

Thailand creates body to study Kra Canal

by Sophie Tanapura

In early June, the Thai Parliament approved the creation of a 25-man special committee to study the feasibility of the Kra Canal complex. The construction of a canal through the Isthmus of Kra, between the Andaman Sea and the Gulf of Thailand, would be accompanied by the creation of a Southeast Asian superport at the city of Songkla. As envisioned by plans drawn up for the canal as early as 1973, the canal would become the center for a major industrial zone in southern Thailand.

The creation of the parliamentary committee comes one month after Thai Communications Minister Samak Sundaravej announced that pre-feasibility studies are now in the works, carried out by the Fusion Energy Foundation of Washington; the U.S. TAMS engineering firm; and the Mitsubishi Research Institute of Japan.

The vote to form the committee followed some debate, but when the vote was called, there was enough interest in the canal to carry the vote positively. On the committee are certain more prominent members of parliament, such as Sumit Sundaravej of the Thai Citizens Party and the younger brother of Communications Minister Samak; Rear Admiral Sanong of the Democrat Party, who is also chairman of the Thai Mercantile Marine, Ltd.; and Pongpol Adireksarn of the opposition Chat Thai Party. The political composition of the committee weighs heavily in favor of the Chat Thai Party and the Social Action Party, each with eight members on the committee. Its report is due at the end of July.

The committee has no power to implement, but can act as an advisory body to the government. A favorable opinion from the committee could help create the right atmosphere for a future cabinet discussion on the subject.

With the Kra Canal project discussion moving along steadily and surely, Singapore Prime Minister Lee Kuan Yew's recent trip to Bangkok raised many an eyebrow. Media rumors have it that Harry Lee, as he is better known by his British friends, expressed great concern, during meetings with Thai Prime Minister Prem Tinsulanonda and Foreign Minister Siddhi Savetsila, about the possibility that the canal would be built. Opposition from Singapore centers on the misapprehension that the canal would siphon off shipping business and traffic from Singapore, which now controls the Straits of Malacca. Others in Singapore, however, think the

industrial development and trade the canal will bring to Southeast Asia, will be a boon to Singapore as well.

Although *EIR* cannot yet confirm or deny the rumors about Lee Kuan Yew's purpose in Thailand, it would not be surprising to discover that he had, in fact, applied pressure on Thai authorities against the canal.

In Singapore on Jan. 11 of this year, Lee Kuan Yew hosted a series of meetings with influential of the ASEAN countries: Philippines Prime Minister Cesar Virata, Indonesian Armed Forces Chief General Benny Murdanni, Indonesian Economic, Financial, and Industrial Development Minister Ali Wardhana, Malaysian Education Minister Abdullah Bin Ahmed Badawe, and Thai Foreign Minister Savetsila. According to an American source, Henry Kissinger was also on hand, and was working to undermine progress toward construction of the Kra Canal.

Early this May, Dr. Phisit Pakkasem, deputy secretary-general of the National Economic and Social Development Board (NESDB), who prides himself on being a Kissinger disciple, stated in a private discussion with Japanese businessmen and representatives of the Fusion Energy Foundation that as long as he is at the NESDB, he will not allow the project to go through. Created on the advice of the World Bank in the 1950s, the NESDB has always acted to quash industrial infrastructure projects and promote "small, appropriate" schemes.

At a press conference on June 11, *EIR* asked Thai Communications Minister Sundaravej to comment on Dr. Phisit's hostility toward the Kra Canal project. Samak replied: "Dr. Phisit should make a public statement on that. He should give an interview to the press. Does he have the guts to give a press interview?"

Samak then explained, "The NESDB wants to develop the upper south [of Thailand]. That is their latest toy, after the Eastern Seaboard project.

wants to build a land bridge crossing the upper south isthmus with a port on either coast. Now, if Dr. Phisit can have that idea, I can have mine, too. My idea is to create a passage for ships to go through. Each person can have his own idea. But to announce that you will block the idea is rather abnormal.

"Invite the press to interview Dr. Phisit. Other people should know what a strange situation this is. Does this mean ministers are not allowed to think for themselves anymore and that a civil servant has to make a public declaration to block his ideas?"

"I am studying the Kra Canal question. We are negotiating with Japan and the United States as well as the Fusion Energy Foundation. What I am doing must be pretty good, because it does not cost us anything to consider the pre-feasibility study. . . . The Japanese are going to invite me to Japan after the parliamentary session is over. The Americans are very interested and have been working on this project for the past two years. The parliament wants to study it. Let them do it. But is it not strange that the NESDB announced that it will block the project?"