

this has special significance under present world conditions, and it's a question of life and death for the economy of Argentina.

What is obviously needed, is to put the world economy through bankruptcy reorganization. This would mean that leading governments should support the right of the government of Argentina to conduct such bankruptcy reorganization of its own national economy. This would mean that the government of Argentina would issue a new currency to initially be used for internal purposes. The purpose is to promote full employment in useful and essential categories of infrastructure and industry, and thus to bring the total product of Argentina above the level of the costs of maintaining that population. This cannot be done without a large issue of credit by the government of Argentina to fund employment and investment in industry and infrastructure. And this is what must be done with the world at large today.

**Q:** Does your proposal mean the elimination of the rest of the banking system, or could the two systems co-exist simultaneously?

**LaRouche:** Well, the banking system is bankrupt, but the government must have the banks functioning, even if they are bankrupt. Banks have an essential function of deposit and circulation of credit. If any bank has any usefulness at all, it must be preserved in that function, even if it is bankrupt. We must, to the extent possible, maintain the traditional relationship of cooperation between the banks and the people, and the banks and the producing firms.

**Q:** Does your proposal mean the nationalization of the banks, as much of the left around the world proposes, and how does this square with the fact that you are often referred to as an ultra-right-winger?

**LaRouche:** Well, the "ultra-right-winger" is simply a slander spread by the right-wing of the United States. That's the only place it comes from. As a matter of fact, *they* are fascists. But that's not important.

Look, nationalization can mean two things. The nationalization I'm proposing is the nationalization of the process of putting the banks through bankruptcy reorganization, and the creation of a National Bank, a sovereign bank of the state, to coordinate that process.

**Q:** Returning to political questions, would your friendship with Mohamed Alí Seineldín indicate support for that type of political orientation?

**LaRouche:** I don't know. I have great personal affection and respect for Colonel Seineldín, and to the degree possible, I would wish to be able to discuss such matters with him. But, as you know, we are limited in our communications. So I can only infer the thoughts of Colonel Seineldín, though I have great affection for him.

**Q:** And would you be willing to support a movement to bring Seineldín to power, as some rumors have suggested?

**LaRouche:** I have not any such plan. I think that Seineldín should play a key role as a hero of his country, but as in the United States today and in most of Western Europe, we don't have a political party that's worth anything. My concern, as in the United States, is to suddenly create new parties which represent the best people of the nation, to bring nations out of these troubles.

**Q:** Thank you very much, Mr. LaRouche.

## Mekong Nations' 'Linking' Strategy Pays Off

by Gail G. Billington

The six countries grouped in the Asian Development Bank's (ADB) Greater Mekong Subregion (GMS) have made progress in recent months toward their objective of an integrated infrastructure grid for road transport, and in reaching agreement on taming the Mekong River for improved water transport and flood control, despite increasing evidence that the "Asian Contagion" that hit the region in 1997 is about to be repeated. The greatest progress has come in the improved bilateral and multilateral collaboration among these countries for the greater, regional good. If so, it could indicate that the demise of the "importers of last resort" in the U.S. and European markets is encouraging thinking in the direction of "interior development," as developed in LaRouche's "Eurasian Land-Bridge" global reconstruction plan.

The six GMS members are Yunnan Province (China), Myanmar, Lao People's Democratic Republic, Thailand, Cambodia, and Vietnam. All but Yunnan Province are members of the ten-nation Association of Southeast Asian Nations (ASEAN). However, ASEAN's ongoing "Plus 3" dialogue with its larger Asian neighbors to the north—China, South Korea, and Japan—has been and will continue to be crucial to reaching the objectives outlined in the GMS regional development plan. Japan is a major source, and China is emerging as an important source, of funding.

The ADB's GMS scheme was established in 1992, adopting a 25-year time frame, or 2017, for its realization, which is in line with ASEAN's "Vision 2020" target, by which date member-nations hope to have graduated from "developing" to "developed" nation status. The GMS is one of the most productive agricultural regions in the world, including two of the world's most important rice-exporting nations, Thailand

and Vietnam. The combined population of the immediate six members is approximately 240.4 million people, residing in a land area of 2.3 million square kilometers. However, annual per-capita Gross Domestic Product figures make clear, that the region includes some of the poorest countries in the world, ranging from \$280 to \$3,100. It also includes some of the most brutally war-ravaged countries in the world—Cambodia, Laos, Vietnam—which suffer the added penalty of dealing with tons of unexploded ordnance, millions of land mines, and health problems stemming from U.S. use of millions of gallons of defoliants during the wars in Indochina.

### Plugging the Holes in the Asian Highway

On Nov. 23, 2001, Thailand, Laos, and Vietnam announced that they would prioritize investment in “Indochina economic zones” to boost their economic cooperation, taking advantage of the planned Thai-Lao international bridge connecting Thailand’s northeast and Savannakhet, Laos. The bridge makes it possible for goods to travel from central Vietnam, via the east-west corridor, from Danang, Vietnam to Mae Sot on Thailand’s western border, to Moulmein, Myanmar, and further west. Lao Bao, Laos, near the Vietnam border, was chosen as a trade and investment center to serve as a special economic production zone between the Thai province of Mukdahan and Savannakhet.

Exemplary of the challenges and opportunities that lie ahead: On Dec. 4, 2001, the Royal Cambodian Government held a gala opening for the first bridge over the Mekong River in the capital, Phnom Penh, built with Japanese funding. The bridge is only the second infrastructure project of its kind in the country since the first bridge, built over the Tonle Sap River in the 1960s. Prime Minister Samdech Hun Sen told the 10,000 people assembled, “This bridge is the most important artery for economic development in Cambodia, as well as for the physical integration of ASEAN, in particular, to narrow the gap between the new and old members of ASEAN,” referring to Cambodia, Laos, Vietnam, and Myanmar, which have joined since 1996. The bridge adds a link to the East-West Asian Highway, connecting Phnom Penh, via Route 7, to Ho Chi Minh City in southern Vietnam.

### Myanmar, No Longer a Missing Link

As hard as human rights groups tied to George Soros and others might try, it is impossible to ignore a nation of 49 million people, especially when it lies at the geographical crossroads between South, Southeast, and East Asia. Ostra-

FIGURE 1  
Greater Mekong Subregion Rail Projects (as of February 1999)



Source: Asian Development Bank.

alized for its treatment of Nobel Peace Laureate Aung San Suu Kyi and her National League for Democracy, and blamed for its failure to end drug-trafficking, which Britain introduced in its 19th-Century opium wars, Myanmar is making headway, with the support of ASEAN and its “Plus 3” dialogue partners.

Malaysia has played a uniquely important role in the last year and a half, through the efforts of former Ambassador to the UN Razali Ismail, as UN special envoy to Myanmar, and through the personal efforts of Malaysian Prime Minister Dr. Mahathir bin Mohamad.

The Dec. 12-15 state visit of China's President Jiang Zemin to Myanmar made the change abundantly clear. President Jiang is the first Chinese head of state to visit since 1985. He held meetings with the three senior officials, Senior Gen. Than Shwe, Chairman of the ruling State Peace and Development Council; SPDC Vice Chairman Gen. Maung Aye; and SPDC First Secretary Lt. Gen. Khin Nyunt, head of military intelligence. President Jiang was accompanied by a 100-person delegation, and almost as soon as he arrived, seven accords on economic matters and border security were signed. China's Foreign Ministry spokesman Kong Quan announced at the time of the signing that China had offered \$100 million in aid and investment, to promote development. Bilateral trade between the two countries is estimated at \$600 million annually, placing China third after Singapore and Thailand. Myanmar is, however, the largest trading partner of China's Yunnan Province, a GMS member.

President Jiang's talks in Myanmar were followed in early January with a thawing of often testy relations between Myanmar and neighboring Thailand. After a two-year hiatus, senior representatives on both sides agreed to renew their annual bilateral Thai-Burma Joint Commission meetings. Foreign ministers of the two countries agreed to discuss a wide array of issues, including anti-narcotic efforts, crop-substitution, infrastructure development, and nagging issues related to refugees and migrant labor.

Within a week of the renewed Thai-Burma talks, on Jan. 15, Thailand, Laos, and China agreed to share the cost equally of constructing a highway linking Thailand's Chiang Khong in Chiang Rai province, passing through Laos' cities of Huay Sai, Laung Nam Ta, and Boten, before reaching China's southern city of Jinghong. China proposed construction of a four-lane highway, while Thailand and Laos prefer a two-lane road, which could be expanded in the future. The ADB estimates a two-lane road would cost \$60-90 million. Thai Transport Minister Wan Nor told reporters that China also volunteered to fund a \$5 million project to improve navigation on the Mekong from Jinghong to Chiang Rai.

On Jan. 30, the Thai cabinet announced it had approved a

joint project, involving four of the GMS countries—Thailand, China, Laos, and Burma—to improve navigation along a 331 kilometer stretch of the Mekong River by blasting 11 rapids to improve shipping channels, including nine along the Burma-Laos border, one on the China-Burma border, and one on the Thai-Lao border in Chiang Khong, Thailand. The project includes construction of six bridge and river crossings. China will fund the \$4.54 million project.

### **Phase-Change Ahead?**

In the first weeks of the New Year, what has been put on the table for ASEAN's consideration, strongly suggests that at least some recognize that a phase-shift is in order, to counter the negative drag on all these countries from an accelerating global economic collapse.

Malaysian Prime Minister Dr. Mahathir announced on Jan. 21 that his government would spend billions of ringgit on building a high-speed electrified railway from Singapore in the south to Thailand in the north, as part of the ambitious 5,500 km pan-Asia rail system, running from Singapore to Kunming, China, due to be completed by 2006. One week earlier, he had said that the government planned to expand all its ports to make the country a regional trade and shipping hub.

Commenting on the proposed high-speed rail system, Dr. Mahathir described it very much like the "development corridors" embedded in LaRouche's Eurasian Land-Bridge program, pointing out that new transportation routes lead to the "emergence of new townships" along the route. "It will take us some time and a lot of expenditure, but it is a worthwhile investment. We cannot think in terms of direct profits, but look at the spin-offs," he said. He referred to the "Trans-Siberian Railway linking Europe to North Asia through Russia" as the model needed for transportation systems for both goods and people. On Jan. 22, China pledged \$4 billion toward the cost of the railway, which will eventually run 3,420 miles, connecting to the Trans-Siberian Railroad to Europe.

On Jan. 23, Myanmar's Deputy Foreign Minister Khin Maung Win announced that the government had informed the International Atomic Energy Agency of its intention to construct a test nuclear reactor "for peaceful purposes, . . . to acquire modern technology in all fields, including maritime, aerospace, medical, and nuclear" research. He said that Myanmar had received a proposal from Russia on the subject. He added, "All our neighboring countries, with the exception of Laos, are already reaping the benefits from nuclear research reactors operating in their countries." The project has been denounced by U.S.-based anti-Myanmar non-governmental organizations. Ironically, in the late 1950s, even while there was competition between the United States and Russia over influence in Burma (now Myanmar), under President Dwight Eisenhower's "Atoms for Peace" policy, Burma was provided with a library on nuclear energy development.

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