

Dam fever

Tom Fawthrop

BRUCE SHOEMAKER AND WILLIAM ROBICHAUD (EDS)

Dead in the Water: Global Lessons from the World Bank's Model Hydropower Project in Laos
University of Wisconsin Press: 2018

In Lao and Thai they call it the “Mother of Rivers”, the Mekong. It has seen empires rise and fall, survived wars and all manner of imperial attempts to tame its wild, free flow of currents, rapids and sediment. But in this new era of globalisation the Mekong is under siege from a hydropower invasion driven both by a Chinese desire for control over water resources and by the World Bank’s backing of so-called sustainable dams.

The Mekong brims with biodiversity and furnishes food security to 60 million residents of the river basin. But the river is already diminishing in strength; its natural energy is being sapped and dissipated, dam by dam. It is crying out for protection from the frenzied rush of hydropower that has reduced a healthy river to a long series of stagnant water reservoirs.

This story is all about how and why China’s dam fever in the Lancang, or upper Mekong, spread downstream into Laos and the lower Mekong — culminating, for now, in the \$3.8 billion Xayaburi Dam conceived, developed and funded by Thai interests.

In 2010 and 2011, Cambodian fishing and riverine communities protested the project, and Vietnamese and international scientists spoke out. The Vietnam Rivers Network of non-government organisations warned that Thai banks were in violation of the 1995 Mekong Agreement. Civil society made it clear that it did not want the Xayaburi Dam.

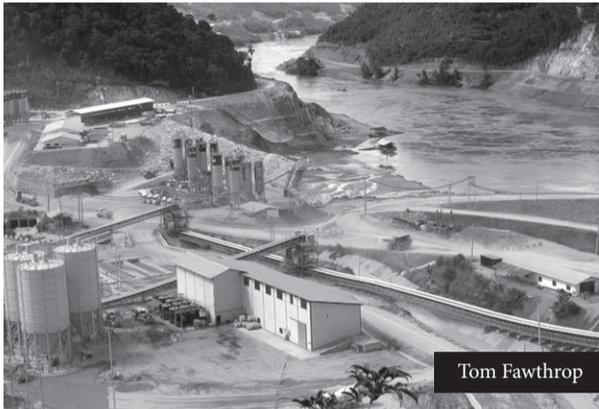
Non-government organisations in Thailand also strongly protested their government’s signing off the purchasing agreement of 95 per cent of the electricity. Inside the Mekong River Commission (MRC), the governments of Cambodia and Vietnam opposed it. In MRC stakeholder forums, the message was the same. So just how did this controversial dam overcome the voices of resistance?

In the 1990s, the global anti-dam movement was gathering steam. In 2000, the World Commission on Dams concluded that the impacts of large dams around the globe were far more harmful than beneficial. Unsurprisingly the World Bank backed off from supporting hydropower.

When the international financial institution returned to backing hydropower, in 2005, with its approval of the NT2 dam (the largest foreign investment in Laos at that time), it represented a turning point, a deliberate pushback against the global anti-dam movement and the promotion of so-called nicer dams under the new label of sustainable hydropower.

The 1,070-megawatt NT2 was built on one of the largest tributaries of the Mekong River in Laos. It was the largest hydropower plant in the country, with 90 per cent of the electricity exported to neighbouring Thailand. NT2 was billed as a model dam by the World Bank, whose public relations and communications departments rushed to promote it. Two World Bank staffers, Ian Porter and Jayasankar Shivakumar, even published a book in 2011 called *Doing a Dam Better*, only a year after the dam was launched.

Bruce Shoemaker, a long-time researcher and development specialist in the region, explained his



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indignation at reading “a self-congratulatory and premature puff-piece written before NT2’s many promises could even begin to be realized”. Drawing on extensive research, Shoemaker and his co-authors were determined to set the record straight with their own book, *Dead in the Water*, a repudiation of the World Bank’s “success story”.

In one of the key chapters, “Branding Dams: Nam Theun 2 and the Discourse of Sustainable Hydropower”, Carl Middleton, a lecturer in development studies at Chulalongkorn University, in Bangkok, writes, “The World Bank seeks to frame NT2 not as a hydropower infrastructure project but as a poverty reduction intervention and a sustainable development project ... NT2 has been heavily promoted by the World Bank as a model project.”

This book uncovers the origins of the mantra and the myths of sustainable hydropower. The World Bank’s narrative that NT2 set a new standard in mitigating social and environmental impacts lost credibility in 2014, when its most high-profile consultant, Thayer Scudder, a veteran of environmental impact assessments (EIAs) of dams, admitted to the *New York Times* his huge regret over his work on NT2: “The Nam Theun 2 confirmed my longstanding suspicion that the task of building a large dam is just too complex and too damaging to priceless natural resources.” Scudder added that his most significant accomplishment was not improving a dam but stopping one, in Botswana’s Okavango Delta.

Dead in the Water is the first book to shine a light on how the World Bank and its development disciples cooked up a new rationale for hydropower and sent a well-publicised media message that anti-dam movements were blocking the path to reducing poverty and standing in the way of progress. It was a message eagerly lapped up by technocrats, economists, governments and the mainstream media alike — and, of course, by dam developers. This was long before Scudder spilled the beans.

In the final chapter, Shoemaker and his co-editor William Robichaud point out that the displacement of 6,300 indigenous people to make way for the dam reservoir, the failure to protect the Nakai Plateau’s biodiversity and the downstream impacts in the Xe Bang Fai River Basin have all combined to exacerbate poverty, thus giving the lie to the World Bank’s claims of poverty alleviation.

The EIA report on the 1,285-megawatt Xayaburi Dam — the first dam to be launched on the lower Mekong, in 2012, by Bangkok-based company CH Karnchang — was deeply flawed, according to a range of experts from the MRC, the World Wide Fund for Nature, and International Rivers.

The MRC’s panel of experts specifically recommended a construction delay until the environmental impacts were reassessed. But a delay was not good for business. The next move by the developers was to hire the international consultants Pöry, a Finnish firm, and their Zurich-based hydropower group in 2011 to rebrand the dam as “sustainable hydropower” and deploy a dam mitigation strategy.

Pöry’s Swiss hydropower experts diverted attention from the lack of a credible EIA by pledging to provide sophisticated fish ladders and passageways. Ambassadors, Mekong donors and some USAID-funded NGOs were invited to visit the dam site. Many were impressed by the briefings, diagrams and public relations videos presented by the dam’s developers.

The World Bank’s ill-defined claim that sustainable hydropower is a socially and environmentally responsible path towards development, on the basis of NT2, undoubtedly persuaded many governments and aid agencies to endorse the Xayaburi Dam. Yet these same agencies — along with diplomats, donors and other development players — were also aware of a choice to be made and the alternative course for the Mekong laid out in a 2010 strategic environmental assessment (SEA) report on hydropower impacts on the lower Mekong, commissioned by the MRC. It documented the fisheries and immense biodiversity at risk from damming and unanimously recommended a moratorium on hydropower for ten years, pending further scientific research.

The Vietnamese government endorsed it. Cambodia supported it. Yet the wider international community, warming to the combination of rhetoric on environmental concerns and fish mitigation, appears to have forgotten all about the SEA report’s call for a moratorium of dams on the Mekong.

At a conference in Bangkok in November 2016 I asked Jeremy Bird, former head of the MRC, why the organisation’s study had never been endorsed and had instead been sidelined in its forums. Bird replied that the “Lao delegation were so opposed to this report that they threatened to walk out of any meeting if we ever put it on the agenda”.

Although the MRC operates by consensus, in this case the chief executive officer was so intimidated by threats from the Lao government delegation that he permitted them to exercise a virtual veto over any further debate on the SEA report, at what was the most critical point in the MRC’s history. It was no secret that the outcome of the struggle to stop the Xayaburi Dam could determine the fate of the lower Mekong.

The big question now is whether the world’s most modern mitigation technology can prevent the Xayaburi Dam from inflicting harm on the inland fisheries of the Mekong, valued by the MRC fisheries department at US\$11 billion.

Can engineers really manipulate fish behaviour so that more than 200 fish species will learn to jump, twist and follow alien passageways and odd-looking fish ladders? Most fisheries experts of the Mekong region are deeply sceptical. The MRC guidelines were set at a 95 per cent fish survival rate, a percentage that no dam developer has ever taken seriously. And for the heroic fish that jump on to ladders and follow all the rules of the mitigation game, more hydropower traps and hurdles will await them downstream. □

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