

Work advances on 'southern tier' of Eurasian Land-Bridge

by Mary Burdman

Southeastern Asia, with a population approaching 500 million people, has a troubled past. Years of war in Vietnam and Laos, and genocide in Cambodia; conflicts between China and Vietnam, and Thailand and Laos, only ended in the latter part of the 1970s. Basic infrastructure, in many regions, has developed little during this entire century; and, the economies of the so-called "Asian tigers" are now totally vulnerable to all the dangers brought on by the world financial collapse. Yet, over the first half of 1997, there has been a growing movement throughout the region, in collaboration with, especially, China and India, to change the course of developments by expanding the "southern tier" of the Eurasian Land-Bridge.

The work to be done is enormous: There are still *no* rail connections from India and Bangladesh, to Myanmar; there are no rail connections from Myanmar to Thailand; Laos has no railroads at all; Cambodia has only the remains of unusable rail track along its southern coast; Vietnam and China have just re-opened their antiquated rail connections. All other basic regional infrastructure is in similar condition.

It is in building the "southern tier" of the Eurasian Land-Bridge, that more and more Asian leaders see the real potential for solving the political, economic, and social problems of their region.

Myanmar, Laos join ASEAN

For example, on July 23, Myanmar, along with Laos, became a member of the Association of Southeast Asian Nations (ASEAN). This event was greeted in a commentary by China's official Xinhua news agency as follows: "Burma [Myanmar], after standing alone for several decades, finally joined ASEAN. . . . Burma's entry into ASEAN contributes not only to the development of the country but also to peace, stability, and development of the region.

"Burma's integration into the regional grouping is seen as not only an opportunity for the country in the development of its economy and trade and attraction of foreign investment, but also a challenge to it in commodity production and market competitiveness. . . .

"Burma's joining of ASEAN would also contribute to the transport sector of the Southeast Asian region. The eventual establishment of regional highway and railway networks would in turn promote the economic development of the region."

This policy stands in stark contrast to the onslaught against Myanmar from Western state departments and foreign ministries, which, alleging "democracy" and "human rights" violations, do not recognize the military governing authorities.

However, Myanmar's Foreign Minister Ohn Gyaw stated at the ASEAN Regional Forum in Malaysia on July 29, that his country was taking action on a national and regional level against drug production, and said that the problem of opium poppy cultivation had begun under British colonial rule. In February, China and Myanmar entered into a comprehensive agreement on "narcotics suppression through crop substitution." Since the beginning of this decade, China has been providing agricultural expertise to peasants in the "Golden Triangle" region, to teach them how to produce rice and other products for export, and end opium poppy cultivation. Myanmar had been reluctant to enter into agreements for developing the upper Mekong River, because that region, the Shan area, has been under the control of opium armies, although drug warlord Khun Sa surrendered in January. Now, Chinese experts from bordering Yunnan province have been assisting in expanding the crop-substitution project in Myanmar.

Thailand's pivotal role

The government of Prime Minister Chavalit Yongchaiyudh of Thailand has been playing a pivotal role in the broad Asian diplomacy around the Eurasian Land-Bridge. For the past year, the terrible weaknesses of Thailand's export-oriented "pussycat" economy have been showing themselves. While Chavalit has been moving toward another policy, his country and its neighbors have been the targets of brutal attacks from the likes of speculator and drug-legalizer George Soros, who is trying to force Thailand into the grip of the International Monetary Fund.

Prime Minister Chavalit has been at the center of efforts to expand relations with Asia's two giants, China and India. He led a 120-member delegation of ministers, military officers, and business leaders on an April 2-5 state visit to Beijing, where he discussed fostering all-round cooperation with Chinese Prime Minister Li Peng. The two leaders discussed how to expand cooperation in waterpower, rail, ocean-going transport, mutual investment, and trade. China, said Li Peng, is willing to work with Thailand and other ASEAN nations for the peace, stability, and prosperity of the region and the world as a whole. Their agreements included collaboration on building a road, to be completed by the year 2000, through northern Myanmar into Yunnan; broader collaboration on Mekong regional development; drug control; Chinese production of bulk, container, and tanker ships for Thailand; and military cooperation. Not only did China give Thailand very generous terms to buy military hardware, but Liu Huaqing, vice chairman of China's Central Military Commission, said that, being aware of Thailand's financial difficulties, China was "ready to terminate debts the Thai military incurred from earlier weapons orders."

Chinese-Thai ties were further strengthened when, during the first week of June, the two nations' Joint Committee on Economic Cooperation held its eighth session, the first in five years. In addition, China and Thailand signed an agreement on cooperation in civil and commercial matters, the first such bilateral legal accord ever signed by Thailand. Foreign Minister Prachuap Chaiyasan stated that Thailand realizes China will be its biggest trading partner in the near future.

At the Joint Committee meeting, chaired by Deputy Foreign Minister Pitak Intrawitayanunt and China's Deputy Minister for Foreign Trade and Economic Cooperation Li Guohua, both sides emphasized that their bilateral cooperation will benefit the entire region, particularly their immediate neighbors along the Mekong River. Pitak stated that the two countries will march into the 21st century with a view to thinking "globally and act[ing] locally," and stressed the importance of China's "ample experience around the world" in improvement and construction of railways, roads, bridges, ports, environmental preservation, electricity, communications, and petroleum projects.

Specific joint proposals discussed included creation of an aviation link to connect south China, north Myanmar, and

Thailand, and Laos, Cambodia, and Vietnam; and fertilizer and paper-pulp production. China also wants Thai investment in hydropower sub-stations, especially in Yunnan, and further Thai investment in China's central and southwestern regions.

Bringing in South Asia

Regional diplomacy is also extending to the Indian sub-continent. On June 6, ministers from Bangladesh, India, Sri Lanka, and Thailand held a press conference in Bangkok to announce a new regional group intended to build infrastructure to link the subcontinent to ASEAN. The name of the new group is BIST-EC—an acronym of the four nations' first initials and "economic cooperation." Deputy Foreign Minister Pitak played a key role in the initiative, press reports said.

"Thailand started the idea and Thailand has the vision; India is going to play a very important role in making this declaration reality," Indian Minister of State Saleem Iqbal Shervani stated.

Professor Somchai Phagaphasvivat of Thammasat University in Thailand said the group will fill the gap not addressed by the ASEAN Free Trade Area. "There is no mention of road linkage, and BIST-EC could help fill this infrastructure gap between its members and other regional countries," he said.

Myanmar will be given observer status. Thai Economic Affairs Director General Kobsak Chutikul said, "Myanmar is the link that we cannot afford to overlook, irrespective of their human rights track record." He added that Asian Highway No. One will connect Thailand's Laem Chabang Industrial Estate to Myanmar's Tak Mae Sot.

The creation of BIST-EC was apparently not to the liking of the international financial system's World Bank and Asian Development Bank, because it has too broad a scope, the Dhaka journal *Holiday* reported on June 10. India, in particular, did not like the World Bank's favored policy, because of New Delhi's reluctance to allow the involvement of international agencies in subregional projects, of a "South Asian growth quadrangle," because the bank's multilateral policy conflicts with India's focus on direct bilateral relations with other nations.

Former Thai Prime Minister Chatichai Choonavan visited New Delhi the week of June 23, to promote Indian-Thai cooperation in various economic areas. Chatichai had visited India as prime minister in 1989, and now heads the Chart Thai Party, representing Thailand's business interests. Chatichai is a good friend of India's new President, K.R. Narayanan. In addition to meeting many ministers and officials, Chatichai spoke at the Chamber of Indian Industry on June 25. Promoting closer ties with India, which he calls Thailand's "look west" policy, Chatichai endorsed the BIST-EC, which he said would become the mover of the "Bay of Bengal growth area" project.

"The opportunity does not stop there. Thailand, by virtue of its geography, is well-positioned to serve as a bridge be-

tween the oceans. We have under way a feasibility study on the Southern Seaboard project [in which] a Land-Bridge would be built comprising road, rail, and pipeline links between the Andaman Sea and the Gulf of Thailand. If given the go-ahead, the project would provide a connection between our 'Look East' and 'Look West' policies." Chatchai called for cooperation in agro-industry and aquaculture, heavy industry, telecommunications, and information technology.

China and Vietnam

Do Muoi, General Secretary of the Communist Party of Vietnam, visited China on July 14-18 at the invitation of Chinese President Jiang Zemin and Prime Minister Li Peng. The leaders discussed all-round expansion of Chinese-Vietnamese relations, economic and trade ties, and seeking solutions to remaining border issues. Do Muoi, who last visited China in November 1995, emphasized the importance of strengthening scientific and technological ties.

In his meeting with Vietnamese Foreign Minister Nguyen Manh Cam, his Chinese counterpart Qian Qichen said that China is ready to resolve the issues of both land and sea borders in the Beibu Gulf, on the southern Chinese-northern Vietnamese coast. A Xinhua commentary in March said that, in the early 21st century, the Beibu Gulf area could become a new economic center, like the heavy industrial belt around Bohai Bay in north China. Beibu Gulf has large oil-gas and iron reserves. Hainan Island Province, on the gulf, is building a heavy industry corridor, Xinhua reported.

En route back to Vietnam, Do Muoi also on July 16 visited Kunming, capital of Yunnan province, where he discussed trade and economic cooperation with provincial leaders.

China is also expanding ties with Malaysia and Indonesia. Malaysian Supreme Head of State Tunku Ja'afar arrived in Beijing on July 8, as a guest of President Jiang Zemin, to promote Sino-Malaysian cooperative ties. Days earlier, the China-Malaysia Joint Economic and Trade Commission had met, led by Chinese Vice Minister Li Guohua and Malaysian Secretary General of the Ministry of International Trade and Industries Asmat Kamaludiny.

Also, on July 4, the Joint Commission on Economic, Trade and Technical Cooperation between the governments of China and Indonesia, met in Jakarta, for the first time since 1994, with the participation of Indonesian Trade and Industry Minister Tungki Ariwibowo and Vice Minister Li Guohua. Indonesia now is the China's 15th biggest trade partner.

Building infrastructure

These political events are going on in the context of real, though slow, economic development. Among the most important are the opening up of the huge, landlocked interiors of China and Myanmar, by making southeastern Asia's great rivers, the Mekong and the Irawaddy, channels to the sea. This area is very mountainous and rugged, making such waterways all the more vital.

On May 6, China reached an agreement with Myanmar on the joint development of the Irawaddy River, to open a new channel from southwest China to the Indian Ocean. The agreement will give Yunnan province direct access, via China's No. 320 national road, to the Irawaddy. The road will connect Kunming, through the border "land port" city of Ruili, to Bhamo in Myanmar, a harbor of the Irrawaddy. Down river 1,300 km is Rangoon, capital of Myanmar and an Indian Ocean seaport.

To the east, the Mekong, the central waterway of all southeastern Asia, is also becoming an international economic corridor. Xinhua reported on May 25 that transportation authorities in Yunnan are conducting a dredging project on Lancang River, the upper reaches of the Mekong, to make it navigable year-round. The river, the eighth longest in the world, flows 4,800 kilometers through China, Myanmar, Laos, Thailand, Cambodia, and Vietnam, but ships cannot sail on the Lancang during the dry season because of rapids and shallow water. Annual cargo trade on the Lancang River-Mekong River climbed to 60,000 tons in 1996, up from 10,000 tons in 1993. The outlook for border trade has become more favorable because of the eagerness of the Chinese, Lao, Myanmar, and Thai governments to tap the potential of the river, Xinhua reported. Besides holding conferences and joint investigations, these nations are negotiating a multilateral cargo transportation agreement to allow direct shipping.

Rail and road

Since the 1960s, the Trans-Asia Railroad project—a plan to finally connect all the "missing links" in rail connections from Singapore to Europe—has been under discussion. Wars, both cold and hot, and economic turmoil, have prevented any real progress, but serious discussion was revived at the Asia-Europe Meeting (ASEM) held in Bangkok last March.

Malaysian Transport Minister Ling Liong Sik, designated responsible for the project at ASEM, appointed a consortium of two Iranian firms to conduct a feasibility study for the railroad, which he announced at the opening of the "Exporail Asia '97" exhibition, the second international exhibition of rail technology for the Asian market, in Kuala Lumpur on June 2. The two Iranian firms will focus on technical and engineering aspects of the project, and are expected to complete their studies by next year. However, Ling Liong Sik said that the funds for the study from the Malaysian government, 2 million ringgit, are inadequate and he is looking for other funding.

On May 19, Chalongphob Sussangkarn, president of the Thailand Development Research Institute, at a transport seminar, proposed that Bangkok not compete as an aviation center, but serve as the hub of a land link connecting the capitals of Vietnam, Cambodia, Laos, Myanmar, Malaysia, and Singapore via high-speed rail. He indicated the population density of the region would make such a network feasible within the next 15 years. At the 300 km/hour speeds achieved by

France's high-speed rail system (TGV), Chalongphob said, Bangkok to Ho Chi Minh City or Yangon would be three hours; to Vientiane or Phnom Penh, two hours.

While these projects remain to be built, on a national and regional level, the rail network is expanding. On March 18, Prime Minister Li Peng and Vice Premier Zou Jiahua attended a ceremony in Baise City to celebrate the completion of track-laying for south China's new Nanning-Kunming railroad. This 900-km railway connects Nanning, capital of Guangxi, to Kunming, capital of Yunnan, with a line that runs north to Hongguo, in Guizhou Province. Building the railroad was very expensive, because of the rugged, mountainous terrain, but is an example of what can be achieved. The project included 477 bridges and 258 tunnels, including the 183-meter-tall Qingshuihe bridge, China's tallest railway bridge, in Guizhou. The new rail line will greatly enhance economic cooperation between China and southeastern Asia. The railroad should be in operation by the end of this year.

On April 18, marked by an official ceremony in Hanoi Railway Station, passenger train service between Vietnam's capital Hanoi and the southwestern Chinese city of Kunming restarted, after a 17-year break. The 32-hour, twice-weekly through-service means passengers will no longer have to change trains at the border. The first direct passenger rail link between Hanoi and Guangxi Zhuang Autonomous Region in China was re-opened at the beginning of last year. The track had been built by the French about 100 years ago to carry goods from southwestern China to the sea at Vietnam's port city of Hai Phong.

Vietnamese Deputy Prime Minister Tran Duc Luong met in Hanoi with Chinese Vice Transportation Minister Hong Shanxiang and his party on June 4, to discuss strengthening bilateral cooperation in transportation. Tran Duc Luong said that Vietnam, increasing its infrastructure construction, and with air, railway, and highway links now open, wants to strengthen cooperation with China in highway, railway, and harbor construction, especially with Guangxi and Yunnan provinces. The two nations also signed a protocol on motor vehicle transport between the two countries, and new routes have since been opened.

Vietnam has greater plans. Prime Minister Vo Van Kiet, in an interview to Vietnam's *Youth Daily* in February 1997, described three future projects: the high-speed industrialized Truong Son Route project, the high-speed Hanoi-Dien Bien Route project, and the high-speed Hanoi-Ha Long Route project. Vietnam has built a north-south power grid, bringing power from the north to central and southern Vietnam, which is essential to ensure an adequate pace of development of the south.

The Mekong

In preparation for Cambodia and Myanmar to join ASEAN, the foreign ministers of Thailand, Cambodia, Laos, and Myanmar met on April 20 to discuss a new Mekong

region "economic circle." The "economic circle" will emphasize building rail and road routes to reconnect the ancient trade routes of the region. Thailand and Myanmar are planning a road and a rail link between the deep-sea port of Laem Chabang and the Myanmar town of Tavoy, which is also being transformed into a deep-sea port, eliminating the need for the week-long trip round the Straits of Malacca to the Gulf of Thailand.

Bridges are also being built across the Mekong. On April 30, an agreement to build a bridge between Mukdahan, Thailand, and Savannakhet, Laos, was signed. The bridge, to be funded by a loan from Japan's Overseas Economic Cooperation Fund, is expected to be completed in the year 2000, and will have two road traffic lanes and space for two more, and a lane for rail tracks — although the railway does not yet exist. In June, with aid from Australia, construction began on a bridge across the Mekong southwest of Ho Chi Minh City in Vietnam.

In April, Thailand, Vietnam, and Laos agreed to build a road to connect the port of Malamang in Myanmar, to Mae Sot in Tak province and Mukdahan in Thailand, to Savannakhet, Laos, and finally to the port of Danang in Vietnam, creating a much more rapid land link between the Indian and Pacific oceans. The ports at Malamang and Danang would be upgraded to international standards.

China-India partnership

The integration in southeastern Asia is going on in the context of improving ties between Asia's giants, India and China. China has long-standing, close ties to Pakistan, including significant economic and technical aid.

Now, since President Jiang Zemin became the first Chinese head of state to visit India, in November 1996, Asia's two giants have been taking measures to boost mutual economic and trade ties to a level not seen for many decades. The China-India summit stressed creation of a "partnership" oriented toward the 21st century, which included efforts by the Chinese leader to achieve improved ties between India and Pakistan. In July, the five-day Industrial and Technological Exhibition of India opened in Beijing, the first such Indian exhibition in China in 40 years, and on July 7, the Indo-China Joint Business Council also met in Beijing, and set a target of quadrupling bilateral trade by the year 2000 — about \$5 billion worth, up from the current level of \$1.4 billion.

Expanding direct land routes is also under consideration. This is becoming feasible in the context of discussions to resolve the China-India border conflicts which led to the 1962 border war, and achieving the rapid development of the roads in Tibet, where there was not one single passable road in the 1950s. The region's leaders are also discussing preparations to build the first rail line into Tibet.

India and Myanmar, whose relations have been strained, have agreed to reconstruct the section of the Myanmar

(Burma) Road from Moreh, India to Kalewa, Myanmar. This \$33 million project will renew India's road connection both to China, and to southeastern Asia, via Mandalay, Yangon, and Bangkok. China has been upgrading the Mandalay-to-Kunming stretch of the old Burma Road since 1991.

China has also been developing relations with Bangladesh. Prime Minister Sheikh Hasina visited Beijing last autumn. In March, Chinese Vice Premier Luo Gan visited Dhaka, to discuss providing more development assistance to Bangladesh. Luo, a senior leader who has been secretary general of the State Council since 1988, met Sheikh Hasina, and discussed planned subregional cooperation, including the Ganges water treaty with India, with Bangladesh Foreign Minister Abdus Samad Azad.

The northern connection

Russia, which is an ASEAN Dialogue Partner, has also been indicating increasing interest in southeastern Asia. *Ros-*

siiskaya Gazeta reported on July 16 that Minister of Railroads Nikolai Aksechenko met Malaysian Minister of Transport Ling Liong Sik to discuss the Trans-Asia Railroad. Once the rail connections from Southeast Asia to China are completed, the Trans-Siberian Railway could become part of the rail network, via Mongolia, tying Asia to Europe.

In June, the ASEAN-Russia Joint Cooperation Committee was founded, during the visit of Vietnamese ASEAN representative Nguyen Manh Hung to Moscow. Areas for cooperation discussed were energy and "joint projects in railway and other types of transport." Hung stated that, "given the fact that Russia is a country with a huge scientific and technological potential, we in ASEAN hope very much to have cooperation in science and technology with Russia."

Pakistani Foreign Minister Gohar Ayub Khan made a working visit to Moscow, which concluded on July 10, to intensify the two nations' "constructive dialogue."

Correction

Our box in last week's issue, p.49, on "The Political Power behind 'l'Affaire Cheminade,' " contained a number of errors. An editorial oversight prevented the version edited by Mr. Cheminade from appearing in print. We reprint the box as it should have appeared.

Recently, Prime Minister Lionel Jospin stated that he would make the justice system independent of the Executive branch. It would be nice to think that he was referring to the frame-up of Jacques Cheminade, which is a paragon of the perversion of justice for political ends. Unlike a simple travesty, the purpose for the dirty operations against Cheminade, was solely to blacken his name and the political authority of Lyndon LaRouche in France.

In 1982, LaRouche's associates in France met Mrs. Denise Pazéry, who, over the years, became a generous supporter. Mrs. Pazéry passed away in October 1986. In March 1987, her heirs launched a criminal suit against Cheminade and several of his associates for "fraud," charging that they had taken advantage of the 63-year-old Pazéry, who, they claimed, suffered from Alzheimer's disease, although it had only been revealed two years after the suit was filed. Despite offers by Cheminade et al. to refund her loans, the family insisted on a laborious criminal complaint.

In 1990, a judge found no basis for pursuing the complaint and ordered the case dismissed, without even indicting the parties. But then, in a seldom-used procedure, the

public prosecutor immediately appealed, and, with the charges now changed to "theft," the defendants were indicted. In the process of discovery, Cheminade and his associates learned that the Renseignements Généraux had issued a memo connecting the co-defendants to LaRouche, who, by that time, had been framed up and imprisoned. In 1992, Cheminade et al. were convicted, and given suspended sentences, and fined to pay heavy restitution to Pazéry's heirs. The defendants appealed.

In 1995, Cheminade declared his candidacy for President, met the rigorous requirements for ballot status, and received state funding for his campaign expenses, for which he raised 4.7 million francs in loans. Logically, he expected to repay his lenders from the publicly disbursed campaign funds. On Oct. 11, 1995, the Constitutional Council outrageously rejected Cheminade's campaign accounts, claiming that the loans were improperly raised because his supporters had not charged him interest! The ruling left Cheminade personally liable for roughly \$800,000. The state then seized Cheminade's belongings. It should be noted that other Presidential candidates blatantly violated all legal requirements, but were nonetheless given funds.

Then, to make sure that Cheminade's voice would be stilled, the Paris Court of Appeals upheld the Pazéry conviction, while hypocritically reducing the sentence, even though, as recently as 1995, a medical report to the magistrates concluded that there was no proof that Mrs. Pazéry (who, until her death, drove her own car, regularly attended social events, and managed her considerable personal finances) had any mental disorder which would have been noticed by a third party.