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A PARADOXICAL ALLIANCE

Thailand taps Burma's rivers

The peaceful issue of the hostage crisis at the Burmese embassy in Bangkok on 2 October outraged the junta in Rangoon, but three months later the land border with Thailand reopened. Its closure, which paralysed part of the Burmese economy, was a further example of the stormy relations between the two neighbours, caught up in increasingly close ties but conflicting economic interests.

by André Boucaud and Louis Boucaud

On 14 December 1988, less than three months after the September crackdown, General Chaovalit Yongchaiyut, the commander in chief of the Thai army, travelled to Rangoon to explain what would later become the official line of the Association of Southeast Asian Nations (Asean) countries - namely "constructive engagement", which included admission of Burma to Asean in July 1997. At the time Chaovalit negotiated lucrative trade contracts with the Burmese military concerning forestry concessions and fishing rights. In exchange he offered the State Peace Development Council (SPDC) junta his support for neutralising part of the Burmese opposition that had taken refuge on the Thai border. Numerous visits to Burma by Thai generals and ministers followed. However the wave of protest at home was such that it was only in March 1996 that a Thai prime minister, Banharn Silpa-Archa, dared make the trip to Rangoon. He was followed in March 1997 by Chaovalit who had in the meantime taken over as prime minister. On each occasion the Thai delegations came begging.

For historical reasons Thailand has always been bothered by the aggressive behaviour of Burma, whose army has steadily increased in strength over the last 10 years thanks to substantial assistance from China. For 40 years Thailand maintained a buffer zone along its borders by supporting ethnic minorities opposed to Burma's central authority. But the change in direction outlined by Chaovalit in 1988, the aim of which was exclusively commercial, contributed to eliminating these rebellions and brought the armies of both countries face to face, a situation that had not existed since Burma won its independence. To put an end to this threat Thailand has repeatedly promoted closer political ties, sealed by solid economic relations. It is eager to get its hands on its neighbour's natural resources and longs to improve the terrible road network to make it easier for Thai products to penetrate the Burmese market.

The agenda of the meeting between Chuan Leekpai and Than Shwe, which was held in Chiang Rai, a town in the north of Thailand rather than the capital Bangkok, included security issues, drug trafficking and crops to replace opium. Only the need for recognition, which the international community refuses, prompted the leaders of the Burmese junta to forget their traditional arrogance and accept such an inconspicuous visit. The summit meeting followed the February 1999 Interpol conference on heroine in Rangoon, the aim of which was to encourage Burma, currently one of the two largest opium producers in the world, to join the fight against drugs.

The absence of the United States and certain European countries showed the Burmese military that they are still not seen as acceptable partners. At the subsequent summit, Than Shwe had to listen while the Thai prime minister expressed his concern about the massive influx into Thailand of Burmese drugs (mainly amphetamines), more or less openly insinuating that the government was involved. However, the Thai invitation did go some way to effacing the partial setback of the Interpol conference.

Thailand, in conjunction with Asean, is an essential partner who may enable SPDC leaders to restore contacts with the European Union and the US. Than Shwe was accompanied by an impressive delegation including general Khin Nyunt, the head of the intelligence service and one of the regime's leading figures, and Win Aung, the new foreign minister. It was decided to strengthen cooperation between the two countries in the fight against drug production and trafficking and a permanent military committee was formed for this purpose. However the real motives of the two countries are subject to caution. The announcement of renewed cooperation was intended as a follow-up to the Interpol conference, for the SPDC is particularly keen to improve its image and by the same token relations with international agencies and the US Drug Enforcement Agency (DEA). However the main priority is an end to US sanctions and resumption of economic aid (associated with the fight against drugs).

Battle for water

Although drugs were the main topic addressed during the Chiang Rai meeting it is quite possible that they were only a pretext. The situation in Thailand is certainly very serious - a report published by the Office of Narcotics Control Board (ONCB) in March 1999 states that 94% of the country's districts are affected, with 20% very seriously hit by a colossal influx of Burmese amphetamines. But there are more important stakes, namely water.

For many years now, quite separately from the fact the northeast of the country has always had inadequate water resources, Thailand has suffered from a water shortage. This has been exacerbated by catastrophic deforestation, which despite having been banned 10 years ago has continued, barely disturbed by a few spectacular scandals involving political leaders. With the massive destruction of the forest the rainfall has diminished, the water is not absorbed by the soil and the monsoon no longer fills the reservoirs of the enormous dams built 30 years ago. In recent years the El Nino climatic phenomenon has further aggravated the situation.

King Bhumiphol in person has mentioned the problem and the Crown, which initiated the Royal Irrigation Department, has made irrigation of its priority objectives. The politicians had no choice but to react. With 28 large dams, 800 small dams and 1,000 low-capacity reservoirs, Thailand can scarcely hope to extract a drop more from its own water resources. In addition the authorities must now deal with a large number of environmental pressure groups and numerous protests by peasants opposed to dam projects. The government has therefore concluded that it can solve the problem by channelling water from Burma, which would also reduce opposition from the environmentalists.

The natural border with Burma is formed by several rivers. The Salween river, that crosses the Shan state to reach the Gulf of Martaban, runs along the edge of Thailand for several dozen kilometres. It passes through sparsely populated mountains and jungle, until recently the scene of armed insurrection, and its catchment basin is almost completely undeveloped. Thailand plans to deprive the Salween and other rivers running along the border of some of the plentiful monsoon rainfall diverting it towards the reservoirs of its own dams. Looking further ahead, the government has already studied the feasibility of new dams and reservoirs, on the Salween and other rivers in Burma, from which the water could be directed to Thailand's rivers and reservoirs.

As well as satisfying its needs for irrigation and drinking water for its population, Thailand also plans to use the natural resource as a source of electrical power. Although the current economic crisis and the drop in the demand for energy have delayed development projects, they have long been the subject of common interest for Bangkok and Rangoon. The question was first raised in April 1988 and discussions have continued ever since, despite the ups and downs of bilateral relations. In 1992 eight major hydroelectric dam projects were selected, some of which are entirely in Burma and others are on shared sections of the border rivers.

Two consecutive years of catastrophic drought have given new impetus to the studies. At the instigation of the ministry of science the Thai government has recently allocated 186 million Baht (a little over \$5m) to studies of the feasibility of diverting water from the Salween and Moei rivers to the Bhumiphol dam reservoir (1). Toward Ecological Recovery and Regional Alliance (Terra), a Thai non-governmental organisation (NGO), has attacked the project which will take water resources away from one group of people for the benefit of others, as well as upsetting the natural hydraulic balance with unforeseen consequences.

Other more discreet projects have also been the subject of detailed study for 10 years. They concern the construction of a colossal dam on the Salween, in the southern part of the Shan state. The plans were revealed by local Shan NGOs, but there has been no official reaction. The secrecy is due to the fact that the Thai and Burmese authorities are working together in an insurgent area where the Burmese army has relentlessly persecuted the Shan civilian population (2). Between October 1998 and the end of March 1999 several teams of experts - Thais belonging to MDX Power Co. and Burmese from a firm called Aye Chan Aye, assisted by about 20 Japanese specialists from Electronic Power Development Corporation (EPDC) - inspected three sites in the Salween gorges about 120 km from the Thai border, on either side of the Ta Sang bridge near the village of Wan Hsala.

Geological studies, test bores and feasibility studies were carried out. Depending on the site, the size and design of the structure, and the output of the hydraulic turbines, the cost of the dam will range from \$3b to \$3.4b. Total production is estimated at 3,400 megawatts, a quarter of which would go to Burma with Thailand purchasing the rest. As for plans to draw off water, as much as 10% of the Salween could be diverted via channels and existing rivers, over a distance of 300 km, to join the Kok and Ping rivers in Thailand. No estimate has been made of the cost of transporting the water but it is thought to be particularly high.

This part of the Shan state is the operational base of the armed Shan nationalist resistance movement, which is opposed to the junta in Rangoon. Subin Pinkayon, a member of parliament, former minister and advisor to the Thai company MDX Power, contacted the Shan opposition to convince Colonel Yord Serk, the head of the Shan State Army South (SSAS), not to obstruct the work of the experts.

The largest problem, however, remains how to fund the scheme, a task that has been made even more difficult by the financial crisis in Asia. Locally a great deal of speculation centres on the so-called Miyazawa Plan, initiated in October 1998 by Japanese finance minister Kiichi Miyazawa to inject \$30b into Asian countries affected by the crisis.

Burma is theoretically excluded from the plan on account of its deplorable human rights record. But the country is desperately in need of electricity. It is also suffering from drought. The Lawpita dam, near Loikaw in the Karenni state, is only half full. Dozens of towns are not even electrified and there are frequent power cuts in Mandalay and Rangoon at all hours of the day and night, upsetting their already unsteady economic activity.

A great many businesses in Rangoon are fitted with little diesel generators, adding to the overall noise and atmospheric pollution. All this explains why the military junta in Burma is ready to cooperate fully with Thailand. A dam on the Salween, which could be justified as an exclusively Thai investment, would thus qualify for Miyazawa Plan funds. The projected dam on the Salween does not only worry environmental pressure groups and the local population. It is seen as a serious threat by the NGOs and the Shan opposition due to the side effects of such development projects.

The Yadana gas pipeline, built by the French firm Total and the US company Unocal, served as an excuse for ethnic cleansing of the Tenasserin region of Burma, supposedly justified by the fight against Mon and Karen separatist guerrillas. Although the management of these companies deny any responsibility and refute any violence, the tens of thousands of Mon and Karen refugees in camps along the Thai border are there to bear witness to what has happened (3). In their eagerness to prepare the future the Burmese generals started ethnic cleansing well before work commenced.

In the Shan state forced movements of population started in 1996. The Burmese army justifies these measures by the presence of armed groups belonging to the SSAS, who must be deprived of all popular support. Over 300,000 Shan people have been driven out of their villages, losing everything. The fear of being used as forced labour for building the dam has triggered a huge new wave of Shan refugees on the northern border. No record is kept of the pillage, rape and killing here. Few voices speak out in protest and there are neither television nor eye-witnesses.

Under the sacrosanct pretext of development and the fight against the economic crisis the Thai government may well give SPDC leaders the go-ahead to continue undisturbed their repression of local populations, most of whom belong to ethnic minorities. United Nations resolutions condemning Burma have scarcely any impact on the junta. The idea promoted by Asean's constructive engagement policy that economic development should bring more democracy has so far not received the slightest positive response.

And yet this was why Jacques Chirac supported Burma's application to join Asean in a statement to the Far Eastern Economic Review in May 1997. Here again support for economic interests took precedence over full consideration for the human rights situation. It seems that some dictatorships are more acceptable than others - providing of course that their presence facilitates international investment.

* Journalists

(1)	The cost of the various solutions ranges from 8b Baht (\$216m), with a dam on the Moei river and one billion cubic metres of water diverted each year, to 23b Baht (\$621m) for a pumping station on the Salween, upstream storage dams and channels to divert the water as far as Bhumiphol reservoir.

(2)	See "Repression and drug trafficking", Le Monde diplomatique English edition, November 1998.

(3)	With all the other NGOs that it coordinates the Burma Border Consortium already manages aid to 115,000 Karen and Mon refugees who have reached the camps on the western border of Thailand.

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