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## Interview: H.E. Roland Eng

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# ‘We’re Talking About Big Projects’ in Mekong

*His Excellency Roland Eng has been Cambodia’s Ambassador to the United States since 1999. From 1994-99, he served as Ambassador to Thailand, Malaysia, and Singapore. Educated in France, Ambassador Eng has been an official of the United Front for an Independent, Neutral, and Peaceful Cambodia (Funcinpec), the party founded by King Norodom Sihanouk, which is now part of a coalition government in Phnom Penh. Ambassador Eng played a leading role in the first-ever summit of the six members of the Greater Mekong Subregion (GMS)—Cambodia, Vietnam, Thailand, Laos, Myanmar and Yunnan Province, China—held in Phnom Penh in November 2002. He was interviewed for EIR by Gail and Michael Billington in Washington on June 10.*

*We also include, at his recommendation, excerpts from a presentation made recently by the Ambassador at a private meeting on Mekong development.*

**Ambassador Eng:** As I emphasized in my presentation on the Mekong project, the [November 2002] meeting in Phnom Penh was a truly historic event. It was the first summit since the Mekong Subregion was created ten years earlier. It was historic also because it was held in Cambodia, a country that had surmounted the tragedy of genocide and decades of war—not only to host such an important summit, but to be a broker for peace in the GMS region, is quite an achievement.

We have achieved especially a code of conduct with China. This was a very important move for China. We had not only ASEAN+3 [the ten members of the Association of Southeast Asian Nations, plus China, Japan, and South Korea], but also ASEAN+India, and ASEAN+South Africa, on behalf of the Non-Aligned Movement. It was fascinating.

Cambodia itself was able to build an important diplomatic bridge during the summit. Chinese Premier Zhu Rongji presided over the signing of a \$12.5 million interest-free loan to Cambodia, and announced that Beijing would write off \$200 million in debts that Cambodia owed China.

The summit also saw the signing of a \$4.5 billion Southeast Asia-wide power grid, with China’s help, which is due to be completed by 2019, and would be the first-ever comprehensive power grid in the region’s history. China also committed more than \$2 billion to the Kunming-Bangkok Highway, and will certainly commit to the completion of the Kunming-Singapore railway line.

The good spirit of the GMS Summit without doubt sent a strong and positive signal to the whole ASEAN+3 summit

over the next days, resulting in the signing of the ASEAN-China Free Trade Area, to be implemented over the next decade—the largest trade agreement in the world, with a combined market of 1.7 billion people and more than \$2 trillion GDP.

Japan was a bit surprised, by the way the Chinese were very smooth. I believe that ASEAN could play a role in connecting the inherently rivaling economic powers of China and Japan.

**EIR:** The Schiller Institute co-sponsored a meeting in India in May, with people from India, China, Korea, and Russia, together with Mr. and Mrs. LaRouche, addressing both the post-Iraq War situation, and the question of the Eurasian Land-Bridge as essential to any solution to the global economic crisis.

**Ambassador Eng:** LaRouche has a long-term vision. There is no secret on that. I’m glad he points out that the infrastructure is so important. This is how Europe built up, you know? You look at Europe today—without the basic infrastructure, you wouldn’t have Europe as it is right now. You have connections between all places—rail, highway, air. You have to have the same here. You can’t leave it out of Laos, or anywhere. This is the key.

Look at Afghanistan. That’s why they are calling so loud for infrastructure. You need road access, or you can’t do anything. Your vegetables will cost twice as much, because of bumpy roads, and many checkpoints. But if you have a highway, you can’t have the local checkpoints, local bribes. That’s a major problem in developing countries. On the road between Phnom Penh and Sihanoukville, in 1991, the road wasn’t finished yet, so we had 72 checkpoints charging “local taxes”! But once we had the highway, built by the U.S.A., we have 1,000 cars a day, and no checkpoints.

**EIR:** The United States built that road? When?

**Ambassador Eng:** It was 1991.

**EIR:** That was before the United States decided it wasn’t going to finance infrastructure any more!

**Ambassador Eng:** Right—just before—it was one of the last things. But the result is there. Look at the legacy of all the roads that the United States built. In Thailand, for example, during the Vietnam War, they built roads to get up to the airbases; but it also meant that people in the middle of nowhere could sell their vegetables, and get to the town to get medicine, and so forth.

**EIR:** You said at the conference here in Washington that there was a powerful will among the ASEAN leaders to proceed with the Mekong project.

If you run into an economic breakdown, together with the change in the United States away from supporting infrastructure, and the general global financial crisis, do you believe there is still the internal will to proceed, through internal financing?

**Ambassador Eng:** You need people with vision, leadership with vision, who can see that it will pay back. This is not a waste. Look at the all the crises in the world. We are sending rice everywhere, grain. This is not just a natural disaster, but we are fighting against poverty. In the fight against poverty, have we won yet? Terrorism is tied to poverty, and drugs. The question right now is the fight against poverty, we have not won it; the fight against drugs, we have not won it. So, how can we win the war against terrorism?

To emphasize this infrastructure building—the ASEAN leaders can see that this is essential.

**EIR:** Such infrastructure is for several generations ahead, not just for tomorrow. Afghanistan is the negative example, where without the infrastructure, it has become again the leading drug producer in the world, despite the U.S. military occupation.

**Ambassador Eng:** We're talking big projects. And there is no more need for major physical studies. All the physical studies have been done over the past 30 years.

**EIR:** What is your reading on the environmental problems in the various projects?

**Ambassador Eng:** As to roads, it should be OK. If you talk about dams, this is another problem. [Cambodia] Prime Minister Hun Sen, at the GMS, in his speech, he emphasized the environmental impact. It was a very strong message to all the leaders. But at the same time, they must be realistic.

**EIR:** Do you think the environmental issues can be met, and still build the dams that are needed for water control, power, and so on?

**Ambassador Eng:** It depends on the sources, who is paying—this will play a big role. If the ADB [Asian Development Bank] guarantees the loan, it can say: "You cannot do this, because the environmental impact will be enormous."

We are confident that nowadays, we have something that 20 years ago we did not have—the impact of the NGOs [non-governmental organizations]. You cannot hide anything, because there are a lot of NGOs everywhere, like in the SARS [sudden acute respiratory syndrome] case in China.

**EIR:** But on the negative side, many of the NGOs are part of the anti-growth movement. Do you think they may actually undermine these developments in some ways?

**Ambassador Eng:** All will have to play a role. Any corpora-



*Cambodian Ambassador to the United States Roland Eng with EIR's Gail Billington. Ambassador Eng played a leading role at the November 2002 Phnom Penh summit on development plans for the six-country Greater Mekong Subregion.*

tion in the world, must take into consideration the return on the investment. If a major project will end up causing damage to the environment, damage the image—remember, with infrastructure, we are engaged in projects that will affect generations. The contract can be reviewed at any time. I'm pretty confident, that as with a banker, they will think twice to make sure it is done right. They cannot afford to ignore that. Corporations are spending a lot of resources, a lot of money, studying the environment.

I am confident that the environmental issues will be answered, and that the projects will proceed.

**EIR:** What is your reading on the issue of blowing out the channels in the river for navigation?

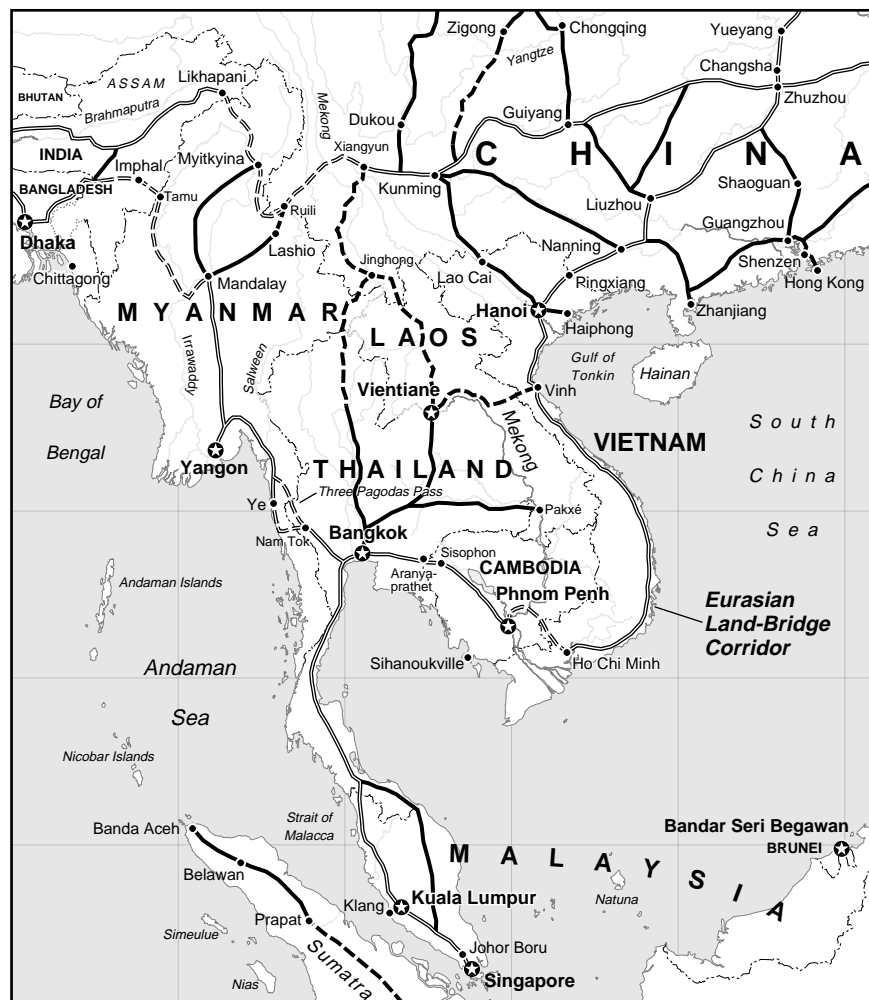
**Ambassador Eng:** From Thailand down, everybody is concerned about the three dams built in China. So far, we just have the assurance of the Chinese. This is a huge responsibility for the Chinese. If this hurts the water resources, or if the dam breaks someday, damaging six countries—can China afford that kind of responsibility? They must be so careful—it is a source of war. Everything is linked to water. It is a major source of conflict, and it will remain a source of conflict throughout the world.

**EIR:** There will be a meeting in July of the Mekong countries to review the clearing of the channel.

**Ambassador Eng:** They must have an enormous PR effort, to make sure people know exactly what is going on, to make it as transparent as possible. In the beginning the IMF [Inter-

FIGURE 1

## Gaps To Be Filled In Southeast Asia Rail Grid



A railroad construction map of the Greater Mekong Subregion countries (which include China's Yunnan Province) shows the stretches to be constructed in the crucial north-south railroad from Kunming, China to Bangkok and into Malaysia; and the southern Eurasian Land-Bridges' gaps in Cambodia, Thailand, and Myanmar.

national Monetary Fund] was going to finance this, but they are saying now they will not. Now the Chinese are doing it themselves. They stand ready to take the heat, to take full responsibility, huge responsibility.

**EIR:** That's one of the reasons that some people in the United States and in the financial institutions don't like China—they refuse to follow the idea of post-industrial society, and are proceeding to act very much the way Franklin Roosevelt did in the 1930s and '40s, using these great projects to transform the country. Many people don't like this, and don't want to see it spread into Southeast Asia.

**Ambassador Eng:** It's too late. Once the three dams start up, we will see the impact. Southeast Asia is still suffering

from flooding; even Thailand, a country as developed as Thailand! It *may* help, but it may damage—we don't know yet. Put yourselves as a Chinese leader: "We're doing this with the taxpayers' money, affecting five other countries." So they must do it right. But we must also have emergency plans, and a second emergency plan, for a worst-case scenario.

**EIR:** Does Cambodia have hydro-power generation at this point?

**Ambassador Eng:** Yes. We have some dams, but we have an enormous potential, and all the studies have been done, across Southeast Asia. We don't need any more plans! We have located all the hydropower potential. It all depends on the finances—who will put in the money, for the long term.

**EIR:** The launching of the Asia Bond: Could this be a factor for this, creating funding for infrastructure?

**Ambassador Eng:** I was so pleased to see that the ADB, the American Chamber of Commerce, Singapore, and others are coming in. A lot of sources now are looking to diversify away from the dot.coms bubble. Thailand, Singapore had a lot of money in dot.com, and are now looking to come back to the basics. There is some private U.S. money involved in infrastructure, such as in Thailand, airports, even in some dams.

**EIR:** What about the special features of the Tonle Sap? Have these problems been adequately studied in regard to the dams to be constructed?

**Ambassador Eng:** I think so. I'm not an expert, but a lot of studies have been carried out, by government, private, NGOs, ESCAP [UN Economic and Social Commission for Asia and the Pacific]. There are already less and less fish in the Tonle Sap. The river is getting much more shallow now. In the dry season, the lake is shrinking. Also, shallow water is hot water, and many fish are dying. The Tonle Sap is one of the most fished lakes in the world. We had something like 8,000 varieties of fish. Now, the latest statistics show that there are far less.

**EIR:** How do you rectify that?

**Ambassador Eng:** You have to control the water, but also you have to dredge the mud out, to make the river less shallow.

That is beginning to happen now. The difference between the dry season and the wet season is 12 meters [in depth]! The Tonle Sap doubles its size.

In our culture, one of the main foods is fish. So you have, during the fishing period, all the ox carts, from all over Cambodia, from every single province of Cambodia—you can see all shapes of ox-cart, from every region, moving toward the Tonle Sap Lake, to fish. The whole area—millions of people come to fish, coming with empty jars, and returning with full jars of fish, and survive for one year. This provides the income for the life of the Cambodians.

**EIR:** Vietnam also built a dam, which impacted Cambodia.

**Ambassador Eng:** We challenged Vietnam as soon as they began building that dam, and they had to arrange for a visit by some NGOs. That's why I say that the good side of what's going on now, is that no one can ignore the NGOs.

**EIR:** How will the people of Cambodia respond when you begin these large-scale projects?

**Ambassador Eng:** Water, don't forget, everywhere in the world, is a source of conflict. If you don't deal with the people who will be impacted, there will be demonstrations and pressure. It's happening in Cambodia already. That's why the government had to show concern over the dam in Vietnam. It went ahead, but at the same time Vietnam had to explain. Any responsible government cannot play around with that. We want to give a better life to a few million people, but we must be careful.

**EIR:** What plans are on the books in Cambodia?

**Ambassador Eng:** I don't have the details, but mostly highways, and a dam with Thailand, as a joint project, in the Trat area. Thailand needs to supply the eastern seaboard, and we need to develop our west coast. The reservoir is in Cambodia, but the dam is in Thailand. It is being financed by loans from the ADB, Exim Bank, IMF, with guarantees from the two countries.

There is also work to build the missing link on the train line between Cambodia and Thailand. The track exists already, through Aranyaprathet and Batambang, but there is now a 28 kilometer missing link—it is nothing, just a matter of political will.

**EIR:** On June 14, the two Koreas are going to hold a celebration, laying the final track on both the eastern and western rail links between the North and the South, despite all the furor about the crisis there.

**Ambassador Eng:** You know, you need vision, like LaRouche. He is someone who has vision. In addition to vision, you have to put a realistic project into place. Then you have to put a group of people who are working seriously on that, to create a working group, and act aggressively.

Look at my idea about the "Mekong Airlines," in which every country would have a share. Each one, 10%; and then

we can have 30% for the private sector; and it will be run by the private sector. We don't get involved. This kind of idea is daring, but it will build cooperation, will build trust along the GMS region. Each one will have an equal share, and it will not be run by any specific country. It will be run by the private sector.

**EIR:** Do you still hope that will come to fruition?

**Ambassador Eng:** I still have hope. It will be a package tour with which no one can compete. The time you can fly from Bagan, to Siem Reap, to Danang to Hué to Sukothai, for example: How can you compete with that, for one vacation? You can offer six countries. But you must be able to offer e-tourism, e-passport, e-visa, and get new planes, if you are serious about a great tourism operation; and I was serious [as Tourism Minister]. If these countries had to promote this on their own, they couldn't do it—you need a lot of investment. But if you have a combined market, everyone would want to invest in it—guaranteed by six countries, and you had a 30% share?

**EIR:** As Gail has pointed out in her articles on the Mekong, the only reason this is possible, is because there is finally an end to the "Thirty Years' War" in Indochina. But you still have the problem in Myanmar.

**Ambassador Eng:** Engagement is not only politics. Engagement also requires economics, which is much more efficient. If you are part of a six-nation agreement, what you do affects five others. You cannot, one night, just decide: "I'm going to close my airport, I'm going to close my township"—come on, you'll have six ministers calling you, asking, "What are you doing here?"

**EIR:** India is now establishing better ties with Myanmar, just as Thailand and China are also, which can undercut the problems in the region and internally.

**Ambassador Eng:** We don't have a choice, as in North Korea. Russia has changed, China has changed—everybody has changed. The rules of communism have changed. Take the SARS case. If that had happened 20 years ago, no one would have had a clue what was going on. Now, a small community in China has a global impact, WHO [World Health Organization] people will fly in, and so forth.

**EIR:** How do you deal with the anti-Chinese sentiment among some in the United States, who argue that the Chinese should be kept out of Cambodia?

**Ambassador Eng:** You cannot keep them out. There are two kinds of investment. There is the investment that favors speculation, and you have the kind that favors real economy investment. You must have an investment law which doesn't favor speculation. You cannot blame the Chinese! Cambodia is very underdeveloped. We must promote a form of investment that is more protectionist, which says, "We welcome you, but it has to be a majority Cambodian share," or some-

thing like that. We cannot sell everything. If you are promoting relations that do not conform to that, don't blame the Chinese.

**EIR:** Is that a problem now?

**Ambassador Eng:** There is great competition. If we get strong enough, I hope that we can absorb the Chinese, as they do in Thailand, where they even adopt Thai names, and now many of the Thai companies are Chinese, Thai-Chinese. It's like we cannot say that we don't want any Jewish business! We have to absorb them, and make them feel proud on their own, to be part of the society.

**EIR:** How would Cambodia react if the United States tried to open a military base in Thailand, as was reported today?

**Ambassador Eng:** Cambodia has always been neutral, in the sense that we don't allow any foreign military bases, from anyone—not the Chinese, not the Americans, whatever. During the Vietnam War, and before the Vietnam War, we wanted to be the Switzerland of Southeast Asia. Because of the past, with Thailand allied to the United States—we can see the United States shifting its military now, remapping its positions, moving to Australia, the Philippines, Singapore, Thailand. As long as it will not affect the security of the whole region, as long as it will not affect the spirit of cooperation, and peaceful behavior is established, then it will be all right.

**EIR:** I think it's a "slippery slope." Did you read my article on "The Chicken-Hawks as China-Hawks" (*EIR*, May 23)?

**Ambassador Eng:** Yes. That's a good one! I agree. That's literally the danger. It's the question: "Are you with us, or are you with China?" One day, you will realize, that, if you wish to have the Southeast Asians—if you ask us to choose between the United States and China—you'll be surprised!

On the one hand, the U.S. presence in Asia creates stability—I agree with that. But at the same time, there is the question of how to shape the world's security? You can't go around destabilizing all over the world. How do you *make* stability?

**EIR:** We are doing a project on the extensive control over the U.S. media by the neo-conservatives.

**Ambassador Eng:** You want to learn about propaganda—when I was in the jungle, during the war, I was dealing with psychological warfare. I learned a lot about psychological warfare—but I learned *so much* in the year 2003!

In the end, because of you [LaRouche] guys, there is, right now, a pressure for transparency, not only in the United States, but everywhere, to get at the truth. I thought that if the war started six months ago, it would have gone more easily. Then it was all "Saddam, Saddam." But then they had to use this weapons of mass destruction line, and then they had to *prove* it!

**EIR:** This is coming in the midst of an economic collapse of

the dollar-based system.

**Ambassador Eng:** I am very pessimistic about the economy. Some of my colleagues are optimistic, but I think with the U.S. dollar falling, and with SARS—every Asian economy right now, despite being the most dynamic region in the world, is getting hit. The Japanese economy doesn't take off; only China survives. We are entering deflation, with the dollar falling. If the deflation lasts for a few more months, we are in for a serious crisis. In the short term it may *appear* to favor the U.S. economy, because the dollar is low, and that will help exports, but not in the long term.

**EIR:** What is your sense about whether or not the United States will really get involved in the Mekong project?

**Ambassador Eng:** Only a few people have seen the implications of this. There is a fascinating development taking place, but in the United States, few have noticed. It is a matter of marketing right now. There are a few places—Malaysia, Inc., and so forth—and they will call on a few corporate guarantees, and a few banks, and OPEC [Organization of Petroleum Exporting Countries] may guarantee some investment; then it will lead to something. But for the corporations now, everybody goes to China.

But the United States is not involved in infrastructure. The trend is in trade, in retail. There are not many countries going into infrastructure, except China—not even the EU [European Union], because the EU are so angry about Iraq. Not much is pushing in this direction, except LaRouche.

**EIR:** Will the Mekong project help to produce that shift?

**Ambassador Eng:** I believe so, in the medium term. It will probably be in ports, and in highways. That may bring the United States in. It will come as a complementary aspect for the United States to see the potential. It's a growth investment—it will pay off in the long run. You cannot estimate the buying power of the Chinese, of the Cambodians, the Burmese, in the next ten years. In the past year, Chinese tourism became number one in Thailand. It will become number one in Malaysia, in Singapore, in Cambodia. So you have a potential buying power. When I tried to sell the idea of the Mekong Airlines, it was not for nothing, because the airline industry will be the main promoter of the tourist industry; the rest will come. One million tourists go to Angkor Wat; you have to feed them. How many eggs do you need? How many chickens, and so on? The same thing with Luang Prabang [in Laos]—how will you feed them? You need transportation, and then they will come, but you must have an economy.

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