sionary loans or aid. If this happens, then the cost can be brought down and the thing can be made feasible." Such talk of government-financed Great Projects is anathema to the free-trade/globalization gurus of the IMF, but it is increasingly clear that Dr. Mahathir's view is now shared by at least most of the leaders of the ASEAN-Plus-3.

In fact, there is a great irony involved in the historic developments of late November in Asia. The Great Infrastructure Projects which serve as the backbone of the new Asian unity are all linked historically to the role of the United States, from the time of Dr. Sun Yat-sen's American System policies, to the TVA approach in regard to the development of the great rivers of Asia. And yet, it is precisely because the United States has proven itself unable, or unwilling, to promote such policies today, following instead the anti-American mantra of free trade and globalization, that the Asian nations have considered it necessary to take matters in their own hands especially in light of the unravelling of the global financial system. Further, it is only because the United States is now literally immobilized by the electoral crisis, that the nations of Asia can act without the normal expectation that U.S. Secretary of State Madeleine Albright (or someone else from Foggy Bottom) will start waving her broomstick at them, demanding that they cease and desist or face sanctions or other dire consequences. Instead, it is the Asian nations which are promoting the concepts found in the U.S. Constitution, that it is the purpose of government to foster the general welfare of the population.

Other Directions

Although the ASEAN-Plus-3 turned down a request from India to join the emerging institutional structure, India will certainly play a crucial role in the unfolding development policies in the region. On Nov. 10, just days before the ASEAN-Plus-3 summit, the nations of the Ganges and the Mekong met in Laos, signing the "Vientiane Declaration," designed to boost cooperation between the two regions. The Declaration was signed by India, Laos, Thailand, Cambodia, Vietnam, and Myanmar, while China has requested that it be included in future discussions. The highlight of the initiative is the plan for a trans-Asian highway to connect India with Southeast Asia. As can be seen in **Figure 3**, the "southern tier" of the Eurasian Land-Bridge, connecting Asia to Europe by rail through Southeast and South Asia, depends upon completing the missing link through Myanmar.

Relations between India and Myanmar have recently improved dramatically—to the consternation of the Western anti-Myanmar lobby. Myanmar's delegate to the meeting in Laos, Saw Lwin, stated that the Yangon government is "prepared to pave the way in our position as the sttrategic gateway to India." The two nations will soon inaugurate a 160 kilometer road, built by India, connecting the two nations. Further road and rail developments are expected.

Another crucial direction for the ASEAN-Plus-3 nations

was indicated in a speech by Dr. Mahathir entitled "Agenda for a New Asia," presented in Hong Kong on Oct. 28 to the Asian Society. He referred to Central Asia as an area whose development had to be of crucial concern for all the nations of Asia. Dr. Mahathir pointed to the landlocked nature of this vast region dividing Europe from Asia. "Camels were once regarded as the ships of the desert," he said, in reference to the historic Silk Road. "Obviously, they are no longer adequate to carry the rich raw materials of Central Asia and the goods that Central Asia needs. The ships of the desert in these days of mass consumption are the railways. What Central Asia needs is a vast network of railways of super-sizes and -length. Twomile-long trains running on ultrawide gauge would reduce the cost of transporting raw materials and goods across the vast expanse of Central Asia. Just as tankers are built to transport ever increasing quantities of oil across huge oceans, there is no reason why the railways cannot be improved in the same way."

If the West refuses to reach out to develop Asia, then Asia will reach out to develop itself, and, in the process, provide the West with an opportunity to recover from the current crisis, brought upon itself through its own folly.

The Mekong Cascade

by Marcia Merry Baker

Figure 4 shows the proposed "Mekong Cascade" system of mainstream dams and reservoirs, as of 1990. These illustrations are reproduced from an *EIR Feature* on the area, "Mekong Development Plan: It Is Time To Awaken the 'Sleeping Giant'" (March 29, 1991).

The Mekong Cascade is the core part of developing the Mekong River Basin, and details were worked out decades ago. However, the major projects have been held up not only by warfare, but principally by opposition from international financial institutions and powers opposed to development. The latest Asian Development Bank proposals for the region conspicuously *omit any map of dams*, and barely make mention of any of the obvious large-scale projects. Although there are serious concerns about dam construction, and the earlier plan is subject to review and improvement, the severity of the deadly floods throughout the region during the recent rainy season should make it clear that the failure to build the dams needed to turn the destructive power of the river to productive use is itself an act of destruction.

River Basin Development Projects: The Mekong Cascade is an integrated system of dams and reservoirs that would regulate the lower 2,000 kilometers of mainstream flow of the greater Mekong system, providing power, flood

18 Economics EIR December 8, 2000

control, irrigation, and many other benefits. As of 1990, total project costs would have been in the range of \$20 billion.

The Mekong is Asia's third-largest river. In terms of annual flow, it is the eighth-largest river in the world. It begins as a snow-fed river, rising in the Tanghla Range of northern Tibet, in China, at an elevation of 5,000 meters, where the Yangtze River also originates. But the lower Mekong Basin is in the monsoon belt, and its flow is dominated by huge annual rainfall variation. Almost every year, enormous volumes of excess water cause damage to crops, dwellings, and economic functions. Alternately, there is a serious flow reduction in the dry season. Building infrastructure to coordinate water catchment and storage, and to begin to regulate flow, can provide the basis for fabulous long-term growth in the region.

At Phnom Penh, the Mekong becomes connected to Cambodia's natural catch-basin, the Tonle Sap, alternately (depending on the season) feeding or being fed by the Great Lake. After the point of conjunction with the Tonle Sap River, the main stream divides into two forks, and as these twin streams continue south and enter Vietnam, they in turn fan out over a

FIGURE 4
Proposed 'Mekong Cascade' System of Dams and Reservoirs



vast, fertile delta, emptying into the South China Sea through numerous mouths.

Along with the dams shown in the Mekong Cascade, which can regulate flow out to sea, other projects can help hold back saltwater intrusion into the Mekong Delta. A Delta embankment system for dealing with seawater inflow, was one of the designated "world" projects of the Japan-based Global Infrastructure Fund over 25 years ago.

History of Plans

On three separate occasions since World War II, when peace seemed close at hand—upon the signing of the 1954 Geneva Accords, in 1972-73 as the Vietnam War was winding down, and again in 1990—plans for harnessing the Mekong River have been put forward to foster regional stability and cooperation. But as of the end of the century, the projects still need backing.

In May 1947, the UN Economic Commission for Asia and the Far East (ECAFE), headquartered in Bangkok, began a study, "Preliminary Report on Technical Problems Relating to Flood Control and Water Resources Development of the

Mekong—An International River," which was published in May 1952. Many engineering possibilities were posed, and subsequent work identified priority sites and multi-purpose projects, reviewed by experts, including from India, Japan, France, and the United States. ECAFE expert P.T. Tan and an international team produced specific dam proposals in 1956. In 1958, a UN Technical Assistance team issued an evaluative report, overseen by Lt. Gen. Raymond Wheeler (ret.) of the U.S. Army Corps of Engineers. The "Wheeler Report" formed the basis for much of the work done on the Mekong through the 1960s.

An Interim Mekong Committee, originating in 1957, has overseen studies, planning, and implementation. Its Mekong Secretariat is in Bangkok. A comprehensive plan for 1970-2000 was commissioned by this committee, whose 600-page report identified 180 development projects, of varying size and priority. But, the pressure of recent years has been to *scale down* or abandon major projects.

Vast Benefits: As of the early 1990s, consumptive use of Mekong Basin waters for irrigation and water supply amounted to less than 1%. At 254 megawatts of installed capacity, the degree of exploitation of hydroelectric power then was also only in the 1% range. Thus, the benefits of the river development projects for energy and irrigation potentials are immense. Controlled water flow can allow fabulous increases in per-hectare output of rice and other crops, double-cropping, and millions of tons of increase in annual agricultural output.

EIR December 8, 2000 Economics 19