

Why the Washington Post Hates Thailand's Thaksin

by Mike Billington

A *Washington Post* editorial on Dec. 26, 2003, titled "Our Man in Bangkok," denounced Thailand's popularly elected and widely supported Prime Minister Thaksin Shinawatra, as a "populist" who is moving Thailand away from "democracy," implying that he had obtained his office through corruption. The *Post* criticized President Bush for supporting the Thai government—contrary to Bush's championing of "democracy"—and accused Thaksin of being an "authoritarian" with ominous regional ambitions. In lock-step, *The Nation*, one of the leading English-language newspapers in Bangkok and partially owned by the *Wall Street Journal's* parent Dow Jones & Company, reprinted the *Post* editorial; it then added a slanderous editorial of its own, even comparing Thaksin to Hitler, and scolding the *Post* that they had not gone far enough: The term to describe Thaksin's government is "budding tyranny."

A revealing aspect of both slanders is that they compared Thaksin, and President Bush's support for him, to another supposed "budding tyrant," Russian President Vladimir Putin. Putin, whose supporters won an overwhelming majority in recent Duma elections, and who is expected to win the upcoming Presidential elections by an equally large margin, has taken dramatic steps to weaken the criminal elements which had seized control of the nation's natural wealth—the so-called "oligarchs," who have worked closely with the Western banking institutions in the looting of post-Soviet Russia. Both the *Post* and *The Nation* also fretted that Thaksin may follow the lead of recently retired Malaysian Prime Minister Dr. Mahathir bin Mohamad, whose refusal to submit to IMF dictates famously demonstrated that developing nations can resist neo-colonial dictates, and be better off for it. As usual, when free and fair elections don't turn out the way the Washington oligarchy desires, they change the criteria for what they consider "democratic."

Thailand's Offense

The question to be asked is why the *Post* and the *Wall Street Journal*—leading voices for the pre-emptive nuclear war doctrine of the neo-conservatives centered around Vice President Dick Cheney, and for the failed financial policies of Alan Greenspan's Federal Reserve and the International Monetary Fund—decided to focus their venom on Prime



Thai Prime Minister Thaksin Shinawatra, who has a policy of integration of the South Asian region, is under heavy attack from imperialists—liberal, and not-so-liberal—in the U.S. press.

Minister Thaksin?

The Thai Prime Minister has accommodated Cheney's pre-emptive war doctrine. He has even deployed Thais to join the American and Coalition soldiers as "targets" in the Iraq quagmire, and accepted the declaration by President Bush of Thailand as a "non-NATO Ally" of the United States. This was an effort by the Bush Administration to divide Asia between U.S. allies and "others," much as John Foster Dulles intended in the 1950s when he created the Southeast Asia Treaty Organization (SEATO) to divide Asia along Cold War lines.

However, this is not enough for the neo-conservatives, whose real target is not Iraq, nor even the Islamic nations. Rather, in classic "British colonial" style, their aim is to prevent any alliance of nations which could challenge the power of the bankrupt Anglo-American financial system and its military enforcers. On this count, Thaksin has placed his nation in the cross-hairs of the neo-cons, by making Thailand a significant actor in building Asian and Eurasian unity.

Under Thaksin, Thailand's policy includes: the development of regional physical infrastructure projects to uplift its far poorer neighbors; promotion of Asian-wide transportation corridors to unite India and China with the Southeast Asian economies; and expanded diplomatic and economic cooperation with Russia, Germany, and France; i.e., uniting the leading powers of the Eurasian continent. This, to the synarchist geopoliticians at the *Post* and Dow Jones and those aligned with Cheney's decade-old "New American Century" imperialism, is the ultimate sin.

The Critical Case of Myanmar

A primary target of the new imperialist-minded forces in the United States in both the Republican and Democratic parties, is the nation of Myanmar, formerly Burma. The enormous energy exerted by these factions in the Congress and in the Administration to condemn Myanmar, and to

demand that its neighbors fall into line in the effort to isolate and impose regime change in Yangon, can only be understood by a look at the map, and at Myanmar's historical role as a crossroads between India, China, and Southeast Asia.

For example, the "southern route" of the Eurasian Land-Bridge, the plan for rail-centered development corridors uniting Europe and Asia, must pass through Myanmar to link Southeast Asia to Europe, or to link India with southern China. The famous "Burma Road" constructed by the United States and allies in World War II, to resupply the Chinese armies by land from allied bases in India, has never been reconstructed. The British, in granting independence to Burma after the war, arranged that the hill tribe regions which divide Burma from Thailand and China, would remain outside of the control of the Burmese government, facilitating the "Golden Triangle" drug traffic controlled by British banking interests in Hongkong and Singapore.

In November 1996, former Gen. Chavalit Yongchaiyudh (who is now Deputy Prime Minister to Thaksin) became Thailand's Prime Minister, and immediately took steps to establish cooperative relations with Myanmar, including support for the inclusion of Myanmar in the Association of Southeast Asian Nations (ASEAN). This provoked an outcry from the West, and especially from George Soros. Soros is the leading financier for both the international drug lobby, intent on legalizing the drug trade, and also for the numerous NGOs and armed opposition groups, mostly based in Thailand, which were intent on overthrowing the military regime in Yangon. The connection between Soros' sponsorship of the drug trade, and his concern that the Golden Triangle regions of Myanmar remained "independent" of Yangon's control, did not go unnoticed in Thailand.

Within months, Soros began his now infamous speculative attack on Thailand's currency, the baht, bankrupting the Thai economy and most of its Asian neighbors, in what is referred to as the "Asian crisis" of 1997-98. Chavalit was quickly forced from office, in favor of the more IMF-friendly, and Myanmar-hostile, Democratic Party.

Since the overwhelming victory in the January 2001 elections by Thaksin's Thai Rak Thai Party, Thailand has regained economic stability, and again moved toward engagement with Myanmar, with both Thaksin and Chavalit actively engaged. Denunciations and threats from the imperial faction in Washington included an effort by Senators John McCain (R-Ariz.) and Mitch McConnell (R-Ky.) to cut U.S. anti-drug and military aid to Thailand if it failed to "take action to sanction" the Yangon government, and to assure that the subversive organizations based in Thailand were allowed to receive their paychecks from George Soros and company. Thaksin responded: "We are an equal, not a lackey."

In a similar incident, Thaksin was denounced as undemocratic when he restricted certain NGOs which had intended to demonstrate against the Asia-Pacific Economic Cooperation



(APEC) Summit in Bangkok in October 2003. Thaksin responded: "Do you know who backs some of these NGOs? It's the George Soros foundation. Remember who destroyed our baht currency six years ago? Don't forget so easily, or so quickly. Some people are sinners and want to make merit. But in reality they are still sinners."

The Summit in Pagan

Thaksin then mobilized the leaders of its eastern and western neighbors, the still impoverished nations of Cambodia, Laos, and Myanmar, to meet in Pagan, the ancient capital of Burma. The four nations issued the Pagan Declaration, calling for transforming the border areas of these countries into a "zone of durable peace, stability, and economic growth." Thaksin declared: "We shall pool our strengths, pool our sincere hearts. We will put all our conflicts, misunderstandings away. In four or five years, we will see no border conflicts nor illegal immigrants." Thailand, which accounts for 91% of the combined economies of the four nations, hosts over 1 million illegal foreign workers. Rather than simply expelling these workers, Thaksin aims to build up the domestic economies of their homelands, issuing credits for road construction between the nations, lowering tariffs, offering scholarships to study in Thailand, and other measures.

Thailand is also building a series of dams along the Salween River, which flows from China along the border between Thailand and Myanmar. Thailand is also participating in dam construction in Laos, with French and Italian partners. While opening up those formerly undeveloped regions to real economic growth, the electric power generated

will also contribute to plans for an Asian Power Grid, to link power supplies and distribution networks across the region, including Malaysia, and Sumatra in Indonesia.

Cooperation in developing Myanmar is also critical for bringing India into a closer relationship with Southeast Asia. While China has played the crucial role in building unity in the region since the 1997-98 crisis, India has now joined in the effort. Prime Minister A.B. Vajpayee spent five days in Thailand in October, giving the first-ever speech by a foreign leader before the Thai Parliament. "India," he told the Parliament, "has rejuvenated its policy of comprehensively upgrading ties with its Eastern neighbors." India, Myanmar, Thailand, Cambodia, and Vietnam are now completing a road which will stretch from New Delhi to Ho Chi Minh City, setting the path for the eventual construction of the southern route of the Eurasian Land-Bridge.

The other major infrastructure project in the region, the Mekong River Project (see *EIR*, July 18, 2003), is progressing rapidly. The opening of the Mekong for ship traffic from China through Chiang Rai in northern Thailand has already transformed the region. Construction of a road link between Bangkok and Kunming, the capital of Yunnan Province in China, is under way, while plans for the "Asian Railroad" from Singapore to Kunming, with links to the Eurasian Land-Bridge rail routes to Europe, are on the drawing boards.

Europe is also looking to Thailand. In October, President Putin became the first Russian head-of-state to visit Thailand since Tsar Nicholas II in 1890 (that visit was followed by a visit to Russia by King Mongkut, known as Rama IV, in 1897, viewed as a crucial landmark in Thailand's history). Thaksin visited Russia in 2002, and France in 2003. The French view Thailand as a base for their investments into the region, especially in the Mekong River Basin, which flows through the countries of the former French Indochina: Laos, Cambodia, and Vietnam. Germany, also, sees Thailand as a center for the new European interest in Asia, sending a 72-member business delegation to the Kingdom in April.

Pursuing the General Welfare

Thaksin's huge popularity at home is largely due to his domestic economic policies, which have centered on infrastructure development coupled with programs promoting the general welfare. Road and rail projects, transit systems in Bangkok, a five-year plan to build 1 million homes for poorer Thais, and a new international airport are among the infrastructure programs now in progress. Thaksin introduced a national health plan which assures hospital care for all at the equivalent of \$0.75 per visit. There are problems with the implementation, but the Prime Minister has insisted on solving those problems rather than scrapping the program.

A plan for lending money to villagers across the country has also been implemented, but it has been influenced by the

ideas of economic snake-oil salesman Hernando De Soto—encouraging poor peasants to place liens on their land, a form of "free-market economics for the poor," with potentially disastrous consequences.

With the aim of reviving the stock market, Thaksin's government has also courted disaster by allowing unregulated day-trading, called "net-settlement" trading in Thailand. A new speculative bubble in the markets has emerged on the back of these day-trading speculators, who accounted for 80% of the trading volume in November, according to some reports. This contributed to a nearly doubled total market value during 2003. In December, the Thai Stock Exchange announced measures to limit the damage, imposing a collateral rule for day-traders to begin in March, whereby 10% (and later 25%) of any day-trade must be covered by cash.

But more broadly, Thaksin has promoted the integration of the region's financial institutions, to protect against a repeat of the disaster wrought by Soros and his friends in 1997. An Asian Bond Fund was created in Chiang Mai in June, in a plan initiated by Thaksin. Eleven nations from Asia and the Middle East are participating, starting with \$1 billion in deposits drawn from the various national reserves. The intention is to eventually pool 1% of all reserves across Asia, to be used both for defense of the national currencies, and for investment in regional infrastructure.

The measures to create Eurasian unity are of immediate benefit to each participant, but are even more essential for dealing with the now cascading financial collapse of the dollar-based financial system. But though regional financial agreements such as those Thaksin has initiated are useful, they will not suffice to meet the global impact of the dollar collapse brought on by the long-term decay of the U.S. physical economy.

Necessary new international financial institutions, such as the New Bretton Woods proposed by Lyndon LaRouche, have yet to be adopted, but the political and economic cooperation of the Eurasian nations required as the backbone for such a system, is increasingly coming into being. It is in this emerging unity, that a reason can be found for the hatred towards Prime Minister Thaksin—as also towards President Putin—by the editors at Dow Jones and the *Washington Post*.

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