Australian involvement and the Shan’s resistance

SMEC, an Australian-based services company that morphed out of the Snowy Mountains Engineering Corporation, was recently handed a petition containing 23,717 signatures opposing a giant dam on the upper Salween River at Mong Ton that would effectively divide Myanmar’s war-shocked Shan state in half. It was not the first time it had been told the idea stinks. Undeterred, SMEC went back to the protesting villages and continued its work. Later the Burma Army took five protesters, later releasing them. Some were beaten and slapped.

SMEC is the public face of a consortium planning the dam. Its task, conducting the Environmental and Social Impact Assessments (EIAs and SIAs), takes it into potentially affected villages. SMEC finds itself heroically taking one for the gang: the disaster-prone Three Gorges Corporation; Sinohydro, which has been involved in several controversial dam projects in the past; the Myanmar Electricity Power Enterprise; and state energy monopsony Thai Electricity Generating Authority.

There are rumours that a UK team of engineers, Malcolm Dunstan and Associates—in involved in dam building in Myanmar in the past and, because of human-rights violations on the sites, placed on the UK Burma Campaign’s ‘Dirty Company’ list—might also be involved, but those could not be substantiated.

SMEC has been meeting the people of Shan state, seeking agreement to build the Tasang dam at Mong Ton. It has faced serial rejection (a story detailing that rejection, with a critique of SMEC’s procedures, was removed from Asian Correspondent after legal threats from SMEC). Meetings have been cancelled due to local hostility. Shan women have risen to their feet, their voices rich and challenging, telling the SMEC representatives that, having survived years of war, they refuse to let their ancestral lands be drowned to produce unneeded electricity for China and Thailand.

SMEC’s habit of giving gifts of cloth bags, bottled drinks and snacks to people they interview has angered local villagers, who view these as possible bribes. They report that SMEC repeatedly pushes the ‘positive’ impacts of the dam, appearing deaf to protests, while attempting to persuade them to sign documents they don’t understand.

On 22 July a group of villagers returned the bags they had been given by SMEC surveyors, and presented them with anti-dam posters. A Shan-led joint statement calls SMEC’s assessment process ‘simply a sham, aimed to rubber-stamp the Mong Ton dam plans, rather than objectively assess the project’s actual impacts’.

In April the Australian Federal Police raided SMEC’s headquarters in New South Wales ‘as part of an investigation into allegations of foreign bribery’—it was unclear if this was associated with the Myanmar project.
‘Many of our highly respected stupas and pagodas, such as Ho Leung temple, will be destroyed’, said Hkyaw Seng, whose village is close to the construction site. The 700-year-old temple, on the eastern bank of the Salween, is famous throughout Shan state; tens of thousands of pilgrims travel there every March. In the Australian context, this might be compared to submerging St Patrick’s Cathedral in Melbourne to power New Zealand.

Burma batters

Along with other ethnic states of Myanmar, Shan state suffered intense warfare for over twenty years and has weathered sporadic clashes since. It is the biggest of Myanmar’s seven ethnic states, with a population of around eight million people, half of whom are Shan. During that long war many abuses were committed by the Burmese Army, including arbitrary execution, detention, torture, looting, rape, forced relocation and forced labour.

Shan and Karen representatives reported to me that SMEC’s work has been obstructed by political instability, increasing military presence and growing community resistance. In May Burmese Army tanks were photographed in Kunhing, whose renowned ‘thousand islands’ in the Pang tributary will be submerged by the dam reservoir. The representatives fear that opposition to the dam will trigger military violence. The concerns were prescient.

Four SMEC officials went to the Wa capital in early July, seeking to survey the Wa Special Administrative Region. They were ‘advised’ to return at a later date by leaders of the China-backed United Wa State Army, possibly due to growing political and military tensions between the UWSA and the Burmese government, tensions that erupted into fighting in Mong Ton township in early June. SMEC is now effectively unable to carry out surveys in a large swath of Wa-controlled territory along the eastern bank of the Salween above the site of the planned dam. The organiser of a UK-backed border relief agency who requested anonymity remarked that the Wa rejection was symbolic of the deep resentment in the community. ‘Having China origins, they traditionally support China-backed projects. But along with the other ethnic groups, they know how destructive this would be. Their rejection is most significant’, she said.

The US$10-billion (according to a 2015 estimate) hydropower dam will flood an area nearly the size of Singapore, virtually bisecting Shan state and destroying around 100 communities. You can replace houses but not communities, which are organic social structures built on trust, mutual support and shared histories. It is the very strength of these communities that enabled their people to endure the hardships of war. Locals report that tanks are returning, as are armed guards. A Chiang Mai lawyer with connections to the Shan told me recently that ‘local media report the project has started. In a conversation I had with locals, they said a camp of mostly Chinese engineers is conducting testing near the site. They said that the river near that area is off-limits to all people and that warning shots were fired at a boat that got too close. They were not sure who fired the shots’.

The Burma Rivers Network asserts that large dams are being constructed on all of Burma’s major rivers and tributaries by Chinese, Norwegian, Thai and Indian companies. The dams are causing displacement, militarisation, human-rights abuses and irreversible environmental damage—threatening the livelihoods and food security of millions. The power and revenues generated are going to the military regime and neighbouring countries.

Role play

So what is an Australian company doing there? SMEC’s role is to complete the dam’s EIAs and SIs. The internationally accepted convention is for these studies to be submitted to the government to be signed off—after final consultations with affected communities—and plans for mitigation to be put to the villagers and agreed to before work starts. However, a local-council member in Mong Ton, seconding the lawyer’s report, said that, despite the local people’s disapproval, earthworks were already under way along the ridge of the mountain, as was confirmed by Sai Khur Hseng, a spokesperson for the Shan, by phone from the Thai–Myanmar border.

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‘Well, you would expect that’, said environmental consultant Sean Foley in neighbouring Laos. ‘The construction companies borrow lots of money to build the dam and no doubt to pay off officials. The longer they delay, the more interest they have to pay, so it’s in their interest to get moving, and pay the necessary fees to ensure the EIA is agreed to.’

As for the social impacts, it should be obvious, when confronted with a room full of farmers and fishers wearing ‘No Dams’ headbands, that these people think the social and economic costs are not worth it. And why would they agree to their land being flooded, their river strangled? Despite SMEC’s claims to hold free and fair consultations, the presence of local militias and pro-government representatives in meetings inhibited villagers from asking questions.

A message sent to SMEC’s local senior manager, Michael Holics, which asked how much forest was going to be destroyed, how deep the reservoir would be and how many tons of concrete were to be used was met with a pro forma response: ‘It is not SMEC’s role to provide recommendations as to whether the Project should proceed. The findings of the EIA/SIA will be presented to the Government of Myanmar, who will decide (with other sources of information) whether to proceed with the Project.’ The same response was given to questions relating to resettlement, land allocation, livelihoods and fish stocks. All these questions are integral to the EIA/SIA process.

Tropical dams are under scrutiny, having been found to emit as much greenhouse gas as coal-fired power plants with similar energy output, while devastating huge areas of land. SMEC’s job has already been done by International Rivers and local groups who have listed the environmental and social factors militating against building the dam. Pianporn Deetes of IR told
me that tens of thousands of ethnic people living on the floodplains near the dam site have already been forcibly relocated: ‘All dams planned on the Salween River will greatly disrupt the riverine ecosystem and destroy the livelihoods of peoples living along the river.’

SMEC could hardly avoid the fact that, in 2007, the dam consortium was given land on which to build an office—land confiscated from Wan Mai village. In the way of the then-incumbent military junta, the landless villagers were forced to attend the ground-breaking ceremony for the dam. Further north, the Mekong, Salween and Yangtze rivers flow in parallel for at least 300 kilometres, creating a World Heritage—listed biodiversity area, which is being destroyed by megaprojects like hydropower dams. In short, SMEC, whose office-centred corporate social responsibility principles would have this project boooed off the field in Australia, seems undeterred.

Sai Khur Hseng reported that wars and biomass clearance of the reservoir area had taken their toll on mega-fauna like elephants. Myanmar’s laws have not been reformed in keeping with global standards and do not provide for compensation or relocation assistance.

Paul Sein Twa, director of the Karen Environmental and Social Action Network, reported that business associates of the regime have already been clear-felling formerly dense teak forests around the dam site. Twa told environmental organisation Mongabay that proposed multiple dams would do irreparable damage to the Salween Basin, extending across China, Myanmar and Thailand. The basin is ‘home to the world’s last great teak forest, to dry-season islands rich with crops, and to healthy fisheries upon which many people depend. This river is of vast ecological and cultural value, and it is worth preserving for present and future generations’.

The dam wall, some 241 metres high, would be one of the highest in the earthquake-prone region. A warning has been issued about the risk of serious movement of the nearby Sagaing fault following the Nepal ‘adjustment’. The collapse of such a dam would be disastrous. Scientists have warned of additional +7-scale adjustments in the next decade and have clearly advised against dam building. A dam this size could itself cause a seismic event, as happened in Sichuan China.

The Himalayan and Tibetan glaciers appear to be melting faster than earlier predicted, offering increased flows in the short term but ‘dry ice’ in the future. Twa agreed that the dam would also pose a threat of catastrophic flooding should the region’s seismic activity lead to an earthquake-induced dam failure.

Aung San Suu Kyi

Asia is engaged in an orgy of dam building, pushed heavily by China and Thailand, whose urban elites stand to profit mightily from such investments. In this part of the world rivers are integral to life, providing food, transport and irrigation to countless communities.

Western governments may be placing faith in Aung San Suu Kyi’s party’s recent election. But local observers are not so sanguine. She is known locally to be elitist and egocentric and brooks no dissent within her party. The border relief agency wrote, ‘You may have read that while campaigning in Kachin State before the election, she said she did not want to comment on the Myitsone dam, as she needed to “study the details of the contract” first! I have no hope at all that she will stand up for communities affected by dams or any other large-scale investment projects, whether in ethnic or central Burmese areas’.

Myanmar’s government has not publicly addressed villagers’ complaints but has praised the Salween dam projects as benefiting local populations, securing critically needed electricity for Myanmar despite most being exported, and leading to peace. But the opposite appears to be true, with the poor losing hard-won security and military build-ups occurring daily. SMEC’s shareholders should be made aware of the implications of their company’s activities and make their discontent clear.

Postscript

Since this article was first written the areas under discussion have dissolved into open conflict, with helicopter gunships shelling villages and people fleeing for their lives. A young activist is about to re-enter her home state to find out what role the dam, and in particular SMEC, might have played in this escalation. She is calling for clothing, food and shelter to help the people survive the approaching cold season.

The relief agency wrote:

As for SMEC and the conflict, I heard that in the last week of October, they were continuing activities in Kengtung (through where transmission lines to China will pass). They met only with government officials, no members of the public.

This was precisely while the government was launching its new offensive against the SSPP [ Shan State Progress Party] in central Shan state. In other words, SMEC has been relentlessly carrying on, oblivious to the conflict.

I think the latest offensive is part of an ongoing strategy by Naypyidaw to wipe out the ethnic resistance, and exert further control over the ethnic areas and all their resources, including hydropower. In that sense, it is linked to the Salween dams.

The international community now seems intent on pushing ASSK [Aung San Suu Kyi] to make a deal with the military so as to maintain ‘stability’ (and protect their investments). They are turning a completely blind eye to the bloodbath now unfolding in Kachin and Shan states.