
The Kra Canal

LaRouche's plan for Pacific development

by Linda de Hoyos

On October 31-November 1, *EIR*, in collaboration with the Fusion Energy Foundation and the Communications Ministry of Thailand, sponsored its second conference in Bangkok on the "Kra Canal and the Industrialization of Thailand." Almost exactly a year before, on Oct. 23, 1983, American statesman Lyndon LaRouche had traveled to Bangkok to keynote an *EIR* conference calling for constructing a canal through the Kra Isthmus of Thailand. This idea, first put forward in the late 18th century, was the subject of feasibility studies carried out in 1973 by U.S. engineering firms. But the project was shelved again after the Kissinger-orchestrated oil crisis cut the world oil trade. LaRouche's revival of the project foresees constructing a canal to speed shipping flows through Asia and using the canal and an adjoining super port as a focal point for industrialization and trade in all of South-east Asia.

The conference in 1983, also co-sponsored by the Communications Ministry under the leadership of Samak Sundaravej, put the project on Thailand's national agenda. The conference this October, with prominent speakers from Indonesia, India, Philippines, Malaysia, Japan, and the United States, in addition to Thailand, has set the wheels in motion for the realization of this project. With over 250 participants, including many representatives of the Thai military, government, and business sectors, and representatives of corporations from all over Asia, the conference concluded with an informal regional mandate to place the canal project before the Thai government for approval and steps for implementation.

In 1985, the *EIR* will further organize conferences on the development of the total Southeast Asian economy and on a 40-year industrialization program for India, which will emphasize the advantages for India to reorient its economic thinking toward the rest of Asia in the East, as opposed to limiting its perspective to the West and the Soviet Union.

The Pacific Basin

The Kra Canal is one of five Great Projects put forward by LaRouche in his development program for the Pacific

Basin. The other four are the construction of a second Panama Canal—which would also provide the spoke for industrialization of Central America—and three water management projects: the development of the Ganges-Brahmaputra rivers systems on the Indian subcontinent; the harnessing of the Mekong River in Indochina; and the construction of a North-South canal linking the Yellow and Yangtze Rivers in China.

Of these four projects, in the last year, the most significant progress has been made on the Panama Canal. In December, the governments of Japan, Panama, and the United States announced their agreement to carry out a full feasibility study on options for solving the increasing congestion around the current Panama Canal, where ships now queue up for five days. These three countries have also invited the South Korean government to participate in the studies.

Since the mid-1970s, the large-scale construction of great projects has been slowed by the same worldwide economic slide that put the damper on the Kra Canal. In Ibero-America, with the completion this year of the Itaipu Dam in Brazil, now the world's largest dam, there is no other Great Project on the horizon. The International Monetary Fund has enforced the shutdown of national projects, especially in Mexico, where the oil revenue, originally planned to be plowed into building cities and ports, is now being siphoned off to pay the foreign debt.

The Panama and Kra Canals would be constructed most efficiently if they were carried out in coordination. Their consideration now could be a major break away from the economics of Malthusian austerity imposed by the World Bank and the IMF, and the beginning of pulling the underdeveloped sector into shape for entry into the 21st century.

The key to carrying out this industrial policy is the linking of the nations of India, Southeast Asia, and Japan in a single system of cooperation with the United States and Ibero-America. Only this combined production and trading complex is adequate to support balanced development. India, for example, is a major industrial nation, despite the burden of a large, poor, rural section of the population and production. It ranks third in the world in the number of scientists and related professionals it produces. Yet it is severely lacking in facilities in which these scientists can reach achievements commensurate with their potential as a scientific labor force. Japan, on the other hand, has such facilities, and a near-crisis shortage of scientific, as opposed to engineering, manpower.

Great projects are crucial to the development of all regions in the world; there is a direct correlation between the development of infrastructure to solve the problems of energy, water, and transport, and the productivity of a national economy. But for Asia, these projects have special significance. By the time the world enters the 21st century, nearly two-thirds of the world's population will be in Asia. A United States foreign policy toward the Pacific Basin that makes encouragement and participation in such projects its focus is the best security guarantee for the region and the world.