

# LaRouche addresses strategic crisis at *EIR* development conference in Bangkok

by Susan Maitra and Sophie Tanapura in Bangkok

Over 200 persons gathered at the Bangkok Dusit Thani Hotel Oct. 27 to hear *EIR* founder Lyndon LaRouche and others speak at a seminar on "Long-Term Economic Development of the Pacific and Indian Ocean Basins." The seminar was organized jointly by the Fusion Energy Foundation (FEF) and *EIR*, with the collaboration of the Ministry of Communications of Thailand.

The FEF-*EIR* program for Pacific Basin development was unveiled at a Sept. 15 public seminar in Washington, D.C. At the Bangkok conference, LaRouche, a candidate for the Democratic presidential nomination, and Uwe Parpart-Henke, director of research for the FEF, brought that program to Asia for discussion with the elite of Thailand. They were joined in addressing the conference by Samak Sundaravej, the minister of Communications of Thailand, and Dr. Savasti Srisuk, former secretary general of the Thai Office of Atomic Energy for Peace, and others.

In his remarks, LaRouche called for a shift in U.S. strategic policy, for a return to the "American Century" policy of President Franklin D. Roosevelt, a policy based on ending colonial rule forever through the mutual development of the advanced and underdeveloped nations. The pathway out of the very dangerous strategic crisis, he said, is for the implementation of his Operation Juárez policy for debt renegotiation and the creation of a new monetary system, in combination with the crash development of defensive beam weapons by the United States (see excerpts).

Among the 200 participants at the one-day seminar were many leading figures of Thai political life, including Gen. Harn Leelanond, former Fourth Army Region commander and now chief of staff of the Office of the Supreme Commander; Rear Adm. Sanong Nisalak, Democratic Party member of Parliament; Dr. Yupa Udomsak and Pongpol Adireksarn, both top Thai parliamentarians, and finally, Khunying Kanok Samsen Vil, Thai Citizen Party member of parliament. The largest delegations came from various min-

istries concerned with the project of constructing a canal through the Isthmus of Kra in Thailand, representatives mainly from the Communications Ministry, the Industry Ministry, Ministry of Foreign Affairs, and the Defense Ministry. The Army, Navy, and Air Force sent high-level representatives. Diplomats from approximately one dozen Indian Ocean-Pacific Rim and Western European countries were present, including Singapore, Malaysia, Indonesia, New Zealand, South Korea, France, Burma, Belgium, West Germany, and India.

The centerpiece of the FEF-*EIR* program is the construction of the Kra Canal to relieve the congestion of international trade through the Straits of Malacca and make possible a multifold increase in such trade.

## Not just feasible, but necessary

Opening the seminar in the morning, Communications Minister Samak Sundaravej said the question to be asked about the Kra Canal project is a very simple one: "Is it possible? If it is, then go ahead. Can it be a canal to link the two oceans? For me, if the possibility exists, then the next question to ask is: What type of canal can it be? I will appreciate it if it can be done right now while I am minister of Communications. Just a beginning is enough. The length of time for construction of the canal is a matter of technique. But for me, today will be the answer."

Later, Dr. Uwe Parpart-Henke, director of research of the FEF, pointed to the results of the recent FEF-*EIR* study of the Kra Canal. "Between 1960 and 1980, imports and exports of the Pacific and Indian Ocean nations grew at almost twice the rate of world trade and increased sixfold—in some crucial categories, more than tenfold. By 1982, this had brought the shipping volume through the Malacca Straits up to 40,000 ships a year. Using the most conservative economic growth scenario, this volume will go up to at least 110,000 ships by the year 2000 and again increase tenfold to

over 1 million ships by 2020. There is general agreement among experts that even the first of these shipping volumes cannot be handled safely or rapidly by the Malacca Straits. . . . The Kra Canal is not just a feasible, but a necessary project."

Parpart-Henke continued: "There is another principal factor that defines the overall importance and viability of the project. That is the industrial development potential based on construction of deep-sea ports at one or both of the canal outlets."

Much of the present discussion in Thailand has been dominated by disagreement over its security implications. Parpart-Henke said, "Two major security concerns are usually cited: first, it is said that a canal would physically cut off the politically most sensitive southern part of Thailand from the rest of the country, thereby increasing the danger of secession. I believe that the opposite consequences would in fact ensue. Major industrial development of the southern region would lead to maximum population integration and would simultaneously act as a political stabilizer through creating major new economic opportunities for the population."

"The second security issue that has been put forward," he continued, "is that any canal of the size and importance of the Kra Canal would become a strategic focal point not only involving Thailand but any major world power with strategic interests in the region, i.e., the United States, the Soviet Union, and China. The overall security of any nation of Thailand's size does not lie primarily with its own military capability, but with broader security arrangements and, most importantly, with its ability to contribute positively to the security of the general region involved. Such broader questions of security and stability cannot be defined in narrow military terms, but ultimately involve questions of adequate economic progress and of the material and cultural progress of the peoples concerned. From this standpoint, Thailand's contributions to its own security by facilitating trade, developing the nation, and setting an example for the surrounding area can, in my opinion, be served no better than through the Kra Canal project."

The afternoon panel discussion, which included the participation of Dr. Chitti Wacharasindhu, deputy permanent secretary of the Communications Ministry, and Dr. Savasti Srisuk, former secretary-general of the Office of Atomic Energy for Peace, presented valuable data on the use of peaceful nuclear explosives (PNE) to excavate the preferred Route 5A for the Kra Canal. Dr. Savasti reported that this route offers the least obstacles as well as avoids dense population centers. It begins around 30 kilometers north of Satunout and reaches the Gulf of Thailand around 15 kilometers north of Songkhla. The canal will be about 102 kilometers long. The eventual use of PNE in excavation will only concern about 45 kilometers of the canal. "PNE is necessary here because we are talking about moving mountains and construction time and costs would be reduced. . . . Our canal would be quite big, even bigger than the Great China Wall.

It would become one of the wonders of the world," said Dr. Savasti.

Ramtanu Maitra, of the FEF in India, followed Dr. Savasti with a discussion of water management projects for the region. "Water," he said, "must be considered as a resource. It not only helps in the irrigation of agriculture, but it also represents transportation and power generation." He then discussed the three other inland water-management projects included in the FEF-EIR Pacific Rim development program: the Mekong River delta project, the Grand Canal project in China, and the Indian Ganges-Brahmaputra water-management project.

During the question and answer period that concluded the seminar, others, including General Harn, commented that the Kra project is just what is needed to unify the population of Thailand. Dr. Yupa Udomsak, Party deputy of the Chat Thai Party, called on the Thai politicians and citizens present to bury their differences and join together to realize the project. Dr. Udomsak also wished Mr. LaRouche success in his bid for the Democratic presidential nomination.

## 'Reverse strategic crisis to allow Pacific development'

*Lyndon H. LaRouche, Jr. spoke on the world strategic crisis in Bangkok, Thailand, Oct. 27.*

We are now in an international economic depression; we have been in it for some time. There are reports of economic upswing in the United States. They are totally inaccurate. If we are lucky, in 1983 the United States economy in terms of transportation and production of goods will contract by an additional 4 percent over 1982. In addition to the economic depression which is depressing world trade levels . . . we are on the verge of the worst international financial crash in more than six centuries in terms of European experience.

Some people think that the debt crisis is something that broke out in Ibero-America. That's not quite true. . . . The problem that was represented by the Ibero-American debt crisis beginning with the Mexican debt crisis of October 1982 was simply that this aspect of exposure of financial illiquidity threatened to detonate, as the primer charge of an explosion detonates the much larger explosive charge, threatening to set off an internal collapse in Europe and the United States. . . .

The reality is that the danger does not lie in the debt crisis of Ibero-America or the developing nations. The debt crisis lies inside the banking system of Western Europe and the United States. France in terms of its financial situation is about to enter into the "Sixth World," among nations which are beyond total bankruptcy. This could happen without a change in policy. Germany has about 2.5 or more trillion deutschmarks combined debt. This debt is spiraling upward, and German industry is collapsing by 30-50 percent over the coming 12 months. It is very difficult for a nation which is collapsing its internal production by 30-50 percent to maintain a spiraling debt structure without reorganization. Italy is already financially bankrupt. Britain is bankrupt in terms of internal accounts. Only on external accounts is the British pound stabilized at all. Spain is going toward potential civil war as well as bankruptcy. North Africa is about to blow up unless something is done to save it. The Middle East might not last through the next three to four months. The oil production of the Middle East might be cut off unless something is done to stop what is now in progress there.

So we have the possibility of a total financial collapse very much like 1931 in certain principal features, but of a much greater magnitude. Our estimate of the probable magnitude is that a financial collapse should occur this year or within the first six months of next year. The first wave of bankruptcies would wipe out between \$1 trillion and \$2 trillion worth of paper internationally. . . .

### **The edge of thermonuclear war**

We are sitting on the edge of thermonuclear war. Some people do not wish to believe that, but we are. The President of the United States on March 23 of this year offered the Soviet Union a comprehensive plan to secure world peace. The March 23 speech is a proposal to end the age of thermonuclear deterrence, under which the superpowers now are committed to destroying each other, that is, after they have been attacked. That's what the President has attacked as "revenge policy" and offered to replace with a new policy under which both superpowers would agree to develop defensive weapons capable of destroying thermonuclear missiles in mid-flight. This new policy was called Mutually Assured Survival. . . .

The policy is perfectly feasible technologically. The Soviets are developing defensive ballistic missile defense systems very rapidly, those of the rocket type, the SAM-5, SAM-10, SAM-12. The SAM-12 is illegal under the existing treaties, but they have about 200 of them on line anyway. They are putting in phased-radar devices for antiballistic defense systems, and I would expect we would find some of those around Sakhalin Island's southern base. The Soviet Union, under Major General Basov and the GRU [Soviet military intelligence] on the military side, and under Academician Velikhov on the civilian side, is a master of this technology, of which we are quite familiar. The United States,

in terms of laboratories such as Lawrence Livermore Laboratory, has capabilities comparable with those of the Soviet Union. If the United States were on a crash program, which it has recently entered, U.S. capabilities would be approximately comparable to the Soviet Union's capabilities. We now have the capability among the superpowers to develop weapons systems of the greatest fire power mankind has ever known. Defensive systems which could destroy between 96-99 percent of all missiles launched by one power against another within the 5 to 25 minute span you would have to do that. This would give overwhelming superiority of the defense over the offense, as Dr. Edward Teller has said.

I emphasize this to make a point: The Soviet Union knew this was feasible. Soviet official representatives were discussing this with me for over a year before the President's announcement conveyed it was feasible. After the Soviet Union had turned down the President's announcement, the Soviet officials conceded to me that the proposal was feasible. They turned it down for only one reason. They believed that this would cause the United States to revive economically, to resume the relative economic position the United States enjoyed during the middle of the 1960s; and that, the Soviet officials said, "we will never tolerate."

I see this in a different way than most naïve, uninformed people would see it. The Soviet Union is moving with calculation toward a thermonuclear confrontation. The Soviet Union intends as of now to involve the Pacific area heavily in this confrontation, and the Soviet Union is relying on the assumption that the United States—because of the combined economic depression, the financial crises, and the internal political friction between the United States and Europe, and because of movements such as the nuclear freeze movement and the election campaign year—will lack the political will to resist the kinds of demands which confront the United States under these conditions, and the United States will therefore back down with significant strategic concessions, that this will be the end of the United States as a superpower.

### **'A small Pearl Harbor reaction'**

In point of fact, I do not believe that the President of the United States will back down. Nor do I believe that the United States people in the majority will back down. We have from Chicago and from Texas reports that the popular reaction to the events in Lebanon was young people crowding at Marine recruiting centers to join the Marines. . . . We have something like a Pearl Harbor syndrome on a small scale inside the United States, which means the Soviet Union has miscalculated. Part of the problem is that the United States has been sending the wrong signals to the Soviet Union on these questions. If the United States would send the right signals where the Soviet Union would see this as a miscalculation, then I think we could have negotiations on the basis of the March 23 proposal. But that will have to have a new geometry.

The reason that I mention this is that the economic crisis,

the financial crisis, and the strategic crisis mean that the United States and other parts of the world face what may be described as an existential crisis. The very existence of civilization as we have known it is now in jeopardy. . . . Let's forget all these particular little excuses as to why this crisis happened. This crisis happened because the United States has a wrong policy, and because we have the wrong policy we make the wrong decisions at every turn consistent with this wrong policy.

Maybe the United States, some of us are saying, should go back to the different policy which was associated with President Roosevelt's "American Century" at the end of the last war. I am one of those who say so, and to the degree people realize and agree at least in part with what I am saying in Washington about these three crises and how the United States must respond to it (and I find increasing numbers of people who do agree with me) then during this period—under the pressure of the economic, financial, and, most of all, under the pressure of the strategic crisis—the United States will probably be impelled to choose between doing or not doing an economic mobilization like that which the United States conducted during the period 1939-43: an economic mobilization which will be militarily centered around the development of lasers and other types of antimissile beam weapons, which will include not only strategic systems, but also lasers as antimissile aircraft weapons, lasers as antimissile naval weapons, defensive weapons, and the application of these technologies to civilian production. If that turn is made, or something like that, then the kind of policy we are discussing in terms of the Indian-Pacific Ocean Basin Policy becomes not only feasible, but highly probable.

## *Bangkok Post* on the benefits of the Kra Canal

*From the Bangkok Post Oct. 17.*

Construction of a canal through Thailand's Isthmus of Kra is not yet too late, but should not be delayed any longer, an official of the U.S. Fusion Energy Foundation said over the weekend.

Mr. Uwe Henke V. Parpart, FEF Research Director, said that this was because of a "big question mark" hanging over the ability of the traditional sea route of the Malacca Straits to cope with large shipping volume by and beyond the year 2000.

He quoted a recent detailed FEF study of trade and shipping volumes between the Indian and Pacific Ocean Basins between 1960 and 1980 as estimating that by the years 2000 and 2020 there would be 100,000 and 1 million ships respectively passing through the Straits.

Such volumes would be entirely beyond the level of what the Straits can handle with any reliability, and apparently make the canal across the Kra Isthmus an absolute necessity, he quoted the study as saying.

Another factor which makes the canal across southern Thailand a must is the fact that the country is advantageously placed between the Indian and Pacific Ocean Basins where nearly two-thirds of the world population will be living by the end of this century.

It has not yet been decided where the canal will cut across the southern isthmus, but Mr. Parpart told the *Bangkok Post* that it should include Songkhla on the east coast, which would be turned into a major port and transshipment center.

A large transshipment port—where large cargos coming from the west are broken up and loaded onto smaller ships—is essential as most major Asian ports on the Pacific Basin are river ports and therefore cannot handle large modern freighters.

With its more favorable location and the uncertain future of Hong Kong, Songkhla could rapidly become a viable alternative major port to the British Crown Colony and Singapore, he said.

He added that a second major port and transshipment center would also have to be established later at the other end on the west coast to handle cargos destined for the ports on the Indian Ocean.

The building of the canal would also benefit Thailand in other ways, Mr. Parpart pointed out. The project would require a huge number of workers, who could be developed and transformed in the process into a skilled industrial workforce which would be needed for the country's economic progress. The technicians, engineers, and other skilled personnel currently working and living abroad would also be induced to return and participate in the project. . . .

On the total construction costs, the FEF research director said it would depend on the methods employed but gave an estimate of between 138,000 million to 184,000 million baht (US \$6 trillion to \$8 trillion). For sources of finance, he said the issue has yet to be discussed, but he suggested a kind of Kra Canal authority in which private investors may be invited to join in and hold shares in the organization with the Thai Government possibly the biggest shareholder. . . .

On the question of security, Mr. Parpart was against the idea that the canal would create political instability in the South and believed that "the opposite should be the case." He pointed out that the canal would give rise to the establishment of a major industrial zone along its course, creating new economic opportunities for the population and thus act as a political stabilizer.