

apparatus has deep roots in Indonesian history, and only incidental connections to international networks. When less threatened by destabilization, the government can act more directly in the interest of the general welfare of its population.

Interview: Sarasin Viraphol

‘China’s Emergence Brings Forth Optimism’

Dr. Sarasin Viraphol is Executive Vice President of the Charoen Pokphand Group Co., Ltd., Bangkok, the largest agribusiness group in Thailand, and one of the largest foreign investors in China. Dr. Sarasin, who has a PhD in History and East Asian Languages from Harvard, was a Professor at Chulalongkorn University before joining the Ministry of Foreign Affairs, where he served as Director of the Department of the Americas and Pacific, and Deputy Permanent Secretary. EIR correspondent Michael Billington spoke with Dr. Sarasin on Jan. 15.



EIR: I would like to focus on some of your work in China and the Greater Mekong Subregion (GMS) development programs.

Dr. Sarasin: I have to tell you, that is really incantations. Really we are looking into the future.

EIR: Yes, I know, but there is a new wave of optimism, I sense, throughout the region.

Dr. Sarasin: There are new opportunities emerging, and that’s probably the reason for the general optimism.

EIR: At the November Phnom Penh meeting of the ASEAN+3, there was included a meeting of the GMS, at which they laid out quite optimistic programs for water transport, as well as dams, water control and power generation, and also road and rail programs. What is your sense of how much that will actually move forward?

Dr. Sarasin: Well, you know, all of this has been talked about for much of the past decade or so, since the Asian Development Bank (ADB) initiated a series of studies on the GMS. And after more than ten years, I guess, there is a consensus emerging that this is the basis for cooperation among the countries that are on peninsular Southeast Asia,

where the GMS is geographically focused, and which, of course, includes parts of China.

I guess for the newcomers of ASEAN—as in Indochina, particularly Vietnam, Cambodia, but particularly Vietnam—I would say, I think there seems to be a lot more enthusiasm for this concept of regional cooperation, because they would directly benefit from anything that would open up their territories for development, infrastructure and other things. The original six members of ASEAN share the enthusiasm, but they may not show it as much as the newcomers, including Burma [Myanmar].

Thailand, on the other hand, is probably the most prepared to push for the GMS concept, but Thailand also has other things in mind, other priorities in its development. So GMS is readily endorsed, but perhaps it is not as urgent [for Thailand], as it is for some of the other countries.

Understand that what I am saying here is, that other things need to be taken into account. Of course, the Asian Development Bank, being an international institution, may have all kinds of good ideas, genuine ideas for subregional cooperation. That is their mandate, but at the same time, ADB is a multinational institution with its own set-up and own limitations, and other things. ADB cannot speak for all of the countries in the GMS. It can promote the idea. It can help, but it cannot be in the driver’s seat, if you know what I am saying.

EIR: Are you concerned that it is trying to be in the driver’s seat?

Dr. Sarasin: ADB would like to be unlimited in its status as a multilateral financial organization. It can come up with money, financial support for studies, and it can show the way. It can push. It can endorse. At the same time, the countries of the GMS have to be in the driver’s seat. We *have* to be the ones to decide how fast, or how slowly we want to proceed with our regional cooperation.

EIR: Let me ask you about the tremendous development last week in China, with the first trip of the magnetic levitation train in Shanghai. This immediately brought to my mind, and to others that I talk to, that Thailand is at the hub of the Asian rail networks, both east-west and north-south, and would be a place where high-speed rail, and, perhaps, even the maglev, would be advantageous.

Dr. Sarasin: I think the Germans would like it very much! . . . At the moment, the Germans and the Chinese are talking about bringing the maglev to other parts of China. They are not talking about doing anything for Thailand. But, in terms of the idea of “linking up,” or improving on the rail services of continental Southeast Asia, definitely since Malaysian Prime Minister Dr. Mahathir proposed this—some eight or nine years ago at the ASEAN summit, in Bangkok, I believe, under the administration of Prime Minister Barnhan—that idea is on the table, and, of course, the Singaporeans have recently talked about that, too. But, there has not

been anything more in the way of joint planning, or seriously studying how the idea of the high-speed rail can be realized. The idea is definitely on the table, but there has not yet been a real effort to move it beyond the table top. . . .

I think we are much less ambitious at this point. Eventually the rail link is going to be a very important, a very crucial idea. But in terms of linking up within the GMS, I think the early stages of implementation would be in the area of the Mekong River, the north-south corridor roads, linking western China with Laos, Myanmar and Thailand. Those are the things that will happen first, or are likely to happen first.

I think the rail link will follow that.

EIR: You've been involved for many years in China, both diplomatically and in your business. What is your sense of China's role, in particular, in making the GMS project move forward.

Dr. Sarasin: Definitely the rise of China will help accelerate the realization of the GMS proposal. I think that the quicker the development in China is, the greater pressure will be on all of the countries of the GMS to do something with the GMS. Very definitely, it has that effect of pushing the idea further down the road of implementation.

Without that, it would take longer for the GMS to be realized. This is very obvious because, after all, for the GMS there must be a tangible objective, and that is economic development. Otherwise, why would you build roads and other transportation networks?

EIR: That is the idea behind the Eurasian Land-Bridge. It is not simply to get people from one end to the other, from Asia to Europe, but to create development along the path.

Dr. Sarasin: Economic development will help stir the contact of people, and without economic development, the justification for investing in all that effort would be less.

EIR: You know that the United States, Europe, and Japan are all simultaneously in a severe economic/financial crisis, and there is a dollar crisis, which many people, including Mr. LaRouche, believe is heading for an explosion in the very near term, perhaps this month.

Dr. Sarasin: Oh, really? As soon as this month?

EIR: Yes. I want to ask you specifically, in that context: This certainly puts a great deal of pressure on the rest of the world, and on Asia, given the role of the dollar in the world economy—pressure towards regional monetary integration as well as economic integration. Do you see motion in that regard, such as the Asian Bond policy or the Asian Monetary Fund policy?

Dr. Sarasin: Our Prime Minister has been pushing this idea of Asian bonds, and they have received some initial positive reactions—for at least the idea of exploring how this Asian Bond can be brought into being. We are moving more seri-

ously down that road, to see what more we could be doing together, weathering various problems that we are likely to face in the coming months or years.

But in the long run, I think the idea of the Asian Bond is to accelerate the cooperation among the countries of Asia in general. Specifically, with regard to generating money for *development* in various parts of Asia, certainly, Asian Bonds pose a possibility, the idea of pulling together our meager resources, or at least allocating a certain amount of reserves of each country in a pool in order to do something together.

EIR: So you think it is moving in the direction of something like an Asian Monetary Fund, for development, and not just a reserve?

Dr. Sarasin: Well, we don't know yet how fast this would move into this Asian monetary development fund. But I can tell you: We don't have any ambition to replace the dollar, but, definitely, it is good for regional development and cooperation. We don't know how far this will lead us, but at least it is an initial step in the right direction for cooperation.

EIR: If you combine that with the re-emerging alliance between Russia, China, and India, what is called the Strategic Triangle, do you see the ASEAN integration linking up with this triangle? With the larger Eurasian countries?

Dr. Sarasin: Not so clearly, although, you know, these three countries are already our dialogue partners. We talk to them, and they are also part of the ASEAN Regional Forum, ARF. But we don't envisage this power triangle—India, China, and Russia—when we deal with these three countries. We acknowledge their status as major powers, which can impact on our region, but we don't necessarily yet look at them as a power triangle.

And certainly, we would rather envisage all our cooperation within the context of ARF. . . .

EIR: Do you agree with what I said regarding the general sense of optimism in Asia, if that is your sense, too?

Dr. Sarasin: I think so. Basically, it is driven by what is happening in China, in some ways. We see China as a new light, a shining light in Asia, and as our partner. Of course, China can also be a competitor, but we are more familiar, we are more at ease with China also as a partner.

Our company has a lot of business in China. We have been dealing with China for the last 20 years. We are familiar with China. We feel China's emergence, and that does bring forth Asia's enthusiasm and optimism. In contrast to what is happening in Japan, this is welcome. This is definitely welcome.

But then we have other problems, you know, of our own. How will ASEAN get out of its current economic doldrums? We have to address those problems now for ourselves, but we see China as an engine for pushing, for bringing forth all this optimism.