Chapter 15

In Search of the Good Dam: A Role for Corporate Social Responsibility in Mekong Hydropower Development

Terry Clayton
Red Plough International Co. Ltd., Thailand

Nicole West
David Suzuki Foundation, Canada

ABSTRACT

There are few places in the world where hydropower development is progressing as intensely as the Mekong River Basin in Southeast Asia. In searching for ways of supporting public dialog on development, the Challenge Program on Water and Food found that the hydropower sector speaks of social responsibility only in terms of “benefit sharing,” while the development sector and Non-Governmental Organizations (NGOs) largely ignore or are unaware of Corporate Social Responsibility (CSR). The chapter begins with an overview of hydropower development in the Mekong, considers some possible reasons for the absence of CSR in the ongoing debate over hydropower development, and concludes with recommendations for designing a project to build on the findings from this research.

INTRODUCTION

This chapter is a story of discovery, not of something, but of its absence. As part of the communications initiative for the Challenge Program on Water and Food in the Mekong River Basin, we turned to CSR in our search for ways and means of opening up the space for public dialog on hydropower development. We did not set out to examine, assess or critique existing practices or standards of CSR, because, at the outset, we didn’t know there were any. We did soon discover that CSR is contested territory with multiple definitions. The World Business Council on Sustainable Development (Watts & Holme, 2000), the European Commission (European Commission, 2011), the Australian Center for Corporate Social Responsibility, most multinational corporations, and many other organizations all have definitions, each designed to reflect the needs and interests of a set of stakeholders in a given context. As rank beginners in the world of CSR, we had no way of...
In Search of the Good Dam

judging which of the many definitions would best suit our context, or if indeed CSR had anything to offer at all.

What we also discovered in our journey was a surprising absence of any discussion of CSR in the context of Mekong hydropower development or the hydropower industry in general. Our exploration raised, for us, a number of questions we feel might be worthy of interest from more knowledgeable practitioners. Why, for example, do dam operators avoid using the term? Is their discourse of ‘benefit sharing’ simply CSR in other words, or a means of distancing themselves from the global discussion on CSR? Does CSR, however defined, have anything to offer by way of solutions to sustainable hydropower development? What role might CSR play in this ongoing development?

We found no definitive answers to these questions in the short time left to us in the project lifespan, but it is our fervent hope that more knowledgeable and experienced CSR practitioners will take up the challenge.

Our Context

The Challenge Program on Water and Food (CPWF) operating under the Consultative Group for International Agricultural Research (CGIAR), was a ten-year project operating in ten river basins worldwide in phase one (2003-2009). The second phase (2009-2014) began with a downsizing to six river basins (Andes, Ganges, Limpopo, Mekong, Nile and Volta) and a paradigm shift from topic-driven research projects to research focused on a ‘basin development challenge’ unique to each basin. In the Mekong River Basin, that challenge was and remains hydropower development.

The CPWF Mekong set out to reduce poverty and foster sustainable hydropower development by encouraging multiple uses of water in dam reservoirs, while at the same time encouraging a more open and inclusive dialog among a wider range of stakeholders. The aim was to improve livelihoods and the ecological and social benefits that can be derived from reservoirs and their catchments—without impairing the economic gains to be had from producing electricity. For example, in addition to producing electricity, the water in a reservoir can also be used for aquaculture, tourism, livestock watering, small businesses and irrigation.

Early in the second phase of the program, the Mekong Basin Coordinator commissioned a series of literature reviews to be presented as ‘state of knowledge’ briefs to policy makers and other stakeholders. Initially, over a dozen topics were commissioned, but only four were finally published: fisheries, sediments, China’s influence on hydropower in the Mekong, and CSR (Pukinskis & Geheb, 2012; Pukinskis, 2013; Matthews & Motta, 2014; West, 2013).

The choice of CSR as a topic was an afterthought. No one in the program had any first-hand knowledge or experience of CSR and no one could define it in any but the vaguest of terms. We did know from working with our partners and stakeholders, that NGOs in the region tend to have a jaundiced view of CSR and dismiss it as ‘green washing’ or ‘public relations spin’ and that development projects operate within a world of their own and seldom engage with the private sector. With the exception of Thailand, systems of governance in the Mekong region score well below the 50th percentile on the World Bank’s governance indicators for voice and accountability, regulatory quality, and rule of law (World Bank Group, 2013); hence, government ministries and state owned enterprises (SOEs) are essentially immune to ‘reputational risk’ and civil society is, by and large, unaware that there are such things as reputational risk or CSR.

Our Chapter

We begin with a brief overview of hydropower development in the Mekong Basin to set the scene, followed by one ‘good example’ of a hydropower developer trying to do right by local people and