

Myanmar - Anatomy of a Sanctions Campaign Disaster

1. It was not intended to be like this. Total and Chevron were supposed to stay in Myanmar, to be given a bashing whenever human rights groups felt in the mood. But now Total and Chevron have pulled the rug from right under their feet.
2. They had had enough. They were getting too bad a press. Shareholders were grumbling. But Total and Chevron were the victims of a sustained campaign of disinformation alleging untruthfully that they were making “[blood money](#)” [gas payments](#) to MOGE. So they quit.
3. Yet as Total pointed out in [their letter of 18 January 2022](#) to Human Rights Watch, there was “no financial flow between TotalEnergies and MOGE, neither for the sale of export gas nor for the supply of domestic gas”. Their critics should apologise for spreading false facts.
4. In the same letter Total said they supported targeted sanctions. [Human Rights Watch approved](#). Then on 21 January 2022 euphoria turned to dismay when [Total announced their withdrawal](#) from Myanmar. Their interests will be shared with the remaining partners, MOGE and Thai PTTEP.
5. So long as Total and Chevron remained in the firing line, their critics could lobby in Washington and Brussels. But now the Burma Bill in Washington could falter. EU suggestions that they might target MOGE could be shelved. Chinese and Thai gas payments to Myanmar in any case look unassailable.
6. With Biden and Macron off the hook as well, the focus has gone. Washington and Brussels may well promise to investigate [sanctions, now demanded by Human Rights Watch](#). But neither the US nor the EU would want to intervene in the Thai banking system and [pressurize State-owned PTT](#).
7. In the EU there may be resistance to sanctions against MOGE because it is a civilian SOE. Revenues are credited to the general budget. Of course the junta control MOGE accounts and can dip into the revenues whenever they want, but MOGE is not a military or crony-owned company.
8. It would be sad if the social, medical and educational projects funded by Total and Chevron were to lose their funding. Total and Chevron will no doubt do their best to keep them going, but there may be no guarantees. As invariably happens, it is the people who will suffer.
9. In short, the probability is that MOGE gas revenues will now increase if they take over at no cost a share of the Total and Chevron stakes in both the unincorporated Joint Venture production sharing agreement and the Bermuda-incorporated MGTC pipeline Joint Venture.
10. Thai PTT will never agree to make payments for gas supplied from the Yadana, Yetagun and Zawtika fields either to the National Unity Government or into an escrow account. To do so would be a breach of contract. Supplies would be cut off. The Thai Government will make no such order.
11. It seems very likely that, depending on its final outcome, this affair will be recorded by sanctions specialists as a text-book example of how sanctions campaigns can go seriously wrong and hit the people and not the targeted regime. Human rights groups are alas too often part of the problem.
12. At the same time, like politicians, these groups will never admit their mistakes nor apologise for all the harm caused. They claim the moral high ground. Their motives are pure. If things go wrong, because their hearts are pure, it cannot possibly be their fault.



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