

# ASEAN Says No to U.S. War, Austerity, Yes to Joint Development with China

by Mike Billington

Aug. 18—President Obama sent Secretary of State John Kerry to the annual meeting of the ASEAN Regional Forum (ARF) in Myanmar Aug. 8-10, with the intention of using America's assumed role as "the only superpower" to impose a resolution upon the Association of Southeast Asian Nations (ASEAN), demanding a moratorium on all "provocative" activities, especially development projects, in the South China Sea. The Obama Administration uses the euphemism "preventive diplomacy" as a means of insisting that "no development" is the only basis for "peace" in the region.

Kerry counted on the subservience of the Philippines government as his key ally against China at the ARF meeting. Obama-clone Philippines President Noynoy Aquino has essentially turned his nation into a massive U.S. military base in preparation for a war on China. Explicit wording in the Constitution forbidding foreign military bases on Philippine soil have been ignored.

Kerry received quite a shock, however, at the ARF meeting. This is not the same world of even a few months ago, since the BRICS meeting in Brazil in mid-July declared to the world that the majority of the world's nations—led by China, Russia, and India—were establishing an alternative source of credit and development cooperation to the London-Wall Street controlled IMF and World Bank—emphatically *not* including the political, financial, and green "conditionalities" always associated with IMF and World Bank loans.



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The U.S. demand for an anti-China resolution was rejected out of hand, and even the Philippines had to restrain itself. ASEAN (Thailand, Malaysia, Philippines, Indonesia, Vietnam, Laos, Cambodia, Myanmar, Singapore, and Brunei) refused to even consider Kerry's proposed language for a freeze on what he called "provocative actions" in the South China Sea. It was clear to all that by "provocative actions" Kerry was referring to China's drilling for oil and building facilities on islands which China considers part of its sovereign territory, but are contested by others in the ASEAN group.

China's Foreign Minister Wang Yi underlined China's willingness to resolve disputes through bilateral negotiations with the countries involved, along the lines of the Declaration of Conduct already established in the region. China has totally rejected demands

from Obama to accept the Philippines appeal to an international tribunal under the UN Convention on the Law of the Sea (which, ironically, the U.S. has refused to sign due to the inherent loss of sovereignty it involves!) to adjudicate the contested islands. While China does not say so publicly, it recognizes that such "impartial" international adjudication is not impartial at all, but dominated by the Anglo-American imperial interests.

Chinese President Xi Jinping has insisted that China is committed to "shelving disputes and carrying out joint development" in the contested areas, to achieve "peaceful development" for mutual benefit, leaving territorial issues to another time. One of the leading Phil-

ippine negotiators with China, Henry Bensurto, speaking at a conference in Washington on July 10, admitted that his Chinese counterpart repeatedly offered joint development, but Bensurto ridiculed the idea as preposterous!

### China-ASEAN Development Cooperation

Despite Obama’s effort to isolate China, the ASEAN forum achieved quite the opposite result, i.e., an agreement between the ASEAN nations and China to deepen their strategic partnership, including emphatically cooperation on President Xi’s policy of a New Maritime Silk Road involving the nine members of ASEAN that border on in the South China Sea and the Bay of Bengal, and cooperation in the development of the Mekong River Basin. This is of special importance, since the last half-century of Western promises of development of the Mekong River region (which includes China, Myanmar, Laos, Thailand, Cambodia, and Vietnam) have produced almost nothing, sacrificed to British imperial “greenie” demands about saving the primitive environment, and preserving the backward conditions of the local population—the “noble savage” mentality so beloved by the British imperial lords. What China will do to unleash the potential of the Mekong is yet to be seen, but it will certainly be substantial, as are all of China’s infrastructure commitments.

China also called on all ten ASEAN nations to join the Asian Infrastructure Investment Bank (AIIB) as founding members, an offer which Thailand and Singapore have already accepted.

Thailand exemplifies the recognition across the region that China’s emergence in the context of the BRICS policies means that real economic transformation of the Southeast Asian nations is finally possible. Ironically, Thailand was subjected to a military coup in

FIGURE 1  
Rail Plan for Southeast Asia



*Rail lines connecting China to Southeast Asia. The broken black lines are existing rail lines; the yellow are those planned for construction. China and Thailand have now agreed to build high-speed lines on the Bangkok to Vientiane line and the Bangkok to Chiang Mai line.*

May, after years of chaos created by royalist mobs protesting the development policies of the governments of former Prime Ministers Thaksin Shinawatra and his sister Yingluck, both of whom were overthrown by the military in the coups of 2006 and 2014.

However, despite expectations to the contrary, the junta under Gen. Prayuth Chan-ocha has firmly embraced the great-projects approach of the Shinawatra governments, reviving and pushing forward on the massive water-control projects being built by South Korea, rice development projects and subsidies for farmers and rural villages, and with high-speed rail projects in cooperation with China.

It appears that General Prayuth is taking the approach of South Korea’s nation-builder, Gen. Park Chung-hee, who took power in a coup in 1961, but won every subsequent election until his assassination

in 1979, transforming South Korea from one of the poorest, to one of the leading industrial nations on Earth.

The instability of the Thai economy during the extreme royalist disruptions before the May coup had induced China to reconsider support for high-speed rail projects in both Laos and in Myanmar, since Thailand is the hub and the core driver of development for its far poorer neighbors. With Thailand now signing on to full-scale development, it will almost certainly revive the Chinese projects with its neighbors.

### The Kra Canal

Most importantly, there is now a significant potential for the Kra Canal project, long championed by Lyndon LaRouche and *EIR*,<sup>1</sup> to finally come to fruition.

1. See Meghan Rouillard and Asuka Saito, “Building the Kra Canal and Southeast Asian Development,” *EIR*, Oct. 11, 2013.

FIGURE 2

## The Kra Canal in Thailand

(Artist's concept)



EIRNS/Chris Sloan

*The Kra Canal, together with ports and development zones, would dramatically enhance the cooperation of the nations of East Asia, Southeast Asia, and the Indian Subcontinent, in developing all of Asia to its full potential.*

The proposed canal across the Isthmus of Kra would both save shipping time and alleviate the severe congestion in the Malacca Strait (as well as the strategic danger that the Strait could be blockaded in a war against China, cutting off crucial oil and other imports to East Asia). The Canal, together with ports and development zones on either end, would dramatically enhance the cooperation of the nations of East Asia, Southeast Asia, and the Indian Subcontinent in building

Asia as a whole to its full potential.

Thailand, with support from Japan, the U.S., and others, was close to initiating the Canal in the early 1980s, but the process was sabotaged by a combination of internal conflicts, opposition from the British and Singapore, and the 1990s “Asian Financial Crisis” induced by the Western hedge funds.

Now, with Japan still interested, and with China now both interested and capable of providing substantial support, the combination of the BRICS’s New Development Bank, and China’s initiation of the Asian Infrastructure Investment Bank, with Thailand as a founding member, the Kra Canal has become a prime target for rapid development. The fact that Nicaragua has proposed building a second canal across the Isthmus of Panama, with Chinese, Russian, and Korean support, and Egypt has begun construction of a second Suez Canal, to be completed within one year, serves as a powerful impetus for Thailand to proceed with this great project.

### Obama’s Intentions

Secretary Kerry exposed the Obama Administration’s real intentions for Asia in a speech at the East West Center in Hawaii on Aug. 14, a few days after the ARF meeting. Praising Asia’s economic development (with no mention of China’s crucial role in that development), Kerry said that the U.S. policy was to “turn today’s nationalism into economic growth” through the U.S.-instigated Trans-Pacific Partnership (TPP)—a free-trade pact intended to force submission of member

nations to “free market” dogmas in exchange for (highly “conditioned”) U.S. investment, while confronting China and China’s policy of nationally directed credit, and unconditional infrastructure investments abroad.

Kerry could not leave out the “climate change” hoax, arguing that Asia must submit to primitive energy policies, based on wind and solar power, rather than follow the leadership of China, South Korea, Russia, and others with nuclear power as a driver for real devel-

opment. Kerry attempted to dismiss oil, coal, and nuclear altogether as “19th- and 20th-Century solutions,” ignoring completely the actual 21st-Century solution of fusion power, championed today by China, through its intention to eventually mine helium-3 from the Moon, as an abundant source of fuel for the thermonuclear fusion-driven economy of the future.

### **The British Empire’s Response**

In the days following the rejection of the U.S. confrontation policy toward China at the ARF meeting, the Center for Strategic and International Studies (CSIS) in Washington, D.C., on Aug. 11, published two articles by “China scholars” from the diplomatic and defense establishments in the U.S. and Australia, David Brown and Carl Thayer, respectively, calling for military confrontation with China, without consideration that this could lead to thermonuclear war. The irony, of course, is that while the Obama Administration is launching yet another war on Iraq (without even pretending to follow the constitutional requirement that only the Congress can declare war), and pushing for a military confrontation with Russia, these “scholars” are denouncing China as an “aggressor” for pursuing development in the South China Sea.

This followed on the heels of a forum at the same thinktank on July 10, in which Rep. Mike Rogers (R-Mich.), the head of the House Intelligence Committee, demanded that the U.S. pursue deterrence by providing Japan with state-of-the-art weaponry” to counter China’s “aggression.” He ranted that “we must stop normal diplomatic approaches, be more direct, more aggressive, empower our friends—now is the time to confront China’s gluttonous, naked aggression.”

Brown and Thayer expanded upon Rogers’ threat in their CSIS articles. Brown, a 30-year U.S. foreign service officer, proposed a “Counter to China’s Paramilitary Juggernaut.” He claimed that the U.S. had mistakenly “bought into the notion that China would be a peacefully rising new superpower,” and that “it has taken time for the scales to fall from our eyes.” He said this supposed China threat “can be broken if the United States leads a preemptive, cooperative counter to a Chinese show of force.” He called for the U.S. to “organize extended multinational cooperation exercises in the waters between the Paracels and the Spratlys” (two of the contested island groups in the South China Sea), with the intention of preventing any Chinese activities in the region, “simply by getting in the way.”

Australian strategist Carl Thayer (who notably headed a “Regime Change Project” at Australian National University in the 1990s), in a response to Brown’s proposal, went further to argue that the U.S. must “create circumstances where China would have to accept the status quo or escalate.” He stated that the intention is to “deter China,” positing that the U.S. must engage Japan, Vietnam, and the Philippines to deploy naval forces in the South China Sea, so that “this strategy puts the onus on China to decide the risk of confronting mixed formations of naval vessels and aircraft involving the United States, Japan, the Philippines, and Vietnam.”

One of the loudest voices in Asia speaking for the British view, Philip Bowring of the *Asia Sentinel*, was furious over the results of the ASEAN meeting in Myanmar, focusing his rage on Malaysia and Indonesia. “Malaysia and Indonesia,” he wrote on Aug. 12, “seem to imagine that the only thing that matters is staying in the good books of China in order to attract investment, trade and payoffs to venal politicians. . . . Apart from Vietnam, and belatedly the Philippines, the Southeast Asian littoral states follow policies which entirely fit with Chinese ones. . . . But politicians in Jakarta and KL [Kuala Lumpur] care little about the longer term, and their diplomats love to believe their own meaningless words about peace and regional cooperation.”

Indeed, to the British, discussion of “peace and regional cooperation” are a *casus belli*.

Mustapa Muhamed, Malaysia’s Minister of International Trade and Industry, told Xinhua on Aug. 12 precisely why Malaysia views China as a close ally: “Forty years ago, there was hardly any trade or investment between the two countries,” he said. “But now China is Malaysia’s biggest trading partner, while Malaysia is China’s biggest trading partner in ASEAN.” He added that the close relations extend to trade, culture, education, and more, and that Malaysia was “looking to establish closer ties in many areas.”

Recall that the operative Obama strategic policy in Asia, the “Air-Sea Battle” doctrine, calls for a first-strike assault on all Chinese defense capacities in the case that, in the view of the U.S. President, China has acted to deny American access to the sea lanes of the South China Sea. It is easy to see how any confrontation manufactured by these British imperial strategists could be interpreted as “area-denial,” unleashing global thermonuclear war.

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