- **kyat tha**: Unit of weight used for gold; 1 *kyat tha* = .163 grams (1.2 *yway lay*).
- **yway lay**: Unit of weight used for gold; 1 *yway lay* = .136 grams.
Map of Nyaunglebin District
Map of Shwe Gyin area
I. Executive Summary

This report describes how human rights and environmental abuses continue to be a serious problem in eastern Pegu division, Burma – specifically, in Shwegyin township of Nyaunglebin District. The heavy militarization of the region, the indiscriminate granting of mining and logging concessions, and the construction of the Kyauk Naga Dam have led to forced labor, land confiscation, extortion, forced relocation, and the destruction of the natural environment. The human consequences of these practices, many of which violate customary and conventional international law, have been social unrest, increased financial hardship, and great personal suffering for the victims of human rights abuses.

By contrast, the SPDC and its business partners have benefited greatly from this exploitation. The businessmen, through their contacts, have been able to rapidly expand their operations to exploit the township’s gold and timber resources. The SPDC, for its part, is getting rich off the fees and labor exacted from the villagers. Its dam project will forever change the geography of the area, at great personal cost to the villagers, but it will give the regime more electricity and water to irrigate its agro-business projects.

Karen villagers in the area previously panned for gold and sold it to supplement their incomes from their fields and plantations. They have also long been involved in small-scale logging of the forests. In 1997, the SPDC and businessmen began to industrialize the exploitation of gold deposits and forests in the area. Businessmen from central Burma eventually arrived and in collusion with the Burmese Army gained mining concessions and began to force people off of their land. Villagers in the area continue to lose their land, and with it their ability to provide for themselves. The Army abuses local villagers, confiscates their land, and continues to extort their money. Commodity prices continue to rise, compounding the difficulties of daily survival.

Large numbers of migrant workers have moved into the area to work the mining concessions and log the forests. This has created a complicated tension between the Karen and these migrants. While the migrant workers are merely trying to earn enough money to feed their families, they are doing so on the Karen’s ancestral land and through the exploitation of local resources. Most of the migrant workers are Burman, which increases ethnic tensions in an area where Burmans often represent the SPDC and the Army and are already seen as sneaky and oppressive by the local Karen.
These forms of exploitation increased since the announcement of the construction of the Kyauk Naga Dam in 2000, which is expected to be completed in late 2006. The SPDC has enabled the mining and logging companies to extract as much as they can before the area upstream of the dam is flooded.

This situation has intensified and increased human rights violations against villagers in the area. The militarization of the region, as elsewhere, has resulted in forced labor, extortion of money, goods, and building materials, and forced relocation by the Army.

In addition to these direct human rights violations, the mining and dam construction have also resulted in grave environmental degradation of the area. The mining process has resulted in toxic runoff that has damaged or destroyed fields and plantations downstream. The dam, once completed, will submerge fields, plantations, villages, and forests. In addition, the dam will be used to irrigate rubber plantations jointly owned by the SPDC and private business interests.

The Burmese Army has also made moves to secure the area in the mountains to the east of the Shwegyin River. This has led to relocations and the forced displacement of thousands of Karen villagers living in the mountains. Once the Army has secured the area, the mining and logging companies will surely follow.

This report is based on field surveys and in-depth interviews conducted by EarthRights International (ERI) in the district since 2001. Most of the information presented here was gathered between 2004 and 2005 from Burmese of different ethnic backgrounds. Many of the individuals interviewed worked for the different extractive industries that operate in the district either as miners, day laborers, loggers, or in other secondary occupations related to the exploitation of non-timber forest products, such as rattan and bamboo. Additional interviews were conducted with internally displaced persons (IDPs) hiding in remote areas of the district as well as former convict porters and soldiers who had defected from the Burmese Army.
II. Recommendations

In the absence of significant political and institutional reforms in Burma, an end to the problems described in this report is unlikely. However, the following recommendations outline the main areas which need to be addressed and specify what domestic and international mechanisms can be used to induce constructive changes. EarthRights International (ERI) calls on the following actors:

To the State Peace and Development Council (SPDC):

General Human Rights Abuses
- To make changes to the 1974 Constitution so that civilians have more rights over the land they occupy, including rights to obtain legal land title. The changes should also include provisions to enable civilians to be included in decisions about how their land is used.
- To create clear mechanisms that state the conditions wherein land may be confiscated by the State. The mechanisms should also contain avenues of complaint for civilians against land seizure and provide clear punishments for State officials who violate these mechanisms.
- To provide sufficient food, salaries, and other material supplies to its soldiers and officers so that they are self-sufficient in the field and do not need to live off the population. Complaint and punishment mechanisms should be put into place to deter soldiers from the extortion or looting of villagers.
- To institute safe complaint mechanisms for civilians to report human rights abuses by the military. Military personnel found guilty of these abuses should be punished.
- To fulfill its obligations under International Labor Organization Convention No. 29 (1930), which it ratified in 1955. Additionally, the SPDC should ratify International Labor Organization Convention No. 105 (1957) and implement the terms of this agreement immediately. The SPDC should actively enforce Order No. 1/99 (14 May 1999) and the Order Supplementing Order No. 1/99 (27 October 2000), which outlawed the use of forced labor in all circumstances and prescribed punishment for its use. Protection should be extended to civilians who report forced labor abuses.
- To sign and ratify the following international human rights documents, including: the International Covenant on Civil and Political Rights...
(ICCPR) and its Optional Protocols; the International Convention on the Elimination of All Forms of Racial Discrimination (ICESCR); the Convention Against Torture and Other Cruel, Inhuman, or Degrading Treatment (CAT); the Geneva Convention (the Protection of Civilian Persons in Times of War and its Additional Protocol); and the Rome Statute of the International Criminal Court.

General Environmental Abuses

- To replace outdated laws and replace ineffective environmental provisions to bring them into accordance with its 1994 Environmental Policy and the UN-supported national action plan for the environment known as “Myanmar Agenda 21.”
- To strengthen the National Commission for Environmental Affairs (NCEA) by empowering it to enforce existing laws and other regulations regarding environmental issues. The NCEA should be provided with sufficient human and financial resources to accomplish this task.
- To reform the system for administering and enforcing environmental laws, which is inefficient and narrowly defined by sector. In most cases, the laws are concerned with licensing requirements (by ministry) and refer to environmental protection in vague terms where they are mentioned at all.
- To revise and enforce penalties for violating environmental laws. Fines and other deterrents should be adjusted to account for the differences in comparative wealth of individuals, Burmese companies, and foreign companies. This will help prevent situations where it might be more cost-effective to damage the environment instead of preventing the harm in the first place.
- To offer financial and other incentives to state-owned enterprises and private sector actors to manage the country’s natural resources in a sustainable way.
- Any new dam projects should follow the recommendations of the World Commission on Dams.

Mining

- To ban and take immediate legal action against individuals and companies using ecologically damaging techniques, such as: 1) hydraulic mining, a practice that has been outlawed throughout the world; 2) “deep trenching,” which involves cutting deep trenches across the farmland; as well as 3) the indiscriminate use of mercury, cyanide, sulphuric acid, and other chemicals to leach precious metals and minerals from extracted ore.
- To enforce Section 12(a) of SLORC Law No. 8/94 which contains language requiring that: a) all applications to the Ministry of Mines conduct an environmental impact assessment (EIA) prior to receiving official approval to extract minerals, gems, and precious metals; and b) to investigate whether the environment, flora and fauna, highways, religious property, and/or items of cultural heritage would be negatively affected by mining activities. Laws and regulations in both these areas should be strengthened.
- To create an independent agency to conduct future social impact assessments and environmental impact assessments in order to avoid conflicts of interest.
- To repeal the section of the SLORC Law No. 8/94, which states that no mining company is liable to prosecution or fines.
To promulgate laws that permit citizens whose health and/or livelihoods are harmed by mining activities, including downstream pollution, to file lawsuits and receive adequate compensation for their injuries.

To Governments:
- Governments should encourage the SPDC to unilaterally declare a cease-fire against all groups and begin demilitarizing areas inhabited by non-Burman ethnic nationalities.
- Governments should exert pressure on the SPDC to step down and install a democratic government that also includes ethnic nationality representation.
- Governments should continue to pressure the SPDC to engage in meaningful and substantive discussions with the National League for Democracy and representatives of the country’s many non-Burman ethnic nationalities.
- Governments should maintain existing economic sanctions and continue to withhold international aid to the regime until significant improvements in the human rights situation are independently verified by the UN Special Rapporteur on the human rights situation in Myanmar and other monitoring groups.
- Governments should demand that Daw Aung San Suu Kyi be released from “protective custody” so that she may resume her normal activities as head of the political opposition.

International Organizations and NGOs:
- The International Labor Organization (ILO) should strengthen existing resolutions on Burma to require the ILO’s constituents (governments, employees, and labor) to take concrete actions to eliminate trade with and assistance to the regime that is contributing to the practice of forced labor.
- UN agencies and other international environmental organizations should abstain from providing funding or other technical forms of assistance until serious steps are taken by the SPDC towards meeting its existing international treaty obligations regarding the environment.
- The Asia-Pacific Center for Environmental Law and the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) should pressure the SPDC to honor the terms of “Myanmar Agenda 21,” which they helped author.
- NGOs should continue to develop the capacity of indigenous groups to document human rights and environmental abuses and advocate for change in relevant regional and international forums.

To Private Sector Actors:
- Private sector actors should refrain from investing in or providing technical support for extractive industries in Burma until the companies adopt internationally recognized best-practices to protect laborers and to safeguard the environment.
- Major importers and distributors of gold should eliminate their tacit support of the SDPC by refusing to import these products from Burma, refrain from purchasing Burmese gold through third countries, or through smuggled or illegal shipments.
**To Opposition Groups:**

- Provide for measures in any future constitution which will protect the environment and create mechanisms for the enforcement of those measures.
- Put in place a moratorium on all new large-scale development projects, i.e. dams, mining, logging operations, until a new constitution and political structure is in place.
- Develop a comprehensive resource development strategy based on the principle of ecological sustainability.
- Develop a strategy to deal with land confiscation.
- Any new dam projects should follow the recommendations of the World Commission on Dams.
III. Description of the Area

Geographical Location
Shwegyin township lies to the east of the Sittaung River and is centered on the town of Shwegyin. Plains crisscrossed by streams extend from the Sittaung River east until the Shwegyin River where the terrain becomes more hilly, building into forested mountains that extend away into Papun District to the east. Shwegyin town is the township center for the local SPDC Township Peace and Development Council. It has become something of a business center in the past five years, and is becoming more developed. People in the area, however, say that it still lacks good educational and health facilities. People travel to and from Shwegyin by bullock cart and small boats. Small boats are able to travel the Shwegyin River as far north as Ler Wah village.

“Shwegyin town was a very poor town before, but in the past five years the town has grown and developed. The town has become a business center.”
- Burman migrant mine worker in Shwegyin township

Agricultural Features
Most of the fertile farmland is in the plains along the Sittaung River and along the banks of the Shwegyin and Mawtama Rivers. Villagers in the plains traditionally grow rice and maintain plantations of shaut, mangosteen, durian, betelnut, and rubber. After years of relocations due to anti-insurgency campaigns, many villagers have given up on their rice fields and have concentrated on their fruit plantations. The fruit is sold in town and the money used to buy rice and other foodstuffs.

Most of the villagers’ income comes from the sale of shaut. This year-round fruit is like a lime, although larger. There are over 1,000 acres of shaut plantations in the township with nearly 250 plantations located along the Shwegyin and Mawtama Rivers (Appendix B). Shaut is extremely popular in Burma. In 2005, shaut sold for 15 Kyat per fruit in Shwegyin, but could earn as much as 50 Kyat per fruit in Rangoon. The trees take up to ten years before they can produce fruit, although grafting can reduce this to as little as three to four years. A shaut tree can be productive for 20 to 30 years.
**Military Significance**

Shwegyin township, and Nyaunglebin District as a whole, has been the scene of fighting between the Karen National Union (KNU) and successive Burmese regimes since the Karen armed struggle began in 1949. Since then, the KNU has been slowly forced to retreat up into the eastern hills of Burma and the Burmese Army gained at least nominal control over the plains of the district in the early 1970’s. Many villagers in the area talk about the ‘Four Cuts’, the Burmese Army’s counter-insurgency strategy to destroy resistance groups by cutting them off from food, funds, intelligence, and recruits. For many villagers in Nyaunglebin District, this refers to a specific time beginning in 1975 when the strategy was first introduced to the area and fighting and displacement in the district were especially severe.

“After the rainy season in 1975, the Burmese soldiers announced to all the villages in the valley area that they had to move deeper [inside Burma to the west] in the Shwegyin area. Some villagers went up into the hills after this and some went deeper inside and they didn’t see each other again.” – Karen farmer in Shwegyin township.

From the mid-1970’s through the 1990’s the Burmese Army gradually strengthened its control over the plains while periodically conducting offensives against KNU strongholds in the mountains to the east. During this time, the number of battalions stationed in the area increased with a corresponding increase in the number of camps. In an attempt to cut the plains off from the KNU in the mountains, the Army conducted several mass forced relocations of villages on the plains to sites closer to Army camps. The relocation sites made it easier for the Army to control the movement of the population as well as easier to demand forced labor, money, food, and materials.

“In 1974-1975, there was heavy fighting between the Burmese soldiers and the Karen soldiers in this area. There were many military offenses and I had to appear neutral and could not look like I was taking sides. Sometimes we had to go help the Burmese soldiers when they asked and sometimes we had to go help the Karen soldiers if they asked.” – Karen farmer in Shwegyin township.

Despite the Army’s efforts, the KNU is currently still able to go down into the plains for short periods of time to gather information, funds, recruits, and food. Their ability to do this was underlined when they overran the battalion headquarters camp of LIB 589 at Duyineseik village in Shwegyin township on March 2004, taking a large amount of weapons and radios before blowing up the camp.

**Forced Relocation**

A central component of the Burmese Army’s strategy is the relocation of villagers to central villages or towns near Army camps. In Shwegyin township, this happened in the 1970’s and ‘80’s. Villagers were usually given very little warning, sometimes none at all. On the appointed day for the relocation the villagers were expected to move with everything they could carry. The villages were looted and then destroyed by the soldiers afterward. Nothing was provided in the relocation
sites so the villagers had to find their own food and materials for building new houses. The land around the sites was already owned so there was no land around the relocation site for the villagers to work.

Forced relocation violates the United Nations Guiding Principles on Internal Displacement, which provide, *inter alia*, protection against arbitrary displacement, and a particular obligation, on the part of the displacing forces, to “protect against the displacement of indigenous peoples, minorities, peasants, pastoralists, and other groups with a special dependency on and attachment to the land.” While the Guiding Principles are aspirational norms rather than binding law, they are highly regarded as best practices by international agencies, international financial institutions, and non-governmental organizations.

Although the relocated villagers are sometimes allowed to return to their fields and plantations, they are relocated quite far from their land, making it difficult to return on a daily basis to work the land. The Army places arbitrary travel restrictions on the villagers, limiting where and when they can travel, and sometimes restricting travel to the fields altogether. As a result, villagers are often forced to find work as day laborers in the towns or villages near their relocation site, or in the fields around them. Most villagers are unaccustomed to living like this and find it very difficult to make a living. The villages that were relocated along the Shwegyin River in the 1970’s remain unpopulated to this day. Most of the villagers from that area are living near Shwegyin town in relocation sites that over time have become villages. These villagers are permitted to return to their fields and plantations only if they have Army issued passes, although not to the eastern side of the Shwegyin River. These limits on resettlement clearly violate Guiding Principles guidelines concerning safe return, resettlement, and reintegration.

“One day we had a field and a house and the next day we had to leave and the field was ruined. We don’t have a normal situation around the Shwegyin River because a lot of people still face these kinds of problems.” – Karen farmer in Shwegyin township.

Presently in Shwegyin township there are no Karen villages along the Shwegyin River or Mawtama River. The villages on the western bank of the Shwegyin river were relocated to Shwegyin or along the road linking Shwegyin with Kyauk Kyi in the 1970’s and 80’s. These villagers are allowed to return to their land, stay in their field huts for limited periods of time, and work their fields and plantations, but they are not allowed to reestablish and resettle their villages.

Villagers on the eastern bank of the Shwegyin and along the Mawtama Rivers fled their original villages many years ago and now live in hiding in the mountains nearby. They have set up temporary hiding sites and live in daily fear of the Burmese Army.

“There were a lot of villages in this area before, but during the Four Cuts Operation most of the villages were destroyed. When I was young, we caught fish from the Shwegyin River to make fish paste. We would go up into the hills and hunt wild animals in the forest. We also tended a rice field. During the Four Cuts we were relocated to the town and we were not allowed to do that kind of work, but my family was still able to send me to school.” – Karen farmer in Shwegyin township.
In the aftermath of another offensive in 1997, logging and mining companies moved into these unpopulated zones along the Shwegyin and Mawtama Rivers. Temporary villages sprouted up around the mining sites at Ka Nee, Ywa Myo, Po Loh, Meh Zaung and Su Mu Hta, but they are now mostly occupied by Burman mine workers from across the Sittaung River.
IV. Militarization of the Area

The Burmese Army Presence

The Burmese Army maintains a heavy presence in Shwegyin township, with headquarters for one of the Strategic Operations Commands of the Southern Regional Command located near Shwegyin town. Strategic Operations Commands (SOC) are headquarter units responsible for the coordination of three or more battalions. In the area around Shwegyin town there are battalion base camps for four battalions; IB 57, LIB 349, LIB 350 and LIB 589. All of these battalions are controlled by the SOC in Shwegyin. Occasionally, other battalions are brought into the area to conduct specific operations.

One of the responsibilities of these units is to secure the area against the KNLA. To do this, the Army has set up smaller camps throughout the area and conducts patrols in the areas around the camps. Despite that, most of the responsibility of these units is largely economic related, as they are responsible for guaranteeing the security of the Kyauk Naga Dam, the mining operations, and the logging operations.

The Army has made it very difficult for villagers to pass through the area where the dam is being built and there are reports that they plan to place landmines around the site.19 There are Burmese Army camps located at Meh Zone, Ywa Mone, Kyauk Naga, Aw Meh Zaw, Ma Inn Ga, Su Mu Hta, Boh Loh and Bway Po. The battalions rotate their companies and platoons through the security camps in the hills around Shwegyin every two to three months.

“The reason the soldiers are here is to secure the dam site area and the mining project areas. They rotate their soldiers every two to three months. We have to rebuild our relationships with the soldiers after every rotation. Sometimes it can be very hard and sometimes it can be alright.” – Karen farmer in Shwegyin township20

“Every two months every battalion leaves and is exchanged for another one. When the new battalion arrives they reorganize the camp and follow a new system. The camp system changes and also the checkpoint system and communications system changes. At that time they go around and order a lot of people to go and work for them.”

– Karen farmer in Shwegyin township.21

Shwegyin township also used to be an area of operations for the Dam Byan Byaut Kya, or ‘Guerrilla Retaliation Units.” These small units operated in the area from late 1998 until recently.
They behaved like hit squads, assassinating villagers they suspected of having past or current contact with the KNU or KNLA. Villagers they deemed suspicious were summarily executed, often with knives in a very brutal fashion, sometimes being tortured first or mutilated after death. Although the units appear to have been disbanded, the fear that they instilled in the villagers endures, making them reticent to complain to the soldiers or the Township PDC, or even to the Burman migrant workers.

“We don’t want to argue with the soldiers because working the fields is our life and the fields belong to our family and we don’t have any other way of getting an income. We are sometimes dissatisfied with the soldiers but we don’t show our anger to them.”

- Karen farmer in Shwegyin township.

Much of the Army’s attention has been on the foothills, where villagers in the plains are cut off from the villages and the KNU in the mountains. To achieve this, the Army maintains a heavy and permanent military presence in the area and, as mentioned, occasionally brings in units from other areas for specific operations. The Army relocates villages and villagers suspected of assisting the KNU or assisting internally displaced people (IDP). Villagers located deeper in the mountains have had their houses and fields destroyed and villagers are shot on sight.

**Travel Restrictions**

Shwegyin township is considered a frontline area by the SPDC. The mountains where the KNU finds refuge are only just across the Shwegyin River, and the KNU are still very capable of traveling down into the plains, to say nothing of the current risks involved in doing so. In order to maintain control and limit villagers’ contact with the KNU, the Burmese Army places heavy restrictions on the villages under its control in this area. Travel is tightly controlled, with regulations on even the carrying of food and medicine, and the use of flashlights. Villagers who violate restrictions face serious consequences.

As discussed above, villagers are permitted to travel to and from the fields and plantations around their old villages, as long as they stay on the west side of the Shwegyin River and have an Army issued pass. The villagers are permitted to stay in small huts in their plantations, but they are prohibited from rebuilding and resettling in their old villages.

Nothing escapes regulation - even the food villagers take with them to the fields is regulated: they are not allowed to take more than a week’s worth of food with them to the fields. Villagers must record the amount of food they want to take in a ledger kept by the village section leader. The section leader then grants permission to buy that specified amount of food, or the amount he deems permissible. If the villagers are caught transporting more food than that which they gained permission to transport, then it is confiscated by the soldiers.

As mentioned above, villagers who want to travel must obtain travel passes from the local Army camp. The passes are written on paper with the person’s details and the purpose of the trip, and carry an official stamp from the Army camp. Passes from the camps allow the villagers to return to their fields and plantations, and usually indicate the amount of time the villager has been granted to stay at
their field hut. Villagers caught without passes are often arrested by passing Burmese Army patrols and accused of supporting the KNU. This has resulted in interrogation and summary execution.

People without passes are often forced to porter for the Army unit that captured them, which involves carrying heavy loads for unspecified amounts of time without compensation. For these reasons, most people are sure to obtain passes before traveling to their fields.

Another type of pass is the “town pass,” which people can obtain from the Township PDC in Shwegyin. This pass costs 500 Kyat and allows the holder to travel between towns; and much farther than the pass from the battalion. Unlike the other passes, these passes are not used to work in the fields.

“We have a limited number of days to look after the gardens. When the section leaders provide passes, they only give passes for three days. If we stay more than three days, there will be punishment for the people who do not follow orders. ... The military sometimes suspects people who go to the plantations. We have heard about many cases of people being beaten and killed when they did not tell the truth about people who have gardens. We don’t know why they act like this. Conditions have gotten worse and worse and farmers are working less and less.” — Karen farmer in Shwegyin township.

Periodically, the Army entirely forbids the villagers from traveling to their old village sites, which occurs when they are conducting “operations” in the area or have information that the KNU may be nearby. During these periods, no passes are issued and villagers caught in their fields are often shot on sight.

As mentioned, the travel restrictions make it difficult for villagers to work in their fields and tend their plantations. The inability to spend enough time in the fields and plantations increases the risk of crop failure and increases the risk that crops will be eaten by animals or rot before harvest, all of which issues a considerable blow to livelihood and even subsistence.

The Burmese Army has also setup checkpoints along the roads and rivers in the area. These checkpoints are often manned by a few soldiers in a small bunker or bamboo hut with a swing gate attached. Villagers and mine workers are required to show their pass at each of these checkpoints. Even with the pass, a 50 Kyat fee must be paid at each checkpoint.

“When the villagers have to pass through a checkpoint they have pay 50 Kyat per person. There are seven checkpoints and everyone must pay 50 Kyat when they pass through them. When villagers take shaut to town they have to pay 500 Kyat at each checkpoint. There are also other fees for logs, dogfruit, cane, and boats. For me it costs about 5,000 Kyat to go and come back from Shwegyin town each time. You have to have the exact change for the checkpoints or they will take all your money and not give you any change. Everyone who passes through a checkpoint has to show a pass and give money. When there is a problem with one person, all of the people passing through have to wait in the sun and can’t go.” — Karen villager in Shwegyin township.
“The township chairman said there was peace in the town area, but there really wasn’t because outside the town area it wasn’t like that. There were too many problems at the Army and TPDC checkpoints. They demanded fees at the checkpoint for passing and more fees for bullock cartloads and other loads. Karen people didn’t travel much because they were afraid to pass through the checkpoints. We usually only use a pass as an ID card and the soldiers ask us questions about the passes and information about the Karen rebels. Sometimes the Karen rebels came to the shaut plantations, but we wouldn’t tell them [the Burmese soldiers] about it because if we did they would cause us a lot of problems.”

- Karen farmer in Shwegyin township.

Villagers complain of the many checkpoints and the amount of money they are arbitrarily required to pay while traveling to and from their fields or plantations. Villagers and mine workers must go through up to eight different checkpoints before arriving at their destination. There are checkpoints at Paya Gyi, Kan Bee Aye, Ka Htee Wa, Kyauk Naga, T’Nay Pa, Ma Inn Ga, Meh Zone and Win Koke. The checkpoints around the mining sites have effectively enclosed the people, forcing the mine workers and their families to pay fees to travel in and out. Mine workers are also required to pay fees for anything they bring into the mining sites, such as sacks of rice or cooking oil.

“As the companies develop the mining areas they use the soldiers more and more to restrict the people from entering the mining sites. Most of the companies employ workers from Nyaunglebin, Pegu, and Mandauk.”

- Karen farmer in Shwegyin township.

“The military took the land and sold some of it to the mining businesses. Sometimes they did joint ventures with the mining companies. In these cases they used a lot of security in the area and closed the area off. They created little self contained towns in these areas. They collected taxes from the families of the mine workers living inside the closed off area. They also taxed the mine workers when they brought goods like rice sacks and oil back into the closed off area.”

- Burman migrant mine worker in Shwegyin township.

Fees are also required on any goods that are brought through the other checkpoints as well. Villagers taking shaut down to Shwegyin to sell in the market must pay 500 Kyat per load to each checkpoint on the way. There are also fees for logs, dogfruit, cane, rice whisky, charcoal, bamboo, firewood, and sacks of rice. Boats must pay 500 Kyat at each checkpoint along the river. The money collected at each checkpoint goes to the camp responsible for the checkpoint. The money collected is used for the camp and the battalion headquarters of the unit stationed in the camp at the time.

These restrictions violate a number of widely recognized international norms prohibiting forced relocation and guaranteeing the right to livelihood. The International Covenant on Economic, Social, and Cultural Rights (ICESCR), for instance, affirms “the right... to an adequate standard of living... including adequate food, clothing, housing, and to the continuous improvement of living conditions.” Forced relocation and interference with the resettlement process seriously impairs the enjoyment of these human rights.
Forced Labor

“When we go to do loh ah pay [forced labor] we have to buy bamboo, thatch shingles, and posts and take them by bullock cart to go fix the camp. If the Army doesn’t demand loh ah pay, the soldiers would be unhappy because they would have to do the work themselves and they are lazy. Usually they order us to cut bamboo poles, fix the roads, build fences, or clear the brush along the roads. We have to spend time on them because if they have to cut the bamboo poles and spend time clearing the brush themselves, they won’t have time to go to the mountains and fight against the rebels.”

– Burman migrant mine worker in Shwegyin township.36

The Burmese Army and the Township PDC routinely order the civilians in Shwegyin township to perform forced labor, in spite of frequent demands by the International Labor Organization (ILO) to put a halt to the activity. Forced labor is widely regarded as a form of slavery, and is illegal under international legal instruments, including the Universal Declaration of Human Rights, Article 8 of the International Covenant on Economic, Social, and Cultural Rights, and Convention No. 29 of the International Labor Organization.37 The prohibition of slavery is considered a peremptory norm in international law, meaning it supersedes even customary international law and cannot be violated by any state or treaty.

The practice of forced labor also contravenes the SPDC’s own laws, specifically Order 1/99, which bans the practice. Order 1/99 was issued in May 1999 and the Supplementary Order to Order 1/99 was issued in October 2000 - both require military and civilian officials to refrain from using civilians as unpaid laborers, and they also call for punishment of anyone who continues to do so. Although the use of villagers for certain types of work such as portering has declined, the use of forced labor for maintenance and construction of roads, clearing of brush along the roads, and work at Army camps continues unabated.

All of the camps in the Shwegyin area use forced laborers from surrounding villages in order to maintain the camps and their infrastructure. Some villages are forced to answer demands from two or more camps. The thirty-two villages in the three village tracts of Ma Inn Ga, Si Zone Gone, and Ko Daung Seik are responsible for responding to the demands of two camps.38 Despite the impossible expectations, villagers are unable to lodge effective complaints to the Army or the township officials about the demands for their labor.

Villagers brave enough to cite the two SPDC orders that ban forced labor – Order 1/99 and Supplementary Order to Order 1/99 – are commonly told that those orders only apply to central Burma and not to “frontline areas” like Shwegyin township.

“They also order us to do construction work and maintenance work at their camps. Whatever they order us to do, whatever they want, we have to do it for them.”

– Karen farmer in Shwegyin township.39
“In my village there is loh ah pay every month. One camp is in my village and when they need loh ah pay they order the village head to provide workers for them. Every year after the rainy season they order all the village tracts to come and fix their camp.”  
- Burman migrant mine worker in Shwegyin township

The laborers are usually demanded from the village headman who sends the required number of villagers on a rotating schedule. Villagers in the area say that they have to go three to five times every month. At the camps, the villagers are forced to cut bamboo, build fences around the camp, fix roofs, clear the brush from around the camp, and do anything else that is ordered by the soldiers. Villagers say that most of the work is done immediately before and after the rainy season. All of the work must be completed by deadlines specified by the Army camp, regardless of any problems.

“They order people to cut bamboo, build fences, fix roofs and whatever else they want.”  
- Karen farmer in Shwegyin township

“We also have to do loh ah pay. They order us to work like this three or four times a month. Each tract has to go and work for them. We especially have to work before and after the rainy season. They order us to fix things at the Army camp and do daily maintenance on things.”  
- Karen farmer in Shwegyin township

“For the two camps at Bow Lo and Ma Inn Ga they usually ordered us to repair the camp buildings, dig trenches, and collect visitor fees. Loh ah pay happened about four or five times a month. We usually had to do loh ah pay before and after the rainy season. We have to take our own bamboo, nails, shingles, posts, logs, and food.”  
- Karen farmer in Shwegyin township

“Last March [2005] 60 of our villagers went to rebuild Baw Lo camp. There were also other villages that had to come and fix the camp. When we went there we had to take our own tools, knives, thatch, bamboo, and posts for fixing the camp. Each family had to take responsibility for a four to five foot section of the fence. Some people work inside the camp buildings, some clear the camp area outside and some replace the old posts with new posts. We bring our own food to eat for lunch. Then we work at building again and then we go back to our own village.”  
- Burman migrant mine worker in Shwegyin township

Villagers are also ordered to maintain the roads in the area and to clear the brush from alongside the roads. Road maintenance means filling in holes in the road with stones and shoring up road embankments that collapsed in the rainy season. Brush is cut from alongside both sides of the road to provide the Army with clear fields of fire in case of ambush along the roads and to make it difficult for the resistance to sneak out onto the roads and lay landmines. The roads in the area are predominately used by the Army to move troops and supplies.
Villagers must bring their own tools and food when they go for forced labor. When the Army decides infrastructure such as barracks and fences must be built, the villagers must bring along their own building materials such as bamboo, thatch shingles, nails, wood posts, and logs. At present, very little bamboo is left in the area so villagers must buy each pole they bring for 200 Kyat.

Both Karen villagers and Burman mine workers are ordered by the Army to work. Children as young as 16 years old are sometimes required to work when their parents are busy in the fields or at the mine sites. If the Army or the Township PDC Chairman does not approve of the quality of work completed, or if the work was not completed within the specified time frame, villagers are often punished or forced to do the work again.

“They want the work done by a certain time, even if there are complications with the assigned jobs that make them difficult. Every month we have to work for them and give them a fee at the right time. If we do this, then we don’t have any problems.”
- Karen farmer in Shwegyin township.

“Last March the Shwegyin township PDC chairman ordered all the villages in the area to clear the brush along the road to over 20 feet from the road. Then they ordered us to fix the roads and the bridges. Each village was in charge of an area and they had to finish the area by the same day. Each village had to take responsibility for their area. Our village had 80 villagers who had to work on the road and we divided the work. Women had to cut down the brush and men had to fix the bridge and the road. There were also some children around 16 years old who were working because their parents had gone to the mining area. We allowed them to only carry branches from the bushes and other small things. Whenever the township chairman orders us to do something and we don’t do it perfectly we have to do it again.”
- Burman migrant mine worker in Shwegyin township.

When they are working forced labor, villagers are unable to work their fields and plantations or to work as day laborers in town, which has a significant impact on daily survival, often preventing them from earning enough money to buy rice and other daily needs. Villagers who do not want to report for forced labor can try to find another villager to go in their place, but otherwise they are required to pay 1,000 Kyat per day to the Army camp. In addition to violating international norms and laws expressly forbidding the use of forced labor, these practices also interfere with victims’ right to livelihood as guaranteed by the ICESCR.

“Some villagers go [to forced labor] themselves and others pay money to the soldiers so they don’t have to go. It costs 1,000 Kyat to pay instead of going.”
- Karen farmer in Shwegyin township.

“When they demand loh ah pay people don’t want to go work, so they try to pay money. So the soldiers demand loh ah pay knowing that they will get money from the villagers.”
- Karen farmer in Shwegyin township.
Fees

The Army not only sees the villagers as a ready source of labor but also as a convenient source of income. While some of this money is used for the upkeep of the camps and for the soldiers, most of it goes into the pockets of the officers. When treated as income, a portion of the money is kept by the officers at the local level and the rest trickles its way up the chain of command. A posting at the frontline is often seen not as a way of defeating insurgents, but as a way to make money.

“We have to bring food to give them whenever we want to go to talk with them. Every month the villagers have to give 1,000 Kyat to build a good relationship with the soldiers. We don’t care what we have to spend every month; we only care about not causing trouble.”

- Karen farmer in Shwegyin township.56

“They don’t have a systematic way of taxing. Whatever they feel like asking for they ask for. When they ask for a fee or a pass you have to be very polite to them and if you answer them wrongly you might be in trouble.”

- Burman migrant mine worker in Shwegyin township.57

Villagers who own and work fields and plantations must pay a “field tax” to the Army or the Township PDC. Taxes differ depending on what the villager is growing in his field or plantation. For example, villagers working shaut plantations reportedly have to pay 2,000 Kyat each month to each camp as a field tax.58

Other fees are blatantly unofficial and go directly into the Army’s pockets. For example, villagers must pay 2,000 Kyat each month to the local Army camp. Sometimes, the villagers must pay this to more than one camp each month, as is the case with Su Mu Hta village. There are also fees levied on shops, karaoke houses, video cinemas, tea shops, and for having visitors stay overnight. Some of this money is used for the upkeep of the camp or for buying rations for the soldiers, but most of it is simply treated as income by local officers and higher officers at the battalion level.

“We have to give monthly fees to each camp of 2,000 Kyat.”

- Karen farmer in Shwegyin township.59

“These three village tracts have to look after two Army camps. One Army camp is by the Shwegyin River and the other one is to the west of the Shwegyin River. Every month we have to give 2,000 Kyat to each camp.”

- Karen farmer in Shwegyin township.60

After paying the fees and buying food and other necessities, villagers have considerably less money for daily survival, and no money to save. The rising costs of food and other goods are steadily making the situation more difficult. Villagers now take daily wage jobs simply to make enough money to pay the Army, and these jobs prevent them from working on their fields and plantations or at daily wage labor that goes directly to buying rice and other daily needs for their families. One villager told EarthRights International that after paying all the fees to the Army, he had lost about one third of the income he received each month from
the sale of the *shaut* from his plantation. Another villager reported that he paid 10,000 Kyat each month to the Army, or 50% of his monthly income.

“I have 5 acres of shaut plantation. Most of my income comes from growing the shaut, but I have to give one third of my income to the military. Food and other things are very expensive also. We cannot save any money.” — Karen farmer in Shwegyin township.

“When the three battalions arrived we had to pay a monthly field tax, money for loh ah pay, checkpoint fees and visitor fees. Every month the villagers have to give 2,000 Kyat for a field tax. There are two camps around our village area so we have to pay each camp 2,000 Kyat per month. We lose income every month by giving field taxes and fees. If we don’t want to go for loh ah pay we have to pay 1,000 Kyat per day. Every month I have to pay over 10,000 Kyat. That amount of money is fifty percent of my income.” — Karen farmer in Shwegyin township.

**Land Confiscation**

For years the Army has confiscated land from the villagers of Shwegyin township, and that land has been used to construct camps or it has been converted to commercial agricultural projects. Compensation is very rarely paid to villagers for the land taken by the Army, and land is taken arbitrarily and at will. Villagers are often told that confiscation is permissible in Burma because no one owns the land.

Villagers commonly find themselves working on the Army’s commercial agricultural projects, which exist on land they formerly owned. That is, after their land is confiscated, villagers are often forced to work on their own land, with no compensation for their work or for the land that was previously confiscated at their expense. Most villagers are too afraid of the soldiers and the Army to complain, and those villagers brave enough to lodge a complaint to the Army or the Township PDC have received no help or compensation.

These instances of land confiscation interfere with or directly violate a number of internationally recognized rights, including the ICESCR’s right to livelihood, and the International Covenant on Human Rights, which provides, *inter alia*, that local communities and individuals shall have “full and complete sovereignty over all their natural wealth and resources.”

“We don’t have land licenses and the township chairman said the land was not legal land and no one owns it so we could use it. So when the Army came they set up their battalion camps wherever they wanted and took the land. When the battalions came to Shwegyin area they took the land and they built camps and started farming and doing projects [to make money]. There are a lot of rubber and mangosteen plantation projects and military building projects around the Shwegyin area. We haven’t had any conversations with them because we are afraid they would punish us.” — Karen farmer in Shwegyin township.
“All around the area there are a lot of security checkpoints and areas closed off to the public. The military government in the Shwegyin area took all the free land in the area and the land that people owned. They started plantation projects for their battalions.”

- Burman migrant mine worker in Shwegyin township.

The SPDC has used the confiscated land for large-scale commercial agricultural projects to grow mangosteen, coffee, and rubber. Most of these plantations are controlled by the local battalions, although there are some wealthy business partners involved in the operations as well. During a visit to Shwegyin township on 12 March 2005, Maj. Gen. Ko Ko gave a speech to the assembled township officials about the need to increase the acreage under rubber plantation in Pegu Division from 50,000 to 100,000 acres in three years starting from the 2005-2006 fiscal year. He said that 30,000 of those acres were planned for Shwegyin township.

A rubber processing plant is also slated to be built in Shwegyin. Water from the Kyauk Naga Dam reservoir is the most likely source to irrigate the plantations. The Olympic Company Ltd., a firm recently contracted by the SPDC to complete the Kyauk Naga Dam, currently leases land from the SPDC elsewhere in the country to grow rubber and could be a likely candidate to do so here.

Some of the confiscated land has been converted into fish ponds by the Army, used to raise fish for sale to local villagers. Villagers who want to fish in these ponds themselves must pay a fee to the Army. Generally, villagers are not only deprived of their land and charged fees to work their land, but they quite expectedly never see any direct or indirect profits from the projects on their land.

“The Army and the business leaders have also taken the land from the villagers to use for large agricultural projects where they plant mangosteen, coffee and rubber trees. The fields have also been converted into fishponds by the battalions. The villagers had to relocate and were forced to become day laborers for other field owners. The villagers went to complain to the township chairman about this, but the township chairman didn’t do anything for them.”

- Karen farmer in Shwegyin township.
V. Gold Mining

“The gold mining has been continuing for a long time and has become more advanced and using higher technology. They have permits from the government and the support of the Army. Wherever a businessman wants to do mining, landowners have to let them do whatever they want.” – Karen farmer in Shwegyin township.73

The Mining Concessions

In Shwegyin township, individual businessmen and mining companies from central Burma began prospecting for gold in 1997. Both small and large companies arrived at that time and surveyed the land for mining sites. Some of these mining companies are owned by the same Chinese and Shan businessmen involved in gem mining in Mogok, Mandalay Division. Initially, gold mining concessions were limited to areas near Mae Zaung, Ywa Myo, and Kyauk Naga Army camps along the Shwegyin River, even though gold deposits were known to be present in at least seven other nearby rivers: Mawtama, Oo Poke, Tin Pan, Kyauk M’Ku, Meh Si, Meh La Pu and Bawgata.74

The operations have since expanded, and there are now numerous gold mining operations of varying degrees of recovery in the areas of Boh Loh, Ywa Myo, Pway La Her and Ka Nee along the Shwegyin River.75 According to one recent report from the field, there are currently between twenty and thirty hydraulic machines operating on the Shwegyin River north of the town. Each of these mining sites is estimated to separately recover 1.5 kilograms of gold per month.76 There are also several larger mining operations along the Mawtama River with many smaller operations farther upstream, to the east and on its tributaries; the Kyauk M’Ku, Oo Poke and Pago Rivers. Locally, gold from the Mawtama River area is considered to be better quality than the gold from the Shwegyin River area.77

Both small scale and artisanal mining occurs in this area, as opposed to large scale mining, which often requires international financing and is characterized by extremely high recovery rates and technologically advanced industrial equipment. Large scale mines have yet to enter Shwegyin township. Small scale mines, on the other hand, vary in size, are labor intensive, and in this case use mechanized equipment and work under concessions awarded by the SPDC. Small scale mining operations in Shwegyin can have as many as 1,500 employees per mine site. Artisanal mining is characterized by rudimentary, traditional
methods, is labor intensive, and it occurs informally and on an individual basis, always as a means to subsistence.

A Burman mine worker interviewed by ERI in 2005 stated that there are more than 40 mining businesses in the area.\textsuperscript{78} The three most well known companies are the Aye Mya Pyi Sone company, the Kan Wa company, and the Ka Lone Kyeik company.\textsuperscript{79}

The Ka Lone Kyeik company is owned by retired ‘General’ Khin Maung Lone and operates in the Ka Lan area. The Kan Wa company is owned by U Aung Than and Daw Yee, from the Pyinmabin section of Shwegyin town. The Aye Mya Pyi Sone company is owned by official SPDC shareholders and managed by U Myat, a native of Shwegyin who now resides in Rangoon. All three companies conduct “small scale” mining in the Paya Lay and Ka Lay areas along the Mawtama River, and each employs between 1,000 and 1,500 workers at their mine sites. The SPDC’s Ministry of Mines, and the local Department of Mines, have reportedly issued a yearly plan to expand the concessions in Shwegyin and invite more companies to the area in 2006-2007.\textsuperscript{80}

The mining concessions are generating significant amounts of income for the SPDC. This has been helped by the price of gold nearly quadrupling over the past two years. In 2003, one \textit{kyat tha} of gold (.163 grams) reportedly sold for 90,000 Kyat in Shwegyin Township.\textsuperscript{81} In mid-2005, this price jumped to 220,000 Kyat in Shwegyin and 260,000 Kyat in Rangoon.\textsuperscript{82} Due to inflation and concerns over the stability of the regime, the market price rose sharply again in October of that same year to 340,000 Kyat, or approximately US$ 242.86 per \textit{kyat tha}.\textsuperscript{83} At these rates, 1.63 kilograms of gold would currently be worth US$ 242,860. Thus, one site alone would be able to generate substantial profits for the mine owners.

Mining companies with concessions upstream of the Kyauk Naga Dam have been more aggressive in their efforts to secure land for mining. This is due to a desire to extract as much gold as possible before the dam becomes operational and the area is flooded.

Despite the rapid economic activity, not everyone who invests in a mining operation in the area sees a return on their investment. Some people, especially those running smaller operations, find the competition too difficult and lack the right connections or enough capital to obtain good machinery. This has resulted in economic devastation for some local people. One Burman invested nearly all of his available capital into gold mining, and within a short period of time his operating funds were depleted and he was forced to abandon the business. He now makes a living as a petty trader, either selling goods purchased in town to miners in more remote rural areas, or transporting forest products back to Shwegyin for resale in its markets.

These practices, which preclude villagers from profiting from the natural resources of their ancestral land, contravene the U.N. General Assembly’s Declaration of the Right to Development, which provides, in relevant part, that local communities and individuals shall have “full and complete sovereignty over all their natural wealth and resources.”\textsuperscript{84}
“Seven years ago I had 40 buffalo and I sold some of them and got 50 million Kyat. I invested it in mining but it didn’t go very well and I lost the money I invested. If you want to invest in mining you have to have good connections and good quality workers and at that time I didn’t have any of those things.”

- Burman migrant mine worker in Shwegyin township.85

“It did not go well and I lost the money I invested [fifty million kyat]. If you want to invest in mining, you have to have good connections and good quality workers and at that time I didn’t have any of these things. Everything was very expensive, so I couldn’t support my workers and I didn’t have the money to fix the machines. My machinery was already old and I had to keep fixing it again and again until it finally stopped. ...The engines were always breaking and the workers were always tired of waiting for the machines to be fixed, so they went and got a job with other mining businesses. So I sold my machines at a low price.”

- Karen farmer in Shwegyin township.86

Collusion between the SPDC and the Mining Companies

In order to operate, mining companies must first get permission from the SPDC through the Burmese Army, which, if granted, results in formal or informal concessions to mine. Permission must be received from the Strategic Operations Command Commander in Shwegyin, the Southern Regional Command Deputy Commander, Brigadier General Thura Maung Ni, and through him, the Regional Commander, Major General Ko Ko. Maj. Gen. Ko Ko is also the chairman of the Pegu Division Peace and Development Council (PDC) and the Southern Regional Command is the military command responsible for the area of Pegu Division, including Shwegyin township. The Strategic Operations Commander in Shwegyin is under the Southern Regional Command and is responsible for the area around Shwegyin township. He has several battalions under his direct control. Although there is ostensibly a civil structure, a businessman must first seek a relationship with the Army before any hopes of mining can materialize.87

“When they [the mining companies] planned to mine for gold, the soldiers secured the area because the gold mining was approved by the Strategic Operations Command Headquarters. Now there is an Army camp there as well. When a company wants to mine for gold they have to get permission from the strategic commander.”

- Karen farmer in Shwegyin township.88

Villagers interviewed by ERI claim that companies previously had to follow the forestry laws if they wanted to mine, log, or set up plantations, but added that it is no longer necessary as long as the company has the permission of the Division PDC.89 The Ministry of Mines and the Department of Mines under it are responsible for the formulation of mining policy, exploration and extraction of minerals, regulation of mining permits and the coordination of the mining sector, but they seem to have been left out of the process in Shwegyin township. Mining Enterprise #2, which is responsible for the extraction of gold, also does not seem to play a clear role.90 Most of the purchasing of gold is done by independent merchants in Shwegyin rather than the Ministry of Trade, which maintains branch offices at
the township level to purchase gold from independent miners. Thus the 1994 Mining Law has little or no force in this region.

The Army provides the mining companies security, protecting the companies from any interference by local civilians or other Army units. The Army adds military force to the mining companies’ efforts to acquire land, intimidating the villagers to sell. In addition, the Army also provides security for the mining concessions in the form of nearby Army camps and patrols that move through the area; also providing security for the miners when they travel to and from the mines.

In return for this service, the mining companies are required to pay several fees to the Army. Larger companies pay 100-150,000 Kyat each month to the Division PDC for the mining concession and are required to send a report every six months. Some companies operate as joint ventures. In this case, the company with the largest stake in the joint venture pays a fee to the Division PDC for the concession and sends a six month report. The smaller companies in the joint venture then pay the larger stakeholder 60% of the gold they mine and keep the remaining 40%. Brigadier General Thura Maung Nyi reportedly purchased large tracts of land at below-market prices during the early years of the “gold rush,” using funds obtained through joint ventures. Under current leasing arrangements, the Brigadier General receives 60% of all the gold extracted on properties he now owns.

At the local level, companies of all sizes are required to pay various fees to the local Army camps. For example, each month companies are required to pay 10-20,000 Kyat to the local Army camp as a “security fee.” The local camp also collects a sales tax on the gold sold from the concession. “Taxes” are also collected from the various small businesses operating in the mining areas, such as video shops, karaoke shops, tea shops, and general goods shops. There is also a residence fee of 700 Kyat for each person in the mining area, including both mining workers and their families. The soldiers collect monthly fees manually, directly from the mining operations, although a civilian is sometimes ordered to do it. See Appendix A for a breakdown of fees paid to the SPDC and the Army.

“Every month, we have to pay a tax of 100,000 kyat to the Pegu Division headquarters and 10,000 kyat to the soldiers at Ywa Myo. Sometimes, we have to pay more than this because the soldiers rotate at the end of every month and they demand that we give them money for them to return to their families. Some soldiers work as miners because the officer who controls the area is only looking out for himself. While the higher officers receive a lot of money, they don’t use it to feed the soldiers.”

- Burman mine worker in Shwegyin township.

Methods of Gold Mining

Villagers along the Shwegyin and Mawtama Rivers have traditionally panned for gold in the rivers and their tributaries. Nearly all of the gold found in the township is located in the alluvial soils of the rivers and streams. Traditionally, villagers panned or used small sieves to explore for gold in the rivers and streams. There are two other more involved methods of artisanal and small scale mining. One method is to dig a hole and take the conglomerate from the hole to a machine that has moving screens of various diameters. The machine vibrates and separates the small rocks and other material in the conglomerate from the gold which is removed by
hand. Another method uses gravity fed sluices with various sized screens attached. In most cases of artisanal and small scale mining in Shwegyin, local people use profits to supplement their incomes from their plantations and to purchase goods and sustenance for daily survival.

“The gold mining started a long time ago in this area. There are many places that you can mine in this area. People used to use small-scale techniques along the stream and in the jungle. Now people use high pressure hose machines to get the gold. Last year there were 40 gold mining machines in this area.”

- Burman migrant mine worker in Shwegyin township.

When mining companies arrived they brought Chinese-made hydraulic mining machines to extract gold. These machines use diesel engines to pump water through hoses at an extremely high pressure. The water is then directed at the banks of rivers and streams to dislodge and wash away soil and rock. The sediment then goes into a large sluice. These sluices are normally lined with a chemical which captures the gold particles in the sediment through a chemical process known as amalgamation. Liquid mercury is the most likely chemical agent used in Shwegyin, and its use is widespread in gold mining operations throughout the country, pervading Burma’s natural environment beyond Shwegyin.

After the mercury and the gold are separated, the remaining sediment is washed away downstream. This type of mining is highly destructive to the immediate natural environment and to the ecosystems downstream; it has been banned in many countries (see below, Environmental Impacts).

Most of the workers in these mines are Burmans from central Burma, Pegu Division. The companies rarely hire local Karen villagers, most of whom are accustomed to farming, while the Burmans have more mining experience. For this reason, and because Burmans are cheaper to hire than the local Karen, it is in the economic interests of companies to hire Burmans. Burman day laborers in Pegu make only 500 Kyat per day, but in the Shwegyin mines they can make 1,000 Kyat per day, while Karen laborers in the area can make up to 3,000 Kyat. Nonetheless, the pay rates are double that of a day laborer in the capital of Pegu Division.

“If we don’t have work in this area we will have to go back to our old place. We don’t have the opportunity to make the same amount of income there. People who are in my village don’t want to go back to their own land because they can make more money doing the mining work. It’s hard to stay in the town because everything is expensive and there isn’t enough work available.”

- Burman migrant mine worker in Shwegyin township.

As a typical example of how a mining company operates in Shwegyin, consider a mine site in the Ywa Myo area that employs 50 workers. These workers are required to follow strict rules for an eleven hour workday determined by the owner. Workers begin their workday at 6am, working until 12pm, at which point they break for a one hour lunch, followed by five more hours of work. For this they are
paid 1,000 Kyat per day. Food is provided by the company. The workers are strictly prohibited from crossing to the east side of the Shwegyin River and they are strictly prohibited from bringing visitors to the area. Speaking with ERI, one migrant worker who owned several hydraulic machines and employed dozens of workers during 2003-2004, described the situation at this mine site as follows:

“People mined twenty-four hours a day and each person was paid 3,000 kyat for working both day and night. I saw many people become very sick and die from hard work. At the beginning of the gold mining, we heard of many people dying of malaria and dysentery. Some people died from landslides, especially during the rainy season. In these cases, we can’t give any money to the worker’s family because we don’t have a contract with their family.”

- Burman migrant mine worker in Shwegyin township.

Poorer people in the area - both Karen villagers and Burman migrant workers - work as artisanal miners, panning for gold in the runoff downstream from the mines. At most, they are able to earn 23,000 Kyat per day from doing this, but if many people are simultaneously panning the same area, which is common, recovery rates drop considerably. Regardless, these artisanal miners are required to pay 2-3,000 Kyat to the company that has the relevant concession. Beyond paying this flat fee to the company holding the concession, miners do not usually have to show the company how much gold they were able to get, and in turn they sell the gold they recover to locally operating merchants.

**Impacts of the Gold Mining**

**Land Confiscation and Loss of Livelihood**

When the mining companies arrived in 1997, the original villages had all been relocated or forced to flee years before. This, however, does not terminate the villagers relevant land tenure nor does it imply they no longer have claims to the land. Many villagers, most of whom are Karen living along the Shwegyin River, still maintain plantations and fields on the land. As is common in the area, the Army permits them to work the land but strictly prohibits them from permanently resettling in their old villages; and furthermore, they are required to pay exhorbitant fees to the military for such working visits. Villagers who are living in hiding in the mountains nearby the Shwegyin River and along the Mawtama River occasionally return to work their fields.

“In our area there are many gold mining sites on old village sites and they named this area Tha Bway La Ha area. There are many old villages that have been destroyed in this mining area. Now there are no more people in these old villages. We see plants, house posts, broken pots and wells where the old villages used to be. I don’t know anything about this area. I know that before in this area there were many Karen people that had shaut plantations.”

- Burman migrant mine worker in Shwegyin township.

Gold mining in Shwegyin Township began as early as 1995, increasing considerably thereafter. However, mining companies did not secure land rights and con-
cessions on a large-scale until 1997. West of the Shwegyin River and near where the Shwegyin and Mawtama Rivers meet, mining companies have used various methods to control the land and commence mining. Most commonly, companies survey the land and offer to purchase the land from the owner at a price well below market value. While some companies offer a nominal compensation, others pay nothing. For example, Aye Myi Pyi Sone company compensated villagers who expressly appealed for compensation, giving 2-3 million Kyat for land worth approximately 20 million Kyat. Comparatively, neither Kan Wa nor Ka Lone Kyeik companies pay any compensation.107

“The companies are like the Army and they take the land from the villagers, and some companies take the land but they explain that they are going to mine in the area and they give some compensation to the villagers.”

- Karen farmer in Shwegyin township.108

When the companies cannot persuade the villagers to sell their land, they resort to a stronger method, arranging for the Army to coerce the villagers into selling. Typically, soldiers visit the landowner and urge him or her to sell the land. They are closely followed by a representative from a mining company who then offers a price far below the land’s market value. The representative points out to the landowner that at least some compensation now is better than none later. In the coercive company of the Army and a mining company, villagers commonly succumb to the intimidation and collusion, selling their land for a price well below its market value. If the villager is particularly strong willed and the intimidation tactics are unsuccessful, the Army simply confiscates the land. Army units based around Shwegyin, including IB 57, LIB 349 and LIB 350, have seized land from villagers and given it to the mining companies. 109

“Business people joined with the military and restricted the gold mining sites. If the military found a place, they forced the farmers to sell their land.”

- Karen farmer in Shwegyin township.110

“There are three well known battalions in the Shwegyin area; LIB 349, LIB 350 and IB57. These battalions keep increasing their project land. They take land from the villagers and the land they don’t like they sell under the table to the gold mining business people.”

- Karen farmer in Shwegyin township.111

“Some of the business men in the mining areas buy shaut plantations and pay a very low price. If the plantation owners complain to the businessmen about the low prices, they threaten to tell the soldiers that they have a close relationship with the KNU. Because of this the plantation owners are afraid to confront the business people in the mining areas.”

- Burman migrant mine worker in Shwegyin township.112

Villagers who complain to the Army or the Shwegyin Township Peace and Development Council (PDC) are told to show their land title deeds. The only land deeds that have been issued in the area are from the KNU and are not recognized
by the SPDC. Of course, the villagers do not dare to show these papers to the Army or the PDC out of the legitimate fear they will be labeled sympathizers to the resistance. Some villagers have been told by the soldiers that their land is “rebel land” and therefore can be taken, while others are simply told that no one owns the land. The SPDC has never issued proper land deeds to Karen villagers, many of whom lack even identity cards.

Under the Constitution of 1974, which has been largely dismissed since a nationwide pro-democracy uprising in 1988, all land and natural resources were deemed to be owned by the State. More relevantly, chapter V, Article 15 of the current mining law (Mining Law 1994) gives legal go ahead for the practice of land confiscation, citing “the interest of the State”:

If, in the interest of the State, it is necessary to acquire the land where mineral production could be undertaken on commercial scale, the Ministry shall coordinate with the relevant Ministry for the acquisition of such land in accordance with the existing Law.113

The State also retains the right to develop, extract, exploit, and utilize the land as it sees fit.114 Without papers, the villagers have little to no recourse, and no access to justice.115 The mining companies, of course, are aware of the villagers’ inability to obtain proper land title, which they use to their advantage. The intimidation and general lack of justice has prevented people from working their plantations or lodging complaints to the Army, so many, as a result, have simply sold their land to the mining companies.116

In some cases, these incoming mining companies destroyed not only the land they came to occupy, but also that of the neighboring landowner, which has created inter-community conflict and has made cooperation between villagers within the community very difficult.117

“The people asked the soldiers and the township chairman to not do mining there, but the soldiers didn’t care and didn’t listen. They said, ‘The land isn’t owned by you because you don’t have a paper [land title deed] and the land is owned by the rebel groups.’ They also said, ‘The land is going to be flooded by the dam anyway, so it is better to go ahead and get money from the gold mining.’ Most people are dissatisfied with the gold mining, but they have to stay quiet because they will have a lot of problems if they argue with the Army. They are also afraid. … Some people feel that farming is useless in the area because of the gold mining and other obstacles. Other people are still working their fields, but they are afraid because they are now a smaller group and they are afraid to answer the military officer’s questions. People only hope for the fighting to stop.”

- Karen farmer in Shwegyin township.118

“The business people formed good relationships with the Army and the Army put pressure on the landowners in the area to sell their land to the business people. When the business people went to buy the land from the villagers, they were able to buy it very cheaply. When this happened [their land was taken] the landowners went to the Army and the Army asked them to show their land license. When they couldn’t show a land license, they [the Army] would tell them that they had to be satisfied with the amount that the business people gave them. The companies and the soldiers do it like this and we Karen
people don’t want to make trouble so we let them do what they want and don’t say anything.”
- Karen farmer in Shwegyin township.119

In Shwegyin township, Karen village sites that were subject to relocation and deserted in the 1970’s and ‘80’s are now reoccupied by Burman mine workers. These villages are not permanent, but rather temporary sites housing miners and their families. However, they are organized like other villages, including a village head who reports back to the Township PDC in Shwegyin. This is systematic and has happened in the villages of Ywa Myo, Ka Nee, Bee La, Htee Ka Hta, T’Nay Pa and Su Mu Hta.120 ERI has observed this as a systematic pattern in other nearby areas, as well, specifically west of Shwegyin and along the lower portion of the river, south of the dam site. In these areas, Karen villagers, including previous Karen landowners, are restricted from the mining sites, and Army soldiers visit the sites periodically to ensure they remain expelled.

In addition to depriving villagers of their right to a livelihood, as specified in the ICESCR, the authoritarian, nonparticipatory approach to mining natural resources in Shwegyin and throughout Burma, as practiced by the SPDC and its business partners, clearly violates Article 7 of the International Labour Organization’s Covention No. 169 Concerning Indigenous and Tribal Peoples in Independent Countries, which provides, in relevant part, that indigenous and tribal peoples shall participate in the formulation, implementation, and evaluation of national and regional development plans that affect them.121

Environmental Impacts
The techniques used for mining in Shwegyin township are extremely destructive to the natural environment. The high use of water has entirely depleted some water sources and permanently and adversely altered others. There is a visible increase in soil erosion and sediment levels in the rivers and streams, and some river beds have simply collapsed due to pressure caused from the removal of silt and soil from the banks of the rivers and the bases of riverbank trees.122

The rivers and streams in the township that host mining operations are polluted from mercury and other chemicals used to amalgamate the gold. Mercury is highly toxic to the natural environment, while also posing a range of serious risks to public health. Methymercury is an organic form of mercury used to capture gold particles. Mercury transforms to methylmercury through a biogeochemical process, and in rivers, methylmercury increases in concentration as it moves up the food chain in a process known as biomagnification. Biomagnification can mean that while water may show only traces of mercury, levels in fish can be drastically higher, thus poisoning local people who depend on fishing for subsistence.

Human exposure to mercury through ingestion, handling it, or inhalation of fumes can lead to neurological symptoms, affecting speech, eyesight, and hearing, among other effects. While inhalation can cause serious respiratory problems and harmful nausea, long term exposure to mercury or methylmercury can lead to kidney failure and even death.

Women exposed to high levels of methylmercury during pregnancy often give birth to children with birth defects, such as delayed onset of walking and talking (motor difficulties), sensory problems, and severe learning disabilities.
Local people using mercury for gold mining rarely know the seriousness of health risks associated with exposure to the substance, and ERI has conducted interviews with villagers in other parts of Burma who actually believe the substance can improve health.

Additional pollution related to mining in Shwegyin township is caused when diesel fuel and oil leaks into the river water from the pumps and other mining equipment. The river water is used to irrigate the villagers’ rice fields and plantations, and Karen farmers downstream report that shaut and other fruit trees have died. Many villagers are thus no longer willing to use the water from the rivers.

“In now the people are having a lot of problems from the gold mining because the river is polluted and the people have stopped using the water. During the rainy season there were landslides around the gold mine sites and the river water polluted the fields. The people downstream have stopped using the water and the shaut trees are dying.”

- Karen farmer in Shwegyin township

**Influx of Migrant Workers and Ethnic Tension**

To legitimize and justify continued military rule in Burma, successive military regimes have used various tactics to create and maintain hostilities between the various ethnic groups of Burma. Under the guise of promoting national solidarity, the regime over the decades has instituted a widespread policy of Burmanization in an attempt to advance the Burman race and create a homogenous Burman society. To advance the goals of Burmanization, the SPDC has taken steps to subjugate all non-Burman ethnic groups by dominating their land, their culture, and their way of living. Non-Burman ethnic groups such as the Karen have been prohibited from teaching their languages, practicing their religions, and maintaining their rituals. They are forced to assimilate to Burman traditions and practices. Non-Burman ethnic groups are particularly targeted by the military regime and have suffered severe abuse and human rights violations at the hands of the military. As a result of the tactics and abuses of Burmanization, the regime has ignited and fuelled tensions between Burmans and non-Burman ethnic groups.

The increase in mining concessions in Shwegyin township has increased the demand for labor, and in turn the number of Burman migrant workers entering the area to find work. An estimated 10,000, mostly Burman, migrants have moved into Shwegyin township to work in the gold mines. In particular, there has been an influx of Burman migrant workers at Ywa Myo, Kan Nee, Bee La, Htee Ka Hta, TNay Pa, and Su Mu Hta.

For Karen villagers whose ancestral land is being settled by Burman migrants, hostility against the arriving migrants is often expressed as ethnic tension. Some of the Karen on the western side of the Shwegyin river have been pressured and coerced by the Army to sell their shaut plantations to wealthy Burmans. The Burman landowners then employ Burman migrant workers to work the plantations.

Karen villagers complain that some of the Burman migrant workers do not respect them or their customs. For example, some Karen claim migrant workers trespass on their plantations looking for dogfruit or, in the rainy season, to cut...
cane. This behavior is interpreted by the Karen as not only disrespectful but as theft.

Migrant mine workers also cut across the villagers’ fields with their trucks, bullock carts, and donkey carts, ruining parts of the fields of local villagers.

Furthermore, many Karen in the area are animist and feel the Burmans do not respect their religion. During certain animist religious ceremonies, the Karen post signs requesting privacy, but some Burmans have reportedly ignored the signs.

“When ever the Burmans arrive they don’t really have good relations with our Karen people. So if there are more and more Burmans moving to this area, I don’t know if I will stay here. The Burmans that have moved in around here find out the Karen people’s weak points and use them to talk to the Army about them. There will be problems for the Karen people. They see us as Karen rebels.” — Karen farmer in Shwegyin township.128

The Karen avoid confrontation with Burman migrant workers because they fear the Burmans will accuse them of supporting the KNU. Considering the Army has a history of killing and torturing Karen villagers suspected of supporting the KNU, such allegations are life threatening. Many Burmans are aware of this fear and some use it to their advantage, even accepting gifts from Karen in exchange for not telling the soldiers they are connected to the KNU. The SPDC generally trusts Burmans to inform them if they hear anything about the KNU. 129

The Karen also feel that although they receive equal pay at mining sites, they are discriminated against by Burman businessmen.

All of these incidents fuel ethnic tension and misunderstanding. As with other ethnically charged situations throughout the world, the risk is that one group will attribute to the “other” group characteristics they perceive as essentially shared by the entire group in question. Certain negative characteristics and behavior are interpreted as inherent, thus defining a shared social identity of all of the other group’s members. This objectifies the “other” group, and once the ideas are widespread they are difficult for the masses to overcome.

In this case, for example, many Karen who repeatedly witness Burman migrant workers stealing their fruit and other Burmans colluding with the military to seize their land, may easily attribute that behavior as shared by all Burmans. The characteristics behind the behavior are thus associated with what it means to be Burman. This phenomenon, of course, is unsurprising considering the SPDC’s ostensible ethnic favoritism toward Burmans and its social policy of “Burmanization.”

Likewise, many Burmans reportedly view the Karen as rebels, closely linked with ethnic militancy, the opposition, and the KNU. Many Burmans in Shwegyin township reportedly consider the Karen as “second class” and purveyors of what they pejoratively label rebel activities. Furthermore, because the Karen ethnicity is not associated with the military power structure, which is largely Burman, many Burmans thus harbor a crude view that the Karen are disenfranchised because they are inferior, sharing inferior traits presumably because of their shared “Karen-ness.”
Some members of both of these groups directly or indirectly claim that certain characteristics essentially define what it means to be in the other group: thus the ethnic tension in Shwegyin township. This tragic dynamic advances the SPDC’s longstanding systematic campaign of “Burmanization” against Burma’s ethnic minorities, which more directly materializes in Shwegyin in ways such as facilitating a change in land ownership from Karens to Burmans.

However, it is important to note that both Burmans and Karens are subject to mistreatment and abuse by the Army.

Beyond that, the influx of migrant workers has also brought other social and public health problems. Sex workers have migrated to the district, sometimes at the behest of Burmese Army officers, to provide services to the large number of soldiers and laborers working in the area.\textsuperscript{130} The spread of sexually transmitted diseases - including HIV - in other mining areas of Burma are well documented, and the same phenomenon is likewise occurring in Shwegyin.\textsuperscript{131} An increase in gambling and drinking is also a problem around the mining sites.
VI. Logging

“If a farmer wants to cut down trees on his own land it is very difficult to get permission, but it is easy for loggers to get permission. Loggers destroy our farmland and we can’t do anything about it because they say that the Foreign Ministry owns the land. The Foreign Ministry gives out a pass for permission to log.”

- Karen farmer in Shwegyin township

At present, many logging operations in Shwegyin township have ceased operation. After a relatively long time of progressively rapacious logging, there are very few trees left to cut in uncontested areas, so many companies have temporarily moved on. If the Burmese Army is able to effectively secure new areas as a result of its current offensive east of the Shwegyin River, logging operations will expectedly resume. Despite the relative lull in logging activity compared to previous years, however, the practice continues, and continues to impact the local people and environment.

Logging was practiced in Shwegyin township for many generations, with significant adverse impacts on local communities. Villagers lost and continue to lose valuable areas where they once hunted and foraged for vegetables, and long-term environmental impacts on the area include risk of landslides, local climate change, and the loss of seasonal streams.

During British rule and when the area was under KNU control, there were certain basic controls on logging concerning what trees could be cut, what areas could be cut, and how much could be cut. Punishments were also proscribed for people who violated the controls.

When the Burmese Army first arrived, the area was “insecure” and logging companies often forged agreements with both the KNU and the Burmese Army, making payments to both sides in order to operate. As the Burmese Army increased its presence and control over the area, the KNU became less able to regulate logging, but continued to exact taxes from logging companies. In the late 1990’s, logging in Shwegyin township proliferated, permits became increasingly easy to obtain, and the SPDC ignored conservation regulations. The KNU was no longer strong enough to enforce or develop regulations.

Logging became particularly active in 1997, with volumes increasing significantly. At this time, the Pegu Division Forestry Depart-
ment announced plans for each township to produce 10,000 tons of logs per year and the MTE was tasked with facilitating this expansion. The Myanmar Timber Enterprise (MTE) contracted to private logging companies, followed by negotiations between these companies and the Pegu Division Forestry Department. Ultimately, the Southern Regional Commander / Pegu Division Chairman accepted the terms of agreement, which stipulated that logging companies sell 35% of the extracted logs to the MTE at official rates. The companies could thus sell remaining logs at their own prices.133

After plans for the construction of the Kyauk Naga Dam were made public in 2000, the rate of timber extraction in the area upstream of the dam increased yet again. With the proposed completion of the dam scheduled for 2006, which will flood the area, the Pegu Division Forestry Department granted companies permission to cut timber at will. Permits became obsolete and unnecessary, being waived by the authorities, and loggers began clear cutting the area with abandon. It was rumored that not even the plantations of fruit trees were spared, despite that the fruit trees are not commercially valuable except as firewood or charcoal.

“In 2000, the Division Commander informed the local battalion to secure the eastern Shwegyin river area for logging and mining projects in order to clear the area that will be flooded by the dam. Before when people logged and mined in the area they had to follow the Forest Ministry’s laws, but for this they could do whatever they wanted. They didn’t need to have a pass or license from the department. They only had to give money to the local battalion for permission.”

- Karen farmer in Shwegyin township.134

“Before when you did logging, mining, plantations you had to follow the forestry law, but now, you don’t have to follow the forestry laws. If you want to do mining or logging and have permission from the division you can easily work in that area.”

- Burman migrant mine worker in Shwegyin township.135

The Myanmar Timber Enterprise (MTE) within the Ministry of Forestry continues to be responsible for the timber industry, including cutting, processing, and marketing. In order to operate, logging companies continue to make arrangements with the MTE, who take a percentage of the cut wood.

The larger companies in Shwegyin have historically hired subcontractors to do much of the actual logging. The subcontractors provide the workers, elephants, mahouts, and tools for cutting the trees. The larger companies develop relationships with the Pegu Division authorities and the MTE, largely in order to enable the construction of logging roads, to obtain chainsaws, heavy machinery, and trucks to transport logs to holding centers. Subcontractors are paid for their work cutting down the trees, with substantial profits invariably going to the larger companies who actually sell and export the logs.

The biggest company involved in Shwegyin township is the Htoo Company, owned by a wealthy and well connected businessman, U Teza. The Htoo Company became involved in the area in 1997, and was one of the companies originally contracted by the MTE at that time.136 This particular company, for example, pays its
subcontractors 15,000 Kyat per ton for teak and 12,000 Kyat per ton for ironwood, seeing comparably enormous returns on each ton exported.137

Teak and pyinkado, or ironwood, are the most valuable trees cut in the forests of the township. Trees are cut manually with both handsaws and chainsaws. The felled trees are then de-limbed, dragged through the forest by elephants, and then loaded on trucks or placed on a river, where they are floated to a location where they will be loaded on trucks. The trucks transport the logs either to a sawmill in Shwegyin town or across the Sittaung river to log holding centers, where businessmen from Rangoon and Mandalay visit to purchase the logs.

Teak logs are now sold for approximately 20,000 Kyat per ton and ironwood for approximately 15,000 Kyat per ton. The logs are exported to Thailand, Malaysia, China, South Korea, Japan, and elsewhere. Some of the larger companies, such as the Htoo Company, have a unique license to export the logs directly. International buyers pay a 100-1,000% markup on the logs, depending on the quality of the log and the nationality of the buyer.138

“The loggers sell to the sawmill factory in the town, but some of the logs are used for charcoal, some are used as firewood in the town, and some are used to make bricks.”
- Karen farmer in Shwegyin township.139

The subcontractors responsible for cutting pay various fees in order to operate, in addition to paying their own workers. The Burmese Army, the KNU, and the Tha Ka Sa Pa, an SPDC-organized militia that operates in the area, demand “security fees.” Upon request, logging bosses are also required to provide food, medicine, clothing, and other items to the Burmese Army and Tha Ka Sa Pa soldiers. In addition to these “fees,” the logging companies pay their workers 750 Kyat per tree weighing 2 tons or more, and 1,200 Kyat per ton to the mahouts who drive the elephants. Truck drivers earn 300 Kyat per ton of logs transported per mile. Most of the trucks can carry up to 10 tons of logs per trip.

“I came here to do logging. I know which trees are good quality, but there are no more good quality trees. So now I am thinking about the transportation of logs, like how much it costs to take the logs down to the sawmill. If I take the logs from here to the sawmill there are seven checkpoint gates along the Shwegyin River and each checkpoint collects a fee of 1,500 kyat for each ton. I worry about this so I am not going to do the logging.”
- Burman migrant mine worker in Shwegyin township.140

As mentioned, most of the accessible, commercially valuable trees in the township have been cut. One estimate places the amount of deforestation in Nyaunglebin District, including Shwegyin township, at 265,758 acres in 2003.141 Entire fields and plantations have been destroyed. No villagers have been adequately compensated for harms suffered.

The uncompensated destruction was, at times, gratuitous and senseless: Loggers clear cut entire areas to access only a few commercially valuable trees.

When the forests disappear so too do areas where villagers hunt and forage for vegetables and herbal medicines. Villagers now face the possibility of landslides,
local climate change, and the loss of seasonal streams, which have disappeared
due to the loss of groundcover and increases in temperature.142

While most of the logging operations in Shwegyin township have ceased op-
eration and many of the companies had moved on, EarthRights International is
concerned about the potential for an even more destructive upsurge in logging
activities in the near future. If the Burmese Army is able to effectively secure new
areas as a result of its current offensive in the area to the east of the Shwegyin
River, destructive logging operations will likewise resume. The KNU has main-
tained control over the contested areas, where it effectively banned logging. The
SPDC and its business partners view the untouched forest as a lucrative econom-
ic opportunity, awaiting their economic talons. Once the area is secure, the call for
concessions will go out to the SPDC’s business partners and logging will com-
mence, resulting in the expected social and environmental costs.
VII. The Kyauk Naga Dam

The Dam Project

The coordination of the electric power sector in Burma, including hydropower projects, is the responsibility of the Ministry of Electric Power, whose current minister is Maj. Gen. Tin Htut. Within this ministry, the Department of Hydroelectric Power is responsible for hydropower dams and the Myanma Electric Power Enterprise is responsible for the generation, transmission, and distribution of electric power throughout the country. A component of the Ministry of Electric Power’s first five year plan (fiscal year 2001-2002 to 2005-2006) of its longer-term 30 year plan to meet future power needs “in compliance with the National Development Plan and Regional Development Scheme” is the Shwegyin Hydropower Project, also known as the Shwehlaung Dam.143 This project forms a part of the larger Sittaung River Valley Hydropower Project.144

The project is administered by the Department of Hydroelectric Power and U Sern Htin from Shwegyin town was appointed to supervise the building of the dam. Construction on the dam began in early 2001. The dam is located six miles (9.65 kms) northeast of Shwegyin town on the Shwegyin River near the village of Kyauk Naga. When finished, the 3,610 foot long, 185 foot high rock-fill dam will have an installed capacity of 75 MW and an annual energy output of 400 GWh generated by four power generators.

The dam is a multi-purpose dam to be used for irrigation as well as to supply electricity to the main power grid line.145 Many local residents are concerned that, despite the SPDC’s promises, very little of the electricity generated by the dam will be available to the residents in Shwegyin town or the surrounding area. Many of the hydroelectric dams operating elsewhere in Burma provide electricity to urban areas and increasingly for export, but do not service the local areas where the projects are physically located.146 The water intended for irrigation will probably be primarily used for the Army’s commercial agriculture projects, such as its proposed rubber plantations.

“We have electric posts, but we hardly ever have power. The powerful rich people have electric power all the time.” — Burman migrant mine worker in Shwegyin township.147

“When people complain to the PDC, the PDC says, ‘We are developing the Shwegyin River and one day you will all have electricity in your town and you won’t need to worry about the water supply for your fields. But I only see benefits for business people and I don’t see benefits for us because they destroy our fields this way.” — Karen farmer in Shwegyin township.148

There has been foreign support for the dam project, at least initially. In 2001, four Japanese engineers were observed providing technical assistance at the dam site on a periodic basis. Soldiers and police from Shwegyin reportedly always accompanied the engineers when they visited the site to conduct surveys.149 The Ministry of Electric Power’s website states the project is “under feasibility study and design by Kansai Power Co. Japan” as an in-house consultant for the Myana-
ma Electric Power Enterprise. Although the engineers reportedly disappeared from the site in 2002 and the Japanese company allegedly pulled out of the project because it was thought to be unprofitable, a New Light of Myanmar article on March 16, 2004 noted that then-Prime Minister General Khin Nyunt “presented gifts to foreign consultant experts working in the project.” If this is the case, then foreign workers were involved in the project as late as March 2004. Whether there is still any foreign involvement in the project remains unknown.

**Corruption at the Dam Site**

The dam was slated to be finished in 2006, but progress on the construction of the dam has been slow due to heavy rains and widespread corruption at the construction site. Several surveillance posts and a helicopter landing pad have been built along the west side of the river in close proximity to Ter Ther Kho (Se Le Tuang) Mountain. An all season road linking the dam site to the town of Shwegyin was also constructed, reportedly with forced labor. The retaining wall is more than 70% completed and a power storage facility for the dam has already been built east of Nyaunglebin district. Villagers in the area say they see trucks carrying cement and stones to the dam sight every day.

Corruption has been a major problem at the construction site. Building materials have been stolen by the mine workers and sold to people in the area. Workers at the site often only pour half the cement and keep the rest, which they sell later in the evening. The results of this practice may be tragic. The Kyauk Naga Dam is a rock-fill dam and its lengthy embankments consist largely of loose stone that must support the upstream face of the dam, which is made of concrete. If the concrete is of substandard quality, either due to theft or adulteration, there is a real risk that it will leak and, eventually, collapse.

“I think it will be impossible for the dam to be built because all the workers at the dam site take all the materials and go and sell them on the black market. For example, when the cement trucks go to the dam area they only pour half of the cement from the truck. Then they go and sell it in another place in the nighttime. People go to the trucks with buckets when they arrive to buy some of the cement from the driver.”

- Karen farmer in Shwegyin township

The corruption became so bad that the No.4 Construction Group of the Hydroelectric Power Department was replaced by two private companies, the Min Anawyata #2 Company and the Olympic Company Ltd. Both of these companies have been working on the Yenwe Dam near Kyauk T’Ga in Pegu Division and signed an agreement to work on the Kyauk Naga Dam in 2004. As a part of the agreement, the SPDC will take action against the companies if the dam is not built. At the point this change was made, only seventy percent of the dam’s main wall had been completed, while work on the main outflow pipe, spillway, and power station had yet to begin. Several high ranking SPDC officials have visited the construction site since work began including then-Prime Minister General Khin Nyunt and Chairman of the SPDC, Senior General Than Shwe. The dam is now slated for completion in 2008.
Impacts of the Dam Project

Land Confiscation
The construction of the dam has made life difficult for the villagers around the construction site. Many of the villagers in the area of the dam, particularly Kyauk Naga village, are ethnic Burmans. The land where the dam construction is being conducted was simply taken by the SPDC and given to the Ministry of Electric Power. The construction company bulldozed the people’s plantations, destroying about 1,000 acres of fields and plantations. The original owners of the land received no financial compensation. Many villagers have been forced to move into Shwegyin town due to the dam project. Villagers who are used to farming have had a difficult time adjusting to life in the town. In order to earn a living, some of the villagers have had to work in the mines.

The villages were told that their land was going to be used for the construction of the dam, but some decided to remain in their villages regardless. The SPDC allotted some areas for relocation (forced), but the land was on a steep incline and the villagers did not want to move there. Both Meh Zone and Kyauk Naga villages were ordered to move to Kan Bee Aye by the end of the 2005 rainy season. Neither village wanted to move because the land was too hilly and unsuitable for farming.

Some villagers complained but to no avail. The villagers were told that they were free to go wherever they wanted but they could not remain at the present village site. When the villagers had not moved by the specified time, the construction company simply moved in with bulldozers and flattened the villages without warning. When this happened, many of the adults began work in the mines in Meh Zone village, and those with no relatives at home to save some of their possessions lost everything. There was no compensation.

"Now in the Kyauk Naga dam area a lot of people face problems because of the dam project. Some people have lost their rice fields, houses and shaut plantations.... I know there were 20 fields and 30 houses destroyed by the dam [construction]. One day all that was left [in the village] were the elderly and the children because the adults were away farming or working in the gold mines, a bulldozer came and destroyed the houses. Some families didn't have children [to save some of their belongings] so they lost everything in their homes. They went to talk with the dam officials and they said that the villagers had already been told that they had to move. People were upset and crying. ... I heard that there is another village called Meh Zone. There are twenty houses in the village and most of the people are Shan or Karen. The villagers have shaut plantations or rice fields. The soldiers ordered the village to move by the end of the year. The Army wants to move them to land that is on a slope so the people don't want to move there. The soldiers told them, 'We don't care where you go, just don't stay here.'"

- Karen farmer in Shwegyin township.
“One thousand acres of farmland was destroyed by the dam project. The field owners had to give them the land when they took it. I know fifteen people around the dam site who have shaut plantations there. Thirteen of their names are ... The dam company came and bulldozed their plantations.” – Burman migrant mine worker in Shwegyin township.

“Now the villagers from this area are moving to the town area. The people who have moved to the town don’t know how to support themselves in the town. They didn’t receive any compensation. The villagers that are left work in the gold mines or own land and hire daily workers.” – Karen farmer in Shwegyin township.

Once the dam is completed it will flood an area upriver from Kyauk Naga as far as Ler Wah village. The old village sites that villagers hope to return to one day will be submerged, including a Buddhist monastery at T’Nay Pa village. The plantations along the banks of the river will be destroyed, leaving many villagers without a source of income. About 150-200 plantations will be destroyed by the rising waters. It is already difficult for many of the villagers to make a living in the relocation centers and many survive by selling produce from their plantations along the Shwegyin River, especially shaut. The region produces nearly one-third of Burma’s supply of shaut, which is an extremely popular fruit.

The dam will also block river traffic, making it impossible for villagers to use the river to transport their produce to market in Shwegyin. The SPDC had already stated that they would ban travel on the river at the end of the 2005 rainy season, and in May 2005 the construction company blocked the river for two hours. This shocked people with boats downstream who thought that something like that was impossible.

“Around this area there are a lot of ordinary people who stay around the village who will also have to move because the dam construction has started again. People used to talk before about how we used to sleep in the golden land. Shwe means gold, but now it is like Shwet Myee, which means move from the land.”

- Karen farmer in Shwegyin township.

The construction of the dam also worries the mine workers. When the dam is completed it will flood the area where the mines are located and where the mine workers have built their homes. The mine workers are worried that they may lose their jobs or have to move downstream.

Environmental Impacts
Adverse environmental impacts will occur in the Shwegyin area once the Kyauk Naga Dam is completed. The SPDC has a long track record of disregarding the environmental impacts of its development projects and, as usual, did not carry out an environmental impact assessment (EIA) for this project.

The very nature of dams restricts the amount of sediment that is washed downstream. This loss of sediment results in the erosion of the downstream riverbed. The lowering of the riverbed lessens the groundwater table which in turn threatens vegetation in the area and local wells. The rationale for the Kyauk Naga Dam is to use it for irrigation, but it may be the dam itself which creates the need
for irrigation, since the lowering of the water table often results in the need for irrigation in areas where before there was sufficient supply.\textsuperscript{172}

Once the dam is completed, villagers will be less able, or unable, to use the Shwegyin River as a source of fish to supplement their diets. Dams often result in lower levels of fish in rivers due to the change in habitat and the hydrology of the river.\textsuperscript{173} The upstream catches of fish are often lowered because the dam physically blocks some fish from migrating.\textsuperscript{174}

Farmers downstream of the dam will have to cope with changes in water levels and the effects that the changes in water flows will have on the floodplain. Water is released from dams to meet a demand for irrigation and energy rather to conform with the natural flow of the river. The storage of water often delays and reduces the size of floods downstream. Annual floods deposit nutrients in the floodplain but dams block this process, reducing the productivity of the soil there.\textsuperscript{175} The result is a change in the river and floodplain ecosystems, which have become closely adapted to the river’s flood cycle and are sensitive to any changes.

### Stone Collection

In order to supply fill for the dam, the buildings around it, and the road leading to it, large amounts of stone are being gathered from the surrounding area. The largest stone collection place is in the K’Deh Chaung area.\textsuperscript{176} U Tun Aung, a businessman from Shwegyin, is in charge of the stone collection. Bulldozers collect the stone, take it to a machine that cleans the stones, and the stones are then put in a storage pile. Later, trucks come and take the stone to the dam site. The stone collectors collect stones indiscriminately, regardless of the local people. The fields and plantations of villagers have been destroyed by the trucks and bulldozers used to gather and transport stones. On at least one occasion, six plantations were destroyed when stone collectors and the Mining Department together dynamited the side of a hill to obtain stones within it.

“In the Shwegyin River area some of the villages are old villages and the environment had been protected and preserved in those areas, but now these places have been destroyed by the stone collecting.”

- Karen farmer in Shwegyin township\textsuperscript{177}

### Other Impacts

Similar to mining and logging in the Shwegyin township, the villagers have not only lost their fields and plantations, but also deal with certain impacts of a large influx of migrant workers and their families from central Burma who arrived to work on the dam. These construction workers are paid 1,000 Kyat per day for their work, but presumably to supplement their income they often forage in the villagers’ fields and plantations for dogfruit and other things to eat. Villagers also complain that migrant stone collectors steal things from the villagers when they stay nearby. The villagers, however, dare not confront the stone collectors because of a complicated ethnic tension between Karen and Burman in the area (see "Influx of Migrant Workers and Ethnic Tension").\textsuperscript{178}
“When the company comes to the construction site they will increase the security and tighten restrictions on traveling and hire a lot of workers. The current workers at the dam site are all Burmans from the outside. They use the local people’s land to live on. … When they came to the construction site they brought their whole family. The local people at Kyauk Naga village have faced many problems from the new arrivals from inside. The new arrivals have been taking the locals’ fruit and other things from around their fields. These problems are especially caused by the workers who work on the dam construction site and collect stones for the construction. There are a lot of social problems there like drinking, disintegrating family life and fighting. I see that on the one hand the project gives work to the Burmans from inside, but on the other hand it is giving a lot of problems to the people who live and farm around the dam area.”

- Karen farmer in Shwegyin township.179

A potential problem for the villagers will be periodic forced labor required to maintain the dam. Water infiltration can be a major problem for rock-fill dams, especially if the embankments become very wet, which is not unlikely in a region that experiences very heavy rains during the rainy season. Regular maintenance will be needed to prevent infiltration from weakening the embankments, which raises the possibility that villagers in the area will be forced to provide labor towards this end.180
VIII. The 2006 Military Offensive in Shwegyin Township

While civilians in the plains live under the control of the SPDC, villagers in the eastern mountains of the district live in constant fear of the Burmese Army. Successive Burmese regimes have been unable to gain control of the mountains which have been under de facto control of the KNU for over 50 years. The area is considered a free fire zone by the SPDC and villagers have routinely been shot on sight while villages and fields are repeatedly destroyed by the Burmese Army.

The January 2004 ceasefire between the SPDC and the KNU should have put a stop to the Army’s operations, but it has not. The Burmese Army has sent columns into the foothills every dry season since the start of the ceasefire. Although the villagers were for the most part able to escape the Burmese Army columns, their homes and crops were destroyed, they were unable to work their fields and their lives were disrupted until the soldiers went back down into the plains.

In early 2006 the ceasefire was completely broken and Burmese Army battalions began moving into the mountains of Kyuak Kyi township to the north and northern Karen State to clear out all the villagers hiding in the area. The operations steadily became stronger and by March the Army was also pushing into Shwegyin township and the internally displaced villagers there were also suffering from the largest offensive by the Burmese Army in ten years. As of May 2006, there were at least seven battalions from Operation Control Command 21 and another four battalions from the Southern Regional Command operating in the township. Military Operations Command 21 has set up its headquarters at Ku Shaw in the southeastern part of Shwegyin township near the Mawtama River. This unit is used to conduct offensive operations.

In Shwegyin township alone the offensive has displaced approximately 5,000 villagers who are now living in fear of the Burmese soldiers. Burmese Army columns are regularly being sent out on sweeps to hunt down the displaced villagers and their food supplies. Unable to go back to their fields to plant their crops and cut off from buying rice from villagers in the plains, they are dependent on relief supplies brought in from Papun District in Karen State to the east. Some villagers sneak back to their old hiding sites to take food from hidden caches, which is highly dangerous, as the Army has taken to shooting villagers on sight even at close range, when it has been clear that they were not soldiers of the KNLA.

The Burmese Army usually pushes into the hills in the dry season and then retreats back to its camps in the plains in the rainy season. This year, however, it is becoming increasingly likely that the Army intends to continue its attacks into the rainy season and try to make its gains more permanent. If this happens, villagers in the mountains will not be able to return home and work their fields, ensuring that the crop is destroyed.

The soldiers have been destroying any hidden caches of food that they find and have effectively cut the villagers off from obtaining any food from the villages in the plains to the west. A severe shortage of food will result as the only other available source is through relief groups who must carry the rice over the mountains to the east. Medicines are also in short supply and there is a serious risk of villagers...
dying from easily treatable diseases. The health situation may become more acute as the rains settle in as this is a time when more people are prone to illness. The lack of proper nutrition will also lower the displaced villagers’ ability to ward off disease.

If the Burmese Army is able to consolidate its gains in the mountains, especially along the east bank of the Shwegyin River and along the Mawtama River, the mining and logging companies will inevitably follow. Some of the mining companies have already expressed interest in moving their operations into these areas, especially once the Kyauk Naga Dam becomes operational and the area upstream becomes flooded. Logging companies are also likely to be very interested in exploiting the almost untapped timber resources to the east of the rivers. Once the Burmese Army has gained control of the villages to the east of the Shwegyin River, the villagers there will be subjected to the same human rights abuses as the villagers in the plains to the west. Likewise, the environmental destruction that the mining and logging companies have wrought along the Shwegyin and Mawtama Rivers will be repeated on the tributaries of these rivers and the slopes of the mountains to the east.
IX. Conclusion

The serious and ongoing earth rights abuses occurring in Shwegyin township are a matter of grave concern, especially with the deteriorated ceasefire between the SPDC and the KNU. The heavy militarization of the area, the Shwegyin Hydro-power Project, and intensive logging and the mining have made life very difficult for the Karen villagers in the area. The mine workers and their families have also suffered under the actions of the Army. Human rights abuses listed below, in Table 1, are an everyday occurrence in Shwegyin township. The following table gives a quick glimpse of the types of abuses people in Shwegyin township face (For further details, see Appendix A):

Table 1 List of Rights Violated

<table>
<thead>
<tr>
<th>Protections against Arbitrary Displacement</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Right to Life and Livelihood</td>
</tr>
<tr>
<td>The Right to Freedom from Forced Labor</td>
</tr>
<tr>
<td>The Right to Development and to Self-Determination</td>
</tr>
<tr>
<td>The Right to Participation</td>
</tr>
<tr>
<td>The Right to Environment</td>
</tr>
<tr>
<td>The Right of Vulnerable Groups</td>
</tr>
<tr>
<td>The Right to Remedy</td>
</tr>
</tbody>
</table>

Shwegyin township remains a counter-insurgency area and the Burmese Army operates in the area as an army of occupation. Karen villagers are assumed by the Army to be assisting the KNU in some way, or at least sympathetic towards it. This thinking is used by the Army to justify a heavy military presence in the area. This heavy military presence in turn leads to heavy movement restrictions, forced labor, demands for food and building materials, and the confiscation of land for the Army’s commercial projects.

Taking advantage of the conflict status of the area, the Army bends the laws or ignores them entirely. Shwegyin township is considered a frontline conflict area, wherein the Army behaves as it sees fit. Officers become rich by systematically “taxing” the population, while channeling some of that money to their superiors in a chain of corruption. The businessmen who own the mining companies know this and exploit the situation to enable them to make huge profits with very little concern for local villagers or the environment. This climate, in part, enables the SPDC to embark on ‘development’ schemes like dams or large-scale commercial agricultural projects without having to fear public protest.

This situation is not unique to Shwegyin township. The same patterns are followed in other areas of Karen State, Mon State, Tenasserim Division, Shan State, and Karenni State, where the Army justifies its heavy handed tactics by labeling the area a conflict zone, intimidating the population in the area in order to avoid protest against its actions. The SPDC’s goal is total control over the entire population.
The Army uses the same cynical strategy to justify its current offensive against displaced Karen villagers in the mountains east of the Shwegyin River, where it claims its actions are necessary to control the area and guarantee security for civilians in the area. The tactical strategy is actually meant to ensure SPDC control over the civilian population in the area in order to facilitate exploitation of the natural resources in the area.
Appendices

Appendix A: Summary of Rights Violated in the Research Area

The Guiding Principles on Internal Displacement identifies the rights and guarantees relevant to the internally displaced in all phases of displacement. These principles include protection against arbitrary displacement, offer a basis for protection and assistance during displacement, and set forth guarantees for safe return, resettlement and reintegration. Of particular relevance is Part 2 of Principle 6, which prohibits the use of arbitrary displacement in the following instances:

- a) When it is based on policies of apartheid, ‘ethnic cleansing’ or similar practices aimed at or resulting in alteration of the ethnic, religious, or racial composition of the affected population;
- b) In situations of armed conflict, unless the security of the civilians involved or imperative military reasons so demand;
- c) In cases of large-scale development projects that are not justified by compelling and overriding public interests;
- d) In cases of disasters, unless the safety and health of those affected requires their evacuation; and
- e) When it is used as collective punishment.

Principle 9 of the Guiding Principles additionally states that:
States are under a particular obligation to protect against the displacement of indigenous peoples, minorities, peasants, pastoralists, and other groups with a special dependency on and attachment to the land.

It is important to note that the guiding principles, although they reflect and are consistent with international human rights and humanitarian law, are not a legally binding instrument. Instead, the principles constitute a normative framework that has, since their initial introduction in 1998, helped guide the policies and operational guidelines of international agencies, international financial institutions, and non-governmental organizations.

However, many states continue to deliberately disregard the principles, especially the prohibitions on arbitrary displacement, in order to achieve military, political, and/or economic objectives. Thus, despite the admirable efforts of the United Nations and other organizations to address the needs of displaced populations, there are more than twenty-five million IDPs in forty-nine different countries, a figure that currently doubles the total number of refugees in the world. Burma is among the worst offenders.

This report has described some of the main forms displacement takes in Shwe- gyin township in Nyaunglebin District. Regardless of its cause(s), displacement violates a range of rights that are now widely accepted. The practices contributing to the forms of displacement described in this report undermine or deny the following rights:
The Right to Life and Livelihood
The right to life is protected in Article 3 of the Universal Declaration of Human Rights (UDHR) and Article 6 of the International Covenant on Civil and Political Rights (ICCPR).\(^{187}\) The right to own property; the right not to be arbitrarily deprived of this property; and the right to work are specified in Articles 17 and 23 in the UDHR and Articles 6 and 11 of the International Covenant on Economic, Social, and Cultural Rights (ICESCR).\(^{188}\) Displacement threatens the right to livelihood regardless of its cause(s). Moreover, “States Parties to the present Covenant [ICESCR] recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing, housing, and to the continuous improvement of living conditions.”\(^{189}\)

The Right to Freedom from Forced Labor
The use of forced labor is widely regarded as a modern form of slavery and is illegal under international law pursuant to Articles 4 and 23 of the UDHR, Article 8 of the ICESCR, and Convention No. 29 of the International Labor Organization (ILO).\(^{190}\) The prohibition of slavery is also considered a peremptory norm in international law, meaning it supersedes customary and conventional international law and cannot be violated by any state or treaty.

The Right to Development and to Self-Determination
The U.N. General Assembly adopted a Declaration on the Right to Development which states, as follows: “Every human person and all persons are entitled to participate in, contribute to, and enjoy economic, social, cultural, and political development, in which all human rights and fundamental freedoms can be realized.”\(^{191}\) The same document asserts the rights of peoples, i.e., local communities and individuals, subject to the relevant provisions of both International Covenants on Human Rights, have “full and complete sovereignty over all their natural wealth and resources.”\(^{192}\)

The Right to Participation
The right to participation is based upon numerous articles found in the UDHR, ICCPR, and the ICESCR.\(^{193}\) In addition, Article 7 of the International Labor Organization’s Convention No. 169 Concerning Indigenous and Tribal People’s in Independent Countries states that indigenous and tribal peoples shall participate in the formulation, implementation, and evaluation of national and regional development plans that affect them.\(^{194}\)

The Right to Environment
The basis for connecting human rights and the protection of the environment is rooted in various international instruments, including: the 2002 Johannesburg Declaration on Sustainable Development, the Plan of Implementation of the World Summit on Sustainable Development, and the 1992 Rio Declaration.\(^{195}\) An increasing number of regional or issue-specific instruments also exist that strengthen the connection between human rights and the environment. Most relevant here is the 1994 Draft Principles on Human Rights and the Environment.\(^{196}\)
The Right to Remedy

The right to remedy is asserted in Article 8 of the UDHR and in Article 2 of the ICCPR. Such rights are crucial in relation to displacement, whether it be caused by conflict, development, or a combination of the two, as is the case here. As one observer succinctly put it, “A right without a remedy is no right at all.”

Burma is not a party to many of the Conventions cited. However, it has signed, acceded, or ratified some of the Conventions as well as several others that express similar rights and, as such, are also relevant (listed below). As noted in the recommendations, the SPDC should immediately take steps to enforce them:

- Supplementary Convention on the Abolition of Slavery, the Slave Trade, and Institutions and Practices Similar to Slavery (Signature 14 March 1956; Accession 29 April 1957)
- Convention for the Suppression of the Traffic in Persons and of the Exploitation of the Prostitution of Others (Signature 14 March 1956)
- Optional Protocol to the Convention on the Rights of the Child on the Involvement of Children in Armed Conflicts (Signature 12 November 2001)
- Convention Concerning Forced or Compulsory Labor (Ratified 4 March 1955)
- Convention on the Prevention of the Crime of Genocide (Signature 30 December 1949; Ratification 14 March 1956)
- Geneva Convention for the Amelioration of the Condition of the Wounded and Sick in Armed Forces in the Field (Ratified and Acceded 25 August 1992)
- International Convention for the Suppression of the Financing of Terrorism (Signature 12 November 2001).
- Convention on Biological Diversity (Signature 11 June 1992).
## Fees Paid Directly by the Mining and Logging Companies

<table>
<thead>
<tr>
<th>Type of Fee</th>
<th>Paid to</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining Concession Fee</td>
<td>Pegu Division PDC</td>
<td>100,000-150,000 Kyat/month</td>
</tr>
<tr>
<td>Fee to use hydraulic mining equipment</td>
<td>Pegu Division PDC</td>
<td>100,000-150,000 Kyat/month</td>
</tr>
<tr>
<td>Fee to use hydraulic mining equipment</td>
<td>Local battalion</td>
<td>10,000 Kyat/month</td>
</tr>
<tr>
<td>Security Fees for mine sites</td>
<td>Each local Army camp around the mine site</td>
<td>10-20,000 Kyat/month</td>
</tr>
<tr>
<td>Security fees for logging operations</td>
<td>Each local Army unit near the logging area</td>
<td>10-20,000 Kyat/month</td>
</tr>
</tbody>
</table>

## Fees Paid by Villagers and Mine Workers to Local Burmese Army Units

<table>
<thead>
<tr>
<th>Type of Fee</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security fee to local Army camp</td>
<td>2,000 Kyat / month/camp</td>
</tr>
<tr>
<td>Shaut plantation fee</td>
<td>2,000 Kyat/month</td>
</tr>
<tr>
<td>Field taxes</td>
<td>2,000 Kyat/month</td>
</tr>
<tr>
<td>Travel pass from Township PDC</td>
<td>500 Kyat/pass</td>
</tr>
<tr>
<td>Forced labor fee</td>
<td>1,000 Kyat/day (of missed work)</td>
</tr>
<tr>
<td>Residence fee for mining workers and their families</td>
<td>700 Kyat/person/month</td>
</tr>
<tr>
<td>Entrance/exit permit fee from mining site</td>
<td>500 Kyat/permit (valid for one week to one month)</td>
</tr>
<tr>
<td>Tea shop security fee</td>
<td>1,500-3,000 Kyat/month</td>
</tr>
<tr>
<td>Video cinema security fee</td>
<td>1,500-3,000 Kyat/month</td>
</tr>
<tr>
<td>Karaoke shop security fee</td>
<td>1,500-3,000 Kyat/month</td>
</tr>
<tr>
<td>Gambling parlor security fee</td>
<td>1,500-3,000 Kyat/month</td>
</tr>
<tr>
<td>Tea shop fee</td>
<td>400 Kyat/day</td>
</tr>
<tr>
<td>Video cinema fee</td>
<td>400 Kyat/day</td>
</tr>
<tr>
<td>Karaoke shop fee</td>
<td>400 Kyat/day</td>
</tr>
<tr>
<td>Gambling parlor fee</td>
<td>400 Kyat/day</td>
</tr>
<tr>
<td>Alcohol production fee</td>
<td>N/A</td>
</tr>
</tbody>
</table>
### Fees Paid at Checkpoints (these fees must be paid at each checkpoint passed through)

<table>
<thead>
<tr>
<th>Type of Fee</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular checkpoint fee</td>
<td>50 Kyat / person</td>
</tr>
<tr>
<td><em>Shaut</em></td>
<td>500 Kyat / load</td>
</tr>
<tr>
<td>Gasoline</td>
<td>200 Kyat / tank</td>
</tr>
<tr>
<td>Boats</td>
<td>500 Kyat / boat</td>
</tr>
<tr>
<td>Bamboo</td>
<td>5 Kyat / piece</td>
</tr>
<tr>
<td>Logs</td>
<td>1,500 Kyat / ton</td>
</tr>
<tr>
<td>Chickens</td>
<td>1,500 Kyat / chicken</td>
</tr>
<tr>
<td>Monkeys</td>
<td>1,000-2,000 Kyat / monkey</td>
</tr>
<tr>
<td>Charcoal</td>
<td>5,000 Kyat / bag</td>
</tr>
<tr>
<td>Dogfruit</td>
<td></td>
</tr>
<tr>
<td>Rattan cane</td>
<td></td>
</tr>
<tr>
<td>Alcohol</td>
<td></td>
</tr>
<tr>
<td>Firewood</td>
<td></td>
</tr>
<tr>
<td>Rice</td>
<td></td>
</tr>
</tbody>
</table>
Appendix C: Burmese Army Commanders in Shwegyin Township

The table below includes information regarding the name, rank, and serial numbers of Burmese Army commanders in the research area (c. 2004-2005). While all four of these battalions are permanently based in the area, officers are frequently promoted and/or transferred. At various times other battalions are also present in the area, especially for offensive military operations against the KNLA in the mountains.

<table>
<thead>
<tr>
<th>Name</th>
<th>Serial No.</th>
<th>Position</th>
<th>Location</th>
<th>Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maj. Gen. Ko Ko</td>
<td></td>
<td>Regional Commander</td>
<td>Taungoo</td>
<td>Southern Regional Command</td>
</tr>
<tr>
<td>Brig. Gen. Thura Maung Ni</td>
<td></td>
<td>Deputy Regional Commander</td>
<td>Taungoo</td>
<td>Southern Regional Command</td>
</tr>
<tr>
<td>Col. Zaw Win Myint*</td>
<td>n/a</td>
<td>Strategic Operations Commander</td>
<td>Shwegyin</td>
<td>Strategic Operations Command No. 3</td>
</tr>
<tr>
<td>Lt. Col. Thein Htun</td>
<td>Ka/18097</td>
<td>Battalion commander</td>
<td>Dusayeik</td>
<td>LIB 589</td>
</tr>
<tr>
<td>Maj. Mya Mon</td>
<td>Ka/20645</td>
<td>Second</td>
<td>Dusayeik</td>
<td>LIB 589</td>
</tr>
<tr>
<td>Lt. Col. Tin Naing San</td>
<td>Ka/19987</td>
<td>Battalion commander</td>
<td>Za Lone Gyi</td>
<td>LIB 598</td>
</tr>
<tr>
<td>Maj. Thein Zaw</td>
<td>Ka/20398</td>
<td>Second</td>
<td>Za Lone Gyi</td>
<td>LIB 598</td>
</tr>
<tr>
<td>Maj. Than Zin Ko</td>
<td>Ka/17980</td>
<td>Battalion commander</td>
<td>Shwegyin</td>
<td>LIB 349</td>
</tr>
<tr>
<td>Lt. Col. Myint Htun</td>
<td>Ka/20713</td>
<td>Battalion commander</td>
<td>Shwegyin</td>
<td>LIB 350</td>
</tr>
<tr>
<td>Maj. Aung Win Htoo</td>
<td>Ka/23103</td>
<td>Second</td>
<td>Shwegyin</td>
<td>LIB 350</td>
</tr>
<tr>
<td>Lt. Col. Zaw Htoo</td>
<td>Ka/18208</td>
<td>Battalion Commander</td>
<td>Shwegyin</td>
<td>IB 57</td>
</tr>
<tr>
<td>Maj. Tin Shwe</td>
<td>n/a</td>
<td>Regional Commander</td>
<td>Shwegyin</td>
<td>IB 57</td>
</tr>
<tr>
<td>Sergeant Zaw Min Taik</td>
<td>n/a</td>
<td>Camp Commander</td>
<td>Meh Zone</td>
<td>IB 57</td>
</tr>
<tr>
<td>Sergeant Major Tin Zin</td>
<td>n/a</td>
<td>Camp Commander</td>
<td>Yaw Myo</td>
<td>IB 57</td>
</tr>
</tbody>
</table>
### Appendix D: Summary of Hydroelectric Projects in the Research Area

The Myanmar Electric Power Enterprise (MEPE) will manage the following dams upon their completion. The dams, listed from North to South, are all located on the Sittaung River or its tributaries in Pegu Division.

<table>
<thead>
<tr>
<th>Name (Tributary)</th>
<th>Capacity (MW/Gwh)</th>
<th>Height (Meters)</th>
<th>Area to be Irrigated (Acres)</th>
<th>Foreign Involvement (Country)</th>
<th>Status</th>
<th>Forced Labor Used to Construct or Maintain Dam (Organization)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thaukyekha</td>
<td>150/780</td>
<td>52.77</td>
<td>n/a</td>
<td>Private (Japan)</td>
<td>UC</td>
<td>Yes (KHRG)</td>
</tr>
<tr>
<td>Pa Thee</td>
<td>2 /</td>
<td>N/a</td>
<td>n/a</td>
<td>N/a</td>
<td>1996</td>
<td>1996 Awaiting turbine (?)</td>
</tr>
<tr>
<td>Khabaung*</td>
<td>30/125</td>
<td>52.4</td>
<td>100,000-135,000</td>
<td>Kansai Electric Power Co. (Japan)</td>
<td>UC</td>
<td>Reported in area</td>
</tr>
<tr>
<td>Pyu* (Pyu Chaung)</td>
<td>65/260</td>
<td>54.9</td>
<td>120,000</td>
<td>Kansai Electric Power Co. (Japan)</td>
<td>UC</td>
<td>Reported in area</td>
</tr>
<tr>
<td>Kun (Kun Chaung)</td>
<td>60/190</td>
<td>73.2</td>
<td>n/a</td>
<td>N/a (PRC)</td>
<td>UC</td>
<td>Reported in area</td>
</tr>
<tr>
<td>Bawgata</td>
<td>160/500</td>
<td>70.1</td>
<td></td>
<td>Kansai Electric Power Co. (Japan)</td>
<td>UC</td>
<td>Reported in area</td>
</tr>
<tr>
<td>Yenwe*</td>
<td>25 / 123</td>
<td>76.5</td>
<td>118,500</td>
<td>Kansai Electric Power Co. (Japan)</td>
<td>UC</td>
<td>Reported in area</td>
</tr>
<tr>
<td>Kyauk Naga* (Shwegyin)</td>
<td>75/400</td>
<td>61.9</td>
<td>50,000-100,000</td>
<td>None currently (PRC)</td>
<td>UC (EPR)</td>
<td>Yes (ERI)</td>
</tr>
<tr>
<td>N/a (Day Loh)</td>
<td>? / ?</td>
<td></td>
<td></td>
<td>None currently</td>
<td>UC</td>
<td>Reported in area</td>
</tr>
</tbody>
</table>

Key: MW: Megawatts; Gwh: Gigawatt hours; UC: Under Construction; *: multipurpose dams that provide irrigation.
Endnotes

1 ERI Interview #6 (2005)

2 “Nyaunglebin District” is the Karen National Union’s designation for this area, which is more recognized and widely used by the Karen people in the area. Both the SPDC and the KNU have a Shwegyin township which occupies roughly the same area. In addition, we use Pegu Division, a SPDC designation, to further specify the area of this report.

3 IDPs are commonly defined as persons forced to abandon their homes either as a result of state-sponsored violence or to avoid it, but have not yet crossed an international boundary. IDPs do not enjoy the international legal protections afforded to refugees as a result (See Appendix F). “Convict porters” are individuals offered a reduction in their prison sentence if they work as porters for the military in front-line areas. In many instances, the prisoners were arrested on false charges and were unable to bribe their way out of serving a long sentence. They are worked much harder than civilian porters and many flee out of fear that they will be worked to death.

4 ERI Interview #4 (2005)

5 Ibid

6 ERI Interview #4 and ERI Researcher


8 ERI Interview #2 (2005)

9 ERI Interview #3 (2005)

10 Ibid

11 For an overview of events in this part of the district since then, see KRHG (2001).

12 See Appendix A

13 ERI Interviews #1 and #2 (2005)

14 ERI Interview #1 (2005)

15 The villages were- Tenaype, Wameikyo, Thae Pa Day, Sue Mu Tha, Po Lo, Bu Paw, Ka Hsaw Wa Kwi, N yamu Kwi, Htee Thu Hta, Ler Wa ah, Ko Ka Loe, Maw Tha Me i Ser, Balw Lo e Klo, Ler Kl aw Hta, Pray Maw Kee, Mae Si Kee, Sae Bu Lay, Der Wee Kho, Saw Thae Kee, Hsaw Au Hta, Ta Say Der, Kaw Kee, Aswa O o Kee, Baw Tu, Tadwee Kho, Htee Klay Kee, Baw Hsee Hta, Htee Bl a Hta, Htee Let Hta, Saw Ther Hta, Doe Po Hta, Mae Ro Kee, Day Pgaw Hke, Thay La Kaw Kee, Ma Yaw Kho, Tal La Tho, Tha Day Pu, Kho Pae Kee, Htee N ya Hte, Htee Waw Kee, Ti Ri Kyo, Htee Pa N ew- and N we Lah Mae Kee. ERI Field Survey #001 (2002).

16 Ibid

17 ERI Interview #2 (2005)


19 ERI Interview #4 (2005)

20 ERI Interview #2 (2005)

21 ERI Interview #3 (2005)


23 ERI Interview #3 (2005)

24 ERI Interview #1 (2005)

25 Ibid

Interviews #2 and #5 (2005)
ERI Interview #2 (2005)
ERI Interview #3 (2005)
At the time, regular fighting prevented any mining on Meh Si, Meh La Pu, and Bawgata. ERI Interview #001FU (2004), ERI Field Survey #001 (2002).
ERI Interview #1 (2005)
Cited in Free Burma Rangers in “Burma Army Patrols...”
ERI Interviews #2 and #3 (2005)
ERI Interview #4 (2005)
ERI Interview #3 (2005)
ERI Interview #4 (2005)
ERI & KESAN, Capitalizing on Conflict, p. 55
ERI Interview #2 (2005).
For figures, see Democratic Voice of Burma, “The Rise and Rise of Commodity Prices in Burma” (4 October 2005).

See Appendix A
ERI Interview #5 (2005)
ERI Interview #2 (2005).
ERI Interview #1, #3 (2005)
ERI Interview #1 (2005)
ERI Interview #5 (2005)
Taken from the SPDC’s Ministry of Mines homepage at http://www.energy.gov.mm/MOM_1.htm
ERI, Capitalizing on Conflict, pp. 54-55.
ERI Interview #7 (2005)
ERI Interview #4 (2005) and ERI Field Worker (2006)
ERI Interview #7 (2005)
ERI Interview #002GM (2004).
An alluvial deposit is an accumulation of alluvium (sediment), sometimes containing valuable ore and gemstones, or simply consisting of gravel, sand, or clay, in the bed or former bed of a watercourse.
ERI Interview #7 (2005)
ERI Field Worker (2006)
ERI Interview #4 (2005).
ERI Interview #7 (2005)
105 ERI Interview #7 (2005)
106 Ibid
107 ERI Interview #3 (2005)
108 ERI Interview #2 (2005)
109 ERI Field Survey #001 (2002); ERI Document #006 (2005).
110 ERI Interview #1 (2005)
111 ERI Interview #3 (2005)
112 ERI Interview #4 (2005)
115 Interview #3 (2005)
116 ERI Interviews #1 and #2 (2005)
117 ERI Interview #2 (2005)
118 ERI Interview #1 (2005)
119 ERI Interview #3 (2005)
120 ERI Field Worker (2006)
121 See Appendix A
124 ERI Interview #1 (2005)
125 Ibid
127 ERI Interview #6 (2005)
128 ERI Interview #6 (2005)
129 ERI Interview #1 and #2 (2005)
130 “Many of my workers said there are many promiscuous women in the mining areas. Some of the women are brought [there] by military camp leaders and they receive money under the table. Some women are sex workers that work by themselves.” ERI Interview #002GM (2004).
132 Ibid

ERI Interview #2 (2005)

ERI Interview #5 (2005)


Information from the Ministry of Electric Power’s website at www.myanmar.com/Ministry/Electric_Power/moep/intro.htm


Balachuang Hydropower Plant No. 2 is an excellent example. The dam generates between twelve and seventeen percent of the country’s total electricity. However, all of it is transmitted via 230 kV power-lines to urban areas, primarily to Rangoon, Mandalay, Taunggyi, and Pegu. Nearby villages a half-century after the plant was first constructed still do not enjoy power. See Salween Watch & SEARIN, The Salween Under Threat (Bangkok: Center for Social Development Studies, Chulalongkorn University, 2004), pp. 24, 39-41; Questions sent to the Ministry of Foreign Affairs of Japan by Rivers Watch SEA, “Balachuang Hydropower Plant No. 2 Proposed Principles and Scope for Human Rights and Environment Survey” available at http://www.rwesa.org/document/balachuang.pdf.

Little is known about the first company. The second company is a major conglomerate with close ties to the military. Since 1994, the Olympic Company has obtained numerous construction contracts from the SPDC for large-scale infrastructure projects, including hydroelectric dams and roads.


ERI Interviews #1 and #4 (2005)

ERI Interview #3 (2005)
ERI Interview #4 (2005)
ERI Interview #1 (2005)
ERI Interview #4 (2005)
ERI Interview #1 (2005)
Ibid
ERI Interview #4 (2005)
ERI Interview #1 (2005)
ERI Field Document #001 (2002).
ERI Interviews #1 and #4 (2005)
ERI Interview #3 (2005)
ERI Interview #4 (2005)
Ibid
Ibid
ERI Interviews #1 and #4 (2005)
ERI Interview #2 (2005)
ERI Interview #1 (2005)
ERI Interview #6 (2005)
“11,000 People Displaced as Attack Continue.” FBR (24 April 2006)
Ibid.

Convention Concerning Forced or Compulsory Labor (ILO No. 29), 39 U.N.T.S. (1 May 1932).


Ibid.


ERI Field Survey #005 (2004).
