

**Report on a trip to
Myanmar
and
the discovery of a
silent industry.**

(Following the arrest of Aung San Suu Kyi)

September 29, 2003

BK CONSEIL

1. Purpose

French lawyers Daniel Soulez-Larivière and Jean Veil asked BK Conseil to investigate French energy company Total's operations in Myanmar (Burma) and propose any necessary changes. Total is in charge of building, overseeing and operating a natural gas pipeline that connects the Yadana field, located offshore in the Andaman Sea, to the Thai border.

Our basic experience with this country and our real knowledge of its negative aspects—the Karen, Shan and Kachin communities and refugee camps on the other side of the Thai border, who often do not subscribe to the majority Buddhist religion—helped prepare us for this mission.

At the time of our trip, the political situation was evolving favorably. Opposition leader Aung San Suu Kyi was again moving almost freely around the country and meeting with her supporters, as she told us herself. The UN Secretary General's special representative, Ahmed Razali, was working in Yangon to foster dialogue between the military government and the democratic opposition. Change was anticipated, at least before the ASEAN meeting to be held in Myanmar in 2006.

This atmosphere gave an additional reason to encourage, without provocation, aspirations for a democratic regime, and to demonstrate support for a national opposition movement that easily won the 1990 elections and should, sooner or later, come into power.

In our analysis, Total should carefully move down this path despite its tradition of neutrality. As the country's leading investor, the only thing it risks is a very positive change in its image.

We conducted our investigation from March 25 to 29, 2003, before the provocation at a National League for Democracy meeting, the resulting deaths and the detention of Aung San Suu Kyi. Our final conclusions will address this new crackdown, which may snuff out all hopes for peaceful democratization.

2. Historical background

To understand the seriousness of the allegations made against Myanmar's dictatorial regime and, by association, against anyone working or under contract with it, we need to take a brief look at the country's history.

A.

Myanmar's history is as long as the meandering Ayeyarwady river. The country has existed for more than a thousand years and resisted all invasions, from the Mongols, to the British and to the Japanese. Cynical observers affirm that only China's more insidious penetration will succeed.

The worship of Nats, or animalistic spirits, coexists with omnipresent Buddhism. The North, which is virtually unknown and closed to visitors, does not resemble the South. Mandalay is becoming a Chinese city and the Bagan kingdom is a distant memory. Burma's fragile unity was achieved slowly. The country has threatening neighbors and restless ethnic communities, with uncontrolled regions and residual areas of resistance. Yangon is an active city that is modernizing. Trafficking in precious gems and opium continues to benefit the rich and the military, while endemic diseases continue to afflict the poor.

B.

After Britain's murderous colonization, Japan's invasion during World War II was first welcomed and then resisted for its exactions by the legendary progressive general Aung San - the father of the Nation and founder of the army- who was assassinated in 1947 at the age of 32. Burma became independent on January 4, 1948 and left the Commonwealth. The period of democracy ushered in by U Nu's independent government was short lived. As in the rest of the Indochinese peninsula, hope lay in socialism. A general, Ne Win, emerged as an efficient leader, but soon became authoritarian. At first, he shared power with U Nu, but he ended up throwing the civilian democrat into prison. Ne Win tried to find a Burmese socialist way that primarily resulted in trafficking and misappropriation of public funds. He was finally replaced by army officers grouped together under the State Law and Order Restoration Council (SLORC), headed by army chief of staff Saw Maung, who promised general elections in 1989. The SLORC officially replaced socialism with capitalism, changing absolutely nothing in the population's miserable standard of living.

C.

Opponents to the regime formed a coalition party, the National League for Democracy (NLD), under the leadership of Aung San Suu Kyi, the highly charismatic daughter of national hero Bogyoke Aung San. Numerous popular demonstrations bringing together students, workers, Buddhist monks and many military personnel were harshly repressed, resulting in thousands of deaths. The regime declared martial law and in July 1989 placed Aung San Suu Kyi under house arrest.

The military officers affirmed that they wanted to restore power to civilian leadership. In parliamentary elections held in May 1990, the NLD won an overwhelming majority of 396 seats out of 485. The junta did not accept the popular verdict, however, and in October 1990 took over NLD headquarters and jailed hundreds of supporters.

Aung San Suu Kyi , known nationwide as “The Lady”, has received the Sakharov Prize, the Nobel Peace Prize (in 1991) and the Simon Bolivar Prize. She has become and will remain a global heroine in the fight against oppression.

D.

It was only after these events that the outside world began to take an interest in Myanmar and to firmly condemn the military government, **accused of massively violating human rights and, in particular, of using forced labor**. This slow reaction, combined with poor knowledge of the situation due to the country’s isolation, left people imagining the worst, explaining the global community’s intransigent attitude and general indifference to this far-away land. The military regime, with its complete lack of imagination and intelligence, became the symbol of right-wing oppression just as communist strongholds throughout Asia were falling one after the other.

Some dictatorial governments do not perhaps completely merit the negative aura surrounding them, while other, more lethal, regimes avoid scrutiny. This double standard is difficult to accept. The problem is that the scope of international indignation, the number of protests against real and diverse oppression and the extent of a government’s unpopularity are never based on stable, clearly thought-out criteria.

This is the reality behind activists’ reactions. At the same time, however, it is important to note that the international community’s criticism of Myanmar is well founded. The United States, for multiple, contradictory reasons, is very firm in denouncing the generals’ regime. The International Labour Organization (ILO) has deployed exceptional procedures, including a commission of inquiry, a resolution and an on-site liaison officer, in response to the use of forced labor. And a *de facto* boycott has been put into place. The major international organizations, in particular, refuse to work in Myanmar and provide only very little aid. All of this was set to slowly change before “The Lady” was arrested and violence flared up again.

E.

Why is it easier for militants to focus on Myanmar than on China, which uses child labor on a wide scale? For one thing, the Burmese generals seem more pathetic than others and their communication skills are non-existent. There’s little risk in pressuring Myanmar, compared with the difficulties involved in challenging China over Tibet or standing up to Vietnam’s residual Communist Party or North Korea’s odious regime. What’s more, the Burmese opposition holds enormous moral authority. It would be hard for anyone to confront the opinion of the very beautiful, brave, dignified and charismatic Aung San Suu Kyi. As a result, a single corporation is denounced and attacked more than any other, with criticism combining excellent reasons and the most fantastic allegations. That corporation is TotalFinaElf, now renamed Total.

3. Background documentation

A.

A very interesting class-action suit has been filed in New York by a group of US lawyers on behalf of South African nationals **that accuses 34 corporations of supporting apartheid until the multiracial elections in 1994**. Most are energy, IT and chemical firms such as Shell, IBM, Nestlé and Daimler. Legal specialists should study this case carefully. Shell, Texaco and Exxon are accused of profiting from their operations during the years of apartheid and international embargo. Nestlé is accused of investing in South Africa during the embargo and Daimler is charged with supplying vehicles to the police. It is interesting to note that Nelson Mandela praised Total for its good conduct during the years of apartheid.

B.

Books, reports and articles

Before making any judgments, I felt that it was necessary to consult some of the latest opinion-shaping publications on Myanmar.

The first were the **US Government Reports**, and specifically the *Report on Labor Practices in Burma (1)*. This publication, which is particularly accusatory with regard to Total's practices, should be seen within the context of continuous competition and deteriorating relations between France and America. Here is a notable excerpt:

The Yadana Natural Gas Pipeline

"One of the most controversial infrastructure projects in Burma is the Yadana natural gas pipeline because of allegations that the GOB has committed abuses, including forced labor and forced relocations, on a project which includes several international companies as investors..."

"Allegations of forced labor and other human rights abuses in the area emerged even before construction started. The oil companies have vigorously denied allegations of human rights abuses, and particularly the alleged association of forced labor with the pipeline..."

"It is difficult to assess the actual extent of any use of forced labor, as the GOB has denied requests by the US Government, the ILO and other groups to conduct independent visits to the pipeline corridor and adjacent areas. Officials of the US Embassy in Rangoon have visited the region. Since the pipeline is in a remote and inaccessible region, in all cases the trips were facilitated by the oil companies, which proceeded to the necessary transportation. The GOB has denied Embassy requests to visit the pipeline and adjacent areas independently, citing security reasons."

Forced Relocations

“The practice of forcibly relocating villages in Burma started before 1988, but appears to have escalated significantly since then. Estimates of the number of people moved since 1988 vary from 100,000 to 1.5 million. The US Embassy in Rangoon has reported that tens of thousands of villagers have been displaced.”

The report focuses on the use of child labor and the plight of child soldiers. Undoubtedly, given that there are no trade unions, labor code violations were and still are very frequent and harmful to the local population.

The US report concludes: *“...Forced labor has been used most notably in infrastructure development (including the development of infrastructure for the tourism industry and possibly the Yadana natural gas pipeline) and the support of military operations...”*

The opinion of the International Labour Organization’s liaison officer in Yangon, Hông-Trang Perret-Nguyen, should also be taken into account. In a recent newswire report, Ms. Perret-Nguyen stated that to the best of her knowledge *“there was no evidence of forced labor being used on the Yadana worksite or in the pipeline corridor”*(2).

Humanitarian and health issues

For me, the crucial information is in the last two reports of International Crisis Group (ICG), a highly respected international organization.

The first is devoted to work being done by non-governmental organizations (NGOs). To be sure, humanitarian and oil projects do not share the same commitment. Nevertheless, there was heated debate among NGO volunteers about working in Myanmar. Wouldn’t this be a betrayal of moral principles? And what about Aung San Suu Kyi’s misgivings?

At present, 28 of the main NGOs are present in Myanmar, and the work remaining to be done is immense (3). Organizations include Doctors of the Word (Médecins du Monde), since 1991, Swiss Aid, since 2001, and Doctors without Borders (Médecins sans Frontières), Care, Save the Children and the International Federation of Red Cross and Red Crescent Societies. On its end, the Centre for Humanitarian Dialogue is serving as an intermediary between the government and the opposition. We met with its representatives on several occasions.

Should we work in Myanmar?

Humanitarian organizations wrestle constantly with questions about who should be helped and who should be punished and about whether embargos end up hurting the poor and bolstering the powerful. For groups that handle emergency situations, the answer is to support the victims until the end of the crisis, whenever possible. I myself have had long discussions with friends and colleagues about whether it is appropriate to help people living under dictatorships. My position is that one must help in almost all cases. It took me a long time to resign myself to the arguments of the NGOs that left Ethiopia during the famine because aid was being siphoned off by the country’s leaders, who were actually benefiting from the crisis (4 and 5).

I have been a field worker, ready to risk my life so that aid reaches the people who need it. But I've also accepted that, sometimes, it's better to let the oppressors steal half of a shipment so that the starving population gets the other half. This happens frequently, and it is very easy for do-gooders far from immediate danger to find fault.

I would emphasize the usefulness of deliberately cracking the country's isolation. Should we work in Myanmar? NGOs and corporations are sometimes alike. Companies do their jobs and make profits. Humanitarian associations do theirs and gain satisfaction and renown. The main problem is that no one ever asks local residents what they think. Silence is not the answer. Most often, although not always, dialogue protects the volunteers, as well as the victims. Silence may provide temporary and illusory protection, but it will never be an adequate defense in the court of history. To give an example, neither the International Committee of the Red Cross nor Germany's chemists were absolved for their silence or complicity during World War II.

I remember, during the siege of Sarajevo, when President Izetbegovic banned humanitarian flights to force the allied countries to take a clear position. He changed his policy after less than a week under pressure from local residents, and aid distribution resumed.

Only the victims are in a position to say if aid should continue or not. A victim will never decide solely on the basis of who is offering help. Look at Cambodia liberated from the Khmer Rouge's killing fields by its Vietnamese enemy. Look at France's "Opération Turquoise" in Rwanda. More recently, look at the not entirely successful Anglo-American liberation of Iraq. History tends to remember liberation more than invasion.

Only the victims in Myanmar are in a position to decide if tourism should be encouraged and if the related hard currency and jobs are beneficial. Is it progress when tourists swarm into Cuba and the number of prostitutes increases, while Castro represses democracy and condemns people to death? I spoke with Aung San Suu Kyi about this problem on December 30, 2002. Her ambiguous response was that "*doing nothing strengthens the generals' regime.*"

Should energy companies have responded to the request for proposals and built the natural gas pipeline in Myanmar? I believe so. Otherwise, they would be in another business. I am not particularly familiar with natural gas operations, but I do have some experience in public health. The situation in Myanmar is so disastrous that Western observers never criticize associations doing useful work there, despite Aung San Suu Kyi's misgivings. This only makes sense given the country's catastrophic general mortality and morbidity statistics and infant and maternal mortality figures. Why, then, should we arbitrarily separate industrial growth from indispensable healthcare measures, which cannot be deployed without a minimum level of economic development? Some may say that the generals are only interested in money, not in public health. That's probably true, but the generals will not be able to maintain their dictatorship eternally, and democracy will need economic and industrial development to flourish. This is particularly true for the public health system. It is impossible to set up an effective prevention system or a hospital network on international charity alone.

ICG concludes its report by requesting minimum infrastructure and more resources for healthcare. It also recommends a level of coordination among the NGOs that is difficult to obtain. If we want to help the people of Myanmar, we mustn't handle public health issues in their place but rather provide long-term assistance and effective training.

One shudders to think what would happen in Myanmar during a health crisis like the SARS epidemic. In fact, we have no way of knowing if the virus entered the country, given the total lack of health indicators and epidemiological monitoring.

We must intervene in Myanmar in the area of public health, particularly since we already know that new viruses emerge each year and spread through trade and travel.

A look at the second ICG report on AIDS (6) makes this all the more obvious. In a country lacking even the most basic public health system, this global scourge has had a devastating impact. Estimates put the infection rate in Myanmar at one out of every 50 adults. As ICG states in its conclusion: “*Working with NGOs alone is not an option (...) Like it or not, working effectively against HIV in Myanmar means working in substantial part through government institutions*”—as long as a few basic rules are respected, notably concerning human rights. The authors do not say as much for industrial firms, and yet...

C.

Meetings in Rome and Paris

I wanted to get feedback from a few NGO members before visiting the pipeline corridor myself. I therefore met in Paris and Rome with several leaders and members of associations who are working in Myanmar. My main contacts were with Doctors of the World (Médecins du Monde), La Chaîne de l'Espoir, the François-Xavier Bagnoud Foundation, the Nano Peretti Foundation and friends of Emma Bonino. We had long discussions about the benefits and drawbacks, in their opinion, of working with Total on specific public health projects in exposed areas and for such indispensable missions as drug abuse and AIDS, particularly in the isolated northern part of the country.

It seems to me that the emergence of open communication on the country's most pressing problems and its necessary peaceful transition to democracy would be a promising sign.

The law of noise starts with a few words spoken far from the walls of silence.

D.

Meetings at Harvard

I also wanted to talk with the Cambridge, Massachusetts-based Collaborative for Development Action (CDA), which has published the largest report on Myanmar. I first spoke by telephone with the people involved in the Yadana project. I then had a long one-on-one conversation with CDA President Mary Anderson on March 12, 2003. I look forward to reading their next follow-up report.

I checked to make sure that Total and CDA's financial relationship was healthy and had not influenced the authors' conclusions. While I cannot certify anything, the quality of my contacts seemed excellent and our discussions were sincere.

The CDA team explained how their trip to Myanmar took place and how they asked their questions in the villages. Mary Anderson is a human rights supporter with great experience, and we have crossed paths on several occasions in the developing world. She believes in the importance of corporations in this time of globalization. The report's conclusions have been widely circulated and partially match my own. As a result, there is no point in quoting them fully here. In short, the CDA encourages the company to unlock the door, integrate local employees more effectively, take a clear-eyed look at the country and its people (which means getting out to meet with and listen to them), open its heart and mind, engage with people outside the unavoidable circle of government leaders and civil servants, explain its objectives and consider if silence is the best policy if it wants to be understood.

4. The allegations against Total

For many years, Total's reputation was tarnished by specific allegations of using forced labor even though, to our knowledge, no real investigations were conducted on site. Despite its strict code of ethics, Total stood accused of being involved in a modern form of slavery and, in particular, of using child labor for various jobs. This allegation should have evaporated in light of the project's scope and the size of the pipes and the machines that handle them. But it did not happen.

The allegations were often repeated among NGOs. To be sure, this type of information always finds a friendly ear. Oil companies often swim in troubled waters and, in the public mind, their practices are often associated with conspiracy, manipulated funds and influence peddling. Even though volunteer organizations debated the appropriateness of working in Myanmar among themselves, these discussions were never compared with those held in corporate boardrooms. This was the case when Doctors of the World, Chaîne de l'Espoir and the François-Xavier Bagnoud Foundation presented proposals and set up operations in Myanmar. They are still there, hard at work.

I wrote a foreword to the French edition of Alan Clements' *Burma: The Next Killing Fields?*, which includes a text by Desmond Tutu and a foreword by the Dalai Lama. Although I did not investigate personally, a number of Nobel prize winners—including my friend Elie Wiesel—gave me the information I needed. The situation was obvious and the facts damning: the SLORC's years in power were punctuated by repeated massacres, frequent torture, disappearances and executions. Some 1,200 political prisoners are still rotting in Myanmar prisons and some of them have been there for years. The generals are also accused by specialists of all stripes of trafficking in opium from the Golden Triangle. Even though political change is expected, perhaps in the near future, collaboration with this type of regime requires a political vision that oil companies generally refuse to talk about. In our view, this is a mistake.

The worksite

Let's start from the beginning.

In accordance with a contract signed in 1992 following a request for proposals, Total, in partnership with US-based Unocal, Myanmar's state-owned MOGE and Thailand's PTT-EP, were chosen over other rivals (including Shell) to develop and operate an offshore natural gas field, with Total as the project operator. The contract called for the construction of a natural gas pipeline running 412 km undersea from the field to the shore and 63 km overland to Ban-I-Tong on the Thai border.

The pipeline route was carefully studied to limit the environmental impact, notably on the primeval forest. The pipeline itself was buried and the surrounding vegetation was replanted, with the exception of very large trees. This was quite a technological feat. Although I am not an environmental expert, after seeing the entire route and the new vegetation, it seems to me that the work was done well and that the environment was not seriously harmed. The primeval forest was not destroyed, and the only sign of the pipeline is a strip of low, dense vegetation a few meters wide on each side. Environmental specialists would be satisfied if they were to see the route for themselves. Total should help make this possible.

The route avoided villages and spared the virgin forest, even though this was not specifically called for in the contract. The worksite employed 2,500 people, including 350 expatriates. All had written contracts, regular salaries and healthcare benefits and were covered by recognized HSE standards. They were trained according to the Company's Code of Conduct, which they learned. The Code was also applied to all subcontractors. The pipeline, buried more than two meters underground, comprises 5,134 12-meter sections, each weighing 5 metric tons and welded together. It follows along steep slopes in some areas and crosses two rivers.

In an almost inaccessible region, the pipeline project was confused with work being done at the same time on the government's Ye-Tavoy railroad, which probably used forced labor from among the local population. Similarly, allegations concerning the Kanbauk road were quickly shown to be groundless. Laying of the Total pipeline may have also been confused with that of the MOGE pipeline. The first article attacking Total's practices and mentioning the Company's alleged use of forced labor on the project appeared in 1992, when preliminary studies had just barely begun. Did this premature criticism mix up different projects, places and times? It should be remembered that, no matter how despicable it may be, forced labor is an age-old practice in Myanmar that was even legalized by the British in 1907.

Later on, when work had begun, villagers were rounded up by the army to cut down trees and do other work, as is unfortunately often the case under the military regime. When Total learned that human rights were being violated, it demanded that the round-ups cease. It discussed the situation with government leaders in Yangon, who followed through on their promise to take action. Two decrees abolishing forced labor were published in May 1999 and October 2000. At the site, Total officials went so far as to pay the rounded-up villagers a regular salary. Some say that the enslaving army personnel took the money and the villagers went away empty handed. At least it would seem that the use of forced labor has declined in the pipeline corridor, although it is impossible to say that it has disappeared completely.

The Yadana project manager tried to justify himself, I believe in good faith. He had a clear conscience that the Company had never used child workers or forced labor. Total has very strict rules and that seemed to be enough. But it wasn't, and suspicion remained.

The socio-economic program

Thirteen villages with a combined 1996 population of around 35,000 were considered to be within the pipeline area. Today, the population is estimated at 43,000, and since 2001, the socio-economic program has been extended to 23 villages. Dialogue with local residents began very early on, as the villagers themselves told me, and socio-economic studies were carried out. Physicians, agriculturists and veterinarians met with village representatives and projects were presented and discussed. Residents were informed about the type of work being planned. A \$6 million socio-economic program was launched in 1995 covering healthcare, education, economic development and infrastructure improvements. As early as January 1995, the villagers were asked to elect Village Communication Committees, whose members reflect the communities' diversity. These committees interface with Total on the socio-economic program and relay the residents' expectations and issues. In fact, it was through the committees that Total learned of the army's exactions and was able to effectively combat forced labor.

Socio-economic program timeline

In 1995, the Communication Committees were set up, a program to fight malaria was deployed and pig-breeding projects were launched at a specialized farm.

In 1996, Total hired Communication Officers. Healthcare programs were extended, schools were built and poultry breeding farms were established in Thechaung and Eindayaza.

In 1997, a system of micro-credits was introduced, as well as a program to support the development of such crops as rice, corn, cassava and peanuts. I was able to witness this program's success.

In 1998, Total's team set up a socio-economic unit in Kanbawk.

In 1999, educational support programs began, stocks of animal feed were organized and a nursery for perennial crops such as oil palms, cashew nuts and hevea was created in Kanbawk. I visited the nursery and was particularly impressed by the quality of its local staff.

In 2000, a school library program was established.

In 2001, the socio-economic program was extended to 23 villages.

In 2002, introductory computer training courses began. I visited these classes and got the strong impression that they were doing useful work.

In 2003, the socio-economic program's total budget since 1995 reached \$9.98 million.

Since the beginning, healthcare projects and medical treatment have been provided, with very significant results.

Significant medical results

Progress is apparent in three areas: public health and the construction of healthcare facilities; vaccination, hygiene and family planning programs; and malaria research in cooperation with the Pasteur Institute.

I can attest to the astonishing results achieved. Conditions are no longer Third World: each village has a health center, the physician/resident ratio is one for less than 4,000, and the number of diseases has declined. This is luxury compared with a good half of the planet. Total can be proud, but it must also understand the downside of its efforts. The well-paid physicians and coddled residents are ecstatic, but the situation has generated jealousy and, in some cases, hate among their immediate neighbors, who do not benefit from the same advantages. The programs should therefore be rationalized and their benefits extended, both near the corridor and farther away. This will be one of my suggestions.

I will just give a short summary of the other results here, although unfortunately it does not pay full tribute to the team members' undeniable success. Twelve physicians have been recruited and are providing healthcare training; health centers have been built, each serving approximately 5,000 residents; 80 healthcare workers and 20 midwives have been trained; and 366,356 free consultations have been provided since the project began, of which 77,858 in 2002.

Other statistics:

56,487 children have been vaccinated since 1996 (BCG, DTP, OPV, MS, TT).

5,265 children and pregnant women were vaccinated in 2002.

1,487 children have been vaccinated against hepatitis B since 1998.

354 cases of tuberculosis have been diagnosed since 1997.

299 have been cured since 1997.

33,074 cases of Malaria have been treated since 1997. Each health center is equipped with microscopes and ICT tests for rapid diagnosis and each village has been provided with mosquito netting.

3,037 patients have been hospitalized since 1997.

The malaria mortality rate has been divided by a factor of 3.5 since 1997.

Mortality from severe respiratory illnesses has been divided by 8 since 1997.

Mortality from water and food-borne diseases has been divided by 8 since 1997.

Infant mortality has been divided by 3 since 1997.

Nearly 1,000 people are following family planning programs.

I will not go into the advances in farming and animal breeding, but the self-management model should be proposed for healthcare. I'm talking about micro-budgets managed by the communities. This is something I'd be prepared to help with.

In short, the program has been successful. Too successful. Watch out for jealousy—the beneficiaries may become targets.

5. What I saw and understood

To keep this report short, I will focus on healthcare, as I am more familiar with this area than the others.

A.

I traveled throughout the pipeline corridor for two full days, investigating the mysterious area from Daminseik, where the pipeline comes onshore, to the Thai border. I spoke with the few expatriates who live on site. I visited seven villages and passed through others, speaking with representatives from the village committees and veterinary and farming projects. I also had long discussions with the committees, staff at the health centers and the Kanbauk hospital, midwives, nurses and doctors. I had long, one-on-one talks with the midwives and I had private interviews with five physicians and with the head of Total's entire medical program in the pipeline corridor. Nothing led me to believe that the Company could have been involved in activities that violate human rights. On the other hand, nothing allows me to certify that the Myanmar army has ceased these types of activities.

B.

I left with conflicting impressions. The difference between the average level of healthcare and disease nationwide and the excellent results in the pipeline corridor is like night and day. Even before the CDA published its suggestions, Total added several villages to its initial list, bringing the total to 23. It should not stop there. The program should be extended to other areas, particularly in the north.

The presentation and discussions, both in Yangon and on site, offered up very spectacular health results backed by clear charts that require no comment here. The decline in mortality from contagious diseases is particularly striking.

C.

A few facts and figures are needed here. Myanmar nationals represent more than 90% of Total's workforce. Around 20% of the natural gas output is earmarked for consumption in Myanmar, which only uses 7 to 8%. The rest is sold to Thailand. The population of the enlarged pipeline corridor stands at around 43,000.

D.

The salaries of the Total physicians, most of whom were recruited from the Myanmar Public Health Service and who are perfectly qualified, are much too high. This will become a source of scandal and have a boomerang effect on the Company's good faith.

Yadana's image problem lies in the extremely distressing medical conditions in the rest of the country. Total should address these issues by investing openly in public health and in the

tradition of excellence represented by an organization like the Pasteur Institute. This way, in a few years, Total will be associated with total health.

6. My conclusions

Total needs to open the window and let in some fresh air. This means doing things differently, looking closely at the changing world and breathing in the smells from far away. Most of all, the Company needs to open its mind. Like it or not, this is what is known as having a political vision of the world. “Political” isn’t a dirty word, and if people think it is, we should try to prove the contrary. Or we could talk about “taking a human approach”. Oil and gas are closely tied to politics, beyond the fact that they are energy resources. Oil companies are constantly in the political pot and there’s no point pretending otherwise.

I emphasize that the Yadana natural gas transport project must be treated like the human and political issue that it is—in the noble meaning of the word. Political activities are not dirty and the word itself is not taboo.

What if the nameless witnesses intent on putting Total in the pillory were right? What if new information on the Myanmar army’s practices during pipeline construction emerged? What if the testimony was sincere and well founded?

It is important to reiterate some basic principles. Total should clearly state the need for democracy, without provocation, without calling a press conference, without making a lot of noise. Sincerity remains the only defense.

Is oil odorless? Once again, let me emphasize that the adjective “democratic” cannot hurt those who use it. I do not believe that oil engineers should be exempt from including this word in their vocabulary. Even if—especially if—oil is often pumped in countries with unsavory regimes, the first company that would stand up for more justice and less violence would save a great deal of time and, in the long run, money. The same is true of the first company that would affirm its mission in fighting underdeveloped medical care, particularly in this era of dreaded globalization. If Total wanted, its name could be associated with public health, and not just oil.

7. My suggestions

Total should seize the initiative, without waiting for legal proceedings that appear unfair to its executives and employees but justified to certain human rights supporters, who are often insufficiently informed. The longer Total waits to spell out its thoughts and feelings, the harder it will be to take credible action. The Company will be accused of proposing action just to deflect allegations.

I repeat myself, because I know that this truth is hard to swallow for the leaders of a company of Total’s size, reputation and quality: Myanmar’s government is reprehensible and anyone who works with it shares the disgrace.

The only solution is for Total to take a stand by clearly expressing a preference (or at least a liking) for democratic regimes. If this term seems too “political”, the Company could talk about human rights. Perhaps it was not possible to work with the Myanmar government without appearing to support the generals. The only remedy is sincerity. I am convinced that, in light of the state of public opinion concerning their country, it would be out of the question for the generals to attack Myanmar’s largest investor.

Concerning the healthcare initiatives, the most sensitive in this deprived region:

A.

Total should announce that **the pipeline corridor is open**, and that, without organizing the trips itself, the Company will talk to any journalists, tourists or activists who want to find out about its activities in the region. At most, it could ask visitors for advance notice in the beginning.

I fully recognize that this requires some precaution. Militant groups still call for armed action against the regime. People were killed and wounded during a lethal attack in the region a few years ago.

B.

The socio-economic program is Total’s best advertisement. It would be good for the Company to have a sort of **representation office or showroom** in Yangon where it could present its technical and social activities. This way, NGOs looking for support would have a door to knock on.

C.

Contracts with the program’s physicians should not be renewed when they expire. After giving advance notice and for reasons of public health, these “handpicked” **physicians’ salaries** should be halved. This way, the areas covered by health centers could be extended and people in other regions could benefit from additional care.

D.

Villagers should be involved in managing healthcare, in the same way as they are involved in the excellent poultry breeding projects in the pipeline corridor. I am convinced that Myanmar’s future lies in the women who will efficiently manage the eight health centers.

E.

Total should open ten other health centers further north, in highly populated, accessible regions and for difficult problems such as drug dependency and AIDS.

F.

To demonstrate the need for **cost-effectiveness** in public health, the program could reduce the unnecessary consumption of brand-name drugs and use controlled generics, for example from neighboring Bangladesh.

G.

A **generic drug manufacturing plant** should be built in liaison with a French pharmaceutical firm as soon as possible.

H.

In response to today's world of mutating viruses, diseases jumping the species barrier and global epidemics such as SARS, and with new viruses emerging more or less on a yearly basis, a **Pasteur-Total Institute should be built in Yangon at the very least.**

I.

Most important, the pipeline corridor must not be a source of envy or exclusion, but rather a model that can be exported nationwide. A system of minimum health coverage could emerge. We would like to be able to participate in such a system.

8. Conclusion

A.

To change its image, Total needs to highlight the people of Myanmar, who account for 95% of its workforce. It needs to firmly associate the Total name with a permanent benefit for public health. Inexpensive, efficient health centers and a Pasteur Institute would change everything.

B.

Will the necessary reforms occur in the near future? The situation is changing, as can be seen in recent press coverage. Examples include Total's response to a *Nouvel Observateur* article written by a journalist who simply repeated the clichés mentioned earlier, without conducting a real investigation, and an article in the April 12 edition of *The Economist* (9) that offered a mixed view with more nuanced opinions on companies who left the country on the advice of international militants. *"Last month, a holding group for several retailers called May became the 40th American company to succumb to a consumer boycott and ban goods made in Myanmar from its shelves. An executive from a European clothing company*

that recently pulled out of Myanmar describes how the government took over its factory. Now, he assumes, the plant is operating without the safeguards for the workers and the environment that his firm had insisted on (...) Sergio Pinheiro, who monitors the human-rights situation in Myanmar for the UN, says that the generals respond better to engagement than to ostracism."

An opinion piece in the International Herald Tribune of May 21, 2003 entitled "Burma sanctions could backfire" (10) also reflects shifting attitudes. Written by John Brandon, head of the Washington, D.C.-based Asia Foundation's international programs office, the column states that: "*If increased economic sanctions are passed by United States contrary to its international trade obligations, the WTO (World Trade Organization) would probably rule in favor of Burma. Such a result would empower the Burmese generals rather than weaken them.*" It is worth noting that when Triumph International left the country, long after Texaco, 3,000 Myanmar workers lost their jobs to Chinese entrepreneurs.

There is no united, clear international response to the combat against this regime—particularly since "The Lady" was arrested and the US Senate added new sanctions.

In the end, the only thing that counts is collaboration. For human rights supports, signing a contract with the Myanmar generals is equivalent to original sin. Only the Chinese regime seems to approve. Who is benefiting from the crime?

This may seem unfair to a company that works in leftist nations, such as Angola, as well as in right-wing countries, but that's the way things are. It's probably unfair coming from NGO supporters who themselves have broken the theoretical embargo to help disadvantaged populations. The Company must base its reasoning on this reality, respond in relation to this original sin and open up to the outside world.

The trend must be reversed. Total must come out clearly in favor of democracy and visit "The Lady" more often. Today, the Group must demand her freedom, initially through a discreet approach and later in public. And one day down the road, Total Chairman Thierry Desmarest may inaugurate an AIDS center and visit "The Lady" in a democratic country.

As Aung San Suu Kyi wrote in Chapter 48 of her Letters from Burma (11):

"There is nothing to compare with the courage of ordinary people whose names are unknown and whose sacrifices pass unnoticed. The courage that dares without recognition, without the protection of media attention, is a courage that humbles, inspires, and reaffirms our faith in humanity. Such courage I have seen week after week since my release from house arrest fifteen months ago."

B.K. Conseil

P.S.

The following may not seem to have any bearing on my mission, but I believe that would be an error of interpretation.

Some countries are unlucky. Their people are not heard and their suffering is not known. Myanmar is the victim of the dark law of indifference.

Nobel laureate Aung San Suu Kyi has been under the “protection” of the Myanmar army since May 30. She never asked for such protection. She was detained following provocations by the police that caused numerous deaths among her supporters. Since she was transferred from the detestable Insein prison to an unnamed military camp, no one has seen or spoken with her. Only Ahmed Razali, the UN Secretary General’s Special Representative, was able to talk with her for a few minutes beforehand. How long will this beautiful, strong militant, reduced once again to silence and isolation, be able to hold on? Quite clearly, Myanmar’s military, starting with General Than Shwe, was frightened by the large demonstrations of support that greeted “The Lady” during each of her trips outside the capital, in regions populated by numerous ethnic minorities (the Karen, Shan, Kachin, Chin, Rohingyas, etc.). Their response was to put an end to the timid attempts at national reconciliation. Members of the National League for Democracy continue to be harassed. Several dozen have been arrested without any specific charges, and no one knows where they are being held. Is this something we are going to accept? The wall of silence seems to be as high as at the worst moments of the country’s dark history. Are we going to let it stand?

France, the European Union, the United States and our diplomacy must at last speak the language of truth and courage. How can we continue to refer to the ideals of the Rights of Man, how can we continue to sing the praises of democracy, how can the Americans continue to claim that freedom is the highest value when a women, a Nobel prize winner who won national elections, is held without reason and her country is effectively gagged?

Public opinion in the western world and in Asia should mobilize on a scale in keeping with the drama affecting this admirable militant and her people.

Regional leaders, who in a moment of remarkable boldness, collectively asked the Myanmar authorities to unconditionally go back on their decision, should pursue their efforts. Without letting up on the pressure, they should do everything possible to persuade their neighbor—and continue to persuade themselves—that the region’s stability and prosperity are a collective asset that is threatened each time arbitrary decisions prevail.

This is no longer the moment for an embargo or boycott, which has limited effectiveness and hurts the poorest of the poor. Tourists who go to admire the splendors of Myanmar could send cards of support to the Nobel prize winner—this technique used by Amnesty International has produced results in other cases.

We call on the NGOs working in the country, foreign investors and Total, a French firm that has become Myanmar's most important economic partner, to break the silence. One day, indifference or silence will be construed as guilt.

Aung San Suu Kyi must be freed.

Bernard Kouchner

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- (1) *US Government Reports, 2002-2003*, School of Industrial and Labor Relations, Cornell University.
 - (2) *AFP* wire report of XXXX.
 - (3) Myanmar: The Politics of Humanitarian Aid, *International Crisis Group*, 2 April 2002.
 - (4). JC Ruffin, *Le piège*, J-C. Lattès.
 - (5). *Silence on tue*, André Glucksmann et Thierry Wolton, Grasset.
 - (6) Myanmar Briefing: The HIV/Aids Crisis, Bangkok/Brussels, 2 April 2002. *International Crisis Group*.
 - (7) *Les dossiers noirs de la Birmanie*, Alan Clements, Editions Dagorno, 1994.
 - (8) *Birmanie côté femmes*, Claude Delachet-Guillon, Ed. Olizanne 2003.
 - (9) *The Economist*, April 12th 2003, P.56.
 - (10) *International Herald Tribune*, Wednesday, May 21, 2003.
 - (11) Aung San Suu Kyi, *Letters from Burma*, Penguin Books, 1997.