

Call for ASEAN common market

by Gail G. Billington

Before a Bangkok press conference on Aug. 7, Thai parliamentarian M.R. Kukrit Pramoj sounded the alarm, calling on the heads of state of the ASEAN (Association of Southeast Asian Nations) countries to meet to undertake emergency measures against the rapidly deteriorating global economic situation. ASEAN's leaders, former Prime Minister Kukrit said, must issue "a clear and strong signal to the industrial world that ASEAN will not sit down calmly and watch the fruits of its economic development destroyed by international economic instability and protectionism."

Within 24 hours, Kukrit's call was editorially endorsed by Bangkok's leading English-language daily, the *Bangkok Post*, under the headline "Economic Summit a Major Priority." The *Post* seconded the urgency of bringing ASEAN's leaders together, insisting that "they should be ready and willing to set aside any difference of opinion to attend the summit to decide on a common stand and on measures to be taken for mutual benefit."

Kukrit's proposal calls for the six non-communist Southeast Asian countries to draw up a treaty for ASEAN economic integration. Following the outline of similar proposals put forward for Ibero-America by the American statesman Lyndon LaRouche, Kukrit said the summit should draw up a timetable for the "three basic phases of integration—free trade area, customs union, and common market." No more than six months should be allowed for the drafting of the treaty, he said, and the deadline should be fixed at the first summit.

"The frequent meetings of ASEAN," Kukrit pointed out, "have been mostly in response to the situation in Kampuchea, not for economic reasons, which are the real purpose of ASEAN. So we should start talking just economics for once. For this purpose, Prime Minister Prem should call for an urgent economic summit. . . . The time frame needs to be considered in days and weeks, because the matter is so urgent."

Kukrit added that he would be willing to serve as Prime Minister Prem's personal envoy to organize the summit. The Aug. 8 *Bangkok Post* heartily endorsed Kukrit as "a most

effective special envoy."

Kukrit is the leader of the Socialist Action Party, a partner in the current coalition government of Prime Minister Prem Tinasulamond, and a former prime minister. On July 4, he became the first Thai parliamentarian to lash out at the International Monetary Fund as the agency responsible for the November 1984 devaluation of the Thai currency, the baht. The devaluation, tax reform, and privatization programs that went along with it, were forced on Thailand by the World Bank and the IMF, he said, in violation of Thai national sovereignty.

The IMF program is being implemented by technocrats in Thailand's National Economic and Social Development Board, who were trained at the Wharton School of the University of Pennsylvania. It has created new mass unemployment, an increase in Thailand's trade deficit, and a decrease in the country's growth rate from 6% for 1985 to 5%.

The proposed summit would bring together the heads of government of Thailand, Malaysia, Indonesia, Singapore, the Philippines, and Brunei. Despite the deepening world depression, ASEAN, until this year, was the success story of the developing sector. But in 1983, the plug was pulled on the Philippines by the international banks and the IMF, and that country has since had a negative growth rate. Thailand's economy was hit last November, when the IMF imposed a surprise devaluation of the baht. Now even the economy of Singapore, the thriving financial and industrial center situated on the island off the coast of Malaysia, is beginning to fail.

The problem heretofore with ASEAN integration has been the fact that the countries all have the same export profile, with their major export products being agricultural products, raw materials, textiles, and high-technology parts such as microchips. However, an ASEAN common market would act as a unified defense against the protectionist measures coming down the pike from the United States, such as the now-pending Jenkins bill, which would drastically cut textile and other imports from ASEAN.

In addition, the ASEAN pact could function to pull together the region's resources, to carry out industrial and infrastructural development projects that no one country is able to do alone. The Kra Canal through southern Thailand and the construction of a superport at Songkla are one project that is immediately on the agenda.

In its Aug. 8 endorsement of the ASEAN summit, the *Bangkok Post* points out that Kukrit Pramoj's proposal is in line with the argument presented by Thai Foreign Minister Sitthi Sawetsila at the July conference of ASEAN foreign ministers in Kuala Lumpur, Malaysia. Sitthi reported, says the *Post*, that intensification of ASEAN economic cooperation was set in motion by two successive summits of ASEAN heads of state and that "it may be appropriate to begin thinking of another set of guidelines for the next generation of ASEAN cooperation endeavors."