Corporate Awakening – why (some) corporations embrace public-private partnerships.

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Abstract
Predominantly since the 1992 Rio Summit, corporations have been increasingly pursuing partnerships with public institutions including governments, international organisations and NGOs that aim to contribute to sustainable development activities. Both the business community and public organisations are recognizing the potential benefits of public-private partnerships for furthering the Millennium Development Goals while having a positive impact on business. Partnerships have become more common as corporations react to mounting pressure from corporate stakeholders, civil society and government on the responsible nature of their business practices.

The accountability of corporations has moved beyond the traditional obligations of addressing shareholder demands and today, corporations must be accountable to society and all stakeholders affected by global development. The corporate awakening towards a broader role of business in society and the trend of corporations embracing partnerships has led many to question the driving factors that motivate corporations to pursue partnerships. In this paper, the authors examine the underlying drivers of corporate organisational behaviour from the theoretical perspectives of both legitimacy and stakeholder needs, and discuss the challenges of gaining insight into why corporations embrace public-private partnerships. These theoretical perspectives are used to gain a deeper understanding of the corporate drivers that motivated TOTAL S.A. to approach UNESCO for cooperation on community development programs in Myanmar.
Introduction

It has been predominantly since the 1992 World Summit for Sustainable Development in Rio de Janeiro that businesses have come together with international organisations, non-government organisations (NGO) and the governments of nation-states to address current sustainable development issues (Murphy & Bendel, 1999; Schaltegger et al., 2003). Many businesses and government representatives attended the Rio summit to defend their economic interests and corporate or government image. However, since then, many relationships have been forged and the business community has recognized the potential benefits of actively contributing to sustainable development initiatives, not least in developing countries. And ten years after the Rio conference, the 2002 World Summit in Johannesburg (WSSD) concluded that public-private partnerships (P3s) should be one of the pivotal mechanisms of greening. However, a number of NGOs have criticized these so-called type-2 outcomes from the WSSD, since some companies are using them as a method for averting attention or “greenwash.”

By contributing to the relationships with technical expertise and financial resources, the companies at the same time leverage the experience, knowledge networks, know-how and the legitimacy of being associated with the public sector. However, real and meaningful partnerships can only be established through development of social relations, through commitment and mutual trust and through establishing mutual understanding and consideration (Grabher, 1993; Schaltegger et al., 2003). These partnerships are used by corporations as vehicles to strengthen their corporate image and positively impact their social and, in turn, economic performance.

In this paper, we turn our focus towards the engagement in South East Asia (particularly in Myanmar) by TOTAL S.A., a world leader in the oil and gas industry, who in May 2003 approached the United Nations Educational, Scientific & Cultural Organization’s (UNESCO) regional bureau in Bangkok to discuss a potential partnership between themselves and UNESCO. The co-operation was intended to focus on community development programs in Myanmar. (UNESCO, 2003)

The company representatives were forthcoming in revealing that criticism against the company’s presence in Myanmar had been widespread. Many international human rights groups felt that TOTAL S.A.’s investment in Myanmar was supporting the military regime and condoning the junta’s extensive human rights violations. On the other hand, through TOTAL S.A.’s strict code of conduct, coupled with its desire to make a social contribution to the communities in which it was operating, the company had established a Socio-Economic Program (SEP) in the area. Furthermore, up until then, the company had successfully implemented numerous community programs independently, without the cooperation of any NGOs or international organisations (ibid.).

However, faced with mounting scrutiny from international stakeholder groups, TOTAL S.A. had decided that by partnering with UNESCO they could expand their programs beyond the pipeline corridor to reach impoverished people in other regions of the country and gain the credibility and transparency associated with a large international organisation.

TOTAL S.A. representatives expressed their belief that both TOTAL S.A. and UNESCO could benefit from combining their community development experiences to create a successful framework that could be replicated throughout Myanmar and that TOTAL S.A. had financial resources to contribute to making it happen.

UNESCO was impressed with TOTAL S.A.’s proactive initiative to partner with them and enthusiastic to pursue this potential relationship, which would provide an opportunity to
expand UNESCO programs (ibid.).

Through this case-study, in the following pages, we discuss both theoretical and practical perspectives of why P3s are pursued by an increasing number of corporations. We start out by establishing our understanding of P3s within an ecological context, and from there move on to discussing theoretical perspectives of corporate behaviour, legitimacy and stakeholders. In the last parts of the paper, we present and discuss the TOTAL S.A. case in Myanmar, and finally draw a number of conclusions.

Information on the case has been obtained through participation in meetings between UNESCO and TOTAL S.A. representatives in 2003, through access to various documents related to the case, including meeting summaries and company reports, and through personal communication with TOTAL and UNESCO representatives.

Public-Private Partnerships

A public-private partnership (P3) is a general term that can be applied to a number of different subjects and as such, we focus on the discourse of P3 from a sustainable development perspective. Partnerships are formed as a strategic alliance between two or more parties that have common objectives and are united in achieving their goals (UNDP, 2004). Within a P3 are actors from the private business sector who may represent one or more private businesses, and actors from the public sector - most notably government and international organisations. The P3s between multinational corporations operating in developing countries and international or national public institutions are designed in a way that will see both a financially profitable project from the private business standpoint, and will contribute in a number of ways to the betterment of society in the host country. A distinction can thus be made between at least market-related and socio-cultural co-operation.

In their work from 2003, Schaltegger, Burrit & Petersen argue that there are four overall purposes, which may be adopted by corporations to initiate partnerships with environmental organisations for sustainable development. Besides the two mentioned above, i.e. “market-related” and “socio-cultural”, they are “norm-establishing” and “political” co-operations (Schaltegger et al., 2003:125-128). In the following, we assume that these four purposes are also valid when establishing P3s involving other than environmental organisations. As such, the key actors involved in forming the partnership may come from the four main sectors 1) Governments, 2) Non-Governmental Organisations, 3) International Organisations, and 4) Private Sector.

Governments:
National and local governments are willing parties that see the opportunity of forming partnerships with other nations, organisations, and the private sector as a vital process that will help them attain their development goals. From the northern perspective, governments in all countries have the responsibility for ensuring that its citizens have access to basic services such as clean water, food, shelter, and power. Many of the P3 projects now being implemented in developing countries are designed to aid in the provision of these basic services. (BASD, 2004) There may be varying degrees of involvement by many different levels of government in a P3. Governments have a wide variety of resources that can contribute to the success of a partnership, including: specific subject information, financial, structural and human capacity, as well as an element of legitimacy that is associated with its involvement in the partnership. (UNDP, 2004)

Non-Governmental Organisations (NGOs):
The participation of NGOs in a partnership can provide expertise and general awareness on
issues that are relevant to the common goals of the partnership. NGO’s can help influence policy, be involved in monitoring the implementation of the project, help ensure transparency, and promote community participation (BASD, 2004). An NGO may have many reasons for becoming involved in a P3. Their knowledge or experience may have been requested by one of the other members to help find ways around the potential roadblocks of a project. The NGO may prefer to be involved in the partnership from a distance as a technical advisor or trouble-shooter (InterEnvironment, 2004). An NGO can benefit greatly from its association in a successful P3 project by using the project to elevate awareness to issues that are important to its cause. NGOs can also act as watchdogs that accept projects, which are structured in socially and environmentally responsible ways, while rejecting and singling out partnerships that are purely exploitative and solely concerned with financial profit (Martinot & McDoom, 2000).

International Organisations (IOs):
International Organisations have played a fundamental role in developing the framework for P3s that have been designed to promote sustainable development. From the early stages of the Rio Earth Summit in 1992 to the Johannesburg Summit in 2002 and beyond, the various development and environmental departments of the United Nations have been active participants in the negotiation and formation of a sound partnership mechanism that will address sustainable development (Cowan et al., 2000). International Organisations, such as the UN, can provide the needed specialists in development, environment, economic and social policy making that are vital to the building of a partnership framework. Like the role of NGOs, IOs can monitor the progress and measure the success of partnership projects from an independent and neutral position to help ensure that information coming from specific projects is accurate and unbiased (Murphy & Bendell, 1999). Another important part that IOs play is to act as the preferred medium in which states (both industrialised and developing) along with the private sector can come together to address global issues such as sustainable development. This medium both encourages and facilitates dialogue amongst all parties while being transparent to public interests. International organisations have a vested interest in being involved in events, meetings and negotiations that are relevant to its mandate because of the knowledge resources they can contribute which may assist participants in helping to achieve their goals.

Private Sector:
The involvement of business in P3s is multi-dimensional. The private sector provides technical knowledge, skill, and experience in its specialised capacity (UN, 2004). Because the private sector is not publicly funded, the fundamental element of financial profit is crucial for business to be involved. This means the private sector may be attracted to invest both financially and technically in a partnership if there is a significant potential for return on investment compared to other available investment opportunities. By becoming part of a partnership that promotes sustainable development, companies have an opportunity to present a “good global citizen” side to their operations and may be able to bolster their public image (BSR, 2004). The potential financial win-fall for presenting their product or service to new markets can also be very attractive to the expansion of the business.

Corporations see an opportunity to influence their reputation by engaging in sustainable development activities in partnership with public institutions. By partnering with reputable international organisations, NGOs or governments, corporations can develop extensive public relations campaigns to communicate their social contributions to their stakeholders in an attempt to build a good reputation and influence people’s perception about the company (Hooghiemstra, 2000). From a purely pragmatic managerial perspective, P3s are seen as a potentially beneficial vehicle for furthering their corporate image and influencing the external
appearance of the fundamental corporate values and principles without necessarily changing the nature of their core business activities. However, it may also be argued that growing business responsibility for the environmental, social and economical contexts they operate in is a response to the various forms of increasing pressures from NGOs, international organisations and governments. (Murphy & Bendell, 1999; Lehmann et al., 2005). As such, civil society may be assuming more and more power over how corporations behave, and the response by businesses may be to engage in partnerships to be able to minimise the risks that this presents. We will explore this further in theoretical terms in the following section, where Corporate Organisational Behaviour will be presented as the overarching theoretical framework used to gain a clearer understanding of the factors that motivate companies to forge partnerships with international organisations and NGOs as a vehicle for their contribution to sustainable development.

**Theoretical Perspectives**

Since the late 1970s, the structure of corporate power has changed progressively from the citizens and nation-states to the multinationals. As the business environment has become more competitive, retreating governments increasingly lack the political will and resources necessary to prioritize socially and environmentally sustainable development issues (O’Neill, 1999). The power of the nation-state has been superseded by powerful multinational corporations and civil society has had to defend its interests as this shift has unfolded (Brinkman & Brinkman, 2002). As civil society has begun to recognize that it cannot count on governments to protect their social and environmental rights, citizen groups are attempting to strengthen social movements to gain power. These civil society groups are attempting to influence corporate behaviour through consumer advocacy and by adjusting shareholder and employee expectations of corporations to align with their individual values. Changes in the nature of these corporate – stakeholder relationships are forcing management to adjust its strategies for dealing with its employees, owners, customers and suppliers.

Shareholders are no longer solely concerned with return on investment, rather that the company should maintain or improve its economic performance while including environmental and social considerations. This type of shareholder activism has grown in acceptance and corporations must listen to the broader set demands of its shareholders.

Consumers today hold a great degree of power largely as a result of wider access to information, revolutionized by the Internet. The emergence of the knowledge society has enabled consumers to become more educated and aware of the companies behind the products and services they purchase. Consequently, consumers are beginning to consider the social and environmental performance of the company as one of their selection criteria and consumer activist groups are learning to harness the power of information technology in the service of environmental and social causes (O’Neill, 1999). Many corporations today recognize the power of the consumer advocacy movement, allocate significant resources to dealing with consumer complaints, and are forging relationships with these groups to engage in dialogue and include consumers in corporate decision-making. Tied closely to consumer activists, the media has gained much power and corporations are aware of the need to manage their corporate reputation in order to fend off negative media attention. Many companies even feel that they live in a fish bowl where their actions are open to public criticism (Freeman, 1984).

Employees too have expanded their expectations of their corporate employers beyond the receipt of a regular paycheque. Employees expect corporations to ensure that occupational health and safety standards are met and more and more employees are looking to work for companies with common values towards social and environmental issues.
These are the most dominating factors that have affected the consumers and other stakeholder groups in their attempt to claim a degree of power from the corporation. As a reaction, corporations are beginning to change the ways they manage relationships with both internal and external actors. Changes in corporate behaviour are underway and these will be critical to the corporation’s survival in this new business environment.

Changes in Corporate Behaviour

Corporate organisational behaviour can be understood as a dynamic social process of human actors who interact and whose combined actions determine the behaviour of the corporation. The values and corporate culture are the backbone of the organisation and influence behaviour. Until civil society reacted to the shift of power towards the corporation, corporations’ sole aim was to seek profit in order to meet its responsibilities to its shareholders. Prior to the strengthening of social movements and consumer activism, corporations were relatively successful at managing the public’s perception of the corporation’s behaviour by creating a positive corporate image without making fundamental changes to the core business strategies. However, the recent string of corruption scandals in the U.S. and Europe has further pressured business to take a more existential approach to corporate brand management due to the societal scepticism and lack of accountability of many corporations that ensued (Maio, 2003). Since these scandals were uncovered, the interest of civil society and the demands of stakeholders has enlightened some corporate leaders to understand that they must ‘walk the talk’ by adopting a value-based leadership approach to corporate decision-making. This implies that corporations must rebuild trust between themselves and their stakeholders by delivering on their promises with actions. For example, many companies have adopted corporate governance frameworks and are reporting their environmental and social performance to the public.

Other changes in corporate behaviour that have emerged in recent years, is the focus on a more long term strategic planning horizon more conducive with sustainable objectives and increased stakeholder engagement aimed at demonstrating sensitivity to stakeholder needs and inspiring trust that will help build a positive corporate reputation (Pruzan, 1998). As such, these changes result in what have been termed “corporate citizenship,” which is surfaced as an important business issue and is seen more and more as a core business activity. Essential to this term is the view that corporations have rights as well as responsibilities, and that acceptance of social responsibility may partially assist in value creation and profit generation. Although, much more dominant a topic today, the concept of Corporate Social Responsibility (CSR) has been around for decades.

In fact, Corporate Social Responsibility has had a long history with philosophical roots closely tied to moralistic and ethical business responsibilities. Up until the end of the 1970s, CSR had already undergone considerable evolution from a purely philosophical approach, to a corporate responsiveness to social pressures as a means to ensure business legitimacy. Subsequently, corporations developed an ethical base to corporate decision-making in order for managers to assess the impact of business on society (Moir, 2001). By the early 1980s, a more ethical consumer and stakeholder community had gained momentum and corporations were forced to once again re-evaluate their approach to addressing stakeholder needs (Key, 1999).

Over the past several decades, CSR has moved from being a peripheral “nice to have” to becoming a mainstream business issue that is often an integral part of many corporations’ business strategies. The stakeholder pressures are driving changes in corporate decision-making that is moving towards value-based leadership, long term strategic planning and
stakeholder engagement. Thus, it is only over time that CSR has moved to the forefront of the corporate agenda and that corporations have little choice but to prioritize CSR activities in order to address stakeholder expectations.

**Stakeholders and Legitimacy**

Stakeholder Theory is a valuable explanatory theory for what motivates companies to partner with international organisations and NGOs on sustainable development initiatives. Stakeholder Theory was introduced by Freeman in his 1984 work titled “Strategic Management: A Stakeholder Approach” where he examines the relationship between the corporation, its external environment and its behaviour within this environment (Freeman, 1984). The Stakeholder Theory was a reflection on Milton Friedman’s economic model of the firm where the firms’ sole responsibility was to its shareholders. Freeman’s work suggests that other internal and external actors impact the corporation besides its shareholders. Although there were earlier works by other theorists such as Adam Smith (1937), Barnard (1938) and Eberstadt (1977) that identified other actors who influenced the corporation, Freeman was the first to fully elaborate on these relationships. Stakeholder Theory of a company is used as a basis to analyze those groups to whom the company should be responsible.

A stakeholder is defined as “any group or individual who can affect or is affected by the achievements of the company’s objectives” (Freeman, 1984:46).

From this standpoint, corporations do not respond to social issues but to stakeholder issues (Nasi et al., 1997). Freeman states that corporations should identify their primary and secondary stakeholders. Primary stakeholders are considered those groups without whose continued and direct involvement the company cannot survive. These include: shareholders and investors, employees, customers and suppliers to whom the company is obligated (Moir, 2001 ; Madsen & Ulhoi, 2001). Secondary stakeholders are those that influence or affect, or are influenced or affected by the company, but are not directly engaged in transactions with the company nor are critical for survival (ibid.). Examples of secondary stakeholders are governments and local communities that provide infrastructure and markets, laws and regulations and social activist groups.

Opposed to Freeman’s model (the stakeholder grid), newer theory suggests that the dynamics between the corporation and various actors is based on complex linkages; a stakeholder network (Key, 1999) in which the various actors pursue dynamic relations with other actors, and the actors can be members of a number of groups simultaneously.

The basis for the corporation to manage these relationships is utilitarianism. In other words, the corporation must make trade-offs between its goals and the goals of its stakeholders by identifying the type of effect that the stakeholder has on the firm or vice-versa. Freeman classifies the ‘stake’ that a stakeholder has on the corporation as equity, economic or influencer and the power that they exert as formal or voting power, economic power or political (Freeman, 1984).

In the first dimension of the stakeholder grid, the ‘stake’ or ‘interest’ can be identified by examining the range of perceived stakes of multiple stakeholders. An equity stake implies that the stakeholder has an interest due to its ownership stake in the company, whereas the other end of the spectrum is the influencer stake which implies a stakeholder interest in the company because it affects them or is affected by them in some way, even if not directly in a market sense. The market stake can be placed between equity and influencer on the continuum of the categorization of stakes.
In the second dimension of the stakeholder grid, stakeholder power refers to the ability to use resources to make an event happen. Owners can expend resources through their voting power, by voting for directors or management or even ‘voting’ their shares in the marketplace in a takeover battle. Customers and suppliers can extend their resources by switching to another company, raising price or withholding supply. Governments can expend resources through political power by legislating new regulations, or bringing lawsuits to court.

These categories provide valuable principles for stakeholder analysis and for the purposes of this report, allow the researcher to understand the stake and power of various stakeholders and their influence on corporations to engage in P3s for sustainable development projects.

Stakeholder Theory addresses the issue of what stakeholder groups should businesses prioritize. The theory provides three factors to consider when identifying the perceived importance of the stakeholder group behind the social issue. More recently, Mitchell, Agle and Wood (1997) suggested that stakeholders can be evaluated and prioritized based on their power, urgency and legitimacy (Nasi et al. 1997; Key, 1999). The highest priority would be for a company to respond to the legitimate stakeholder with the highest degree of power and urgency. Obviously, corporations will not prioritize issues from illegitimate stakeholders. However, as long as the stakeholder is legitimate, the corporate managers must respond to the most powerful stakeholders or risk having that stakeholder use its power to negatively impact the corporation. Since Freeman, many theorists have continued work on stakeholder theory and the consistently dominant factor is the role of power (Key, 1999). It is essential that the amount and type of power that a stakeholder possesses is evaluated in order to prioritize responses to the stakeholder groups.

**Legitimacy Theory**

Complimentary to Stakeholder Theory, one finds Legitimacy Theory. Where Stakeholder Theory focuses primarily on the actors in the corporate environment, Legitimacy Theory focuses on the process of corporate-societal engagement (Key, 1999). Legitimacy is a major driver for corporations to partner with international organisations or NGOs on sustainable development initiatives. All social organisations require a measure of legitimacy to function and maintain long-term relationships with various communities upon which they depend. Central to legitimacy theory is the concept of a social contract that implies that the survival of organisations is dependent on the extent to which they operate within the bounds of what society deems to be acceptable (Hooghiemstra, 2000; Key, 1999). As long as an organisation is considered legitimate, then it should maintain a level of social support sufficient for survival (Metzler, 2001). If a corporation has lost legitimacy or wants to gain a higher degree of legitimacy with its stakeholders, there is much to be gained by partnering with an international organisation that holds a high degree of legitimacy with civil society. Through affiliation, corporations can gain, maintain or repair its legitimacy.

From a corporate perspective, legitimacy is a measure of the adequacy of societal perceptions of corporate behaviour as compared to societal expectations for corporate activity. The societal perception of corporate behaviour can also be referred to as the corporate image. Legitimacy is a social construct based on cultural norms for corporate behaviour and the demands placed on corporations’ changes over time and differ from community to community based on different cultural norms that constitute what is legitimate corporate behaviour (Nasi et al., 1997). A legitimacy problem arises when societal expectations for corporate behaviour differ from societal perceptions of corporate behaviour. The existence of such a ‘legitimacy gap’ drives corporate efforts to gain, maintain or repair legitimacy. Therefore, the two key factors that must be managed to maintain legitimacy are the societal expectation of the corporate behaviour and the societal perception of corporate image. A change in either factor creates a legitimacy gap and an ever-widening legitimacy gap will threaten the survival of the
corporation.

Legitimacy Strategies

In order to combat a widening legitimacy gap or take a pro-active approach to maintaining legitimacy, corporations can employ four broad legitimating strategies when faced with different legitimacy threats (Moir, 2001). Managers have options depending on their desire to change behaviour, change perceptions or change expectations.

1. Inform stakeholders about the intentions and actions of the company to enhance its social performance. Corrective action can either be restoring the situation to the state of affairs before the objected act or promising to take measures to prevent future reoccurrences of the undesirable act (Metzler, 2001: 369).

2. Seek to influence stakeholders’ perceptions concerning certain (negative) events by bolstering the overall corporate character, but without changing behaviour. This strategy seeks to get the stakeholders to identify with the company’s core values and attempts to reveal a corporate character that stakeholders admire and respect.

3. Distract attention from the legitimacy threatening issue by emphasizing more positive actions that are not necessarily related. This strategy is intended to transcend the issues at hand and move the discourse to more acceptable social contributions that reflect a positive corporate image.

4. Seek to influence external or stakeholders’ expectations about its behaviour (Hooghiemstra, 2000: 56).

From a business perspective, there is a growing shift towards embracing partnerships with international organisations and NGOs in order to boost corporate legitimacy. Many international organisations such as UNICEF, UNDP and World Bank, have a reputation of successful accomplishments in the area of sustainable development and have a high degree of legitimacy and in some cases prestige associated with their names. For a corporation that is faced with or threatened by a legitimacy gap, a partnership with one such highly renowned organisation will likely have a positive impact on changing the societal perception of the corporation. Partnerships initiatives are seen as significant contributors to a corporation’s overall CSR strategy, and social or environmental contribution activities to society will furthermore strengthen society’s perception of the corporation. The case of TOTAL S.A. in Myanmar will be analysed with an outset in this.

TOTAL S.A. in Myanmar: People Before Profits?

The TOTAL S.A. Group is the world’s fourth-largest international oil and gas company with over 110,000 employees worldwide (TOTAL, 2004). Its operations cover the entire oil and gas chain, from exploration and production and the gas downstream to trading, shipping, refining and marketing. TOTAL S.A. was created through two successive mergers, the first when the former TOTAL S.A. joined with Belgian oil company Petrofina to form Total S.A.fina, and the second in 1999 when TotalFina combined with French oil company Elf Aquitaine to create TotalFinaElf. The name has recently changed in 2002 to TOTAL S.A.

TOTAL S.A. started exploratory investigations and a feasibility study into the potential opportunity to set up operations in Myanmar in July 1992. The plan involved building an oil pipeline that started offshore in the Andaman Sea, crossed Myanmar into Thailand where 85% was to be sold to the Petroleum Authority of Thailand (PTT). Much research was required in order to determine the most appropriate route for the pipeline taking into consideration the indigenous communities that lived in the area and the section of virgin
rainforest that remained in this part of the country. After identifying three potential routes, the route that had the lowest environmental and community impacts was selected; this route would cross a 63 km stretch in Myanmar before crossing into Thailand. (TOTAL, 1997; TOTAL, 2003)

By February 1995 all the Yadana pipeline contracts had been negotiated and signed and the following conglomerate had been formed to share the cost of building and operating the pipeline: TOTAL S.A. owns 32%, UNOCAL, a California based multinational, owns 28%, the Thai state-owned PTT (Petroleum Authority of Thailand) owns 25%, and MOGE, the state owned Myanmar Oil and Gas Enterprise owns 15%. Construction began shortly after February 1995 with the first delivery to Thailand in July, 1998. During these three years when the pipeline was being build, TOTAL S.A. was aware of the sensitivity required and the potential criticism of setting up operations in a country that has been ruled by a military regime since they came to power in 1988. Like every TOTAL S.A. subsidiary, TOTAL S.A. Myanmar applied its Code of Conduct that requires respect for the natural environment, respect of the cultural values of Myanmar and local communities, meeting high ethical standards in working practices, contribution to the socio-economic development of local communities and the promotion of human rights.

To support this Code, a socio-economic programme (SEP) was initiated in 1995 and today includes 23 villages and some 43,000 people living in communities close to the pipeline (TOTAL, 2002). The objective of the SEP was to improve the standard of living for the population along the pipeline corridor and to build a higher level of trust and confidence in the communities (ibid.). TOTAL S.A. attempted to achieve its goal by improving healthcare services, improving access to education, developing local infrastructure and increasing the income levels through economic development activities. Village committees were established for the villagers to identify their needs and relay community issues to TOTAL S.A. in order to include villagers in the decision-making and ensure long-term sustainability of the development activities.

The start-up budget spent for the SEP from 1995 – 1998 was 5 million US$ and included amongst other setting-up and maintaining a healthcare and malaria control program; establishing pig farms, poultry and agricultural projects; renovating and building schools; and establishing the Yadana bank loan program. Since then 1 million US$ has been allocated annually for maintaining and expanding the activities. To date, all of these activities have been carried out exclusively by TOTAL S.A. and its business partners and no partnerships were forged with NGOs or international organisations. In 2003, the SEP total budget since 1995 reached almost US$ 10 million. (UNESCO, 2003)

Allegations against TOTAL S.A.

TOTAL S.A.’s presence in Myanmar has sparked heated debate and controversy in the international community. TOTAL S.A. has attracted widespread criticism from human rights activists, media, consumers, employees, local communities and regional and local governments regarding TOTAL’s presence in Myanmar and its role in supporting forced labour in the country. Myanmar is ruled by a military junta that is notorious for human rights abuses, repression, and disregard for the rights of ethnic minorities throughout the country (ERI, 2004). The international community as a whole has distanced itself from Myanmar through economic embargoes and the downturn of foreign direct investment. Since international criticism began in the mid-1990s, other oil companies, such as Premier Oil of the U.K. have abandoned operations in Myanmar.
Through its presence in Myanmar, TOTAL S.A. has been accused of supporting the military government by ensuring long-term income for the dictatorship and by condoning human rights abuses. Even more questionable was the decision by TOTAL S.A. to hire the military for security during and after the building of the pipeline and as a consequence the military battalions remain present in the pipeline corridor today. Conscription of unpaid labourers is a longstanding practice in Myanmar since 1907 when forced labour was legalized by the British colonial authorities (TOTAL, 2002). It was only banned by decrees in May 1999 and October 2000 and there is some evidence that forced labour was used by the military in the security operations for the pipeline (HRW, 2004). However, the International Labour Organization has not found any evidence of such (Kouchner, 2003; ILO, 2004). Critics claim that the collateral damage of indigenous people being forcefully displaced, killed, raped, tortured and enslaved by the military security forces is ongoing (ERI, 2004).

The Yadana pipeline is currently the largest foreign investment project in Myanmar. Over the life of the project, it is estimated to have provided over 2 billion dollars in hard currency to the military regime. Aung San Suu Kyi, the leader of the pro-democratic opposition party in Myanmar, has asked companies not to invest in Myanmar and she has specifically criticized the pipeline project as doing a great disservice to the cause of democracy (ERI, 2002).

In 1996, two lawsuits were filed in U.S. Federal and District Court by protesting Burmese groups against TOTAL S.A., Unocal the MOGE and others for their alleged acts of worker abuses and forced labour in connection with the Yadana pipeline. In 1998, the judge dismissed claims against TOTAL S.A., because the court had no jurisdiction over the foreign-owned company. In 2000, the court ruled that there was no evidence that Unocal participated in the military’s unlawful conduct, nor was there evidence to confirm that they employed forced labour (Asian Times, 2004; Unocal, 2004). This ruling was appealed. In 2002 in Belgium, a lawsuit against some of TOTAL’s senior executives was filed accusing them of “complicity in crimes against humanity”. A second lawsuit was filed in France claiming “complicity in unlawful confinement” however no final verdicts have been attained in either the U.S. or Europe.

**TOTAL S.A.’s position on accusations**

TOTAL S.A. affirms that neither they nor their contractors employed workers on the pipeline project against their will, and that all workers volunteered and were paid for their services. In fact, TOTAL S.A. attests that they were vigilant about preventing the use of forced labour by the military and that, in the beginning, when they were notified about some cases of forced labour, they immediately put a stop to the practices and compensated the victims. (UNESCO, 2003; TOTAL, 2003)

Contrary to criticism, TOTAL S.A. believes very strongly that their presence in Myanmar can drive progress and put pressure on the military to improve the standard of living in the country. Particularly, the company feels it is directly contributing to improving the quality of life for the communities along the pipeline corridor through their SEPs. TOTAL S.A. affirms that their withdrawal from Myanmar would be irresponsible and that it would have negative consequences for the country and for human rights. (TOTAL, 2002; 2003)

**TOTAL S.A. in pursuit of partnerships**

TOTAL S.A. now wants to expand their activities to other communities in Myanmar and is pursuing partnerships with various UN agencies on sustainable development projects.
throughout the country. In particular, TOTAL S.A. has approached UNESCO in hopes of forging a partnership with the organisation on the Community Learning Centers programme in Myanmar (UNESCO, 2003). UNESCO is a specialized agency of the United Nations family with its main objective of contributing to peace and human development in an era of globalization through education, the sciences, culture and communication. By promoting collaboration among nations, UNESCO furthers respect for human rights, the rule of law, justice and fundamental freedom through the construction of a knowledge society. Education is the overarching theme that links all of the themes of education, sciences and culture together by encouraging the advancement, transfer and sharing of knowledge. In this area, UNESCO has long-standing technical expertise in establishing Community Learning Centres (CLCs) throughout Myanmar and the entire Asia Pacific region. Many of the underlying principles of UNESCO’s CLC programme mirror the basis of TOTAL’s existing Socio-Economic Programme, whereby the goal is to empower members of the community to improve their standard of living by providing the tools to improve access to education and to facilitate the expansion of income generating activities. TOTAL S.A. hoped to engage in cooperative activity with UNESCO to share experiences and contribute to the expansion of the CLC programme in other areas throughout Myanmar.

UNESCO was faced with a controversial decision whether to pursue a partnership with TOTAL S.A. The Director General of UNESCO, headquartered in Paris, had recently announced that UNESCO had awarded Aung San Suu Kyi the UNESCO Prize of Tolerance for her courage and commitment to democracy in Myanmar. She had been unable to formally receive her award since she had been held, and still remains, under house arrest by the military government. Being accountable to a broad set of stakeholders including the United Nations family of organisations, the UN member states, bilateral donors, regional and local governments and civil society, UNESCO did not pursue the potential partnership with TOTAL S.A. in Myanmar due to the conflict of interest it presented.

**TOTAL S.A.’s stakeholders**

With an outset in Freeman’s classical Stake/Power grid, an overview of TOTAL’s stakeholders has been presented in figure 1. However, as discussed previously, this only provides limited insights into the dynamics of the different stakeholder relationships. The various stakeholders and their respective interests and power will therefore be discussed in order to assess the key drivers that motivated TOTAL S.A. to pursue a partnership with UNESCO in Myanmar.
Governments

The French Government is fully supportive of TOTAL S.A.’s operations in Myanmar regardless of its opposition to the military regime. In fact, TOTAL S.A.’s risk for operating in Myanmar was covered in 1994 by the French Company for the Insurance of Overseas Business (COFACE). The French Ministry of Foreign Affairs has stated that France’s position on this is not contradictory and affirms that the company’s presence in Myanmar and the construction and operation of the pipeline contributes to development in the region. The French government is supportive of economic development activities of TOTAL S.A. and encourages the corporation to pursue oil interests in the region. The stakes of the French Government can fall into both market and influencer interest categories. They possess a significant level of both political and economic power.

The Burmese military government, the State Peace and Development Council (SPDC), sells off the country's natural resources in order to stay afloat and has complete control of the country’s economy. The Myanmar Oil and Gas Enterprise (MOGE) that owns 15% of the Yadana pipeline is a 100% state-owned enterprise. As a partner to the Yadana pipeline project, the Government of Myanmar has equity and influencer interests in keeping TOTAL S.A. operating in Myanmar. Without TOTAL S.A.’s continued investment, the pipeline operations would likely collapse, unless Unocal or another company were to buy-out TOTAL S.A., which is an unlikely scenario given the worldwide embargoes on Myanmar. The government would lose a significant inflow of capital that would in turn weaken their political position. The government does possess a limited amount of voting or formal power as a result of the MOGE’s 15% ownership in the pipeline operations however this power holds little clout in contrast to the power of TOTAL S.A. and Unocal. Overall, the Government of Myanmar has much higher stakes in the corporate pipeline operations than they do power.
The National League for Democracy Party led by Aung San Suu Kyi has publicly criticized the pipeline project and has stated that it is “doing a great disservice to the cause of democracy” and has urged companies to leave the country and for no new companies to invest as it is further fueling the current regime. The opposition party’s interest is primarily as influencer with a political objective to free Myanmar from this oppressive regime. The party’s stake could also be considered market since by virtue of its political agenda, it seeks to bring down the current regime in order to open up the country and have a free market system. The power of the party can therefore be identified as both political and economic, with economic power being a product of its future political achievements.

The national courts and judicial system play a special role as part of the process by which other stakeholder groups interact with TOTAL S.A. Although the courts do not typically initiate action against companies, they can serve as a vehicle to resolve conflict or as guarantor of due process. Allegations against corporations tend to attract attention from the public and can have economic repercussions for the company as a result of tarnished image. The stake of the judicial system is therefore to act as influencer to ensure that corporations are accountable for their misdeeds, and their power to exert influence is both political and economic.

Owners
TOTAL S.A.’s Chief Executive was accused by participants at the company’s annual shareholders meeting in May 2003 of indirectly supporting the military regime in Myanmar through its oil investments in the country. Asked how he responded to a call by Myanmar opposition leader Aung San Suu Kyi for TOTAL S.A. to leave Myanmar, the CEO said the oil company did not want to interfere in the country’s internal politics and had no intention of pulling out of a region where it had made significant investments. With a stock price of $78 US, that has grown steadily since November 2002, when its value was $66 US, shareholders are typically pleased with the company’s progress. However, there appears to be a segment within the shareholder community that would like to see TOTAL S.A. become more accountable for their behaviour. Shareholders appear to be concerned with the interests of other stakeholder groups as long as addressing their needs contributes to maintaining share value and growth. Shareholders have a vested interest in the equity that they hold in TOTAL S.A. and they possess formal or voting power, the highest degree of power over corporations to pursue economic development.

The business partners; Unocal, PTT and MOGE; are all part owners of the pipeline in Myanmar; therefore, they have an equity stake in the continued operations and partnership of the Yadana project. Any changes to TOTAL S.A.’s involvement in the partnership will have an impact on the ownership of the other three parties. From a power dimension, all three hold a position of formal or voting power regarding the pipeline. Therefore, TOTAL S.A. must consider the interests of its business partners in their decision-making and consider its legal contractual obligations to the partners.

Activist Groups
National and international NGOs have been monitoring TOTAL S.A.’s activities in Myanmar for over a decade and remain extremely critical of its presence in the country. Greenpeace and EarthRights International (ERI) have exerted pressure on TOTAL S.A. to comply with international standards on forced labour in Myanmar and actively organize campaigns to raise public awareness on the human rights atrocities and the lack of transparency pervasive in Myanmar. ERI has developed signature campaigns and has initiated lawsuits against oil and gas companies in Myanmar and has twice made submissions to the International Labour Organization (ILO) about the persistence of forced labour in Myanmar. ERI and other NGOs have been calling for Unocal and TOTAL’s withdrawal from the project. Human Rights
Activist Groups have represented plaintiffs from the pipeline region in a number of lawsuits in the U.S. and Europe against Unocal and TOTAL.

The stake of Human Rights Activist Groups is clearly to influence TOTAL to pull out of Myanmar or at least to influence the perception of TOTAL S.A.’s stakeholders and to tarnish the reputation and legitimacy of the company. The power of activist groups is predominantly political in nature and they are successful in expending resources on activities that put political pressure on TOTAL S.A. to react to stakeholder issues.

Local Communities
The impact of TOTAL S.A.’s presence in Myanmar is polarized with a recognized positive impact for communities living along the pipeline corridor to a harshly negative impact for minority groups outside the corridor where the problems with the military have been compounded due to TOTAL S.A.’s presence. In 2002, TOTAL S.A. hired a Massachusetts based humanitarian authority, Collaborative for Development Action, Inc, to visit the communities where SEP programmes are established to get feedback from villagers. The villagers stated that their lives had dramatically improved in the areas of healthcare, education and income generating activities. Unfortunately, the situation is much different outside the pipeline corridor where the report indicates that the army regularly uses forced labour. Other feedback from NGO’s such as the International Federation for Man’s Rights state that the controversial pipeline has contributed to the aggravation of the situation in the areas it crosses and that many of the ethnic minority groups in the area are suffering the consequences of battalions of military being mobilized into the region to counter the minority group forces. Regardless of the impact, it is clear that the local communities in Myanmar have a stake in TOTAL S.A.’s operations and can be categorized as influencers since their quality of life and safety is affected by the corporation’s activities. The power of the local communities can be categorized as either political or economic depending on how they are affected by TOTAL S.A. If local communities are against TOTAL S.A.’s presence and feel that the company is compounding the human rights atrocities in Myanmar, their only power is limited to the political power. This power can only be effective by communicating with activist groups or the media in hopes of having their messages heard by the international community who can exert pressure on TOTAL S.A. If, on the other hand, the local communities feel that TOTAL’s presence is positive, the power of local communities can be categorized as economic since it is a slow increase in economic power that they may gain through the corporation’s Socio-Economic Programs that will help communities improve standard of living through income generating activities, education etc.

Customers
Recent grass-roots effort on the part of activists groups have reached consumers through websites and e-mail campaigns urging consumers to boycott gasoline vendors who import large amounts from countries with oppressive regimes. Despite the efforts of some consumers to boycott, the reality remains that most consumers have no interest in making sacrifices in price in order to boycott unethical behaviour. Further, because of the complexity of the oil trade and the fact that companies typically share the rights to oil fields, jointly operate refineries and pipelines often mix gasoline with each other and make it virtually impossible to boycott a company. Despite the challenges of consumer boycotts, TOTAL S.A.’s customers have the ability to influence the reputation of the company, which in the long term can have a significant impact on the corporate image. Customers have a market stake in TOTAL S.A.’s operations in Myanmar and most consumers in industrialized countries depend on the availability and are affected by the volatility in oil and gasoline prices.
Media

Foreign journalists have been banned from entering Myanmar for most of the 1990s through until today and access to foreign media from within Myanmar is extremely restricted. Foreign journalists can apply for journalist visas but are commonly denied entry to the country. From within the country, all newspapers and media are linked to government military intelligence and the Ministry of Information censors public media messages. Therefore, getting access to factual information about events taking place in Myanmar is a challenge and a tremendous lack of transparency exists. This lack of transparency makes it difficult for TOTAL S.A. to convey information to its stakeholders and the media has the ability to heavily influence the perception of the international community.

Through communicating information and messages to society, the media has significant influence over public opinion and consumer pressure. Therefore the media’s primary stake in TOTAL S.A.’s operations is as influencer. The media possesses an enormous degree of both political and economic power by influencing the perception of stakeholders and the corporation’s reputation. Multiple stakeholder groups that have been recipients of the media’s communicated messages via print, radio and televised broadcasts apply pressure on the company. Furthermore, the media is highly skilled at picking up on the political pressure of activist and lobby groups and legislative proceedings and delivering the information to an international audience.

The stakeholders that have been identified are a combination of local, regional and global stakeholders in TOTAL S.A.’s operations in Myanmar. All of the stakeholders identified have legitimate needs that are in the sphere of influence of TOTAL S.A. Although all of the stakeholders presented have varying degrees of stake in the operations in Myanmar, there are clearly some stakeholders who possess greater power than others. The stakeholder groups with the greatest power to exert influence on TOTAL S.A. are the shareholders, the global media and global activists groups. It is largely through political pressure that TOTAL S.A. has seen the largest impact on their global image and legitimacy.
Discussion

The very nature of the oil and gas industry, like most other natural resource industries, is such that it is under constant scrutiny by its stakeholders for the legitimate nature of its operations. The international community is extremely sceptical of the business practices of corporations who are in the business of extracting finite natural resources from the earth through processes that have historically posed environmental threat and have disrupted the lives of people living in these regions. Society has become increasingly sensitive to the operations of companies like TOTAL S.A., and society is making it increasingly challenging for corporations to maintain a social contract with its stakeholders. The international community has developed higher expectations for corporate behaviour based on higher levels of awareness as a result of widespread media attention given to past corporate violations of social contracts. Therefore, the legitimacy of TOTAL S.A. global operations has been directly impacted by environmental and human rights violations by other companies in the oil and gas industry, e.g. Shell’s attempted dumping of the Brent Spar oil platform in mid-1995, and its use of lower environmental standards in Nigeria (Murphy and Bendell, 1999). Through association with the industry, TOTAL has suffered from criticism and legitimacy issues at the global level.
The issues of legitimacy will focus on TOTAL S.A.’s subunit operations in Myanmar. When TOTAL S.A. first initiated research and exploration in Myanmar in 1992, the international community was sceptical of the company’s interest in the region due to the unstable political situation and the repercussions of foreign direct investment into a country ruled by an oppressive regime. When the news was made public to corporate shareholders and messages were sent to the international community via the global media regarding TOTAL S.A.’s plans for developing the pipeline in Myanmar, the legitimacy crisis began. The expectations of stakeholders for corporate behaviour were very different from societal perceptions of the corporate behaviour being put into action. This initial development of a legitimacy gap in Myanmar was based on the perception of a large group of stakeholders that TOTAL S.A. operations were supporting the military regime by funnelling financial capital into the wallets of military generals who were regularly violating the human rights of the citizens of Myanmar. The legitimacy gap continued to widen as the news spread of forced labour allegedly being used by the military to guard the pipeline. By hiring the military as security along the pipeline corridor, and the military perhaps forcing villagers to perform the security duties with no pay and physical abuse, TOTAL S.A. came under fire from human rights activists, political groups and foreign governments. Another issue that fuelled the legitimacy crisis was the criticism from environmental organizations regarding the environmental impact on the ecosystems and the destruction of the virgin rainforests along the pipeline corridor. This intensified the plight that TOTAL S.A. faced with re-establishing legitimacy for its operations in Myanmar and its efforts to change the societal perception of the corporation’s activities began. There was an urgency to address the accusations that the company was solely concerned with economic profitability at the expense of the safety and human rights of the people living in communities along the pipeline. TOTAL S.A. affirms that their Socio-Economic Programs were underway in communities along the pipeline since construction began in 1995 and TOTAL S.A. was determined to communicate their existing and expanding activities to its stakeholders in hopes of regaining some legitimacy. TOTAL first attempted to combat a widening legitimacy gap by informing its stakeholders about the intentions and actions of the company to enhance its social performance, i.e. applying legitimacy strategy number 1 (Metzler, 2001). Although TOTAL S.A. denies its involvement in forced labour practices and other human rights abuses along the pipeline, TOTAL S.A. has attempted to take corrective action. It has improved the social and economic situation for the communities living in the region and has taken measures to prevent future reoccurrences of human rights abuses through community dialogue and exerting pressure on the military.

TOTAL S.A.’s efforts to regain legitimacy in Myanmar through its SEPs have been overshadowed by the continued efforts of global activist groups, foreign governments and the media to bring economic sanctions and consumer boycotts against Myanmar. Another potential reason why TOTAL S.A.’s attempts to regain legitimacy provided limited success, could be due to the fact that they were not implementing their SEPs in cooperation with international NGOs, governments or international organizations. Due to the lack of transparency in Myanmar, TOTAL S.A. would have limited ability to voice their efforts to the international community. It may be largely for this reason that TOTAL S.A. approached UNESCO Bangkok to forge a partnership to work together on SEP type programs in Myanmar. In terms of legitimacy strategies, some critics may consider this effort to gain legitimacy by partnering with a reputable organization as a way to distract attention from the legitimacy threatening issue by emphasizing the positive contribution that the partnership could make to Myanmar society in an attempt to portray a positive corporate image, i.e. legitimacy strategy number 3.
Impact of Partnership on Stakeholder Needs and Legitimacy

From the stakeholder analysis, it is clear that TOTAL S.A. has a wide range of somewhat powerful stakeholders with very different, often opposing needs, e.g. NGOs and business partners. Despite some resistance from shareholders for the corporation to be accountable for their social and environmental impact in Myanmar, the majority of shareholders are seeking financial return on investment and they support the company’s pursuit of economic development even in potentially controversial countries. From the stakeholder analysis it is also evident that the company and its shareholders are also supported by the French Minister of Foreign Affairs in their pursuit of economic interests in Myanmar. To this end, TOTAL S.A. must continue to grow their business and expand exploration in untapped oil rich regions of the world.

On the other hand, TOTAL S.A. is aware of the needs of its other stakeholders and has prioritized these needs by continuing to expand their SEP activities in Myanmar. At present, the SEP activities are only available to the communities along the pipeline; however, TOTAL S.A. sees a need to make these programs available to local communities in other parts of the country. By focusing resources on SEP activities, TOTAL S.A. is reacting to the criticism of stakeholders by engaging in activities that portray their efforts in a positive light.

Conclusion

By partnering with UNESCO, TOTAL can continue to reap the financial benefits of its pipeline operations while contributing to the expansion and increased accessibility of SEP activities aimed at improving the quality of life for many people in Myanmar. UNESCO is an international organization with long-standing expertise in developing successful frameworks for P3s in the Asia Pacific region. Their focus on improving access to education to all people and on the preservation of cultural heritage and environmental habitat make it an ideal partner for SEP’s in Myanmar. Furthermore, UNESCO has extensive experience on community empowerment projects in Myanmar where the communities are given the tools and training to better their lives. Finally, UNESCO is very concerned with the long-term sustainability of their programs and would have the techniques and knowledge resources to pass on to TOTAL S.A. on ways to ensure that the activities are sustainable.

From the perspective of activists groups, foreign governments opposed to TOTAL S.A. operations, the pro-democracy opposition party, national legal systems and the media, UNESCO would monitor the progress and measure the success of partnership projects from an independent and neutral position to help ensure the transparency and accuracy of information coming from the SEP projects.

TOTAL S.A. would have the opportunity to gain more recognition for their social performance by having a witness to their activities as opposed to the limited recognition gained through their exclusive involvement in SEP activities in the region. As an agency in the United Nations system, UNESCO is considered a preferred medium through which governments, along with the private sector can come together to address the sustainable development issues of Myanmar. This medium both encourages and facilitates dialogue amongst all parties while being transparent to interests of all stakeholders.

Therefore, a partnership with UNESCO would address the needs of stakeholders by allowing TOTAL S.A. to continue with the pipeline operations while drawing attention to their expanding socio-economic programs. This partnership would enable the company to achieve its economic interests and, at the same time, take steps for the betterment of society. By partnering with a reputable, international organization, TOTAL S.A. would be seen as taking
initiative to improve their image, in hopes of being perceived by its stakeholders as a more legitimate corporation.

The potential partnership with UNESCO would be a sound first step at addressing the needs of those stakeholder groups with political and economic power, and whose negative perceptions have been largely responsible for TOTAL S.A.’s current legitimacy issues. Yet, this partnership would only provide for improved legitimacy over the long run if the partnership proved successful in expanding the community development programmes throughout Myanmar in a sustainable manner. The partnership could potentially help TOTAL S.A. regain corporate legitimacy by getting a number of critical stakeholder groups to change their perception of corporate behaviour. Therefore, the needs of stakeholders and the constant desire for legitimacy are two dominating drivers for TOTAL S.A. to pursue cooperation with UNESCO.

“It is widely assumed that bringing together different public and private competences benefits everyone, while few seem to question how real the benefits are, or whether they are commensurate or comparable” (Zammit, 2003: 224)

By partnering with UNESCO, TOTAL would be able to add a very powerful and legitimate stakeholder to their stakeholder network. It is our estimate that the “frictions” that TOTAL experience due to a number of commanding however opposing stakeholders, would be somewhat lessened by the “buffer-effect” UNESCO would add. But, with TOTAL S.A. already engaged on their own in community development programs, the so-called SEPs, what would the added benefits of such a partnership be?

While there’s probably no doubt that TOTAL S.A. genuinely wants to improve the quality of life for the communities along the pipeline, and perhaps elsewhere in Myanmar, this engagement will only be to the extent that profits are not compromised. Because, what is striking from our observations is that those stakeholders that are perceived to have the most power come from the group of not only secondary stakeholders but also those that exert political rather than market influence. This suggests that neither has the voluntaristic aspects of corporate behaviour through mainly market driven incentives come through, nor has TOTAL S.A. integrated a truly long-term strategic planning horizon in terms of their activities in South East Asia. Seemingly, by pursuing and engaging in a partnership with UNESCO, TOTAL S.A. would be able to address the immediate needs of restoring legitimacy, and all-in-all be able to continue business-as-usual.

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