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INTRODUCTION: THAILAND AND THE “GOOD COUP”

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The last time the Journal of Contemporary Asia produced a special issue on Thailand, in 1978 (Volume 8, No. 1), it was a response to the events surrounding the military coup on 6 October 1976. That coup marked the bloody end of an important three-year democratic interlude that has come to be seen as a prelude to the democratisation of Thailand’s politics over the following three decades. At the time – and this was reflected in the special issue – the focus was on the destruction of democratic politics and the remarkable divisions in Thai society as rightists sought to crush the left.

The 1973-76 period, while one where participatory political practices re-emerged, was also one of great instability, with elections failing to produce stable governments. As governments came and went, politically-motivated murders and intimidation became increasingly common and the downward spiral of political conflict became a whirlpool.

But there were also some achievements during this turbulent period which left their mark on future political activity. Politics came to be more widely defined as both workers and the rural majority acquired a political voice, at least for a time. In addition, the problems of rural development were seriously addressed for the first time in decades. Many of those who were to become significant in the 1980s and 1990s gained valuable experience in the struggles of 1973-76. Some were students and academics, others former civil and military bureaucrats who attained positions in political parties, while others were from business, testing the political waters.

Many of those politicised in 1973 were radicalised by vicious attacks from increasingly ruthless rightists. In the Cold War atmosphere of the time, Thailand’s elite was greatly concerned by communist victories in Vietnam, Laos and Cambodia. In particular, the collapse of the monarchy in Laos alarmed Thailand’s King Bhumibol Adulyadej, causing him to support rightists. Groups of right-wing thugs, the military and the police violently opposed reform and attacked those they saw as radicals, forcing many to seek refuge with the Communist Party of Thailand (CPT).

The final act in the failure of democratic reform was played out when rightists attacked student protesters on 6 October 1976. The violence was unprecedented, with
hundreds being lynched, shot, raped, and burned alive. Following the coup, thousands fled to the CPT jungle bases or went overseas, fearing arrest or imprisonment.

The articles of the 1978 special issue focussed on these issues and the unprecedented social divisions and class struggles that had been revealed by the events summarised above. It was not until the 1980s that these divisions were ameliorated through a period of military-led political tutelage, much of it under General Prem Tinsulanond’s government that promoted semi-democracy – “Thai-style democracy,” with the king as head of state – and rapid economic development.

That a second *Journal of Contemporary Asia* on Thailand should be produced following another coup is entirely appropriate. Thaksin Shinawatra, the only Thai prime minister to win two successive general elections, was overthrown on 19 September 2006.¹ Projecting himself as the political saviour of the domestic capitalist class following the 1997 economic meltdown, Thaksin led a political party that had changed the nature of Thailand’s politics while also generating remarkable divisions with in the country. Since the coup, these divisions have become deeper as the palace, military and bureaucracy embed their power and stake out positions of dominance in Thai society.

When the “Council for Democratic Reform under Democracy with the King as Head of State” (later renamed the Council of National Security), seized power in the first military coup since 1991, it abrogated the supreme law of the land, the 1997 Constitution. The junta did so with good reason as article 65 allowed peaceful resistance to illegal seizures of power. Of course, the junta’s interim constitution absolved them of any wrongdoing. Martial law was imposed and maintained across much of the country, particularly in areas considered sympathetic to Thaksin. The junta’s interim constitution allowed them monopoly control over the appointment of the cabinet and the unicameral National Legislative Assembly. It also gave the junta the ability to select the Constitutional Drafting Assembly that put together a draft constitution that most commentators criticised as watering down hard-won political rights. That these bodies, largely composed of state officials, academics and military and royalist cronies predictably took a more conservative legislative and constitutional perspective was no surprise. The draft constitution was to allow the palace, the military and the bureaucracy to reassume a guardian role over the legislature that the 1997 Constitution had removed. Drafted under the watchful conservative eye of former intelligence officer and National Security Council Chair, Prasong Soonsiri, a key anti Thaksin opponent, this outcome was hardly surprising, as elements of the bureaucratic and military classes were always resistant to the growing power of the bourgeois and professional political classes over the state.

The coup also led to a reprise of highly conservative and nationalist discourses regarding the nature of Thai democracy, of national forms of capitalism, and to new state-led education campaigns teaching people the “proper” exercise of citizenship. It also raised the volume of royalist propaganda to a level not seen since the absolute monarchy was overthrown in 1932. And yet, the military has had to recognise that

¹ Some argue that Thaksin and TRT were elected three times. However, in a somewhat contrived legal decision the April 2006 election was annulled following the king’s characterization of the election as undemocratic. That election became farcical when the opposition parties boycotted leaving TRT as the only likely winner.
Thailand has seen considerable democratic development since it had last seized power in 1991. The 1992 civilian uprising was a defiant rejection of the military’s attempt to embed their political role into the future. Hence, in 2006-7, the military junta has had to retain significant elements of the 1997 Constitution – including independent agencies, the human rights commission, and protection for human rights – but the conservatives were to gain more control over these agencies than allowed for by the 1997 charter. In addition, the conservatives were able to insert clauses in the draft constitution that permitted them to manage parliament (e.g. through a partially appointed Senate).

The presence of some liberal elements in the draft constitution was not surprising, given that the constitution had to pass a referendum and to do that it needed to maintain the support of the political parties, media, activists and intellectual groupings that had thrown their support behind the “good coup.” Indeed, the draft constitution makes a play of liberal intentions while embedding so-called Thai-style democracy or, in the military-inspired language of the past 2-3 decades, a “democratic system with the king as head of state.”

Inevitably, the tense and pragmatic nature of this alliance between the royalist-military junta and what Ji Ungpakorn (2007) aptly describes as “tank liberals” was revealed. This was demonstrated when the junta sought a draconian national security law that entrenched the political role of security forces, which was strongly opposed by various elements of the liberal sectors. Even before this, however, a range of anti-coup groups have sprung up, some with connections with Thaksin’s powerful network, some opposed to the coup, and others opposed to both Thaksin and to the coup. The junta initially allowed protests in Bangkok, so long as these were limited. However, as the protests grew in size, the military cracked down, and sought to portray the protests as a regroupment of Thaksin forces. In the countryside – especially in the north and northeast, the bastions of Thaksin’s Thai Rak Thai (TRT) Party support – the junta has implemented a range of draconian measures to thwart resistance to the coup. In these areas, for example, the military has mobilised significant forces to coerce support for the draft constitution.

The junta has thus worked incessantly to demobilise the so-called Thaksin regime and to flush out “political undercurrents.” In part, this is to destroy TRT’s support base and has involved charging Thaksin with graft, freezing his assets, dissolving the TRT Party and banning its leadership from politics. Moving from its limited tolerance of dissent in Bangkok in the early months after the coup, the junta imprisoned anti-coup leaders who, in mid-July 2007, led a demonstration against Privy Councillor General Prem Tinsulanonda, accusing him of masterminding the coup and calling for his resignation.

**A GOOD COUP?**

Is this the “good coup” that the royalist-military and their supporters trumpeted when the tanks rattled through Bangkok’s streets? In the broadest of terms, it may be granted that reformist soldiers, in certain times and places, might overthrow a despicable and belligerent regime for a perceived public good or national interest. It is clear that a large proportion of the Bangkok-based
middle class, the royalist elite, a swathe of political activists, some business
people, and large numbers in the South believed that the military conducted a
“good coup” to rid the country of the Thaksin government and to rescue them
from authoritarianism. Representative of such thinking was the renowned liberal
coup in Thailand was necessary -- a corrective measure -- in that it saved the
country from the clutches of authoritarianism.” More recently, Nitya
Pibulsonggram, Foreign Minister in the junta-appointed government, described
the coup as a temporary “glitch” on Thailand’s road to democracy (International
Herald Tribune, 1 August 2007).

Undoubtedly, for millions more, largely from the North and Northeast,
this was a “bad coup,” for it removed from office the one government that had
largely delivered on its electoral promises and provided them with a political
voice. As attested by his remarkable re-election landslide in 2005 and the
support TRT received in the voided election of April 2006, the rural masses and
urban poor were strong supporters of Thaksin and TRT.

Many will read this good/bad coup as support for Anek Laothammatas’ (1996)
argument that Thai democracy is a tale of two democracies: where the rural masses
elect vote-buying politicians, and the urban middle class, frustrated by the corrupt and
inert nature of such governments rally to bring them down by weight of social
sanction, protest and persuasion (and, in this latest episode, by cheering on a “good
coup”).

The allure of Anek’s widely accepted model has been especially evident in
post-coup discussions of how the masses were misled and/or bought by Thaksin and
TRT (Anek, 2007). Yet, even on its own terms the two democracies thesis is found
wanting. A major reason for the popularity of this explanation of Thailand’s politics is
to be found in its reductionism and crude instrumentalism. Important class structures
and struggles, complex regional-business-ideological networks, intra-elite conflict and
ongoing grassroots struggles cannot be reduced to a simplistic dichotomy. But the
model does work well in ideological terms, for in reducing the complexities of the
Thai social formation to a series of political cycles that edge ever closer to a
democratic idyll, capitalist modernisation is reaffirmed, and the role of the middle
class in that process is extolled.

A problem with the two democracies thesis is that the 2006 coup came at a
time when Thailand’s capitalist class had been rescued from the jaws of destruction
during the 1997 financial crisis and had for the first time taken political power into its
own hands. Thaksin was Thailand’s most prominent capitalist and he was prime
minister at the head of a government that looked rather like the executive committee
of the bourgeoisie. More significantly, TRT had won two elections with the largest
votes ever achieved in Thailand’s electoral history. Arguably, this control should have
been the best possible political shell for capitalist rule. So what happened that caused
an undoubtedly popular capitalist-cum-prime minister and a successful government to
be thrown out after its astonishing 2005 landslide electoral victory?

The 2006 coup does not lend itself to any simple analysis. While plans for the
putsch had been mulled for some time, the coup was not inevitable. It is clear that a
range of class-structured intra-elite struggles at different levels, individual, political, corporate and ideological, coalesced and produced the conditions for the coup. Explaining the coup event is one thing, but understanding the struggles involved is a far greater challenge. While not an exhaustive account, the papers in this Special Issue address a number of the critical struggles that saw Thaksin and TRT defeated.

In the first paper in this collection, “Toppling Democracy,” Thongchai Winichakul contextualises the 2006 coup with an extended discussion of Thailand’s chequered history of democratisation. In the dominant historiography of Thai democratisation, Thongchai identifies two arguments: a simplistic liberal view of democratisation involving moves to push the military out of politics; and a royalist account that is fundamentally anti-democratic but concocts a story of royals as promoters and supporters of democratisation. Thongchai offers an alternative approach, suggesting a serial history of democratisation that allows us to observe the long duration of layered historical processes in Thailand’s democratisation. He argues that despite the overthrow of the absolute monarchy in 1932, the monarchy and monarchists, despite waxing and waning political fortunes, have played the most significant role in shaping Thai democracy. Ironically, their role and place in history has been overlooked due to the perception that the constitutional monarchy is “above politics.” Thongchai argues that, especially since the student-led uprising in October 1973, royalists have been able to assume a superior status and claim the high moral ground that places them above elected politicians and the tawdry day-to-day events of political activity. With a distaste for electoral politics, and in collaboration with the so-called people’s sector, activists and intellectuals, royalists and the palace have successfully undermined electoral democracy in the name of “clean politics” and against the well-known corruption of elected politicians. In this broad historical account, Thongchai is able to show that the 2006 coup that toppled democracy was but the latest effort by monarchists to take and maintain control of the democratisation process.

Oliver Pye and Wolfram Schaffar analyse the events prior to the coup, examining the genesis and development of an anti-Thaksin movement that began quickly developed into mass protests against the billionaire prime minister Thaksin Shinawatra in the early months of 2006. Hundreds of thousands of people took part in demonstrations that brought about a deep political crisis and forced Thaksin to call snap elections. While this crisis was partly a result of intra-elite conflict, the anti-Thaksin protests opened up political space that was soon filled by a range of organisations that railed against Thaksin government policies promoting Free Trade Agreements, privatisation, and authoritarian, corporate-dominated politics. Pye and Schaffar suggest that, while Thaksin did develop considerable popular support through “populist” policies, these policies were in fundamental contradiction with the government’s “post neo-liberal” capitalist restructuring project. They indicate how the People’s Alliance for Democracy (PAD), formed in early 2006, was not simply a royalist and middle-class plot to overthrow Thaksin, but was a much more broadly-based movement promoting a range of oppositions to TRT policies. At the same time, by May 2006, it was clear that those within PAD who considered that it should have a radical strategy to challenge the dominant call for palace intervention in ousting Thaksin were sadly lacking any support base. This strategic political failure saw the elite element of PAD gain the upper hand, leading to royal intervention and the coup.
In their paper, “Thaksin’s Populism,” Pasuk Phongpaichit and Chris Baker look to the Latin American experience in assessing Thaksin’s progression from being a businessman trying his hand at electoral politics to a populist politician. Thaksin was not a populist when he rose to power in 2001. Through intensifying stages over the next five years, however, Thaksin’s populism went beyond the redistributive polices usually associated with the TRT government to include a rhetorical rejection of Thailand’s political elite and the denigration of liberal democracy in favour of “personalised authoritarianism.” Thaksin’s populism can be seen as a response to the demands and insecurities of the poor and dispossessed that had resulted from decades of outward-oriented development. Their exploration of the social bases for Thaksin’s electoral success provide a compelling reading of the direction of Thaksin’s politics. By illustrating Thaksin’s tentative and then wholesome embrace of populism in the context of Thailand’s political economy and class structure, Pasuk and Baker demonstrate that, for all of its apparent strength, there was a fragility to Thaksin’s rule. The authors account of the conditions in which Thaksin rose – economic crisis, legal threats to his own position, and the contingent assemblage that made up TRT – provides the basis to understand Thaksin’s vulnerabilities and his embrace of populism. Pasuk and Baker also alert us to the fact that Thaksin’s brand of populism came to be feared by the urban middle class who were then mobilised against him and TRT in the lead-up to the coup in 2006.

Andrew Walker’s study of voting is based on extensive ethnographic fieldwork in northern Thailand. His paper does much to address images of rural people as ignorant or manipulated voters who damage democracy. Walker points out that the 2006 coup derived considerable ideological legitimacy from the view that the TRT government’s mandate was illegitimate because it had either duped unsophisticated voters, bought their votes or had manipulated them. In other words, democratic development was being held back because rural voters are parochial, lack political sophistication, are vulnerable to vote buying and to the influence of electoral canvassers. Walker’s research challenges such perceptions. Referring to a “rural constitution,” Walker suggests that this set of values provides a basis for judgements about the exercise of political power in electoral contexts. The rural constitution is embedded in the everyday politics of discussion, gossip and debate about the attributes of leaders, resource allocation, development projects and administrative competence. The rural constitution is identified as having three main provisions: a preference for local candidates; an expectation that candidates will support their electorate; and an emphasis on strong and transparent administration. Walker does not deny electoral decisions based on disinterest, disengagement, disillusionment and vote buying, but he insists that these strategies need to be placed in the broader context of everyday political values. He also makes the useful observation that candidates and political canvassers are socially embedded in complex and overlapping networks of relationships in local areas. Rural voters thus find themselves linked in multiple ways with local figures on all sides of political contests, with the rural constitution providing an unwritten “road map” for voters. From this perspective, in the area of Walker’s fieldwork, TRT candidates were elected because a majority of voters considered TRT the most attractive party. Walker suggests that a failure to recognise the legitimacy of rural electoral decision-making is a fundamental threat to Thailand’s democracy.

Somchai Phatharathananunth also takes up the issue of elections, in this case, in the TRT stronghold of Northeastern Thailand. The populous northeast has about
one-third of the country’s electors and so is a crucial for the national electoral success of any party, and Somchai examines TRT successes there in 2001 and 2005. He discusses the debate over whether TRT’s electoral success was based on the appeal of its policies or the power of Thaksin’s money. In the end, Somchai considers this either/or dichotomy too simplistic and shows that the party’s success was seen to result from a combination of attractive policies, access to campaign funds, evidence of service delivery (or phon ngan) by incumbent and potential politicians and the integration of already existing political networks into TRT. Indeed, Somchai shows that TRT’s landslide electoral victory in 2005 in the Northeast owed most to party mergers and access to candidates with established political networks in their electorate. Challenging simplistic notions of rural docility and idiocy, Somchai also reflects on the important issue of support for the anti-Thaksin movement in the northeast and considers that TRT’s policies played a role. Noting that northeastern farmers had been at the forefront of various social movements and protests in the 1990s, Somchai observes that appeals by NGO leaders for farmers to join the anti-Thaksin movement failed. This response appears to derive from an assessment of the interests served by TRT policies.

Moving the analysis to the institutional level, the interests involved in the struggles leading up to the coup become complex indeed. The papers that examine the institutional level focus on the military, the constitution (and related political struggles for power) and the monarchy. Ukrist Pathmanand characterises the 2006 coup as an event that was more than a simple case of the Thai military again seizing power. The coup is assessed as having been intimately connected to the monarchy. The “royalist military” legitimated the coup by using the royalist discourse that was generated by the anti-Thaksin movement and the more generalised propaganda associated with this king’s reign. Ukrist takes up the question of the military’s corporate interests in extended fashion. By contrasting the 2006 and 1991 coup groups he offers insights into the unformed nature of the 2006 coup group – indicating that its rush to power was a product of circumstance and palace-based beckoning. He also recounts a fascinating story of intra-military competition between Thaksin supporters and palace supporters directed by Privy Councillor General Prem Tinsulanonda. While he indicates that the 2006 coup group did not have the same common business and military academy interests as the 1991 group, Ukrist notes that once in power the coup group has moved to shore up its corporate interests in a range of state enterprises and elsewhere. Ominously, the coup group has moved to ensure strong internal security mechanisms that grant greater power to the bureaucracy and the military, including a strong homeland security organisation and the reintroduction of appointed senators.

Michael K. Connors examines the vociferous calls for the king to utilise his supposed powers under Article 7 of the 1997 Constitution to throw Thaksin out and appoint a prime minister of his choice. These calls were seen as a way to end the political crisis that wracked Thailand in 2006. While these calls were loudest amongst the elite faction of PAD, they were, in fact, made more broadly. Connors assesses that these calls were consistent with the disposition of Thai liberalism. He argues that the paradox of liberals seeking an extra-constitutional solution to end Thaksin’s popular rule stems from the agnosticism of liberalism to majoritarian democracy. A major concern of Connors’ piece is to illustrate that Thaksin’s authoritarian rule, and his capacity to lead a new form of regime based on a class base of rural masses, led to a range of social mobilisations against him (as also discussed by Pye and Schaffar). The
specific challenges that emerged with Thaksin’s rise led liberals to use royalist ideas to prevent what they conceived as a Thaksin-led assault on the 1997 Constitution. Key among these ideas was the notion of sovereignty as expressed in the relationship between the monarch and the people, or rachaprachasamasai. In the end, the failure of “royal liberalism” to bring an end to the political crisis through appeals to this relationship and the acceptance of the coup, may well signal a more general failure of royal liberalism to secure political order in the future.

In examining the corporate interests involved in the events surrounding Thaksin’s rise and the coup, there have been some limited attempts to portray the battle between Thaksin and the palace as a battle of capital. Indeed, a book by INN News (2006: 34-7) implies that the conflict was unmistakably a battle between old sakdina or feudal capital (represented by the palace) and new capital (represented by Thaksin). There have been extensive discussions of Thaksin’s economic power (see, for example, Pasuk and Baker 2005; McCargo and Ukrist, 2005). However, to adequately assess the new versus old capital proposition, greater research into the business interests of the monarchy is required. While the monarchy’s political role has been discussed since the 2006 coup, its economic foundations, activities and role have not been seriously examined. To begin this, Porphant Ouuyanont provides the first ever comprehensive examination of the Crown Property Bureau’s (CPB) investments and wealth (the CPB is the monarchy’s investment arm).

To better understand the monarchy’s economic power, Porphant examines how the 1997 crisis affected the CPB. At the time, the Bureau was particularly vulnerable because of its dependence on the performance of two private companies in which the Bureau was a major shareholder – the Siam Commercial Bank and the Siam Cement Group. Both companies were in sectors hard hit by the crisis. He examines how the CPB survived the crisis by making changes in its management and investment policies, and by promoting similar reforms in the two companies. The result is that the CPB emerged from the crisis with an income significantly higher than even its peak pre-crisis level. Porphant assesses the total wealth of the CPB at some US$41 billion.

This huge wealth is not far short of the assets of the world’s two wealthiest people in 2004: Bill Gates ($46.6 billion) and Warren Buffett with $42.9 billion (Forbes.com, 2004). While this institutional wealth is not equivalent to the personal wealth of the royal family or any of its individual members, it is ironic that King Bhumibol presides over an immense institutional and personal fortune, including major industrial enterprises, while encouraging Thais to adopt his ideas about “sufficiency economy” (setthakit pho phiang), encouraging his people to make do with what they have, to moderate their desires, reduce their greed and to not be too ambitious. That the royalist military has made this notion a marker of its royalist national ideology is significant in marking its policies as different from those of the Thaksin government.

In his paper, Kevin Hewison also takes up the issue of competition between the monarchy and Thaksin as an essential background for the coup. This paper examines the coup as a clash of elites within the Thai ruling class – with Thaksin and the king as representative of these elites. This analysis begins with an assessment of Paul Handley’s (2006) important book, The King Never Smiles. A Biography of Thailand’s Bhumibol Adulyadej, the controversy that surrounded its publication and the supposed
threat the book posed to the monarchy. Handley’s evaluation of the increasing involvement of King Bhumibol’s palace in Thailand’s modern politics is considered a way to examine the clash of elites within the ruling class that, despite the anti-Thaksin movement’s breadth, led to what was a conservative and royalist campaign against the Thaksin government. As various measures taken to force Thaksin out came to nothing, the royalists gave their support to the military and the planning of the coup.

In what sense can a class perspective also inform our understanding of the events? At one level it is apparent that, in part at least, the struggles associated with Thaksin’s rule and his overthrow were motivated by competition between fractional capitalist interests, which hardened into competing blocs as the crisis accentuated. It is no surprise to see that the CPB is now the largest investor on Thailand’s stock exchange (Mellor, 2007). By itself, the intra-capital struggle does not explain the coup. Political and ideological factors are critical.

It is worth recalling that political and social innovations, such as the extension of the franchise, are supported by a ruling class when these innovations do not threaten the existing social order. Liberals like Bentham and Mill made arguments in favour of reform in Britain in these terms, suggesting that the newly-enfranchised masses would be “responsible” with their new political powers (see Macpherson, 1977: 37, 42). However, as Robison, Hewison and Rodan (1993: 33) observe, this attraction to democratic means of maintaining state power is contingent. In cases where the power of the masses threaten to play a determining political role, the allegiance to democratic political forms diminishes. In the case of Thailand under Thaksin, it is clear that rival elites in the ruling class held conflicting visions of political regimes and their ideologies of legitimacy.

This volume presents an attempt to understand the Thaksin ascendency, its ideological, class and institutional base, the oppositional movements that took shape against it, and the forces that eventually overthrew it. These stories are not a seamless linear narrative, and we hope that this collection will give rise to further work that attempts to unravel the political dynamics of the Thai social formation.
REFERENCES


TOPPLING DEMOCRACY²

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Abstract: Thailand’s 2006 royalist coup is best understood by reference to the historical context of democratisation. The dominant historiography of Thai democratisation is either a simplistic liberal view of anti-military democracy or a royalist one that is ultimately anti-democratic. This article offers a serial history of democratisation that allows us to see the long duration of layered historical processes. As democratisation is fundamentally a break from the centralised absolute monarchy, the monarchy and the monarchists, despite their up and down political fortunes, have probably played the most significant role in shaping Thai democracy since 1932. Despite that, their role and place in history has been overlooked due to the perception that they are “above politics.” This article argues that, since 1973 in particular, the monarchists have assumed the status of the superior realm in Thai politics that claims the high moral ground above politicians and normal politics. With distaste for electoral politics, and in tacit collaboration with the so-called people’s sector, activists and intellectuals, they have undermined electoral democracy in the name of “clean politics” versus the corruption of politicians. The 2006 coup that toppled democracy was the latest effort of the monarchists to take control of the democratisation process.

Keywords: Thailand, democracy, new royalism, monarchy, coup, elections, politicians, vote-buying

Right after the military coup d’etat on 19 September 2006, the international media reported with fascination its peaceful nature. On the streets of Bangkok flowers and warm greetings showered over tanks and armed soldiers. Well-known academics and social critics argued in chorus that the coup was a necessary step backward in order to go forward to genuine democracy. For such people, the Thaksin Shinawatra government was “the worst crisis in the world.”³ Thus, a day longer under Thaksin was like a day closer to the abyss. To prolific Thaksin critic Kasian Tejapira, the Thaksin regime was an “elected capitalist absolutism” (2006b: 230) that had committed grievous crimes, namely: the extra-judicial killing of over 2,000 people during the “War on Drugs”; the deaths of several thousand more due to the mishandling of the crisis in the Malay Muslim region of southern Thailand; and Thaksin’s manipulation of the media and the supposedly independent regulatory bodies.

Kasian’s extended analysis of the political crisis, entitled “Toppling Thaksin”, tried to provide a balanced view of the political crisis that led to Thaksin’s ousting (Kasian, 2006a). While critical of Thaksin, Kasian pointed to the role of royal hegemony, saying that the monarchists were taking advantage of the political crisis. His suggestions nevertheless focused solely on toppling Thaksin and cleaning up the remnants of the regime: “[the] immediate task [is] to remove the linchpin of the

² Throughout the course of events and debates, I owe thanks to more people than I can acknowledge here. Nevertheless, Thanapol Eawsakul and his Fa Dieo Kan (Same Sky) team deserve special thanks, for assistance to me in many ways and for their courage in what they have done to oppose the current situation of military rule in Thailand.

³ This phrase was from the King’s address to the judiciary on 25 April 2006, apparently meaning the political crisis since early 2006 was one of the worst in the world. The anti-Thaksin movement interpreted the king’s words to refer to the Thaksin government.
corrupt and criminalized system” (Kasian, 2006a: 37). Thaksin should be toppled, he suggested, and made accountable for all that he did, then Thaksin’s cronies in the political and bureaucratic system must be purged, and finally Thaksin’s connections to his rural political base through policies and programs should be cut off. Toppling Thaksin’s regime was the priority in this view because the perils of global capitalism – with Thaksin as its conduit – were more dangerous to the country than any other devil. Indeed, the tasks Kasian set out show no wariness on his part that the palace’s intervention might derail democracy. To be fair, Kasian hoped that Thaksin’s fall might have been achieved by political and legal means and he might not have foreseen a royalist coup. Nevertheless, the coup regime proceeded to do exactly what Kasian had proposed.

As the title of my article hints, this piece may be viewed as a companion piece to Kasian’s. The pieces share some views, but our different political interpretations will be clear. The Thai intelligentsia has been polarised as never before regarding the Thaksin regime, the anti-Thaksin movement and the coup. Having been engaged in many debates among this intelligentsia on these issues, I do not pretend to be objective. Rather, the article reflects my politics and perspective as a witness and participant in the course of the events.

This article tries to put Thaksin, the political crisis and the 2006 coup in a historical perspective that focuses on democratisation. It argues that the conventional historical view of the progress of Thai democracy that informed the thinking of the anti-Thaksin movement is inadequate, misleading and, in several instances, simply wrong. This conventional view of democratisation, this article will show, led to an anti-democratic politics. Ideas and ideology based on misleading history are responsible for the misguided movement against Thaksin and the misconception that the coup was a necessary step for democracy.

This article offers an entirely different interpretation of Thai democratisation. In this view, the coup is a step further in an undemocratic and dangerous direction. Since the revolution against the absolute monarchy in 1932, there has never been a time when calls for royal intervention and aristocratic dominance against an elected government were so overt as they were during the political crisis in 2006. The article explains the history of the monarchists’ efforts to embed a royalist democracy and understands the coup in this light. It elaborates their strategic discourses during the past thirty years, showing how these paved the way for the 2006 royalist coup.

THE HISTORY OF DEMOCRATISATION

It is generally understood that Thai democratisation is a progressive story spanning from King Chulalongkorn (r. 1867-1910), the 1932 revolution, and the October 1973 and May 1992 uprisings (see Figure 1). Credit is given to the absolute monarchs for preparing the country for democracy. The 1932 revolution that established constitutional monarchy is recognised, although its place and meaning in history remains debatable owing to a common view that it was also the beginning of military rule lasting, with brief breaks until 1973 (see Girling, 1981: 104; Wyatt, 1982: 232-50). The uprising in 1973 is seen as the beginning of “true democracy,” despite the tragic setback of the October 1976 coup that followed the massacre at Thammasat University. Then, after a number of abortive and successful coups, it was
widely believed that the 1992 uprising against a reimposition of military-backed government had finally put to rest military rule. This schema of the history of democratisation is simplistic and rather linear (albeit bumpy). It suggests that power moves, step by step, from absolutism to militarism and finally to the people. The next task for democratisation, in this view, is to fight the super-corrupt politicians and their money politics. The 2006 coup proves this schema to be wrong.

Figure 1: Conventional Historiography and the Path of Democratisation


The Conventional Historiography of Democratisation

The school of history that dominates this conventional view credits the absolute monarchs, particularly King Prajadhipok or Rama VII (r. 1925-35), for the foundation of democracy but argues that by the 1930s Thais were not yet ready for democracy. The revolution was premature, a mistake that resulted in subsequent military rule. As we shall see below, this view emerged with the rise of the royalists after the Second World War and became established by the scholarship of the early 1970s (Prajak, 2005: 492-501). In the past two decades or so, historians in Thailand have challenged this royalist history. They show how the absolute monarchs tried to retain power and obstruct democracy amidst growing discontent and calls for change, and how the 1932 revolution was not premature but was more widely supported by urban people than previously acknowledged (Baker and Pasuk, 2005: 110-12, 116-21). The monarchists, in this revised approach, were active in trying to regain political prominence many years after the revolution and were critical in shaping democracy long after 1932.

Democratisation processes in various countries were shaped by the particular conditions of power relations among social and political forces. Democratisation in Thailand is fundamentally about the transition from absolute monarchism. Over 70 years after the 1932 revolution, the legacy of this fundamental historical condition and the spectre of the monarchy in politics remain strong. This fact, however, has eluded many views of democratisation partly because the current generation of Thais mostly grew up after the Second World War when they no longer lived with the memories and experiences of the 1932 revolution. Instead they have lived through military rule and the struggle against it, and through the time when the monarchy has been elevated to a sacred and inviolable status. The role of the monarch and the “network monarchy” in past or present politics are also beyond public discussion, due to the lèse majesté law that would penalise anybody who defames the monarch with up to fifteen years in jail.

4 The scholarly work that represents this view best is Chai-Anan (1980). Chai-Anan produced several works that propagated these ideas since 1970, following many royalist writers before him who were not academics. This royalist view is also adopted and implied in Batson (1984) and Wyatt (1982: 231) which states that “many would have agreed with [King Rama VII’s] judgment that the move towards democracy in 1932 was premature.”
5 Charnvit (2000: 25-8) acknowledges this historiographical shift. The revisionist historiography includes many books, articles and theses, mostly in Thai, that this article cannot fully list. Among the important ones are Nakharin (1992) Thamrong sak (2000) and Copeland (1994).
6 Duncan McCargo (2005) calls the political force and players that rely on, attach to, or claim authority and legitimacy on certain relations to the monarchy but whose political operations may or may not directly be linked to the monarch, as the “network monarchy.”
The lack of conceptualised narratives that explain how the monarchy remains a critical
element in Thai democratisation further contributes to overlooking the political role of
the monarchy.

Here I would like to propose a schema of the history of Thailand’s
democratisation that, I hope, will help explain the 2006 coup. Instead of a linear
chronological change, I suggest a history of three overlapping series in the same
chronological frame. An overlapping moment or period means one in which more than
one historical process converged and was unfolding, thus one event may impact on
those processes at the same time. The central issues of democratisation in each series
will be discussed. This schema by no means claims to deal with every historical
element. The impact of the communist movement and the role of the United States, for
example, are not discussed even though they were a crucial part of history. The
emphasis will be on the third series, especially on the monarchy.

**The First Series: The Transition from the Absolute Monarchy: Monarchists vs. the People’s Party (Commoners)**

Central issue: role and power of the monarchy in democracy – The monarchy “above” (= out, beyond) politics.

**Figure 2: First Historical Series**

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</thead>
<tbody>
<tr>
<td>Rama 5-7 (1870s-1932)</td>
<td>Phibun I 1938-44</td>
<td>Pridi et al. 1945-47</td>
<td>1947 coup</td>
<td></td>
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<tr>
<td>1932 revolution</td>
<td>Pacific War 1941-45</td>
<td>Monarchist revival 1944-51</td>
<td>1951 coup</td>
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Under the absolute monarchy between the 1870s and 1932 (Moment1-2 in
Figure 2), different forces made several attempts to change to constitutional monarchy
and *dimokhrasi* (This word is drawn from the English; the Thai word *prachathippatai*
was coined around the late 1920s, originally for “republicanism”). Their ideas ranged
from a modernised government with an expanded commoner-bureaucratic class, to
monarchy under law, to republicanism; their actions ranged from writing newspaper
essays to formal petitions to the king, to planning revolt (Baker and Pasuk, 2005: 76-7,
106-12; Wyatt, 1982: 199-200, 225-30, 234-42). Their common aspiration was a
regime that was more open as opposed to the rule of the king and princes. Discontent
heightened in the late 1920s and 1930s, leading to the 1932 revolution (Moment 2).
Conflict among the People’s Party revolutionaries and between them and the royalists
was common for the first fifteen years after the revolution (Moment 2-5). Arrests,
deportations, a civil war, executions, asylum, punctuated the period from 1932 to the
end of the Second World War (see Thamrongskak, 2000; Natthapol, 2005; Charnvit,
1990: 33-193). The king abdicated in 1935 only after the royalists saw little hope of
regaining power.

The rise to power of Phibun Songkhram (Moment 3 in Figure 2) and the
military wing of the 1932 revolutionaries in the context of the first historical series
was to protect the revolution against the monarchists. The liberal wing, led by Pridi
Phanomyong, shared the same ideology with Phibun in this fight, but tension and
conflict grew as the regime became authoritarian, nationalist and pro-Japanese. The Free Thai Movement, usually understood to be anti-Japanese resistance, was in fact an anti-Phibun movement (Sorasak, 1991). Pridi and the royalists, many of whom were in exile, became allies. After the war, with the rise to power of Pridi and his people (Moment 4), the royalists were also revived as a political force. The royalist agony of 1932 and afterward, nevertheless, was not forgotten. They took revenge on Pridi who was framed for the assassination of King Ananda Mahidol (Rama VIII) in 1946. Then the monarchists joined hands with a new generation of the military elite in the 1947 coup (Moment 5) that ousted Pridi and his people, and put an end to the era of the People’s Party in Thai politics (Handley, 2006: 80-9). Pridi remained in exile to the end of his life. The royalists enjoyed political ascendancy again, although short-lived, as the military shoved them aside in the 1951 coup (Moment 6).

The central issue throughout this first historical series was the power and prominence of the monarchy under constitutional democracy. The royalists fought for a monarch with as much power as possible and to have such power sanctioned by the constitution. The revolutionaries wanted a king with no power. The defeat of the royalists by the late 1930s meant that the monarch and high-ranking royals had to be “above” politics. “Above” here means beyond, out of, high and away from (politics). In fact, they were banned from participating in politics. The revival of the royalists and their brief ascendancy during 1947-51 proved that they never wanted to be “above” politics as such. Although they did not fight for the return of the absolute monarch any more, they were seeking and formulating a new political role of the monarchy in democracy.

The Second Series: Military VS Parliamentary Democracy

Central issue: role and power of the military as opposed to parliamentary system.

Figure 3: Second Historical Series

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<tbody>
<tr>
<td>Thanom-Prapas 1963-73</td>
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The rise of the military wing against the monarchists (Moment 3 in Figure 2) was at the same moment the beginning of military dominance (Moment 7). Thus the paired moments 3/7 designate the same event where two processes overlapped, thus numerically placed in the first and second series respectively. There are several other “paired” moments in 1938-1951, including Moments 4/8 and Moments 5/9, also with overlapping effects on series 1 and 2.

The central issue of the second series was the conflict between the elected parliamentary system and military rule. Despite the nationalistic and fascist inclinations of the first Phibun period (1938-44; Moments 7-8 in Figure 3), parliament functioned. During the immediate post-Second World War period (Moments 8-9), mostly under Pridi and his people, the parliamentary system also functioned. The 1947
coup (Moment 9) that put an end to the People’s Party was, in retrospect, the first truly military regime with no democratic agenda. The military dominated Thai politics from then on to 1973 (Moments 9-11), with a few brief intervals of electoral politics between 1949 and 1951 under the royalist constitution that gave power to the Privy Council; between 1955 and 1957 when Phibun tried a more open politics to gain popular support against his military rivals; and between 1969 and 1971 when a parliamentary system was under military supervision. The coup in 1957 (Moment 10) led to dictatorship under Sarit Thanarat, Thanom Kittikachorn and Prapas Charusathian from 1957 to 1973 (Moments 10-11).

The most important turning point in the second series was the popular uprising in October 1973 (Moment 11 in Figure 3) that ended the Thanom-Prapas regime. It was the beginning of the end of the second series. Although it was followed by the most brutal massacre in Thai history in 1976 (Moment 12) and by several successful and aborted coups in 1976, 1977, 1981, 1986, and 1991, parliamentary government became the norm of the political system and the military began to retreat. Except for the royalist government after the massacre and coup in 1976, every successful coup promised a quick return to parliamentary rule. The military retreat was also evident in the growing dissension to an unelected premiership (Moment 13) in favour of an elected leader of the parliament in 1988 (Moment 14). The 1992 uprising (Moment 16) broke out as the 1991 coup group (Moment 15) tried to prolong their rule under parliamentary disguise. In retrospect, it was the last gasp of the military rule of the second series and the 1992 uprising was the end of it. A military coup was then widely believed to be a thing of the past.

The Third Series: Power Relations among the M/P3: Money/Politicians, Movements/People, Monarchy/Palace

Central issue: “Democracy” reflects the conflicts, contention, negotiations and alliances between the power of money, people’s power and the royal power.

Figure 4: Third Historical Series

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As the beginning of the end of the military rule in the second series, the 1973 popular uprising (Moment 11) was also the beginning of the third series (Moment 17, Figure 4). In this series, the shape of Thai democracy was the result not only of the military in gradual retreat but also of the power relations among three other political forces: first, the local and national politicians who came to power by elections; second, popular organisations, civic movements and the electoral mass; and third, the palace and monarchists. The overlapping nature of the series becomes clear when one considers that between 1973 and 1992, the same events/moments had effects on both the second series (the military versus parliamentary system) and third series (the MP/3
contests). Hence, the following pairs designate the same event but are numerically placed in the second and third series respectively: (Moments 11/17, 12/18, 13/19, 14/20, 15/21 and 16/22).

The central issue of the third series is the shaping of electoral politics under the influence of conflicts, contests, negotiations and alliances among these political forces, in addition to the military in the period from 1973 to 1992 (but without the military from 1992 to 2006). It is too early to say if this series has ended with the 2006 coup or if it will continue.

The uprising in 1973 is regarded as the beginning of true democracy in Thailand both in terms of popular democracy and the parliamentary system. 1973-76 (Moments 17-18, Figure 4) was the most liberal and radical period in which popular movements and radical ideologies were influential in politics. Since then, despite setbacks, repression, and the “semi-democracy” of the 1980s (Moments 19-20) (Suchit, 1987; Chai-Anan, 1989; Anek, 1992), the general tendency has been the extension of open democracy that allows people to organise and voice their demands through politicians, civic organisations and the media. The number and activities of civic groups has increased extensively with relatively less interference from the state than in earlier times. While every government tried to control and interfere with the media, and while the electronic media remains in the state’s hand to the present day, the mass media – especially print media – have enjoyed, relatively, the most freedom in the Southeast Asian region. These conditions became a political norm. Every political force has had to take into account support from the public: popular constituency now mattered.

While the civic movement was stronger and popular participation was growing, those who reaped the most benefit from parliamentary politics since 1973 have been the local and national magnates who, as politicians, seized the opportunity to rise to power. They are the mediators between the centralised state and local communities, and between the bureaucratic authority and popular participation. This sphere of political mediation turned out to be highly lucrative and powerful, making these people a political force with their own interests, even as they simultaneously represented constituents in the parliamentary system. The most controversial characteristic of Thai democracy since the early 1980s has been money politics. Although corruption, abuse of power for personal gain, and shady electoral finances are common problems in electoral politics in many countries, in Thailand it is believed that the abuses perpetrated by politicians are outrageous and unparalleled. As a consequence, despite being elected, the legitimacy of politicians, the parliament and elected governments is cast into doubt. Distrust of elected governments and politicians in general has grown unabatedly since the 1980s. The coup in 1991 (Moment 21, Figure 4) faced little opposition from the public because the ousted government led by Chatichai Choonhavan (Moment 20) – the first civilian premier to be an elected MP since 1976 – was widely believed to be highly corrupt. So was every elected government after 1992, none of which survived a full term due to serious corruption scandals of one kind or another.

The high tide of popular democracy after the 1992 uprising (Moment 22, Figure 4) was combined with public outrage against money politics, and led to the “political reform” that resulted in the 1997 Constitution (Moment 23). One of the
priorities of the 1997 Constitution was to end money politics, and to retire corrupt politicians from politics. Apparently, it did not work. Instead, the constitution, which promoted strong executive leadership, was said to be partly responsible for the Thaksin government’s parliamentary dominance and for a government that was said to be the most corrupt and most abusive ever (Kasian, 2006a).

What about the palace and the monarchists in this process of democratisation? Indeed, this is one of the least studied subjects despite the high visibility and recognition of the monarch within the country and internationally.

THE RETURN OF THE MONARCHY IN POLITICS

The monarchy’s political role in Thai democracy is not well understood because of the common misconception that the monarchy is “above” politics. To be more accurate, there are a large number of celebratory publications on King Bhumibol Adulyadej that laud him as a saviour of democracy (for example, Kanok, 1988; Phichai, 1996; Nithi, 1999). During the past 50 years or so those who think otherwise have been penalised or under self-censorship in order to avoid trouble due to the serious nature of the lèse majesté charge and the threat of rebuke from other people. Because of the misconception and censorship, the monarchy, whose unabated political experience since the 1950s was probably superior to other political actors in Thailand, has been able to escape the attention, let alone scrutiny, by most observers and scholars. It means that most of the time when we study and talk about politics, a most crucial piece is not allowed to be put into its place. The number of serious studies of the monarchy and politics is small.7 In what follows, a summary is presented of how the palace successfully returned to become an important element in Thai democratisation since 1973 (see also Hewison, 2008).

The monarchist revival after the Second World War began to lay the foundation for the new generation of constitutional monarchy – what we might call neo-royalism and the new monarchy. Important ideological foundations for this project can be found in works by royalist ideologues such as Prince Dhani Nivat as early as the late 1940s, before King Bhumibol came to the throne. According to a classic article by Dhani (1947), the Siamese monarchy had always been democratic in its relationship with its people and the monarch’s dedication to them was enormous because he was moral and righteous. The age-old Buddhist concept of the righteous king, Dhammaraja, was reconceived to serve the constitutional monarchy.8

Politically, the monarchy’s return to prominence was not unimpeded. An early victory was in the elimination of some of the significant leaders of the 1932 revolution. In 1947, the monarchists finally succeeded in eliminating Pridi from politics and bringing to power a new generation of the military who had no ideological

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7 The royalist works that asserts the importance of the king in politics are mostly conceptual rather than embracing a narrative or analysis of actual history (e.g. Dhani, 1947; Seni, 1990; Tongnoi, 1990; Tongthong, 2005). Critical studies in Thai are limited to Somsak, (2001), while in English, they include Marks, (1978); Hewison, (1997); Kershaw, (2001); Bowie, (1997); Streckfuss, (1995; 1996); and Handley (2006).

8 Prince Dhani was a key member of the royalist leadership during 1945-51, later a Privy Councilor, Regent and personal teacher of King Bhumibol. The most important leader for the royalist revival at that time was Prince Rangsit, the Regent. Handley (2006) provides excellent accounts of the importance of both.
affiliation with the People’s Party. However, the success of the monarchists was brief, lasting only from 1947 to 1951. But in retrospect it left lasting legacies, one of which was the concept of “democracy with the monarchy as the head of the state,” and the legal stipulation that, “no one could charge or bring any action against the king,” both of which appeared for the first time in the 1949 constitution. The seeds of the new monarchy were also sown in this period, such as the revival and invention of some royal rituals that would serve to magnify the aura of Bhumibol decades later. Royalists were also involved in Sarit’s rise to power, which accounts for the space granted to the monarchy under Sarit and subsequent regimes (Thak, 1979; Handley 2006: 135-79). The role of the monarchy under military rule, nonetheless, remained mostly in cultural and developmental activities. King Bhumibol’s comments alluding to political issues began to appear in the late 1960s and early 1970s, about the same time that the royalist historiography that credited the absolute monarchs as bestowing democracy began to flourish. The image of Bhumibol as a democratic king grew among those students and the intelligentsia who began to challenge military rule (Prajak, 2005: 464-85).

The breakthrough for the monarchy came with the 1973 uprising. Probably the most important act that symbolically defined the monarchy in Thai politics was on the morning of 14 October when demonstrators who were beaten by police in the street beside the palace climbed over the fence seeking refuge inside the palace ground. Then, the royal family in informal dress came out to meet and expressed sympathy to students. By the evening, the military junta had been forced out, thanks to a rival faction within the military that gained the upper hand, and – it is said – to an agreement between the junta and the palace. A grim-faced King Bhumipol appeared on television and declared 14 October “the Most Tragic Day”, and appointed as prime minister the President of his Privy Council.9 The new role of the monarchy in democracy began.

The same moment, then, that gave birth to people’s power and to the opportunity of politicians in the parliamentary system was also the new beginning for the monarchy in Thai politics. Most importantly, the king became the higher authority “above” normal politics. But being “above” politics no longer meant being beyond or out of politics. It meant being “on top of” or overseeing normal politics. As we shall see below, the notion of being “above politics” for the new monarchy also means that the monarchy is held to be a moral authority superior to, and on top of, the realm of normal or usual politics. It is the upper realm of the political system, “above” the political but no longer outside the system.

The New Monarchy

The new monarchy and its politics rest on three important characteristics: being sacred, popular and democratic. Some of the sacred royal rituals were revived after the 1947 coup (Handley, 2006: 94-6) and fully flourished in the 1960s under Sarit (Thak, 1979; Bowie, 2001: 88-91). But the huge industry of royal deification was elevated to an unprecedented level following the 1976 massacre, which was seen among the right-wing royalists as a decisive victory over the communism that threatened to end the monarchy. The deification rituals are not necessarily ancient ones. Several traditions

9 A recording of events on the 14 October 1973 as described here was recently reproduced and distributed in VHS tape, VCD and DVD formats by Charnvit Kasetsiri, titled “14 October 1973.”
have been invented, both by the government and by civil society. The important point is that they enhance the monarchy’s perceived *barami* (virtuous or moral power), an ancient concept of power innate to the righteous king (Jory, 2002). Among the prominent invented rituals is the royal birthday celebration that became a major annual festival for the entire country. The king’s birthday has been designated “Father’s Day” and the queen’s birthday as “Mother’s Day,” and there are grander celebrations every tenth anniversary and every twelve-year cycle for each of them. The birthday rituals reinforce the cultivated notion that they are the parents of all Thais. Grand celebrations for the Silver, Golden and Diamond jubilees for the reign, and so on, have reinforced the idea of King Bhumibol as Dhammaraja. A year hardly goes by without a grand royal celebration for one occasion or another. Any accomplishments were and are celebrated to the highest level. All of this means that Thais who are currently sixty years old or younger grew up under the pervasive aura of an unprecedented royal cult. The righteous king with unusual *barami* finds its modern embodiment in the current monarchy.

Meanwhile the monarch has been highly praised for his dedication to royal development projects that aim at helping the poor, particularly the rural and highland people. Beginning in the 1950s, the breadth and scope of the royal projects expanded enormously especially during the Cold War and after 1973 (Chanida, 2004). Several of them began as non-governmental but eventually most of them were integrated into government bureaucracies and budgets. The truth about these projects, and their successes and failures, will probably remain unknown for years to come, given that public accountability and transparency for royal activities is unthinkable. Suffice it to say that the endlessly repeated images of the monarch travelling through remote areas, walking tirelessly along dirt roads, muddy paths and puddles, with maps, pens and a notebook in hand, a camera and sometimes a pair of binoculars around his neck, are common in the media, in public buildings and private homes. These images have captured the popular imagination during the past several decades. Bhumibol is portrayed as a popular king, a down-to-earth monarch who works tirelessly for his people and, we may say, has been in touch with his constituents for decades long before any politicians in the current generation began their career. Moreover, the king’s brand of populism cannot be replicated by politicians and he never gets criticised, thanks to the *lèse majesté* law and to the perception that he is absolutely depoliticised and his works a manifestation of his moral power or *barami*. The law and social taboos against criticism of the deified monarchy, both of which are effective in the reign of King Bhumibol and not an old tradition as generally believed, are instrumental to the rise of the new monarchy.

**“Democratic Royalism”**

The third characteristic of the new monarchy is being democratic. A typical account would say that although the monarchy is “above politics,” the monarch has provided stability for Thai democracy. His interventions to stop bloodshed in 1973 and 1992 in particular are always highlighted as the marks of the democratic king.\(^\text{10}\)

\(^{10}\) Academic works typical of this approach include, for example, Kobkua (2002; 2003). The same kind of account is also common in Thai mass media as well as in the world’s leading newspapers including the *New York Times*. Every time an anniversary of this monarch is reported or there is coverage of one of Thailand’s political crises, the king was praised as the key element that stabilised democracy. The
Handley (2006) has offered an entirely different account of the politics of the monarch (see Hewison, 2008). The monarchy, like everyone else in a political society, is engaged with politics in various ways for his own interests. King Bhumibol actively intervened in politics from the 1970s to the present. It is unfortunate, in Handley’s view, that the monarchy’s politics is not transparent but cloaked in the illusive aura of Dhammaraja, placing the monarchy beyond criticism and accountability.

Instead of evaluating the monarch’s democratic credentials, this article would like to shift to a related issue that so far has been largely overlooked, namely the discursive conditions that have facilitated and paved the way for the monarchy’s return to prominence. There are two sets of discourses that this article will discuss. The rest of this section will deal with the historiography of the democratic monarchy. The discourse of “clean politics” will be examined in the next section.

The seminal scholarship in Thai on the history of democracy was produced in the late 1960s to early 1970s. Scholars of that generation grew up after the People’s Party was banished and its legacies cleansed and twisted. The experience of the first historical series was long gone. They came of age under the military rules of Sarit and Thanom-Prapas. Their perceptions of Thai democratisation were framed by the second historical series and by the rise of the new monarchy. In this intellectual context, they produced the royalist historiography described earlier in this article. In the early 1970s but especially after 1973, several writings by the royalists of the late 1930s were reprinted as works by people who fought for democracy but became victims of the People’s Party dictatorship (Prajak, 2005: 501-509).

The most important emblem of the royalist democracy discourse is a passage from the abdication letter by King Rama VII in 1935. The “life” of this passage is telling in how the royalist discourse evolved from a misunderstood history to historiographical orthodoxy (Somsak and Prajak, 2001; Prajak, 2005: 488-96, 515-9). The passage was originally written in the context of a humiliating failure to regain power. In the king’s view, of course, the revolution was merely the grab for power by a small group of disgruntled military leaders. The famous paragraph reads: “I am willing to surrender the powers I formerly exercised to the people as a whole, but I am not willing to turn them over to any individual or any group to use it in an autocratic manner without heeding the voice of the people” (cited in Batson, 1984: 317).

Since the late 1960s, the royalist historiography has made the passage, devoid of its original context, a democratic declaration against authoritarianism. It appeared in several scholarly as well as political publications against military rule. The most important printing was the front page of the historic booklet that helped trigger the 1973 uprising (Prajak, 2005: 515). It has been reproduced innumerable times as an emblem of democracy and eventually it was etched in stone at the monument of King Rama VII in front of the national parliament building. Thanks to his misunderstood passage, the last absolute monarch who was overthrown by the People’s Party was posthumously honoured as the “Father of Thai Democracy.” The king, whose legacies were negligible, finally earned a prominent place in history in the 1980s. The historiography of this king and the royalist democracy reinforce one another. The well-
funded King Prajadhipok Institute (KPI) for research in government and administration, along with a grand museum of the king who “gave” democracy to the country, are, literally, the establishment for the discourse of the democratic monarchy.

The creation of King Rama VII as the fount of Thai democracy shapes the Thai perspective of the entire democratic period. It gives credit to the absolute monarchy for delivering democracy. The People’s Party is reduced to a group of mere opportunists whose premature coup disrupted and ruined the royal democratisation process. The People’s Party, so the story goes, then turned into a dictatorship, exemplified by the allegedly fascist Phibun whose republicanism was conveniently forgotten. The royalists who fought the People’s Party for the greater power of the monarchy are considered democratic fighters. The royalists also made Pridi a forbidden figure in Thai politics for alleged regicide.\textsuperscript{11} He was almost unknown to later generations until the last few years of his life in exile. The most important and lasting effects of the royalist historiography is the belief that the monarchy is democratic and that the king is on the people’s side in their struggle against military rule and against corrupt governments (see Thongchai, 2007: 43-5). The conditions that facilitated the posthumous creation of Rama VII as the Father of Thai Democracy were the rise of the sacred and popular monarchy under King Bhumibol, and the historical perspective framed by the second series. At the same time, the concept of royalist democracy facilitated the making of Bhumibol as the living democratic monarch. The episode on the palace ground on 14 October 1973 concretely exemplified the democratic king.

A notable recent piece of evidence of the discourse of the democratic king is an official volume published by Thammasat University (Nakharin, 2006), titled Phra phu song pokklao prachathippatai (His Majesty who protects democracy). The title is a clever design that combines part of the King Rama VII’s name in Thai (Pokklao) and the word prachathippatai (democracy) for an official publication to celebrate King Bhumibol as a democratic king. The book presents him as the great balancing and stabilising factor among volatile forces during the democratisation process. Interestingly, the book was undoubtedly part of Thammasat University administrators’ politics to provide intellectual justification for the monarch to intervene in the 2006 political crisis against Thaksin. There are many “clever” interpretations and arguments that incorporate the critiques of the royalist historiography in order to make a royalist narrative. When it is too hard to handle, such as the 1976 massacre, the account is vague and skimpy.

**THE DISCOURSE OF “CLEAN POLITICS” AND ITS EFFECTS**

In the context of the third historical series of democratisation, the prominence of the monarchy was built up by engaging in the development of the parliamentary system. It was so, however, by being the moral authority “above,” that is, on top of, higher than, superior to, the normal political institutions that are considered extremely

\textsuperscript{11} The death of King Ananda (Rama VIII) in 1946 remains mysterious even today, whether it was an accident or a murder; if the latter, by whom and in what circumstance. But the royalists were determined to blame Pridi and to have a pretext for getting rid of him as one of the last influential figures of the 1932 revolution. Pridi went into exile in 1947 and remained defamed for regicide, despite no charges being laid or any evidence produced, to the end of his life in 1983 (Handley, 2006: 77-87, 93, 125 and 421). He was posthumously rehabilitated from the 1980s, but never returned to Thailand.
corrupt. The royalists and the civic movement and intelligentsia, the “people sector” as they called themselves, shared a distrust of politicians. Their implicit alliance generated stronger distrust. They put forward the discourse of “clean politics” that proved to be detrimental even to a powerful politician like Thaksin.

Amidst the struggles against military rule in the late 1970s and early 1980s, electoral politics began to take root. Retired military leaders whose appetite for power remained strong would usually set up or join a political party to run for an elected office. As the second series was running its course, the third historical series unfolded with the rapid rise of money for power and power for money. It is said that the rise of money politics and vote-buying to an unprecedented level occurred when General Kriangsak Chomanan, a former military chief and prime minister after the 1977 coup, ran for an election in 1979 in a north-eastern province where he hardly visited. This signalled that a seat in the national parliament was worth heavy investment despite high risks, and that electoral politics was blossoming (Anderson, 1990). The electoral constituency became a battle field among local and national magnates whose firepower was the ability to spend to win votes.

The discourse of clean politics emerged alongside this trend from the 1980s. It is widespread especially among the urban middle class who claim to be champions of democracy and whose views are represented by the mass media. Campaigns by civic groups against corruption are common. The successful ones, especially against powerful politicians, became national accomplishments celebrated by the public and in the media. Many national public figures, among them former Prime Minister Anand Panyarachun, a former Prime Minister and the President of the Privy Council General Prem, and the king himself, called corruption the most devastating plague of the country and the top national agenda. In 2000, one of the king’s most trusted associates, Dr Sumet Tantiwechakul, also the Chairman of the Chaiphatthana Foundation that oversees the royal projects, established the “Foundation for a Clean and Transparent Thailand” (FaCT) with himself as the Chairman and Prem as the Honorary President. The purposes or “ideals” (udomkan) of the foundation are to fight corruption and to promote morals and ethics in every sector of the society. It launched several campaigns, held regular talks, and engaged in other activities. Although corruption is as widespread in the bureaucracy and private corporations as in politics, politicians are portrayed as and believed to be the bigger fish and the origin of more serious corruption. Morals and ethics are, in this view, the only solution to the “plague.” From the 1980s, clean politics was used to define desirable democracy: clean politics and democracy became synonymous. People’s power took a back seat.

The fight against corruption and money politics seems indisputably a good cause. It should contribute to democracy with no harm whatsoever. In the context of Thai democratisation of the past thirty years, however, the repercussions and consequences of the clean politics against elected politicians significantly contributed

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12 A striking exception is General Prem Tinsulanonda. His eight year premiership owed more to the palace’s support than to electoral support. On stepping down, he was appointed to the Privy Council. He is living evidence of the palace route to power. His role in the 2006 coup (see Hewison, 2008) is additional evidence of the tension and antagonism between the two routes to power.

13 See http://www.fact.or.th/ for the Foundation’s background, boards and committees, list of members, projects, activities and several essays. Recently, after the coup, the king’s philosophy of Sufficiency Economy also became a major issue for the Foundation.
to the coup in 2006. Whether or not this project and its consequences were conspiratorially anticipated by any political force remains a question that this article cannot answer. It suffices to say that most people had not foreseen and probably not yet understood this issue well. To understand the effects of the discourse of clean politics on democratisation, I shall elaborate its four constitutive discourses and point out how each of them has ramified to become anti-democratic. They are (i) politicians are extremely corrupt; (ii) politicians come to power by vote-buying; (iii) an election does not equal democracy; and (iv) democracy means a moral, ethical rule.

Extremely Corrupt Politicians

Corrupt politicians and the excess of money in politics are neither new nor unique to Thailand. What is unique is the public perception of its severity, that Thai politicians are the most corrupt, that the situation is unparalleled, and that Thailand is in danger of destruction because of corruption. Needless to say, none of these perceptions has been verified. Allegations against politicians have been common in daily news reports and the public has tended to assume their guilt. Except for the first Thaksin government (2001-05), no elected government has run a full term; more often than not they fell because of corruption scandals. The Chatichai government (1988-91) was dubbed the “buffet cabinet” for the alleged “all you can eat” behaviour among the cabinet ministers. If a “communist threat” was the usual reason for many military coups during the Cold War, corruption has been the usual reason for coups after the end of the communist threat in Thailand since the early 1980s.

Vote-buying

Central to the discourse of extremely corrupt politicians is the belief that they ascend to power by buying votes and that while in power they need to recoup the investment and to prepare for the next election. While it is undeniable that vote-buying is widespread in Thai elections (McVey ed., 2000), the discourse of clean politics exaggerates its extent and presents a biased view of its cause, resulting in unexpected consequences (see Somchai, 2008).

From the 1980s, people have believed that vote-buying is rampant at every level of election. It is considered a political pandemic. Public calls, campaigns and measures to fight vote-buying reached every corner of the country in every election. The blame usually falls on the less educated and poor voters, mostly in rural areas, who allegedly sell their votes in exchange for short term and petty material benefits. They lack the proper understanding of democracy, it is said, and lack good morals because they are ignorant and uninformed due to their lack of education. They are held to be partly responsible for the failure of democracy. Most of the education campaigns against vote-buying target the rural population and the urban poor. They are held to be infected by the disease while the urban educated middle class are less so or not infected at all. The latter are champions of democracy whose task is to clean up politics. Certainly, the discourse on vote-buying is not groundless, and there are people who care for nothing but petty material gains. But the discourse is a gross

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14 This allegation was raised since the late 1980s and was a reason for the coup in 1991 (Arghiros, 2001: 260). It was repeated frequently by the anti-Thaksin movement and the mainstream media during the 2006 crisis and again since the coup (see Walker, 2008).
generalisation based on the urban middle-class bias against the provincial-based electoral majority (see Walker, 2008).

The urban bias against the electoral mass is extensive, and not restricted to criticism of direct forms of vote-buying. When popular politicians can win an election because they have delivered on the promises made to their constituencies during their tenure, especially by getting a good share of the budget for local development projects, the urban bias considers this to be a sophisticated and hidden form of vote-buying (Girling, 1996: 38, fn. 41, for example). When politicians delivered health care benefits and funds for local communities, these were considered “populist deception” or bribes for narrow benefits improper to democracy (see Pye and Schaffar, 2008). The urban bias never understands the differences between the collective votes by rural communities, regardless of cash incentives, to politicians who made and kept their promises and the vote-selling for cash (Arghiros, 2001: 256-59). Democracy according to the advocates of clean politics seems highly purified, uncontaminated by the local and rural interests. On the other hand, promises of tax benefits, industrial parks, more electric trains in Bangkok and measures to solve Bangkok’s traffic jams, export promotions and investment stimuli are seen in the urban-biased view as national interests and legitimate policies.

It is rarely recognised that the urban bias embedded in Thailand’s development, politics and administration is a root cause of vote-buying. The parliamentary system and politicians become the channels through which people who are peripheral to the centralised power structure and centralised decision-making express their grievance, put forward demands, voice their views, and perhaps most importantly, get things done for their benefit. Thai bureaucracy and centralised politics have, for a long time, proven to be unresponsive to these people. This by no means implies that politicians always serve people’s interests and do not serve their own. Personal gain is part of a politician’s agenda, and the bureaucracy often colludes in this. Nonetheless, politicians have proved to be more responsive to their constituency than the bureaucracy. In many cases, politicians can make the bureaucracy function effectively (Nishizaki, 2006). This is exemplified in the well-known case of former prime minister Banharn Silpa-archa, who is often called by academics and Bangkok-based journalists as a mafia boss. Indeed the rural constituents are very rational in their dealings with politicians (Arghiros, 2001; also see Walker, 2008). They expect no purified politics but one that works for them. Clean politics may well be an elitist biased fantasy.

Moreover, while cash changes hands during elections, the presumptuous notion that money determines election outcomes is disputable. In the earlier years of vote-buying, voters might feel obliged to vote for those whose money they accepted as a moral obligation (Arghiros, 2001: 261-4) and since the outcome in national politics rarely mattered to them. Vote-buying was a short-term contractual relation. Over the years, as politicians mattered more to their lives, voters took into account other factors far beyond the petty material gains to decide who would serve them best. The power of money has been weakened and vote-buying became increasing fruitless in recent elections. The assumption that voters still care for nothing but money or that cash means the same as it used to decades ago is evidently wrong (Arghiros, 2001: 265-6; Callahan, 2005). The urban middle class, in general, are uninformed and ignorant; their bias robs them of the opportunity to learn about their rural counterparts. Rural
citizens are more or less informed and conscious of their interests like their urban counterparts (see Walker, 2008). Money remains dominant in politics for campaigns, advertisements, and shady deals and so on. But the cries of foul over vote-buying are misleading. Yet, the vote-buying discourse that puts blame on the rural and poor people remains very strong in the media and among the urban middle class. As Callahan (2005: 108) said long before the 2006 coup, vote-buying is not good but the pre-occupation with vote-buying is perhaps more dangerous to democracy.

**An Election Does Not Equal Democracy**

Given the distrust of politicians and parliament’s assumed lack of legitimacy due to vote-buying, Thailand’s democracy has been seriously undermined. The public as well as many intellectuals question the legitimacy of the election as a trustworthy means to democracy.

As civic groups became more active in campaigns against corruption and abuses of power, politicians often brushed them aside, slandered them in public, or discredited, intimidated and suppressed them. Media faced heavy interference. Every elected government has acted similarly, but Thaksin may have done so more viciously than others (see Pasuk and Baker, 2008). His government and allies often tried to shut down critics and public opposition, calling on the public to ignore critics and to channel their voices only to elected parliamentarians. Democracy in this view strictly means ballots and politicians. It is none of the civic groups’ business.

In response to such a self-serving and misguided democracy of politicians, several public intellectuals in the 1990s countered with their advocacy for “people’s power” through organised civic movements. At the same time, they rhetorically called the politicians’ narrow notion of electoral democracy, “electocracy” (*luaktang-thippatai*), implying that the existing rule in Thailand was not democracy (Kasian 2006a: 12-14, esp. fn. 8). Thaksin’s regime in particular was called an “elected capitalist absolutism” (Kasian 2004). In retrospect, the name-calling was a double-edged sword against the narrow “electocracy” and against the legitimacy of electoral democracy at the same time. The rhetoric was well received and was integrated into the discourse of clean politics.

While these public intellectuals may support civic movements or people’s power, the supporters of the clean politics adopted the rhetoric to undermine the electoral and parliamentary system. During the political crisis in 2006, the royalists and the anti-Thaksin activists alike often called the Thaksin government an “electocracy” and his rule “monetocracy.” After the coup, as critics of the coup insisted on electoral legitimacy in democracy, the coup defenders and apologists, including the royalist activists, military leaders and many leading intellectuals, kept repeating that the staging of an election does not equal democracy. Such a statement in a vacuum is not falsifiable. But in the context of Thai democratisation and the recent political crisis, it helped undermine electoral legitimacy and, regardless of intention, helped to open the door for non-democratic intervention.

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15 Kasian’s own English, from his own word in Thai, *somburanayasitthithun*, to make an analogy to *somburanayasitthirat* – the absolute monarchy.
The distrust of elections in fact goes a long way back and is deeper than the rhetoric above. It is rooted in the nationalistic conservatism that distrusts democracy for being alien to Thai culture which honours hierarchical relations and venerates the monarchy as the highest authority in the land. This idea can be found as early as in King Chulalongkorn’s response to the critics of the absolute monarchy in 1903. His apt metaphor was that one cannot cultivate rice on the Thai soil the same way wheat is cultivated in Europe (Chulalongkorn, 1989: 128). These conservatives often remind us that a constitution, thereby democracy as well, is merely a Western object. It is not necessarily good for Thai political culture. On the other hand, the monarchy has always been the ultimate authority and source of legitimacy in Thai culture like a constitution is to Western democracy (Dhani, 1947; Seni, 1990; Tongnoi, 1990). As Nidhi (1995) aptly puts it, in the royalist’s view, there is an unwritten “cultural constitution” in parallel with the written one that remains alien to Thai political culture (see Walker, 2008). In 2005 and 2006, the anti-Thaksin movement called for the return of power to the monarchy, arguing that it fits Thai political culture, unlike electoral democracy, which is an alien political system. The book that inaugurated this campaign was endorsed by the king himself (Pramuan, 2005: 6). Not only could politicians and elections not be trusted, but democracy itself is also suspect. This is the ideological basis for the royalist distaste of elections. It is compatible with the anti-electocracy discourse of liberal intellectuals, thanks to their shared distrust of the existing “democracy.”

**Democracy as Moral Rule**

In retrospect, it is not quite clear what democracy means to Thai people. Against the absolute monarchy, dimokhrasi meant the opposite of that political system. Against military rule, democracy meant the opposite of it. But what do such oppositions imply? Democracy as a political framework by which a complex society with conflicting interests and individuals with equal rights can move along and people can muddle through together perhaps has not been understood as such in Thailand.

Ideologically speaking, in Thailand’s predominately Theravada Buddhist culture a good polity is rule by the righteous king. Moral or righteous rule would bring order, prosperity and peace to the society. It is a moral politics. It appears that such political culture remains strong in Thailand. While democratisation since 1932 has increasingly expanded the demographic base of political participation, the spirit of the new rule was perhaps not truly for contested interests among the public and the sanctity of individual rights as much as to allow the wider public to choose a moral ruler.

The discourse on clean politics is embedded in and reinforces the moral politics in a twofold manner. On the one hand, it challenges and undermines politicians and the electoral politics. On the other, it acknowledges moral authority as the superior and ultimate legitimacy. In Thai democracy, the moral character of a leader is usually the point of scrutiny by the public rather than policies, ideas,

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16 To counter the critics of the 2006 coup who insisted in the legitimacy of electoral system and the 1997 Constitution, the coup defenders, including many leading academics, remind us repeatedly that Thai democracy has to fit Thai conditions. Democracy and a constitution are alien things (see, for example, Thirayuth, 2006 and Anek 2006 a; b), and the words by Pramuan Rujanasee, a royalist propagator, as reported in Fuller (2006).
leadership ability or public participation (McCargo, 2002: 5). As disillusion and distrust in electoral politics grow, people seek refuge not so much in the legal process or accountability mechanisms within the political system as in the higher moral authority.

In Thailand, the intelligentsia not only performs the role of critic but also assumes the voice of morality. The television programs and newspaper columns of these public intellectuals have assumed prominence in the past few decades. This phenomenon is the result of a conjunction of the relatively open politics since 1973, the boom of media business since the 1980s, and certainly the public appetite for moral voices that are seen as incorrupt, impartial, and wise. A unique phenomenon is that a few retired academics, among them Dr Prawase Wasi and Professor Saneh Chamarik, have been widely recognised as the moral voices of the society. They once called themselves Ratsadon a-wuso in making political comments to the public. The term literally means “a senior citizen.” They often preach and give sermons on secular matters (politics, corruption, crisis, dangers of capitalism, consumerism, globalisation, and the like) in moral tones. With Theravada Buddhism in mind and given how they are revered among intellectuals, I suggest a better translation: the “Elder citizens,” or simply “the Elders.” There are many more Elder-like academics and public figures with highly regarded careers and reputations, although they do not call themselves the Elders.

Nonetheless, the highest moral authority with legitimacy equal to or surpassing that of an elected government is the monarchy. Occasionally, the king comes out in public criticising politicians or bypassing them and directly works with bureaucrats to tackle problems.17 From the early 1990s, the king’s televised birthday speech has become a new royal ritual the public look forward to as he usually puts politicians on trial in front of the national audience. The monarch’s criticisms are usually mild and often presented in a light-hearted manner. Most of the time, there are no specifics and no names named. But the targets are clear. The media and the public always get satisfaction from the royal reprimand of politicians. Even when the king’s words are unclear or even when they are not criticisms, people enjoy reading between the lines and direct their interpretations at politicians. The birthday speech becomes a ritual to display the hierarchy of moral authority and to reaffirm the monarchy’s place “above” the normal realm of politics. At the same time, the ritual draws the public to identify themselves with the moral authority of the king. It is one of the cleverest political rituals, with the impact probably many times that of an electoral campaign. As the current monarch has reinvented the institution’s place in democracy “above” politics, and elevated it to an unprecedented stature, the monarchy becomes an alternative source of legitimacy to the electoral democracy. According to the royalist-inspired “cultural constitution”, the monarch’s moral authority is far superior to the elected ones. Many people surrounding him are also considered as having some share of moral authority as well, for example, the privy councillors, and those involved in the royal projects.

Liberals and royalists joined the chorus singing the praises of the superlative democratic king. In 1995, after the 1992 bloodshed led to a campaign for political

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17 For instance, several years ago, under the Banharn government, a meeting between the king and those bureaucrats responsible for flood control was televised with no advance announcement. On that table, there was not a single politician in charge of those agencies and ministries. It was silent rebuke of them.
reform, the royalists of various political camps called for the return of power to the monarch in order to restart democracy. The campaign was intellectually underwritten by a public law scholar, Dr Amorn Chanhtarasomboon, who put forward in public that only the monarch, “particularly the current king”, and not any elected body, can launch the reform as he is the highest source of legitimacy (Amorn, 1994 and 1997; the quote is on p.64 of the latter). The result was the 1997 constitution, acclaimed as the “people’s constitution” for its inclusion of more provisions guaranteeing rights and freedoms than any previous ones in Thai history. Nevertheless, it was publicly announced that the top agenda of the charter was to design a system that would phase out corrupt politicians and clean up Thai democracy. In retrospect, the 1997 charter was a major signpost of the alliance between the civic movements and the liberal royalists against the elected but corrupt politicians. The public faces of political reform and the Constitution Drafting Assembly were known liberal royalists such as, apart from Amorn, the former Prime Minister Anand Panyarachun and Prawase Wasi, one of the Elders. The constitution got strong support from several quarters of society including the civic groups in the “people’s sector,” liberal and royalist intellectuals, the urban public, the media and, implicitly, the palace.

THE ROYALIST COUP OF SEPTEMBER 2006

Undoubtedly the tension between Thaksin and the military was a factor in the 2006 coup (see Ukrist, 2008). But perhaps unlike any previous coup, this one was carried out by the military but probably not for the military themselves. As it is widely known now, the coup was engineered by Prem, the President of the Privy Council (see Hewison, 2008). It was a royalist coup with support from the “people’s sector” movement.

The anti-Thaksin movement was very royalist in many facets. One of the most divisive issues was its campaign to return power to the monarch, urging his intervention to topple Thaksin and appoint a new government. The movement, a conglomeration of the royalists and the “people’s sector” activists and intelligentsia in the name of the People’s Alliance for Democracy (PAD), shouted the slogans, “We love the King,” “We fight for the King,” and called themselves “the guards of the land.” Its most important leader, Sondhi Limthongkul, is a royalist who had, since mid-2005, called for the use of a so-called royal prerogative that he considered allowed the king’s intervention. Furthermore, a number of blue-blooded aristocrats and minor royals explicitly organised and took action in public, even hosting a New Year’s party after the coup to which key PAD leaders were invited. This is indeed a rare occasion in Thailand. Given this royal-liberal alliance, and the nature of monarchical moral authority, it is not surprising that the movement called for morals and ethics in politics. Finally, apart from the corruption and tax evasion allegations, Thaksin also faced several accusations of lèse majesté. The royalists alleged that his acts on many occasions verged on disrespect to the monarchy. These allegations reflected real concerns among the royalists that, in the words of a high-profile royalist at a meeting I attended in June 2006, Thaksin might be “privatising” the royals. Many believed that Thaksin was putting himself in an advantageous position for the future, given that the monarch’s health was failing. The royalists felt that they could not

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18 Critical studies of this reform and constitution are Connors (2002) who said that it is the elitist project, and McCargo (1998) and (2002: 37-56), who concluded that the reform is undemocratic.
To most supporters of the PAD, Thaksin was the epitome of corrupt politicians. A few months before the coup, Prem jumped into the political ring and overtly expressed his distaste for Thaksin. Using a horse-racing metaphor, he told a military gathering that the elected government was merely a jockey assigned to ride the horse but not the owner of it. The military was reminded that they belonged to the monarchy, not to the jockey. Several judges seconded Prem, saying that they too belonged to the king. Thaksin was steadfast, as he repeated at every opportunity, that he had the electoral mandate. Every time he was countered by the discourse of the clean politics that politicians were extremely corrupt, who came to power by vote-buying, therefore the electoral mandate was a fraud.

The role of academics in the whole crisis was phenomenal. To them, the military was probably not worse than the Thaksin regime (see Anek, 2006b). Many argued that Thaksin had already destroyed democracy and the 1997 constitution, that the coup was not anti-democratic but the only solution to resume democracy. Khien Theeravit, a senior political scientist who also supported the 1991 coup, wrote an article in support of the military’s “right to stage a coup” (Khien, 2006). Many intelligentsia and democratic activists took this stance. One of the prominent groups was from Chulalongkorn University named, the “Chula to Promote Morals as Guide to Democracy Group”. This academic group visited Prem a few days before the coup, asking Prem to intervene to solve the crisis. The moral and clean politics advocates guided Thai democracy by toppling the elected government.

The prominence of the monarchy in Thai democracy that was nurtured since the end of the Second World War and which blossomed in 1973 reached another significant milestone in 2006. It was not the first time that a royal intervention was called for by the public – it was so in 1973 and 1992. It was not the first time that the accomplice was the military – it was so in 1947 and 1976. It was not the first time that an elected government was the target with corruption the reason for a coup – it was so in 1991. The 2006 coup was not the first royalist coup either, as were the ones in 1947, 1976. But this time it took place after fourteen years of continuous parliamentary democracy and against one of the most popular regimes in history that had won three elections, two of them in a landslide.

Being “above” politics during the first historical series of democratisation, the monarchy suffered enormously. Now in the third series, being “above” politics is probably the best place the monarchy can aspire to. The role of the monarchy as the highest moral authority behind the coup was hinted at in the words that the coup group chose to name itself, the “Council for Democratic Reform under the King as the Head of the State.” A month after the coup, one of the best known academics and social

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19 See the interviews many academics, public intellectuals in Krungthep Thurakit [Bangkok Business], a daily newspaper, 21 September 2006; and the interview of Saneh Chamarik, Chairman of the National Commission on Human Rights on Prachatai.com, a web-based news, 20 September 2006.

20 In an ingenious move shortly after the coup, the coup group announced to the international community that it had cut the phrase, “under … State” from its name in English because the phrase
critics in Thailand, Thirayuth Boonmi, who was also a key leader of the 1973 uprising, made a public comment endorsing the coup as a necessary step for democracy. He proposed that for the democratic regime in the future, there should be a “council for moral security” [Khana montri phua khwam mankhong thang silatham] acting like an upper house above the elected parliament and government. Members of this council should be selected (not elected) from incorruptible people, such as the privy councillors, military leaders, judges, the Elders, anti-globalisation activists, and academics from well-known institutions. The new constitution, he suggested, should not follow the West, but should be based on Thai intellect and culture (Thirayuth, 2007; from a speech made in 2006). In response, I called Thirayuth’s view “nakedly aristocratic” with the aristocrats (aphichon – literally the superior or higher people) flocking onto the upper level “above” politics (Thongchai, 2006). In response to my critique, another high-profile academic, Anek Laothamatas, offered his account of the desirable form of democracy that fits Thai conditions. In his view, the democratic force like the elected ones must learn to live with the necessary role of the aphichon and the monarchy. Democracy for Thailand should not copy the West, but, in Anek’s words that echoed the ones by King Chulalongkorn 103 years earlier, it must grow on Thai soil because Thais eat rice, not wheat (Anek, 2006a; 2006b).

Among the aphichon mentioned by Thirayuth, two groups that appear representing the monarchy more or less directly are the privy councillors and the judiciary. The role of judges during the 2006 crisis is unprecedented. During the early phase of the crisis, they were absent, as they always are. Despite allegations of corruption, tax evasion, and abuses of power, the judicial process was not recognised as a viable mechanism for accountability. The anti-Thaksin people argued that the judicial process was not a viable option because the court was under Thaksin’s influence, implicitly suggesting that the judges were bought by him. They often cited the 2001 case in which Thaksin was charged for hiding his assets in the names of his house maids, chauffeurs, gardeners, and distant relatives and so on. He survived the constitutional court ruling on this by only one vote, allegedly by investing in a few judges. But I would argue that the distrust in the judiciary was deeper and held long before Thaksin. Although it cannot be dealt with extensively in this article, it suffices to say that the judicial system has a long and solid record of siding with whoever is in power. But they do so quietly, rarely engaging with politics overtly. They always know the winds, so to speak. Heroic actions were not impossible but are rare. Its undistinguished history suggests that the judiciary is not at all an independent body to counter abuses of power. Indeed the lack of an independent judiciary is probably one of the most serious problems of Thai democratisation that has escaped serious attention. To my knowledge, there is no significant critical study of the politics of the judiciary.

All of this changed when the king intervened in an unscheduled televised event on 25 April 2006 urging the judges to take action to solve the crisis. Suddenly the judiciary was overly active. Instead of exercising their power by adjudicating court cases, the top judges in the land held press conferences, hinting at taking swift action against Thaksin even before a suit was filed. Later the court removed and jailed the supposedly independent Election Commissioners for their support of Thaksin. The caused “misunderstanding” among foreigners that the king was behind the coup. But the Thai name remains intact, implying either that Thais do not misunderstand or that Thais need to be reminded that the coup is for a particular kind of democracy.
judges were hailed by the anti-Thaksin people as the fortress of democracy, or as Thirayuth put it, the beginning of the *tulakanphiwat* ["judicialisation"] to rescue democracy (Thirayuth, 2006). Shortly after the coup, the high court chief offered recognition of the coup group, saying that the latter’s order would be taken as one by the king. This reasoning seemed to follow the king’s acknowledgement of the authority of the coup). Judges are over-represented in the coup regime. They are in the junta-appointed government and prominent in the national assembly. They lead the drafting committee of the new constitution. They formed the new Election Commission, and they are in the committees that are investigating Thaksin’s corruption. In a way, absolutely nothing has changed; the judges are simply acknowledging that they know where the winds are blowing.

“DEMOCRACY WITH THE MONARCH AS THE HEAD OF THE STATE”

This article has offered a new historical perspective on Thai democratisation and demonstrates how the 2006 coup can be understood from such a perspective. It is too early to say if democracy has entered the fourth series and what it is, or if the third historical series continues. The question is whether or not or in what ways the power relations among political forces has been shaken and realigned after the 2006 coup. First of all, although the military acted on behalf of the royalists, it might not be easy to “put this genie back into the bottle.” Was the 2006 coup a turning point that brought the military back into equation? How their particular political interests and their relationship with other political forces develops remains to be seen.

The current and future monarchy needs no absolute power. It only needs to remain “above politics.” Every political institution and power will then fall into place, that is, precisely under it. But the realm “above politics” may actually be more uncertain than the monarchists would like because it has been overly dependent on the charisma of King Bhumibol. To what extent is it institutionalised regardless of the individuality of the monarch? Will the royal hegemony evaporate after Bhumibol? Who would be, literally, the kingmakers?

In the medium term, the new constitution will design a structure of institutional relations reflecting the discourse of Thai cultural democracy. Freedom and rights guaranteed in the 1997 constitution should not be at risk since the so-called people’s sector was not the target of this coup. The key issues remain, I believe, the role, place and power of the monarchy in Thai democracy and how to rein in elected authority. A government after the 2006 coup most likely will be obedient and mindful of its proper place and behaviour in the hierarchical political system of Thai cultural democracy.

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21 The words of Jaran Phakdeethanakul, the Secretary of the Supreme Court Chief at a press conference on 21 September 2006, published the following day in several daily news reporting including *Matichon, Krungthep Thurakit* and *Prachatai.com.*
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THE 2006 ANTI-THAKSIN MOVEMENT IN THAILAND: AN ANALYSIS

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Abstract: This article examines the mass protests against Thailand’s billionaire Prime Minister Thaksin Shinawatra in 2006. Over a series of several months, hundreds of thousands of people took part in demonstrations that created a deep political crisis and forced Thaksin to call snap elections. This political crisis was partly a result of intra-elite conflict between the old power elite and Thaksin’s “CEO-style” rule, which opened up space for a broader politicisation. However, a closer look at Thaksin’s own mass support and a comparison of his populism with Venezuela’s President Chávez leads us to the analysis that the crisis resulted from deeper contradictions within Thaksin’s “post neo-liberal” capitalist restructuring project. The movement against Thaksin thus draws on and brings together different sections of Thai society rebelling against Free Trade Agreements, privatisation, and authoritarian, corporate-dominated politics. The article concludes with some reflections on the movement and the question of royal intervention and the coup d’état.

Key Words: Thaksin Shinawatra, People’s Alliance for Democracy (PAD), anti-Thaksin movement, populism, post neo-liberalism

In March 2005, after a landslide election victory, Thailand’s billionaire Prime Minister Thaksin Shinawatra seemed invincible. His Thai Rak Thai party (TRT) gained 19 million votes (more than 60% of the votes cast), substantially improving on the result achieved in 2001. Social and political activists was dejected, even intimidated, by this result. By March 2006, the situation had changed completely. A massive and sustained protest movement, with rallies of 50,000-100,000 people on a weekly and sometimes daily basis over a period of three months. The movement on the streets opened up political space for debate and open criticism that would have been unthinkable only a few months previously and forced Thaksin to dissolve parliament and call snap elections on 2 April 2006. Six months later, a military coup d’état ended the career of one of Thailand’s most successful premiers. How can we explain this rather sudden and deep crisis of the Thaksin regime?

At first glance, the crisis appears to have developed as a struggle between different sections of Thailand’s elite. Intra-elite conflict was obviously one key element in Thaksin’s downfall. This is epitomised firstly by media mogul and former Thaksin supporter, Sondhi Limthongkul, whose open-air talk shows at Lumpini Park at the end of 2005 sparked the initial movement. More importantly, the crisis represented a conflict between Thaksin and what McCargo (2005) has coined the “network monarchy.” The coup itself was orchestrated by members of this network and the ground for it was prepared for by direct interventions by the King and Privy Council President Prem Tinsulanonda (see Hewison, 2008). However, we argue that intra-elite conflict is an insufficient explanation for the dynamics or the social base of the protest movement, unless the hundreds of thousands of demonstrators are simply
seen as royalist followers of protest leaders Sondhi Limthongkul and Chamlong Srimuang.\(^{22}\)

It has become common to define the anti-Thaksin protests as a middle class movement. This term is used loosely and lumped together with “the urban elite,” implying that Thaksin was supported by the poor in the countryside and opposed by the relatively rich in the city. This is the basic line followed by newspapers like The Nation and the Bangkok Post and is also argued by Kasian (2006: 32) and Pasuk and Baker (2008). Songpol Kaopatumtip, an editor of the Bangkok Post writes of “the urban elite and like-minded activists – those who were on the streets demanding Mr Thaksin’s resignation” (2006: 1); and The Economist (8-14 April 2006: 14) projected a “spectacle of an urban elite overthrowing an elected leader.”

Reflecting these popular views, Kasian (2005:132) draws on Anek Laothamatas’ “Tale of Two Democracies” (1996), to argue that there is a deep conflict between the rural “electocracy” (who buy votes along patronage lines) and the urban, free-market, liberal democracy. He characterises “the city” in terms of a capitalist agenda: “the city’s greater purchasing power plus undemocratic economic freedom to trade, invest, consume, overspend, exploit, and pollute,” calling this the “urban uncivil society” that exploits the countryside. Thus he sees the anti-Thaksin movement as a conflict as another turn in the never ending “vicious circle” of Thai politics, where the rural population elects an inept and corrupt premier and it is the task of the urban population to drive him out of office.

In contrast with these perspectives, in this article we argue that the Thaksin conflict was not simply one between a pro-poor, populist premier supported by the mass of the rural poor (a kind of Asian Hugo Chávez) against an urban, royalist elite. Instead, we will try and show that the anti-Thaksin movement was rooted in the contradictory nature of Thaksin’s project itself, which combined populist programmes with a deeper restructuring of Thai capitalism. Inherent contradictions explain the dynamics involved in the emergence of opposition and in the transformation of former supporters into enemies.

The characterisation of the anti-Thaksin movement as “middle class” does not do justice to the complex make-up of the protest movement. It will be shown that the dynamics of the protests led to a broadening of its social base, and opened the space for discontent towards Thaksin, that had grown over the preceding several years, to emerge in activist form. The People’s Alliance for Democracy represented a coalition between heterogenous groups (including elite factions, grassroots organisations, social movements and NGOs) to Thaksin. Elite opposition combined dissatisfied business groups that had lost the political patronage necessary for economic success (see Ukrist, 2008) and the old network of civil servants around the King, who were losing out to the Thai Rak Thai’s takeover of the state apparatus (see Hewison, 2008).

As we will show, the opposition from below, on the other hand, arose from conflicts around different economic, social and political questions and issues. Rather than a coincidental collection of single issues, we argue that these questions and issues were connected and interrelated, because they all arose out of the inherent contradictions of the Thaksin project. We introduce the term “post-neoliberal restructuring” to analyse the Thaksin project, rather than populism. We then try and show that this contradictory restructuring project gave rise to different oppositions at

\(^{22}\) Ji Ungpakorn (2006:1) implies this by characterising the protests as a “conservative royalist movement.”
different times during the TRT government. These were to re-emerge as part of the PAD-led mass movement in 2006.  

THE MASS MOVEMENT AGAINST THAKSIN

The anti-Thaksin movement was huge. Over a period of two months, from the beginning of February until the end of March 2006, hundreds of thousands of people took part in a series of demonstrations that were led by a coalition called the “People’s Alliance for Democracy” (PAD, Phanthamit Prachachon Phuea Prachathippatai). The PAD was able to organise a series of rallies and demonstrations with between 50,000 and 300,000 participants in Bangkok (11 and 26 February; 5, 17, 25, 29 March), some of which lasted overnight or for several days, as well as protests in many other parts of Thailand (including Chumphon, Surat Thani, Hat Yai, Songkhla, Patthalung, Pattani, Trang, Khon Kaen, Nakhon Ratchasima, Surin and Ubon Ratchathani (The Nation Online, 11 and 27 February, 2006).

The PAD was an alliance between a wide range of sections of Thai society and between diverse political organisations. One wing was made up groups who could be described as an urban elite or as conservatives, such as disgruntled royalist civil servants who were being marginalised by the Thai Rak Thai (TRT) Party, or sections of business who were not part of Thaksin’s patronage system (see Ukrist, 2008). Another wing (and this is what we will focus on for our argument) was made up of social movements and non-governmental organisations (NGOs) with a grassroots base, such as workers, farmers, teachers and students. The PAD thus brought together elite and grassroots opposition to Thaksin.

Urban elite and royalist opposition to Thaksin was epitomised by media mogul and former backer of Thaksin, Sondhi Limthongkul, whose Lumpini Park talk shows from September 2005 were one source of the anti-Thaksin movement. Sondhi’s Manager Business Group had been resuscitated under Thaksin, but Sondhi fell out with Thaksin after he was not given privileged business opportunities (see Kasian, 2006: 33) and when his increasingly critical talk show “Thailand Weekly” was cut off after intervention by Thaksin, he began to hold his shows at Lumpini Park, attracting up to 30,000 people. In January 2006, Sondhi led around 2,000 people in a march on Government House and several hundred demonstrators pushed into the compound after midnight (The Nation Online, 14 January 2006).

Parallel to Sondhi’s open-air protest talk show, another protest movement against Thaksin’s free trade policies was gathering steam. In December 2005, massive protests against the 6th WTO Ministerial in Hong Kong brought together protesters from across Southeast Asia. Based on interviews by the authors, the hundred-odd strong delegation of Thai activists was made up of representatives of farmer networks such as the Alternative Agriculture Network and the Northern Farmers Alliance, the Southern Federation of Small Scale Fishers; HIV-activist groups; and various NGOs. Apart from making headlines in Thailand by getting arrested in Hong Kong, returned

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23 The authors spent several weeks in Thailand during the mass movement against Thaksin in February and March 2006, and again during the coup d’état and the Thai Social Forum in September and October. Unless otherwise stated, this analysis draws on workshops, discussions, interviews and participatory observation during this time. We would particularly like to thank Ae and Somkit from Thai Volunteer Service, Luen from Assembly of the Poor, Suraporn from Fa Dieo Kan [Same Sky] magazine, and Wipaphan Korkeatkachorn for their time and help. We would also thank Michael Conners and Kevin Hewison for their editing.
with new inspiration to take on the free trade agreement (FTA) talks between the Thai government and the United States.

A coalition of NGOs called FTA Watch had been organising against FTAs for several years. In January 2006, they mobilised 10,000 demonstrators against the US-Thailand FTA 6th round of talks in Chiangmai. The size of the demonstration, for the most part small-scale farmers and HIV activists, was remarkable given the much smaller turnout at previous FTA talks. A new militancy was also evident. Protesters adapted the militant tactics of Korean farmers in Hong Kong, first by swimming across a river to reach the hotel in which the negotiations were taking place (the Koreans had jumped into Hong Kong harbour), and then by breaking through police lines, nearly storming the meeting (Bangkok Post, 11 January 2006). This led to the premature closing of the talks (which then shifted to a nearby golf course) and, as Thanong (2006) argues, probably to a more general delegitimisation of the Thaksin government.

The spark for a more generalised movement against Thaksin, and an alliance between these two independent strands, was the Shin Corp sale. At the end of January 2006, it was announced that Thaksin’s family had sold their Shin Corp business to a Singaporean government investment company in a tax-free sale. The deal involved a shadowy investment firm called Ample Rich that had been set up in the British Virgin Islands tax-haven. Sondhi immediately took up the issue. Because he had been the most outspoken critic of Thaksin, he was now in a position to lead the massive public outrage over the Shin Corp deal, and his demonstration on 4 February attracted 50,000 participants.

Sondhi’s agenda was to criticise Thaksin for corruption and for not respecting the King (on the latter, see Hewison, 2008). The royalist colouring of his movement was symbolised by the wearing of yellow shirts, associated with the king’s birth day. However, Sondhi had also taken up issues around the FTAs with China and Australia (particularly after the Chiangmai protest), alleging that Thaksin had negotiated the deals for his own private interests and to the detriment of Thai farmers (The Nation Online, 13 January 2006). He now actively wooed FTA Watch and other NGOs to join with him.

Right after Sondhi’s first big demonstration on 4 February, Suriyasai Katasila, the Secretary-General of the Campaign for Popular Democracy, announced the formation of the PAD with an aim to oust Thaksin. According to Suriyasai, the PAD was formed by 40 organisations representing “academics, businessmen, farmers, urban poor, non-government organisations, labour and students” (Supalak and Subhatra, 2006). The PAD’s leadership consisted of five men: Sondhi Limthongkul, so-called Dharma Army leader and former Bangkok governor and one of the 1992 democracy movement’s leaders Chamlong Srimuang, president of Campaign for Popular Democracy Phipop Thongchai, the veteran trade unionist Somsak Kosaisuk and university lecturer Somkiat Phongpaiboon, with Suriyasai as co-ordinator.

The contradictory nature of the PAD coalition was epitomised by the debate around the demand for royal intervention and the reference to clause 7 of the 1997 constitution (see Connors, 2008). This was highly contested from the onset, and was one of the reasons for the hesitation of many grassroots organisations to join the PAD. Because of general scepticism about Sondhi Limthongkul who was seen as a royalist conservative, some groups decided not to join the PAD at all (e.g. some smaller student groups and the Thai Labour Campaign). The important activist network known as the Assembly of the Poor also did not join. Its position was that the organisation was organised around concrete problems such as large development projects and so
was not directly involved in “politics.” After long discussions, it was decided that the Assembly as a whole would not actively support the PAD, but that individual groups of the network could, which they did.

Even so, many organised activist groups and social movements did join with Sondhi to create the PAD. This was based on the consensus that the demand for Thaksin’s resignation, and not the demand for royal intervention, was the unifying element. The Midnight University, Phipob Thongchai and the Student Federation of Thailand were among those within the PAD who publicly rejected the demand for royal intervention, and initially at least, calls for royal intervention to oust Thaksin was not an official consensus position of the PAD (see Piyamiton, 2006).

The first big rally of the new alliance on 11 February 2006 reflected the broad spectrum of the movement. Apart from senators such as Chirmsak Pinthong, and politicians like the former Palang Dharma Party leader Chaiwat Sinsuwong, speakers included state enterprise trade union leaders Phien Yong-nu and Somsak Kosaisuk, Angkhana Neelapaichit (the wife of abducted, presumed murdered, lawyer Somchai Neelapaicht), Supinya Klangnarong, Secretary-General for Campaign for Media Reform and Kochawan Chaibutr, the Secretary-General of the Students Federation of Thailand. Notably, Sondhi Limthongkul was restrained in his calls for royal intervention, focussing instead on Thaksin’s use of power for personal profit, his alleged tax evasion, and the sell-off of “national assets” – Shin Corp operated most of Thailand’s satellite communications – to a foreign country (see the account in The Nation Online, 11 February, 2006). Other issues addressed at the rallies were the negative social effects of the FTA with Australia, media censorship, and violence in southern Thailand (The Nation Online, 11 February 2006).

For the first time during Thaksin’s period in government, a mass movement was articulating different criticisms against him at the same place and time. Previously, he had tended to face criticism on single issues. Moreover, the public and mass nature of the criticism, broke through the previous apathy and fear that Thaksin’s powerful hold on the media and government had had, and opened up space for politicisation and self-organisation. The single issues became connected to each other through the common demand for Thaksin’s resignation. Students were now protesting side-by-side with state enterprise unionists, and listening to speeches about the violence in the South. A new self-confidence was born out of a mass movement, where previously, solutions to particular problems had seemed unattainable because of Thaksin’s dominating position.

A range of protests ensued. School students developed initiatives, university campus demonstrations were held, women’s marches were organised, and rallies, marches and protests in towns and cities up and down the country were held. There was talk of strike action, and the countless and ongoing discussions and organising meetings meant that politics became everyday fare for hundreds of thousands of people over a period of several weeks. In the South of the country, local PAD branches could fill sport stadiums with political meetings (Nok, 2006), and despite martial law, students in the Muslim-dominated Pattani province could even organise a small, technically illegal, demonstration on their campus (Interview, Student Federation of Thailand, Pattani, 16 October 2006).

The large demonstrations gave a focus for different groups to develop their own initiatives and self-organisation. On the eve of the 4 February demonstration, lecturers from Chulalongkorn University’s Faculty of Political Science signed a public declaration calling for Thaksin’s resignation. After Professor Amara Pongsapich, Dean of the Faculty, supported the declaration, she was leaned on to resign by pro-Thaksin
government officials in the Political Science Alumni Association. In support, faculty members threatened to resign in protest if Amara was punished (Wattana, 2006, *The Nation Online*, 7 February 2006). Meanwhile, students at Thammasat University launched a campaign to collect 50,000 signatures calling for Thaksin’s resignation and Thammasat professors organised a controversial mock trial of Thaksin on his conflict of interest as prime minister and businessman. The Student Federation of Thailand kicked off the first PAD demonstration on 11 February 2006 by marching from Thammasat University to the Royal Plaza, in defiance of the government ban of the rally.

The teachers groups who had been organising the mass protests against the “decentralisation of education” (Funston, 2006) also joined the movement against Thaksin. On 26 February, Uaychai Watha, a leader of the teachers’ campaign against the transfer of schools to local authorities, threatened strike action if Thaksin refused to resign (*The Nation Online*, 26 February 2006). School students also became increasingly politicised, launching a new organisation called “Students for Democracy.”

EGAT workers and workers from other state enterprises soon joined the anti-Thaksin protests in an organised fashion. During the second PAD demonstration on 26 February, 5,000 state enterprise workers gathered in front of the Democracy Monument and threatened strike action to force Thaksin to resign (*The Nation Online*, 27 February, 2006). During the 14 March demonstration, thousands of state enterprise workers including a large delegation of EGAT workers marched *en masse* from Sanam Luang to Government House (as witnessed by the authors, see also *Bangkok Post Online* 17 March 2006).

Some rural networks also joined the protests. By the 4th PAD demonstration on 14 March, activists from the Southern Community Forestry Network, the Federation of Small Scale Fishers from the South, the Isan Network of Small-Scale Farmers and the Northern Peasants Federation had joined the movement (Interviews, 14 March 2006).

As the movement progressed, the royalist yellow T-shirts became less evident and the protests became more active in their character and elements of civil disobedience such as road blocks became more pronounced. The 14 March demonstration was no longer an extended Sondhi talk show but resulted in the blockade of Government House for many hours. The participation of organised groups became more apparent, and while some authors have argued that participation by organised labour was limited (Ji, 2007: 36), our observations on 14 March 2006 were that trade unionists from EGAT, the railways and the post offices, and teacher activists in their hundreds and thousands participated (see also *Bangkok Post Online* 17 March 2006). This demonstration brought together many groups, was not dominated by royalists, and boasted a large number of self-made banners, placards and demands. The protests on 29 March blocked the Rama I road for several hours (*The Nation Online*, 29 March 2006).

The mass movement against Thaksin was not simply made up of royalist followers of Sondhi and nor did it comprise of an urban, free-market elite as suggested by Kasian (2005: 132). At least part of the movement was made up of self-organised groups of workers, students, farmers and teachers, and of political activists from social movements and NGOs. The issues that were articulated under the common demand for Thaksin to resign, from media reform to FTAs, from teachers pensions to peace in the South, were, as we will proceed to argue, interconnected and sustained through contradictions within Thaksin’s project itself.
IS THAKSIN AN ASIAN HUGO CHÁVEZ?

In March 2006, the web journal “Axis of Logic” took a New York Times article on Thaksin, exchanged the Thai personal and place names with Venezuelan names and showed that the article on Thaksin could have been written about Venezuela's President Hugo Chávez (AxisofLogic, 2006). The reason this was possible is that both Chávez and Thaksin had adopted social programmes and nationalist economic policies that have been criticised by neo-liberal purists as economically unsound, backward and “populist.” As with Chávez’s “Mission Barrio Adentro” health care programme, Thaksin’s tax-financed universal health coverage clashed with the World Bank models of privatised health care.24 Also like Chávez, when Thaksin was facing recurrent mass demonstrations, his response was to mobilise his own supporters. And the masses he mobilised resembled the huge numbers of supporters who brought Chávez back into office after a short-lived coup d'état in 2001 in Caracas.

Faced with the evidently massive support for Thaksin, two interpretations have been made that we will discuss here. The first is that Thaksin was a kind of Asian Chávez, that because of his populist policies, he commanded the support of the poor, and that the opposition against him was middle class and elitist (on Thaksin as a populist, see Pasuk and Baker, 2008). The second view, dominant within the PAD itself, was that Thaksin’s supporters were either duped by his media propaganda or paid to join his demonstrations; that is, Thaksin was not an Asian Chávez because he was not really pro-poor.

As we will now argue, both these perspectives are simplistic in that they look at certain government programmes in isolation from Thaksin’s overall project. Thaksin generated real popular support with social programmes for the poor and a nationalist response to the Asian economic crisis. This break with the perceived wisdom of the World Bank and the IMF makes Thaksin similar to Chávez. The key difference is that Thaksin’s policies were embedded with a bigger project of rapid capitalist restructuring in the interests of large Thai corporations looking for competitiveness on the global market. As we will explain in this chapter, whereas Chávez’s economic policy can be described as being opposed to neo-liberal prescriptions (Gibbs 2006), Thaksin pursued an economic policy that might be called the Post-Washington Consensus.25 Because of this fundamental difference in the political orientation of these two leaders, we prefer to use “post neo-liberalism” rather than “populism” as a category of analysis, despite the fact that Thaksin and Chávez show similarities in their highly personalised political style.26

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24 For both, the central criticism was that using taxes for health care was not sustainable. Before the introduction of the universal coverage of the 30-Baht scheme, one third of the population was without any health insurance at all, so this criticism can easily be countered with the argument of Venezuela’s Minister of Health and Social Development: “You can’t fail to deal with a disaster because you haven't worked out the specifics of sustainability” (cited in Gibbs 2006: 272). On the Thaksin programme, see Hewison (2003a: 13).

25 The term Post Washington Consensus is often used to describe a shift in the economic and development guidelines of the World Bank at beginning of the new millennium – away from the narrow agenda-setting fundamentals of the Washington Consensus such as zero inflation, broadening market access and promotion of privatisation, towards the recognition of the role of the state especially for social programmes (Williamson, 2000; Drache, 2002). Whereas some authors interpret this shift as a correction of a failed neo-liberal policy (Kohlmorgen, 2004), others have criticised it mere window-dressing, where the core of neo-liberal dogma remains unchallenged (Gibbs, 2006). In our analysis of Thaksin's economic policy we follow Gibbs' view.

26 The weekly television show “Aló Presidente” in Venezuela and Thaksin’s weekly radio talk-show being just one striking parallel. For a different approach, see Pasuk and Baker (2008).
One of the Chávez-Thaksin similarities is seen in a capacity for mobilising mass support. In early March 2006, TRT mobilised its supporters to assemble at Bangkok’s Sanam Luang to show their support for the TRT government. Rumours circulated that the people who joined the demonstration were paid 300 or 500 baht (as an example, see *The Nation*, 4 March 2006). Such rumours were never substantiated, and the 200,000 turn-out and the enthusiasm for the prime minister demonstrated genuine mass support. People came from all over Thailand and from all walks of life, but the vast majority were farmers, small business people and workers, including a significant group of motorcycle taxi drivers. Despite self-comforting arguments by leaders of the anti-Thaksin protests and their sympathetic press that the Thaksin supporters were ignorant, gullible or bought, the Thaksin supporters had good arguments for their position. During the demonstration, we talked to participants who had come to Bangkok on their own accord and usually in an organised fashion. Some were rural folk, farmers or small traders, others were workers and management from the Rangsit industrial area or from small rural-based factories, but they were all able to give coherent answers to why they were there (Interviews, Sanam Luang, 3 March 2006). The key arguments, again and again, were that Thaksin was a prime minister who actually helped the poor, with the 30-baht-health-programme, the one million baht community fund, and other development projects. Argument that Thaksin and his government were corrupt typically elicited the response that many former prime ministers were also corrupt.

Thaksin’s rural support, apart from the impressive turnout to his election campaigns in scores of provincial towns, was symbolised by the “Caravan of the Poor,” a trek of several thousand farmers from the Northeast who travelled to Bangkok on foot or on self-constructed tractors. The picture of poor farmers marching to Bangkok used to be the monopoly of anti-government, grassroots movements. The fact that the same symbolism was successfully used by pro-Thaksin forces is significant. Even more so the fact that the Caravan was led by ex-leaders of the Assembly of the Poor (Luen Sichampho, 2006).

The point is that Thaksin’s support was real because his rural and pro-poor policies were real too. The debt-restructuring scheme, the one million baht community fund, the 30 baht health programme, and government-funded infrastructure projects had a noticeable effect on people’s lives. The key ideas for these projects came from farmer leaders and aligned progressive academics, some of whom were also incorporated into the TRT government. Former student and NGO activists in Thaksin’s cabinet included Adisorn Piengkes (Deputy Minister for Agriculture); Chaturon Chaisaeng (Minister for Education); Sora-at Klinpratoom (Minister for Information and Communication Technology); and Phumtham Vejjayachai (Deputy Minister for Transport and deputy secretary-general of TRT). Pasuk and Baker (2004: 81) tell the tale of how much of Thaksin’s rural programme was adapted from a 3-page fax sent to him by a former student activist from the 1970s. Kasiyan (2002: 339) puts it succinctly: “… Thaksin’s ‘populism’ was actually begotten by a bunch of ex-communist guerrillas and former student activists among his close aides…” Thaksin’s reforms, therefore, represented a serious attempt to incorporate part of the NGOs and

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27 For example, the anti-Khor Jor Kor movement in 1992 or the Assembly of the Poor in 1997. Khor Jor Kor is the abbreviation for a military-led plan for the restructuring of Thailand’s forest reserves. If implemented as scheduled, it would have deprived thousands of families from their livelihood. On the anti-Khor Jor Kor movement, see Pye (2005).
social movements into his hegemonic project by taking up some of their demands and offering a consensus based around a new social contract (Hewison, 2003a: 13).

A second similarity is apparent in Chávez and Thaksin is their orientation to economic nationalism. Chávez invoked the wrath of the US by re-nationalising the oil industry and other key sectors of economy. Early in his government’s term, Thaksin was criticised by mainstream neo-liberal economists and journalists as representing a revival of protectionist nationalism (cf. Glassman, 2004: 37-8 for a summary of this criticism). It is clear that TRT’s election in 2001 was won on a groundswell of popular nationalist reaction to the IMF policies implemented by the Chuan Leekpai government in responding to the economic crisis (see Hewison, 2003a). Kasian (2002: 331-5) argues that the 1997 crisis led the middle classes to turn towards nationalism, and that they, together with the “Octobrists,” the “Senior Citizens” and “entrepreneurs,” formed various “ad hoc loose nationalist groupings” that campaigned against the IMF loan conditionalities and the takeover of formerly Thai-owned businesses by foreign corporations.28

As Hewison (2003a: 5) notes, the Democrats, who implemented the standard IMF prescriptions of “privatisation, regulatory reform, liberalisation, improved corporate governance, and further foreign investment” (including, for example, the Foreign Business Act of March 2000, which opened up key sectors to majority foreign ownership) were seen by the politicised populace as IMF stooges. Thaksin, and his aptly named party, was able to exploit this by promising to free Thailand from foreign IMF dominance and by promising that privatised state enterprises would only be offered to Thais (Dixon, 2004: 47, 62).

Thaksin’s anti-IMF stance, apart from being a key marketing plank of his election campaign, was based on the support of Thai big business groups, including some of the country’s biggest conglomerates such as the Charoen Phokphand (CP) group and the Bangkok Bank, as well as smaller, export-oriented companies.29 Once in power, he broke with the IMF-line followed by the Chuan government. These policies used the crisis as an opportunity to allow foreign multinationals to buy up domestic companies and to let “uncompetitive” businesses go to the wall. Key state interventions in debt restructuring and support programmes for small and medium enterprises helped key sections of Thai capital to recoup and to again engage in the global market (Glassman, 2004: 46-9).

These interventions were quite successful, both in terms of economic recovery and also in preventing a general take-over of Thai businesses by TNCs (Dixon, 2004). In July 2003, Thaksin triumphantly declared the repayment of the IMF loan, two years ahead of schedule, and, standing against the background of a huge Thai flag, proclaimed Thailand’s “independence from the IMF.” Many of the pro-Thaksin demonstrators specified his stand against the IMF as one of their key reasons for supporting him (Interviews, Sanam Luang, 3 March 2006).30

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28 The Octobrists are activists from the 1973-76 democratic uprising, and the „Senior Citizens” are respected senior or retired officials. Kasian (2002: 333) lists the National Salvation Community, the Bangchak-lovers Club, the United Thai for National Liberation Club, the Free Thai Movement, the Withithas Project, the Thai Graduates’ Group, the Patriotic People Club, and the Democracy for the People Group.

29 For a more detailed analysis of different capitalist groups and the connection between domestic capital and Thaksin’s ascent see Brown and Hewison (2005: 358ff) and Pasuk and Baker (2004).

30 At the same time the Democrats continuous embrace of notions like “good governance” and “fair competition” as means to solve problem of poverty and underdevelopment explains why their recent turn to a social agenda was not convincing enough to challenge TRT’s electoral basis. For a critical
Although Thaksin was criticised by mainstream neo-liberal economists and journalists as representing a revival of protectionist nationalism (Glassman, 2004: 37-8), Thaksin’s project was radically different from Chávez’s. While the latter addresses the problem of social inequality by means of a policy of redistribution that confronts elite interests, Thaksin represents big business, with “a government by and for the rich” (Hewison, 2003a: 9). As Kasian (2002: 339) puts it: “Through him, the crony capitalists, especially the telecommunications, media, auto manufacturing and agribusiness oligarchic interests, who are strongly represented in his cabinet and party, have won back their state.” In addition, Thaksin’s form of economic nationalism is different from that pursued by Chávez. Rather than challenging the Washington Consensus by increasing the economic role of the state and integrating an “anti-imperialist” nationalism within a broader internationalist strategy as Chávez has done (Gibbs 2006), Thaksin was not motivated by a principled rejection of the key components of neo-liberalism, but by an opportunistic reaction of key sections of Thai business to compete successfully within a broad neo-liberal paradigm.

As Glassman (2004: 59) argues, “TRT’s economic nationalism is not only not an effort to construct a highly auto-centred or closed-door (and especially not state-owned) economy. It is not even an attempt to resurrect anything like import-substitution industrialization.” Instead, he characterises Thaksin’s economic policy as mildly Keynesian, emphasising state social and economic support programmes rather than neo-liberal austerity and as a “geographically expansionist neo-mercantilist project”, involving export-oriented industrialisation supported by state intervention (Glassman, 2004: 60). A similar point is made by Brown and Hewison (2005) who analyse TRT “dual track development strategy” as strategy to protect domestic capital after the shock of the Asian crisis in order to allow its restructuring with the ultimate aim to develop a more competitive economy. The crafting of a “new social contract”, as Hewison (2003b) analyses Thaksin’s social programmes, served as tool to guarantee social stability which was needed for the process of restructuring – a policy subordinate to the ultimate aim of developing better competitiveness for the global market (Brown and Hewison, 2005: 361).

The big business agenda of Thaksin’s regime was reflected by the endorsement of his election victory in 2005 by key business spokesmen (Bangkok Post Online, 7 and 8 February 2005). Corporate representatives also held back throughout the protests, only offering their concern that political stability might be compromised if they continued.

Thaksin's policy fits into the paradigm of what has been called “post neo-liberal,” which is also reflected in the World Bank's recent attention to better “balance elite-driven reforms and popular pressure” but which does not go beyond “poverty management within the [neo-liberal] paradigm” (Gibbs, 2006: 266). Gibbs casts doubt on this new political orientation, noting that “it is not clear how they intend to marry their dual goals of promoting market-oriented reform, including ongoing privatisation, with increasing participation by the poor and ‘subordinate’ groups.” It is this difficult marriage that is one of the key contradictions inherent in Thaksin’s project.31

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31 However, the term “post neo-liberal” itself overstates the extent of the paradigm shift. While we agree with Gibbs’ analysis, we reject the term “post neo-liberal”, as well as the term “post-Washington Consensus” used by other authors for the same phenomenon (cf. Fine, 2001; Kohlmorgen, 2004). The prefix “post-” suggests a paradigm shift away from the doctrines of the Washington Consensus or the neo-liberal principles.

discussion of the ideological use of “good governance” with references to Thai political discourse see Jayasuriya and Hewison (2004).
INTERNAL CONTRADICTIONS OF THAKSIN’S PROJECT

The crucial point about Thaksin’s “post neo-liberal” paradigm is that neo-liberal principles actually remained unchallenged and were pursued with force. In fact, as we will discuss in detail in this section, Thaksin pursued a lot of policies that were basic tenets of neo-liberalism with considerable vigour, and contradicted the “social contract” he offered to the poor. These contradictions gradually unfolded in the course of his premiership. Not, as often criticised by neo-liberal ideologues, between “unsustainable” state-funded projects and fiscal prudence, but between Thaksin’s ambitious capitalist restructuring of economic and social relations in the interest of big business, and the interests of his popular base. We argue that it was precisely these internal contradictions, which laid the foundation for the mass movement against Thaksin and his TRT government.

Agriculture

The internal contradictions within Thaksin’s overall project can be illustrated in one of his flagship policies. The rural development programmes, particularly the one million baht per community programme and debt restructuring schemes were not part of a redistribution policy for the poor against the rich, but aimed to accelerate a major capitalist restructuring of agriculture and to lesson the hardships this caused (i.e. “post neo-liberal”). Parallel to debt restructuring, credit programmes, the promotion of local products and help to local infrastructure, Thaksin was basically committed to the capital-intensive, export-oriented “success” story of Thai agriculture and sought to promote this model.

An important symbol of Thaksin’s agricultural policies was in his close collaboration with the agribusiness giant CP, and the appointment of Wattana Muengsuk, the son-in-law of CP’s Chairman Dhanin Chearavanont, as Minister of Commerce (and later Social Development). Under the TRT government, CP Foods, the keystone agribusiness company of the group, received five or ten-year exemptions on income tax on 29 major projects including feedmills, broiler and chicken farms, shrimp hatcheries, and processing plants (CP Foods n.d.: 20-21). Despite the bird flu scare, exports of processed chicken and duck – key CP businesses – doubled under Thaksin, as did pork and shrimp exports (CP Foods, n.d.: 25-31). CP Foods also expanded its global reach during this period, with new subsidiaries in Britain, China, Europe and the US (CP Foods, n.d.: 94-6).

In addition to TRT promotion of agribusiness itself, the flow of easy credit accelerated the long-term structural transformation of agriculture away from independent smallholders to capital intensive production, aimed, as Thaksin was keen to reiterate, to change farmers into “entrepreneurs.” With the possibilities of higher returns promising an escape from poverty, the trend towards monoculture crops and high-cost inputs such as herbicides, fertilizers and hybrid seed increased. The capital-intensive transformation was epitomised by the expansion of contract-farming, which was pioneered by CP, the latter now having tens of thousands of corn, maize, rice, chicken, broiler, duck, and swine farmers under contract to buy CP inputs and to sell cash crops to CP specifications (see Delforge, 2007).

TRT’s community fund and debt-restructuring schemes were important capital sources for farmers and not only agribusiness profited. However, not everybody had an equal share in the benefits. According to research by Delforge (2007), contract
broiler farmers only earned an average of 3,500 baht per month (for two workers) in 2004, and in general, rice farmers did not benefit from higher volumes of rice exports (which increased to over seven million tons under Thaksin). According to Jacques-Chai (2004: 24), farm-gate paddy prices actually dropped in real terms, from 4,663 baht/ton in 1996 to 3,667 baht/ton in 2003.

Although Thaksin’s easy credit was a godsend to farmers in the grip of loan sharks and assisted some in business start-ups, it could not solve the general problem of indebtedness. Rather, in connection with the promotion of capital-intensive production, debt increased. If 60% of rural households were indebted in 1994/1995, with an average debt of 37,000 baht, this increased to 68,000 baht in 2003 (with the same percentage of indebted households, National Statistical Office Thailand, n.d.). For many Thaksin opponents, the easy credit policy was seen to exasperate indebtedness, and they criticised farmers for rushing to buy consumer goods such as motorcycles and mobile phones.

TRT’s promotion of export-oriented agriculture – monoculture crops; high-cost inputs such as herbicides, fertilizers and hybrid seed; commercial orientation and corporate-dominated market and production structures such as contract farming – increased the profits of agribusiness but also contributed to high indebtedness, land concentration, and the general demise of the independent small-scale farmer. Thaksin and TRT were not interested in alternatives propagated by NGOs and small-scale farmer networks such as integrated, subsistence-oriented agriculture, community forestry, and certainly not in agrarian reform. For this reason, organised farmer networks under the Assembly of the Poor umbrella were soon in opposition to Thaksin.

Land concentration led to a new wave of protests and organising, polarising the situation in some rural areas in 2004. In the South, the Southern Land Reform for the Poor Network (SLRP), with a claimed membership of 10,000, organised protests in February, August, October and December, demanding that expired large-scale palm oil concessions be divided up among landless and farmers with little land (Supara, 2004). In the North, partly inspired by the Brazilian landless movement (MST), a wave of land occupations that started before TRT came to power in Lamphun in 2000, spread rapidly under TRT to 27 different places, despite increased repression of this movement by the government (Rangsan, 2006).

TRT’s domestic agrarian policy had a counterpart in the consistent movement towards free trade. As an agrarian exporter whose trade positions are directly influenced by the giant agribusinesses like CP, Thailand has long supported trade liberalisation (and was, for example, a member of the Cairns group in the World Trade Organisation). However, under Thaksin, this support for trade liberalisation was taken to new levels. Bilateral and regional FTAs, successfully concluded with Australia and with ASEAN/China, have had negative effects on small-scale farmers. In October 2003, Thailand and China bilaterally accelerated the “Early Harvest Agreement” of a regional FTA, and completely eliminated tariffs on fruit and vegetables. This led to a massive drop in prices for garlic and onions in Thailand, leading to severe difficulties and even bankruptcies for farmers in the North (Pye and Coghlan, 2004). The negotiations for an FTA with Australia led to protests by Thai dairy farmers in June 2004, and to accusations that Thaksin was sacrificing the livelihoods of tens of thousands of dairy farmers in exchange for the liberalisation of Australia’s

32 This critical line was followed by Sondhi Limthongkul’s Phujatkan Raiwan [Manager Daily] – see, for example, “Kongthun muban fanrai prachaniyom [The village fund. A populist nightmare], 24 February 2006.
telecommunications industry that would directly benefit Thaksin’s Shin Corp (Moxham, 2004).

As noted above, experience with the ASEAN-China FTA, and then the opening of negotiations around an FTA with the United States in 2004 led to the formation of FTA Watch. Although opposition to FTAs was initially limited due to a widespread acceptance of the basic neo-liberal logic behind free trade, with the first demonstration against the US-Thai FTA attracting only 300 people, the anti-FTA coalition developed its educational and networking work in ways that bore fruit in early 2006 when the issue of FTAs became a key element of attacks on the TRT government and with anti-FTA groups taking a significant role in the anti-Thaksin movement. Much of the strength of this attack was based on FTA Watch’s attention to negative impacts on farmers.

Health Politics

Another key contradiction of Thaksin’s political agenda was in the area of health care. The 30 baht health scheme was tax financed and offered affordable health care for every citizen in hospitals which take part in the programme – mostly public hospitals. The health programme was one of TRT’s main appealing campaign planks and remained so throughout its time in government. Indeed, huge posters proclaiming that every illness would be treated for 30 baht could be seen all over Bangkok in the run-up to the snap elections in April 2006.

Parallel to the implementation of the 30 baht scheme, however, Thaksin launched an export promotion of healthcare services under the title “medical hub project” to lure rich foreign patients to Thailand for medical treatment. The initiative was so successful that the number of foreign patients increased from 500,000 in 2001 to over a million in 2005 (The Nation Online, 13 February and 4 April 2006) generating revenues of some 33 billion baht and establishing Thailand as Asia’s number one destination for foreign patients even before Singapore (Cha-aim and Suwit, 2006: 313).

Under Thaksin’s contradictory policies, the chronic under-funding of public hospitals and the effect that the best medical staff took up better paid job offers from private hospitals led to a large-scale exodus of medical doctors from public hospitals especially in rural areas. This “internal brain drain” led to a widening cleavage within the health sector and brought about a paradox situation: at the same time when the universal coverage of the 30 Baht scheme was implemented, patients with serious diseases who could not afford to go to hospital before, could now go, but would not find a doctor to treat them (Cha-aim and Suwit, 2006). That is why critics of the 30 baht programme re-named it as the 30 baht scheme to cure some illnesses, rather than as the government proclaimed it, the 30 baht scheme to cure all diseases.

Such criticism goes beyond the early opposition to TRT’s 30 baht scheme raised in 2000 and 2001, which focused on financial sustainability. These critics called the scheme “unsustainable” because it was not clear whether the government could afford the expenditure, thus implicitly accepting the IMF and World Bank ideology of a lean state. Criticising it as dysfunctional because of the internal contradictions between a redistributive state-organised health scheme and the export-oriented

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33 FTA Watch’s website is at: http://www.ftawatch.org.
34 In rural areas the proportion of medical doctors per head of population fell to one per 10,000 compared to Thailand’s average proportion of one per 2,800 (The Nation Online, 4 April 2006).
The promotion of health services is a more fundamental critique as it also targets neo-liberal dogma. The contradictions in the health care scheme are particularly grievous for people living with HIV/AIDS (PLHA). Although their treatment with anti-retroviral (ARV) drugs was also covered by the state health system – an achievement of the Thaksin administration which made Thailand a shining example in the developing world as far as treatment of HIV/AIDS is concerned – the access to drugs came under attack as a side effect of the Thaksin government’s trade policy.

As we have already noted, a central TRT economic project was FTAs. Especially significant was the US-Thai Free Trade Agreement, initiated at the summit 2003 APEC summit in Bangkok. The stringent intellectual property rights being demanded by US negotiators during the FTA talks went beyond the already restrictive Trade Related Intellectual Property Rights (TRIPS) agreement of the WTO and would have severely restricted the Thai government’s pharmaceutical company in its ability to produce affordable generic drugs, including ARV drugs. If put into force, the FTA would have undermined the health care scheme and effectively cut off PLHA from access to treatment with affordable ARVs (Jiraporn 2005).

The resistance to Thaksin’s free trade policies by the PLHA has its roots in a campaign for access to ARV drugs which, during the years 1999-2002, brought together a broad coalition of NGOs, activists and concerned individuals in a legal struggle to revoke a patent on one ARV drug.35 When, in October 2003, FTA Watch was formed, the PLHA network became an integral part of it.

The Media

Another sector where the internal contradictions of the system Thaksin emerged, was the media. The most prominent example was the libel suit of taken out by Thaksin against Supinya Klangnarong, Secretary-General of the Campaign for Popular Media Reform, who suggested a connection between the prime minister’s policies and the huge increase in profits of Shin Corp in an article in the newspaper Thai Post, claiming that Shin Corp’s profits soared by almost 40 billion baht between 2001 and 2003 (Thai Post, 16 July 2003). Thaksin sued her and three editors of Thai Post for 400 million baht compensation in an apparent attempt to silence a critical voice that had dared to challenge the prime minister’s cronyism and nepotism. Supinya regularly appeared on stage at the anti-Thaksin rallies and her struggle was often portrayed as a brave and personalised stand for the liberty of expression. However, her case was the expression of a much deeper conflict with the question of how to organise democratic media control at its core. This issue had been highly contested at least since 1992 when a blackout of pro-democracy demonstrations and the violence in the streets of Bangkok in May 1992, demonstrated the extent of state control of the media and its ability to manipulate public communication to a large extent (Ubonrat, 2001:90-91).

The establishment of iTV in 1996 as an independent TV channel was the direct outcome of this struggle. Its statutes defined it as an independent news station with no more than 30 percent entertainment programme at prime time, and a limitation that private shareholders would not be allowed to hold more than 10 percent of the company. iTV developed into a popular channel with investigative journalism,

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35 The network consisted of Thai Network of People Living With HIV/AIDS (TNP+), Foundation for Consumers, Doctors without Borders (MSF), and many others. For a detailed description of the campaign see Weeraboon 2004, Ford et al 2004.
independent news coverage and set new standards for new reporting (Pasuk and Baker, 2004: 149). A second outcome of the post-1992 struggle were Articles 39 to 41 in the 1997 Constitution which guaranteed freedom of expression and defined frequencies as a public property that would be allocated by an independent regulatory body.

However, the economic difficulties created by the Asian crisis, permitted an alliance of state agencies and newly-established private media companies to alter iTV’s statutes in a way that paved the way for a take-over of iTV by Shin Corp between 2000 and 2003 (see Ubonrat 2001:93). Thaksin’s ultimate goal was to reshape iTV as an entertainment channel and to expand his telecommunication empire into the rapidly growing entertainment business (see McCargo and Ukrist, 2005: 47ff, Pasuk and Baker, 2004: 218ff). Reshaping iTV as a profit-making entertainment channel followed a pattern typical of Thaksin’s use of his government’s power to promote his family’s economic interests: After Shin Corp had acquired the majority of stake in 2001, in early 2004 the licence fees were lowered to a fraction of its existing level and the restriction on the proportion of entertainment at prime time was circumvented by simply redefining prime time (see Pasuk and Baker, 2004:119-20). With this new favourable framework, iTV was listed on the stock exchange and generated considerable profits (Pasuk and Baker, 2004: 219-20, McCargo and Ukrist, 2005: 50).

Taking over iTV and reshaping it into a commercial channel served Thaksin's project in two respects: first, in a purely commercial sense, Thaksin achieved the diversification on Shin Corp and the convergence of telecommunication and media as strategic move of his own business empire. Second, he knew that media control was important to gain command of public opinion and to create the political stability and government longevity needed to achieve his overall economic project (Brown and Hewison 2005:360). As many as 23 critical editors of iTV were fired immediately after Thaksin took over the majority of the shares in 2001, which was only one detail of a broad offensive against critical media coverage (Pasuk and Baker, 2004: 149ff).

If the incidents in May 1992 were the proof that state control prevents independent and critical journalism, then the ascent of Thaksin as a media tycoon was proof that private ownership of the media could have the very same effect. With this background, the libel suit against Supinya gets a broader meaning for the Campaign for Popular Media Reform, as an outspoken NGO, had repeatedly criticised the stalemate in the nomination process for the proposed National Broadcasting Commission, the regulatory body for frequencies introduced by the 1997 Constitution (Bangkok Post Online, 25 December 2004). This was seen as a threat by companies like Shin Corp that were seeking to monopolise the media that resulted from media sector restructuring under the Thaksin government (Ubonrat 2004).

Other Issues

If the contradiction between pro-poor programmes and a neo-liberal capitalist agenda were evident in flagship areas such as agriculture, health and media, active opposition to Thaksin was more pronounced in other areas, particularly with regard to labour and to policies implemented by the government in the deep South of Thailand.

Brown and Hewison (2005) have already analysed the conflict between capital, state and labour under Thaksin. One of the key planks of economic liberalisation that Thaksin soon embraced was the privatisation of state enterprises. This policy led to a major confrontation with the state enterprise unions over the privatisation of the Electricity Generating Authority of Thailand (EGAT). In February 2004, the
government announced plans to privatise EGAT by registering it as a public company on the stock exchange. EGAT workers reacted with demonstrations involving tens of thousands, road blockades, extended “absences from work” and the “patriotic leave from work,” and even storming government house. Their protest was one of the most forceful and militant in recent years, and, as Brown and Hewison (2005: 373) point out, led to political opposition to the TRT at a time when most of the other social movements were still intimidated and paralysed by the violent oppression of Thaksin’s “war on drugs” campaign. Pien Yongnu, chairman of the Network of Power and Water Utilities for the Country and the Public, stated that “from now on we will be an enemy of the Thai Rak Thai Party.” At issue was not only expected deterioration of pay and working conditions, but also wider questions of public control and access to water and electricity and conflicts of interest involved in the sale of the shares of privatised enterprises. Their protests attracted widespread solidarity from other state enterprise employees, who felt they might be next in line for privatisation. Finally, the government had to back down. However, in February 2005, Thaksin, getting overly confident after his landslide victory, announced that the listing of EGAT and other state enterprises on the stock exchange would be stepped up, adding that, given TRT’s voter mandate “we won’t tolerate pressure against the privatisation policy” (Bangkok Post, 8 February 2005). As we have seen, state enterprise workers joined the anti-Thaksin movement over this issue.

Critics who had identified a lack of democracy due to the increased corporate domination of politics and control of the media under Thaksin saw this as accompanying an increasingly authoritarian and repressive form of rule. This was particularly severe in the South, where Thaksin’s “hawkish approach” (Ukrist, 2006: 73) against insurgents escalated a simmering conflict. While this is not the place to go into detail regarding the southern conflict, it is worth pointing out that while the south had long been a stronghold of the opposition Democrat Party, the escalating conflict led to a widespread rejection of the TRT government in the South.

Already in 2003, Thaksin’s otherwise widely popular “war on drugs” campaign was met by a demonstration in Pattani, as extra-judicial killings by the police and army, the use of blacklists and the increased powers of the police were seen as directed against the Muslim majority in that area (Croissant, 2005: 34-5). After a massacres of people identified by the military as insurgents in the Krue Se mosque in April 2004 and the death of 78 people following a demonstration at Tak Bai (Ukrist, 2006: 75), a pattern of civil disobedience emerged. For example, in September 2005, hundreds of women of Ban Tanyonglimo in Narathiwat Province blocked the military from entering their village, while two soldiers suspected of killing local villagers were held and subsequently killed. One sign read: “Evil has spread since Thaksin’s party came to power. Ethnic Malay people have been cruelly killed by soldiers. They are the real terrorists” (The Nation Online, 7 September 2005). In February 2006, 300 villagers took 32 teachers hostage to force the release of a local imam, arrested on trumped-up charges (The Nation Online, 11 February 2006).

The issue of state violence in the South not only featured prominently in all PAD demonstrations, but also gave rise to anti-Thaksin demonstrations in the South, as well as participation by grassroots organisations (such as the Federation of Small-Scale Fishers of the South and the Southern Community Forestry Network) at the

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37 A detailed analysis of this conflict has been offered by Duncan McCargo and his collaborators in a special edition of Critical Asian Studies (McCargo ed., 2006).
protests in Bangkok. The Southern electoral chickens came home to roost when, in the boycotted April 2006 election, TRT failed to gain the minimum 20 percent of the vote required in 38 constituencies (out of a national total of 400). These Southern constituencies became centre pieces in the decision to annul the election.

ROYAL INTERVENTIONS

As we have argued above, the PAD was a broad alliance. One section of the alliance, led by Sondhi, had a limited, elite agenda to get rid of Thaksin by royal intervention. The common, unifying slogan, “Thaksin ok pai” (Thaksin Get Out!), was this group’s programme, and having the king replace Thaksin with his own man as interim prime minister was their favoured means to this end. A large part of the alliance, in contrast, had very concrete agendas and demands (no patenting of medicines via FTAs, pensions, land reform, the situation in the South, democratic media, etc.) that were represented and unified by the common slogan, but which had no similar means of accomplishment.

The PAD managed to unite a wide range of different movements and groups that had not protested together before. This was the strength of the PAD. In a space of a few weeks, many of the protesting groups could achieve more than in previous months or even years of campaigning. Thaksin and TRT were weakened by the movement that provided space for the government’s privatisation policy to be challenged, for Supinya’s libel suit to be quashed in court on 15 March 2006, and at the end of March 2006, for the Supreme Administrative Court to revoke two Royal Decrees that had laid the basis for EGAT’s privatisation in 2005 (The Nation Online, 26 February 2006; Nantiya, 2006).

The unifying force of the PAD demand for Thaksin’s resignation also had its weaknesses. One was the question of how to force Thaksin to resign. As the protests went on, it became increasingly clear that he would not just bow to the opposition; indeed, Thaksin retook the initiative by mobilising his supporters and calling new elections. The reaction of the PAD was to expand the mass campaign of civil disobedience into the electoral arena. Going beyond an endorsement of weak “opposition” parties such as the Democrats (who bowed to PAD pressure not to stand for election) or a passive boycott of the new elections, the PAD organised a hugely successful, active “No” vote, in which 10 million no votes were cast against Thaksin and – in a turnabout from the initial PAD consensus to not seek royal intervention, the group called for the king to intervene and to replace Thaksin with an interim prime minister.

In their 6th declaration on 23 March, the PAD called a demonstration for 25 March, with, for the first time, the demand for royal intervention based on Article 7 of the constitution as the “only way to solve the national crisis” and to initiate a “process of political reform” (PAD, 2006).

Doesn’t this call for royal intervention justify the characterisation of the PAD as an elite, royalist movement? Does the fact that the PAD as a whole accepted this demand imply that Sondhi’s faction won out within the alliance? We would argue that the demand for royal intervention was a concrete tactical option to overcome the crisis. It was not a statement for a return to an undemocratic political order (i.e. a general call for prime ministers to be royally appointed or for a return to military dictatorship). This can be seen, for example, by the fact that the same 6th declaration also included demands that an interim government should stop FTA negotiations with the US and stop privatising public utilities.
Interestingly, where Ji (2007: 36), suggests that Sondhi Limthongkul dominated the other sections of PAD and that only “middle class” or neo-liberal criticisms of Thaksin were articulated by PAD, the PAD took up critical issues that were clearly directed against neo-liberalism. Indeed, it seems to us that Sondhi’s media was pushed to take up issues raised by the social movements and NGOs associated with PAD. For example, the 24 February special edition of the Manager Daily criticised Thaksin on a range of issues, including for not paying taxes on the sale of Shin Corp (considered a question of social justice), for using his political power to benefit himself and his family and friends, for his heavy-handed violence in the South, and for the “free trade madness” of his FTAs. The 30 baht programme was criticised not because it was tax-funded but because of under-funding and because of the brain drain to the private hospitals in Bangkok.

As we have pointed out, FTA Watch became a prominent player in the anti-Thaksin protests, with a continuous presence by activists who made sure most of the demonstrators had leaflets and “Stop FTA” flags. There were systematic attempts to formulate more grassroots perspectives. In a pamphlet produced jointly by NGO-COD, FTA Watch and PAD (2006), for example, not only was Thaksin alleged to have engaged in massive tax evasion, the massacres at Krue Se and Tak Bai were linked to his policies and claimed to be threats to democracy, and the call for political reform was linked to a range of rural demands such as land reform, alternative agriculture and community-controlled natural resource management.

The call for royal intervention was, for many PAD supporters, merely invoking past experiences of the king intervening against dictatorial regimes in 1973 and 1992. At the time, many of these supporters were unable to propose any other concrete alternative to royal intervention. Key critics of the PAD argued that the alternative to demonstrating for Thaksin’s resignation was to contest elections (e.g. Supalak 2006; and retrospectively Somchai Preechasilpakul38). Given Thaksin’s electoral power and control of the media at that time, however, the majority of activists involved in the PAD did not see this as being a viable option under the circumstances. Fighting Thaksin in a new round of elections would have been fighting him on his turf, one where his party machine, wealth, and media influence would have ensured a defeat for the movement. In addition, the idea of fighting elections rather misses the point that part of PAD’s protestation was about the corporate undermining of a formally democratic system.

While there was some discussion of the option of direct democracy and of “people’s power,” this remained a minority position within the movement.39 The lack of this kind of independent strategy meant that the longer Thaksin stayed on in power, the more attractive an intervention by king seemed to members of the anti-Thaksin movement.

Demanding and then waiting for royal intervention meant that as soon as that intervention came there was an abrupt end to the PAD as an independent movement. In his speech on 25 April, 2006, the king suggested that the courts annul the election of 2 April, but he also rejected the PAD’s call for a royally instated prime minister, calling this demand “undemocratic” and “irrational” (The Nation Online, 27 April 2006). In an interesting exchange with Supalak in the Fa Dieo Kan magazine, Piyamiton (2006) recommended democratising the PAD and the anti-Thaksin movement itself as a first step towards a democratic revolution along the lines of people’s councils.

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38 In his presentation at the workshop “Botrian thangkanmueang jak rathaprahan 19 kanya” [Political lessons of the 19 September coup d’etat], Thai Social Forum, Thammasat University Rangsit Campus, 22 October 2006.

39 In an interesting exchange with Supalak in the Fa Dieo Kan magazine, Piyamiton (2006) recommended democratising the PAD and the anti-Thaksin movement itself as a first step towards a democratic revolution along the lines of people’s councils.
2006). The double nature of the king’s intervention is clear from these comments. On the one hand, he intervened against Thaksin, on the other hand, he made sure that an independent, mass campaign of political disobedience did not continue.

The coup d’état of 19 September is indeed a repeat of this royal intervention, but this time backed by military force, after Thaksin refused to back down (reneging on his promise to step down if the King “whispered” to him). The coup fulfilled the main demand of the PAD to get rid of Thaksin, and on this basis, the coup was certainly enthusiastically supported by the elite section of the PAD around Sondhi. For many of the others associated with PAD, the coup seemed to be an unfortunate but necessary solution to ongoing crisis. However, the deeper reasons for the emergence of the mass movement against Thaksin that were located in the internal contradictions of his “post-neoliberal” corporate project, will not be solved by the coup.

CONCLUSION

Any analysis of the anti-Thaksin movement needs to take account of the dynamics inherent in such a mass movement. Initially led by Sondhi Limthongkul, and exploding onto the streets after Thaksin’s sale of Shin Corp, the protests quickly broadened their social base and the issues they raised. Although there is a clear demarcation in terms of elite conflict, with the “network monarchy” against Thaksin-friendly big business, generalisations about the movement being “middle class” and opposed to the rural poor do not, as we have explained above, do justice to the complexities of the issues involved. As we have argued, the internal contradictions within Thaksin’s project led to dissatisfaction and active opposition by different groups of society and at different times. This dissatisfaction was both rural and urban, and involved economic, social, political and cultural issues.

One of the greatest achievements of the anti-Thaksin movement, apart from concrete successes such as the postponement of FTA talks or the halting of EGAT’s privatisation, was to bring these social and economic issues together with a political criticism of Thaksin’s regime. The misuse of political power for private economic gain was the predominant theme, of course, but the corporate undermining of free and democratic media, symbolised by Supinya’s successful fight against the libel charge was also highly significant. And the fact that Angkhana Neelapaichit could speak to tens of thousands of people in Bangkok was immensely important in connecting the rest of Thailand.

The involvement of grassroots networks and social movements in the PAD was crucial to expand the criticism of Thaksin to include deeper political and social issues such as repression in the South and FTAs. However, this independent role within the alliance was not coupled with an independent strategy of how to push for those demands. No clear strategy of “people’s power” was developed and no plan for generalising political civil disobedience in the form of strike action, occupations, or of reappropriating public resources and space emerged. Accepting Sondhi’s call for royal intervention, then, gave the initiative back to conflicting elite factions. The “people” were put back into a spectator’s seat.

The coup d’état in September was the fulfilment of the elite opposition to Thaksin – but it was also directed against independent grassroots mobilisation. For the “network monarchy,” the political crisis had to be resolved in the interest of political stability, and it was therefore no coincidence that the coup took place the evening before the PAD was planning to resume its protests. Although they have been keen to portray themselves as merely executing the people’s will, in the first few months of
military dictatorship, the generals showed themselves to be in contradiction to social and political aspirations of many in the anti-Thaksin movement. Their agenda is not more and popular democracy, but rather, less democracy. On a policy level, they have made concessions to demands of the mass movement (for example by issuing compulsory licensing for anti-retroviral drugs or their plans to re-nationalise iTV as a public broadcasting company) but in general they have been following Thaksin’s basic “extended neo-liberal agenda” for example by signing the FTA with Japan.

If an independent but unified formation of the grassroots movements was lacking during the PAD protests, an important step in this direction took place shortly after the coup. During 21-23 October, the Thai Social Forum (TSF) was held despite the military ban on political gatherings. It brought together 70 organisations and thousands of participants. Apart from the usual diversity of workshops and meetings, the gathering was significant for the consensus declaration it issued and the fact that this was read out by former Senator Jon Ungpakorn at the Democracy Monument on Ratchadamnoen Avenue before the commencement of a short illegal demonstration against the coup.

The TSF (2006) declaration *A New Just World can be Built by the People* is a kind of “transitionary programme” that draws together key demands of the anti-Thaksin movement, including those working for peace in the South, media reform and public referendums on FTAs. It goes beyond PAD’s agenda by combining well-known rural alternatives (such as community control over natural resources and land reform) with the demand that the next constitution specifies that Thailand is a welfare state. Pensions, health care and unemployment benefit are demanded as social rights to be paid for by taxing the rich (i.e. through capital, property, and inheritance tax). Without mentioning Thaksin or the coup directly, the declaration also stresses democratic participation that goes beyond parliamentary elections and the self-activity of the people themselves and that “social, economic and political reform is something that the people must and can do themselves” (Thai Social Forum, 2006). This could be an important starting point for a new mass movement for democracy and social justice in Thailand.
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THAKSIN’S POPULISM

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Abstract: Thaksin Shinawatra was not a populist when he rose to power in 2001, but became so in intensifying stages over the next five years. His populism went beyond redistributive polices to include rhetorical rejection of Thailand’s political elite, and denigration of liberal democracy in favour of personalised authoritarianism. Fears provoked by this populism helped to mobilise the urban middle class rejection of Thaksin which was background to the 2006 coup. Thaksin’s populism was a response to the demands and insecurities of the large informal mass created by an outward-oriented strategy of development. Thaksin’s populism resembles the neo-populism prevalent in Latin America in the 1980s and 1990s. Also like these regimes, Thaksin made no investment in mass organisation, and fell precipitately when subject to elite attack. In Latin America, this phase has been superseded by leaders with a more ideological message and greater investment in organisation.

Keywords: Thailand, populism, Thaksin Shinawatra, coup, Latin America

Thaksin Shinawatra achieved massive personal popularity, as demonstrated by scenes of public acclaim and high endorsement at the general elections in 2005 and 2006. No previous Thai elected political leader had courted or achieved such popularity. His support was strongest in rural areas of the north, northeast, and central regions, and among rural migrants in the capital. During Thaksin’s time in office, the term “populism” was applied to Thai politics for the first time, and rendered into Thai for the first time, to describe this novel cultivation of popular support and the mechanisms that lay behind it. Fear that populism would enhance the power of the mass in Thai politics at the expense of established elite interests was a major factor in assembling the coalition of forces behind the coup of September 2006. Among the four reasons which the junta gave for staging the coup was that Thaksin had “caused an unprecedented rift in society,” meaning the rift that ran between the Bangkok middle class on one extreme, and Thaksin’s largely rural support base on the other. Some key figures in the middle-class opposition to Thaksin pinpointed his populism as a major reason for rejecting his leadership. In the final lines of a book written on the eve of the 2006 coup, the political scientist Anek Laothamatas (2006: 202) wrote, “We must deal quickly with Thaksin-style populism before another economic crisis arises and destoyys the nation completely.” Shortly after the coup, Sondhi Limthongkul, a media entrepreneur who led public demonstrations against Thaksin, told an audience in the US that in future he would “work only with the middle class who have sufficient education to truly understand how populist politicians can abuse power” (cited in Keyes, 2006).

40 This article began as a keynote speech at the International Conference of Thai Studies in de Kalb, April 2005. Thanks to the Center of Southeast Asian Studies, University of Kyoto, where it was originally written, and to the Institute of Social Science, University of Tokyo, where it was finalised. For comments and advice, thanks to audiences at both those institutions, Kevin Hewison, Charles Keyes, and an anonymous reviewer.
Thaksin’s populism is often equated with his policies, especially the three-point electoral platform of 2001 (cheap health-care, agrarian debt relief, village funds). It can quite properly be argued that such policies are the everyday stuff of electoral politics and do not deserve the label of populism. The equation of Thaksin’s populism with this programme also gives the impression that Thaksin’s populism was present at least from the time of his rise to power.

In this article, we argue that Thaksin’s populism was more complex than his policy offering; that it developed over time in response to social demand; that it has strong affinities with political trends elsewhere in the world owing to a common political economy; and that it helped provoke the urban middle class rejection of Thaksin which was background to the coup.

The first part of the article plots the growth of Thaksin’s populism, showing that it became by stages a much more important part of Thaksin’s public politics. The second part argues that a policy platform was only one aspect of Thaksin’s populism, and that two others were the projection of a relationship between political leader and supporters that was dramatically new in the Thai context, and an explicit attack on the form of liberal democracy which has been the template for Thailand’s constitutional development. The third part argues that Thaksin’s embrace of populism was not mere opportunism but the response to social demand. To put it another way, Thaksin may indeed have been opportunistic, but there would have been no opportunity if there had not been a social demand. This demand was a function of social forces created by Thailand’s pattern of development in the era of outward-orientation and neoliberalism.

The fourth section compares Thaksin with other examples of modern populism, especially in Latin America. There is often resistance to such comparison on grounds that the histories and social profiles of Latin America and Southeast Asia are so different. But the similarities between the Thaksin regime and certain examples in Latin America, especially Fujimori’s Peru, are so striking that it is worth looking at the extensive analysis of Latin American populism for help in understanding Thaksin. One key message of this comparison is that populism mutates and matures. Another is that populist regimes which lack mass organisation fall easily victim to elite attack. The final section looks at the role of Thaksin’s populism in the crisis of 2006.

Although in the past there have been attempts to define populism in terms of ideology or organisational form, scholars nowadays tend to accept the term as a broad description. Kenneth Roberts (forthcoming) summarised “the essential core of populism” as “the political mobilization of mass constituencies by personalistic leaders who challenge established elites.” He argued that such movements encompass many shades of ideology, and various types of organisation. We use the term in this broad sense.

**Becoming a populist**

When Thaksin formed the Thai Rak Thai (TRT) party in July 1998, there was little sign of his later populism. Thaksin was a spectacularly successful businessman from a prominent business family in Chiang Mai. On founding the party, he explained

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41 According to another definition, populism is any movement that “mobilises those who feel themselves to be disadvantaged by socioeconomic and political dislocation, as well as a leadership style that draws on a sense of disaffection from the established political system and elites” (Sabatini and Farnsworth, 2006: 63, note 2).
that its principal mission was to rescue Thai businessmen from the 1997 financial crisis and to restore economic growth (The Nation, 15 July 1998).

He later broadened his political mission to include reforms which would modernise Thailand, especially the bureaucracy and the political system, and hence prevent the recurrence of financial crises in the future. The slogan chosen for his party – “Think new, act new for every Thai” – reflected the image he projected as a modernist and reformer. In the statement of his political ideas at this time, there is no social agenda except for one brief general commitment “to bring happiness to the majority of the country.” The single-minded focus is on “enabling Thailand to keep up and be competitive with other countries” (Walaya, 1999: 211).

The 23 founding members of the party, and the 44 members of a kind of shadow cabinet publicised a year later included only one figure identified with rural or mass issues. Thaksin’s speeches of this era do not make use of the term “the people” and do not imagine any social change other than the triumph of business over bureaucracy. For the 2001 elections, the initial party platform focused on measures to help small and medium businesses, and the centrepiece of the media campaign was a dramatisation of Thaksin’s own life in which he was cast as a poor boy who made good as a rich businessman – a distillation of the lives and legends of Thailand’s urban society of Thai-Chinese migrant families, not of its rural society of frontier rice farmers. As signals of his modernism, Thaksin appeared in public in a suit, the uniform of business, and littered his speeches with English words and references to the sayings of Bill Gates.

To put together a broader campaign platform, Thaksin drew on the services of a group of former student radicals from the 1970s era. The key contact was Phumtham Vejjayachai, who had met Thaksin in 1975–76 when Thaksin worked as an aide to a minister who had to negotiate with leaders of the student movement. In response to a call for policy ideas, another 1970s student leader turned orchard farmer, Praphat Panyachatratrak, contributed a scheme of agrarian debt relief. This subsequently became the first item in a platform designed for rural appeal (The Nation, 28 March 2000 and 23 March 2001).

Subsequently the TRT policy team adopted ideas for a universal health scheme which had been developed over some time within health-oriented NGOs. The scheme was initially based on an insurance model with a low annual premium, but was subsequently changed to a retail model with a low price per visit (Viroj and Anchana, 2006). This mass platform was rounded off by a scheme of village funds essentially similar to a scheme which Kukrit Pramoj and Boonchu Rojanasatian had launched in 1975 (Bangkok Post, 17 August 2000).

This three-point platform figured in the campaign material which TRT distributed, especially in rural areas, in the two months before the election. But the agrarian debt scheme and village funds were not evidence of any special tilt towards rural issues on the part of Thaksin and TRT. The policy team also contacted activists working with urban labour, and put together a programme appealing to this interest (Brown and Hewison, 2005). In the same way, TRT attempted to appeal to businessmen, environmental groups, the moral reform lobby, and various other sectional interests. It was trying to please everyone.

At the polls in January 2001, TRT won two seats less than an absolute majority. Thaksin’s policy platform was strikingly new and will have contributed to the result, but it would be wrong to imagine, with the benefit of hindsight, that this was a populist victory. Many factors contributed to this result (see especially Ockey 2003; McCargo and Ukrist, 2005: Ch. 3; Nelson, 2002): the opposition Democrats were
damned by their association with the IMF’s disastrous crisis recovery program; other parties and politicians were still suffering financially from the crisis; Thaksin was successful in persuading many established politicians to join his party; and the electoral system introduced under the 1997 constitution was designed to deliver fewer but larger parties than in the past. Thaksin drew attention because of his platform, but even more because of his novelty as a leader and because of his wealth. Opinion polls run after the election found that many voters believed the TRT platform was simply “too good to be true” (Bangkok Post, 12 February 2001).

While in the international context populism is an old term with many meanings, it is important to understand that in the Thai context it was a totally new word and wholly defined by its usage with reference to Thaksin. Anek (2006: 78) shows that “prior to 2001 and Thaksin’s election victory, the terms populism and populist were used by almost nobody in academic circles, the media, or the society at large.”

Just two weeks after the election, Kasian Tejapira (2001a; 2001b) wrote articles in Matichon, applying the term populism to Thaksin and TRT, and explaining to his audience what the word meant. At first, however, he used a Thai transliteration, poppiwlit. The term was so new and unfamiliar that no translation was in common usage. In the same week, two Thai academics translated the term as prachaniyom during a seminar in Thammasat University. Kasian switched to this term in his article on 3 February and Anek (2006: 79) suspects this was the first time this Thai word was used in print.

Bidding for popular support

Thaksin’s embrace of populism had two main stages, both when he found himself under attack. In December 2000, Thaksin was indicted by the National Counter Corruption Commission for failing to report his assets accurately in three statutory declarations made when he served briefly as a minister in the mid 1990s. If found guilty, Thaksin faced a five-year ban on participation in politics. He fought the case with legal arguments and with attempts to suborn the judges, but also deployed two other strategies.

First, he manufactured a public presence significantly greater than that attempted by any previous Thai prime minister, primarily by using state-owned media now under his control. He launched a weekly radio show in which he talked to the nation for an hour about his activities and his thoughts on issues of the day. He dominated the daily television news, and also appeared in several special programmes, including an evening chat show in which he lamented his predecessors’ handling of the economy. In the final climactic sessions of the assets case, he walked the final stretch to the court through an avenue of supporters, pressing the flesh like an American electoral candidate. In an extraordinary innovation, the final summaries by plaintiff and defence in the assets case were run live as a television special.

42 The first use of the term “populist” to describe Thaksin in English appeared two days earlier in the Far Eastern Economic Review, but in an off-hand way, expressing the view that the TRT election platform was not meant to be taken seriously: “In reality, stripped of its populist sheen, Thaksin’s government will be one of big money and big-business interests, reflecting its leader's pedigree” (Crispin and Tasker, 2001). The Review did not regularly apply the adjective to Thaksin until one year later.

43 Large volumes of shares in the Shinawatra companies had been filed under the names of the family’s housekeeper, maid, driver, and security guard, making them figure among the stock market’s largest shareholders.
Second, his government implemented the three-point electoral programme with extraordinary speed. For the health scheme, a workshop was held in February, a pilot scheme launched in April, and the roll-out (except in Bangkok) completed in October (Viroj and Anchana, 2006). The agrarian debt relief scheme was made available to 2.3 million debtors by the same month (Bangkok Post, 18 October 2001), while by September the scheme of village funds was extended to most of the country’s 75,000 villages and 5.3 million loans approved (Worawan, 2003). The three schemes were immediately popular.

Thaksin’s personal popularity, measured by a monthly poll, rose from around 30 percent in December 2000 before the election to a peak of 70 percent in May 2001 as the asset case decision approached (The Nation, 7 January 2002).

With this change in public presence and popularity went a change of rhetoric. In direct reaction to the assets charge, Thaksin announced a new and leading feature of his political mission: “Nothing will stand in my way. I am determined to devote myself to politics in order to lead the Thai people out of poverty” (The Nation, 23 December 2000). He and his aides portrayed the assets case as a conspiracy by Thailand’s old elite to remove someone who had been elected “by the people” and was dedicated to work “for the people.” Thaksin said on the eve of the verdict, “The people want me to stay and the people know what’s right for Thailand. And who should I be more loyal to? The people? Or to the Court? I love people. I want to work for them” (Time, Asia edition, 13 August 2001: 19).

In rhetoric, over the nine months of the asset case, Thaksin went from modernist reformer championing businessmen in the face of economic crisis, to populist championing the poor against an old elite. By late 2001, academics and journalists, both Thai and foreign, used the term populist more regularly in reference to Thaksin. But most analysts still pictured Thaksin primarily as a business politician who had adopted populist policies as a strategy to win popular acquiescence for reforms designed primarily in the interests of capital. Kevin Hewison (2004) dubbed this formula a “new social contract.”

**Going to the people**

The second stage of Thaksin’s development as a populist began in late March 2004. Thaksin came under increasing attack in the press and on public platforms, especially over his management of the upsurge of violence in the far south, but more generally over a range of issues including corruption, government aid for Shinawatra businesses, the privatisation of state enterprises, and the government’s handling of avian influenza. With an election approaching in early 2005, Thaksin reacted quickly to secure his electoral support in the countryside. He launched a series of tours covering every region of the country. His motorcade swept into villages and district centres, where provincial officials and local leaders had been gathered. Flanked by other ministers and high officials from the capital, Thaksin listened to reports on local problems and petitions for budget assistance. In many cases, he then gave instant approval for projects, using a vastly expanded central fund under his own control which he had created by reforms in the budget process. In a 7-day swing through the northeast in April 2004, he pledged approval of projects totalling 100 billion baht (The

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44 “Village” here is an official territorial unit used in both urban and rural areas. The funds were available to both urban and rural communities.

45 The first drafts of this argument by Hewison appeared in early 2002, as did our similar analysis of the double-headed nature of Thaksin’s populism (Pasuk and Baker, 2002).
In a 6-day swing through the north in July, he pledged approval of projects totalling six billion baht (The Nation, 23 July 2004). He visited the central provinces in several shorter trips, and the south in August. In Chiang Mai he promised to rid the city of poverty within three years. In Nakhon Pathom, he told students, “Come and tell me if you don't have a notebook [computer] yet and I will buy one for you out of my own pocket” (The Nation, 14 May 2004). Thaksin also invited all Bangkok’s taxi drivers to Government House for lunch (The Nation, 16 May 2004).

In the month prior to the election in February 2005, Thaksin made further tours, mainly in rural areas of the north and northeast. Election law forbade any instant handouts in this period, but Thaksin announced a much more elaborate programme of election promises than in 2001, including an extension of the village funds, land deeds for every landholder, a government pond dug for anyone prepared to pay a small fuel cost, four new cheap loan schemes, free distribution of cows, training schemes for the poor, cheaper school fees, special payments for children forced to drop out of school because of poverty, an educational gift bag for every new mother, care centres for the elderly, more sports facilities in urban areas, cheaper phone calls, an end to eviction from slums, more cheap housing, lower taxes, more investment in the universal health scheme, a nationwide scheme of irrigation, and a deadline for the end to poverty – “Four years ahead, there will be no poor people. Won’t that be neat?” (Thaksin, 2005; see also The Nation, 18 and 19 October 2004; Bangkok Post, 7 November 2004). For this election, the modernist “Think new, act new” slogan of 2001 was replaced by the intensely populist, “The heart of TRT is the people.”

After the 2005 election, Thaksin toured less but made increasing use of a practice, begun in 2001, of holding occasional “mobile Cabinet meetings” in an upcountry location. These events similarly created occasions for local people and officials to present petitions to Thaksin, and for Thaksin to pledge local budget spending, all in full view of the public media. This strategy climaxed in January 2006 when Thaksin led a troop of ministers and senior officials to spend a week in At Samat in Roi-et province, one of Thailand’s poorest districts, supposedly to devise systems for eradicating poverty which could then be replicated elsewhere.

These events dramatised Thaksin bringing government to the people, and were rewarded by increased popularity. Even though very little concrete action resulted from the At Samat poverty experiment, popular support for Thaksin in this area increased dramatically from an already high level.⁴⁶ Although the motorcades, mobile Cabinet meetings, and the poverty experiment only reached a small sample of places, the events were magnified by display on television. The poverty experiment ran all day on live television as a form of “reality show.” The upcountry tours provided opportunities for Thaksin to be photographed in homely situations – emerging from a village bath-house in a pakoma (common man’s lower cloth); transported on a village tractor (i-ten); riding a motorbike down a dusty village street; accepting flowers from toothless old ladies.

In this period, Thaksin changed his public appearance and speech. He shed his business suit in favour of shirtsleeves with buttons open at the neck, sometimes all down to his waist, and his hair lightly tousled. He stopped littering his speeches with

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⁴⁶ This can be seen by comparison of the vote for TRT in the February 2005 and April 2006 polls, before and after the At Samat event. Votes cast for TRT increased by 11.5 percent in Roi-et (and by 13.2 percent and 17.9 percent in the neighbouring provinces of Yasothon and Kalasin which were also peripherally involved in the event), while falling 8.6 percent nationwide. Our calculation using unofficial results for the 2006 poll (there are no official results as the poll was rescinded).
English to denote internationalism and modernity, and instead used dialect and earthy humour. He stopped quoting Bill Gates, and instead often mentioned his own family and sex life. The format of his weekly radio show underwent a subtle change: instead of commenting on current issues, Thaksin related the events of his week like a diary, allowing listeners into his life.

By the end of this period, Thaksin’s populism had expanded beyond a policy platform into a distinctly new form of politics which can be portrayed as three messages to his supporters.

**THAKSIN’S THREE MESSAGES**

**I give to all of you**

Thaksin’s government had launched three major schemes of social provision, and promised many more. The distinctive characteristic of most of these schemes was that they were available to all. Previous governments had provided cheap or free healthcare for the poor by distributing cards. However, through corruption and inefficiency, these cards reached only a minority of the families which deserved and needed them. Using these cards carried a stigma, and often subjected the holder to poor treatment. Thaksin’s health scheme was available to all as a right, and significantly extended access to health care. According to the Thailand Development Research Institute (TDRI), which was generally critical of Thaksin, the scheme lifted more people out of poverty than any other single government measure. While there remained a service differential between the 30-baht scheme and private treatment, participation in the scheme conveyed no stigma and the treatment was mostly judged to be good (Viroj and Anchana, 2006). In polls, the health scheme regularly rated as the TRT government’s most popular measure (e.g., *The Nation*, 26 September 2004). This popularity outstripped actual experience of the scheme. People who had not used the scheme liked the idea of it.

In the same way, the debt relief scheme was available to all indebted farmers, and the village funds extended to every village. The slew of schemes floated in the 2005 election campaign offered provisions for everyone through every stage of life – from birth through education and employment to old age.

As Pitch (2004) has argued, people felt empowered by the TRT schemes, partly through the very real impact of the programmes, partly through the impression that Thaksin and his party were responsive to their demands, and partly because the schemes positioned each citizen in an equal and direct relationship with the state. From interviews and observation in Mahasarakham in 2005, Charles Keyes (personal communication, February 2007) concluded, “The relationship with the rural populace was clearly symbiotic and grew over time. As villagers benefited from Thaksin’s populist programs, they felt empowered because they were responsible for putting him in power.… In one interview, a middle-aged villager said that in the past people in Bangkok controlled politics, but today we villagers do.”

**I belong to you**

Thaksin transformed himself into a public property over which people felt they had some ownership. He used the media and public appearances to convey an image of constant and dominating presence in public space. He re-crafted the presentation of himself to become much less distant from the ordinary person. He distinguished
himself from previous political leaders and from other figures in the political arena including officials, academics, and journalists. He delighted in provoking criticism from such figures, and then boasting about such criticism on his radio shows, upcountry tours, and election appearances. He understood that presenting himself as an enemy of Thailand’s political elite conveyed an appealing message to his mass audience.

Deft use of the media is of course commonplace in modern politics in any country. But in Thailand, Thaksin’s development of a powerful public image was new and broke many local conventions. On public appearances, he was received in scenes normally reserved for rock stars, and certainly never before seen around a Thai political leader.

**I am the mechanism which can translate the will of the people into state action**

In many of his public statements from 2004 onwards, the government was reduced to the first person singular. For example, in his last speech before the 2005 poll, Thaksin spoke as follows:

I will make the Thai economy improve. I have already raised the GDP from 4.8 to 6.5, and now I will take it from 6.5 to 9 trillion [baht]. I will increase exports. I will expand the markets…. I will fix the economy by fixing the problem of poverty…. I ended the IMF loan. I changed the status of the country from one which chases around borrowing money to one which lends…. I will take care of kids by developing their brains…. I will change the way of giving financial support to universities…. I will build more sport stadiums and more parks…. I already gave officials a salary adjustment in 2002, and I will give another…. I will provide opportunities for people to study at university level without their parents having to open their wallets (Thaksin, 2005).

At this and other campaign meetings, he dispensed with the usual ritual of introducing the local party candidate, and instead launched into his speech as if the election were a presidential poll. His domination of television news became so overwhelming that other ministers spent ministry budgets to buy billboard space to display their face and achievements. In a specially televised Cabinet meeting, Thaksin presented himself as a traditional *taokae* (Chinese boss) commanding and instructing a group of passive subordinates. He told NGOs that they no longer had any role because there was no need for intermediaries between the leader and the people. After the landslide 2005 election victory, Thaksin constantly repeated, “I have the votes of 19 million of the people.”

In his speeches before the 2005 election, Thaksin offered himself as the vehicle through which the wishes of the people could be translated into action on the part of government.

These past four years, this kind of change was not by chance or *fluke* [in English], but because of the power of your belief in me. I work hard, don’t I? If I work hard, but you don’t believe in me, there could be no trust. But when you believe in me, then people listen when I speak, and bureaucrats are not stubborn, because they listen to the people. This is democracy…. I have the same power as prime minister as every person
Thaksin devalued the importance of parliament, neutralised the check-and-balance bodies of the 1997 constitution, micro-managed the electronic media, and said in public that law, the rule-of-law, democracy, and human rights were not important because they often got in the way of “working for the people.” In his 2005 election speeches, he suggested to his audience that the bundle of liberal democracy – rule of law, freedom of criticism, human rights, oversight by parliamentary opposition, checks and balances on the executive – had done little for them in the past, and that making him into a powerful executive would deliver them greater benefit. He described criticism by press or opposition as “destructive” and exhorted his audience, “We want politics with meaning, don’t we? We want politics which have something for the people, don’t we? And this politics which is just destructive, can we get rid of it yet?” (Thaksin, 2005) In his public criticism of opponents, he focused especially on people associated with Thailand’s history of democratic development (Thirayuth Boonmi) or with the reform pressure of the 1990s (Prawase Wasi, Anand Panyarachun). On several occasions, he encouraged people to draw parallels between himself and authoritarian military leaders in the past, especially Sarit Thanarat, whose memory had become associated with direct and decisive action (e.g., Matichon Raiwan, 30 September 2003).

Thaksin’s authoritarian tendency was clear from the beginning of his premiership. It stemmed from his enormous self-confidence, his need to conceal the massive conflict-of-interest over his family business, and perhaps his police training and experience as an old-fashioned taokae of a family-based business. But Thaksin’s embrace of populism gave him a means to justify this authoritarianism as an alternative to the liberal model of democracy.

THE SOCIAL CONTEXT OF POPULISM

Thaksin populism was a response to social demand, with roots in the social structure moulded by Thailand’s strategy of outward-oriented economic development. With the development policies adopted by governments since the 1950s, Thailand became significantly more industrialised and urbanised. But Thailand’s decision to develop with a relatively open economy and high reliance on external sources of capital, technology, expertise, and even labour resulted in a social structure which differs significantly from the classic pattern of the West, and that of the early Asian industrialisers such as Japan, Taiwan, and Korea. Figure 1 is an attempt to sketch this social structure using labour force data, using the 2004 Labour Force Survey, February round, and the 2002 Industrial Survey.

The formal working class is small, accounting for around 8 percent of the workforce. By “formal” working class we mean those with relatively permanent employment in sizeable establishments. As a proxy, we use the numbers employed in manufacturing in establishments with more than ten workers, as recorded in the National Statistical Office’s Industrial Survey. This is not “the working class” as a whole which would be far larger. This formal working class is small because the multinational firms which dominate manufacturing tend to employ technology which
is more capital-intensive than Thai conditions would merit. It is weak in bargaining power because of labour competition on a global scale, and suffers from the legacy of the Cold War when Thai governments devoted considerable care to controlling labour organisation through legal measures, political co-option, and outright suppression (Brown, 2004).

FIGURE 1: Distribution of Labour Force, 2004

The white-collar middle class is relatively large at around 15 percent of the workforce. This figure is calculated from those with higher education and a professional, managerial or clerical job, as recorded in the Labour Force Survey. This class developed very rapidly over little more than a single generation because of the rapidly rising demand for skills to service the expanding modern economy.

The numbers remaining in agriculture have fallen, especially over the 1985–95 economic boom, yet still two-fifths of the workforce returns their major occupation as agriculture. However, for most nominally agrarian families, agriculture is no longer the sole source of income, and for many it is only a minor contributor. Because of low public investment directed towards the agricultural sector, a long-term trend of decline in international prices, and environmental destruction, returns to agriculture have declined. Agrarian households rely on transfers from the urban economy to supplement their incomes.

There is a steady seepage of people from agriculture into the urban informal sector, which has ballooned to around a quarter of the workforce. This sector includes the whole “shophouse” sub-sector of “mom-and-pop” stores, and other family and micro-scale enterprises; vendors; the self-employed; many illegal or semi-legal enterprises; and a large workforce which floats between construction, seasonal agricultural work, sweatshops, legal and illegal services industries, and other forms of casual employment (Endo, n.d.).

The agricultural and urban informal sectors are closely linked through flows of people and remittance. For shorthand we will refer to these two combined as the informal mass. Together they account for around two-thirds of the workforce, and roughly the same proportion of the electorate. As electoral democracy has developed

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47 Thai industrialisation is also very much part of global production chains, with many manufactured goods assembled using imported parts and inputs produced elsewhere.
in Thailand, the potential importance of this informal mass in politics has advanced in parallel. But numbers are only part of the story.

Those who depend for a living on the informal economy also tend to be involved in informal systems of social organisation and political regulation. As they are not directly affected by the taxation, budgetary spending, or regulatory action of government, they have low motivation to invest in the organisation needed to make their weight felt in national politics. At the same time they are bound by informal linkages into clientelist politics (Khan, 2005; Anek, 2006). In Thailand, they were mainly recruited into politics through the hua khanaen (vote bank) systems of electoral organisation, in which candidates rely on village heads and other locally influential people to deliver the people’s votes (see the discussion in Walker, 2008).

However, the politics of the informal mass has changed markedly over the past two decades. Over the 1980s, the controls through which the military suppressed grassroots political organisation through intimidation and force during the Cold War were eased. From the late 1980s onwards, civil society movements raised political consciousness over issues concerning rights, environment, livelihood, and equity. Then in 1997, the financial crisis hit very hard on the informal mass. The two million who were immediately made unemployed by the crisis came mostly from this segment. Returns to agriculture were initially improved by the currency movements, but then sharply depressed. Numbers below the poverty line rose by three million (World Bank, 2001). Declining remittances from urban work knocked through into rising levels of agrarian debt. This severe and sudden impact had a politicising effect.

The two years following the crisis saw the biggest upsurge in rural protest since the early 1970s. The chief demands were for agricultural price support, agrarian debt relief, and land for the landless (Pasuk and Baker, 2000: Ch. 5). Thaksin and his advisers adopted exactly these demands. Agrarian debt relief was the first measure which Thaksin’s ex-activist advisors inserted into his rural electoral platform; Thaksin frequently distributed land deeds during his rural tours; and government support for rice prices became a key policy through which Thaksin consolidated rural support.48

Thaksin connected with the emerging political demands and aspirations of the informal mass. Although he was not an obvious candidate to become a populist leader, and although he had shown no interest in “the people” before 2000, he was drawn into this position by the mechanisms of electoral politics. As his political career was threatened, first by legal process, later by growing urban opposition, he discovered a new and powerful base of support in the growing political involvement of the informal mass. He gave them a form of leadership which brought their demands and aspirations to bear in national politics. At the same time, Thaksin’s programme, leadership style, and political message were shaped by the aspirations and insecurities of this support base. As Nithi Eoseewong observed, “‘Think new, act new’ is just somebody taking the dreams of Thai society and making them into policy” (in Matichon Raiwan, 26 May 2003).

The universalism of his policies had immediate appeal to people who lived and worked within informal rather than formal structures, and who often missed out on government schemes which were designed and delivered within a formal institutional frame. The failure of previous targeted schemes of subsidised health care are a good case in point. Similarly, his leadership style was a targeted appeal to the informal mass. He approximated the style of the local boss with a strong streak of personalism

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48 From 2003, the Thaksin government set rice procurement prices above the market price. The coup government estimated this policy had cost 101.76 billion baht (The Nation, 14 October 2006).
(“I do this for you”), a promise of generosity in return for loyal support, and a cavalier, tough-guy, dismissive attitude towards enemies. Finally, his promise to act as the mechanism through which popular demands would be translated into state action carried an implicit message that old-style politics, and the whole liberal-democratic bundle, had done little for the mass of the people.

Thaksin’s populism thus went far beyond a transactional relationship in which he appealed for support in return for a menu of policies. He tapped the aspirations, insecurities, and sense of exclusion of this major segment of the population, and was rewarded with support which was both emotional and rational.

Brothers and sisters, look at me! My ribs are all cracked, because when they hug me, they hug me tight, solid, humph! Today, I was hugged a bit too heavily. My arms are starting to be different lengths. Today, I was pinched all over. But I’m happy because people have the feeling that I care for them. I want to see them escape poverty. They have placed their hope in me. I know that I’m taking heavy burdens on my shoulders with the things I’m saying here. But I’m confident I can do them. Someone born in the year of the ox in the middle of the day likes working hard – has to plough the field before he can eat the straw (Thaksin, 2005).

LATIN AMERICAN PARALLELS

Leaders with many similarities to Thaksin have appeared in many other countries in recent years. In Turkey in 2004, for example, a new prime minister whose party’s base of support comprises small-scale producers and the informal sector, launched a slew of populist schemes, and stood aggressively against the country’s political tradition going back to Ataturk in the 1920s (Carroll, 2004). However, the region where this political tradition has the longest history and the most extensive academic analysis is Latin America.

Several scholars detected a change in Latin American populism which began in the 1980s and continued into the following decade. In the prior era from the 1950s on, the dominant trend had been movements which built on organised labour and social movements to form mass parties which delivered policies of protectionism, import substitution industrialisation, and redistribution through controls on prices and wages. The movements which emerged in the 1980s, and were dubbed neo-populism, were substantially different. They were detached from labour unions or other civil society organisations. They had little permanent organisation, only ad hoc electoral campaigns. The policies through which they courted popularity were mostly forms of welfare provision, while their macroeconomic management largely accepted the neoliber al framework advocated by the US (Roberts, 1995; Weyland, 1996; Conniff, 1999).

Two main schools of thought emerged to explain this shift in Latin American populism. The first concentrated on the political economy. Labour movements had declined with the rise of multinational capital and the development of an internationalised labour market, while the decay of agriculture had swelled numbers in the informal sector, creating a “disorganised mass.” This mass was mobilised as a political force by a “critical juncture,” such as a severe cyclical economic crisis, or the delegitimation of an old ruling elite. The second explanation, coming from the rational choice tendency in political science, argued that the rise of mass media had supplanted
the need for political entrepreneurs to use “labour intensive” techniques of mass mobilisation (Roberts, forthcoming). These two arguments are not mutually exclusive, though it is difficult to see how the rational choice version can work without some political economy underpinning.

The most striking example of this era of neo-populism was Alberto Fujimori’s Peru. As an ethnic Japanese former professor of agronomy, Fujimori was a total outsider to the old political elite, and enjoyed very limited support only a few months before his rise to power in 1990. He was swept to the presidency on a wave of emotional reaction against the old political elite in the aftermath of an economic crisis. He consolidated his support with a raft of welfare schemes which included universal health care, and other mainly universal schemes. He systematically undermined the parliament, media, and judiciary by bribery on a massive scale, while simultaneously telling his supporters that democratic institutions were a hindrance to his efforts on their behalf (Roberts, 2005; Ellner, 2003; McMillan and Zoido, 2004).

Fujimori was far from alone. Menem in Argentina and de Mello in Brazil followed similar patterns in the early 1990s. Kurt Weyland (1996: 10) summarised the populist leaders of Latin America in this era as follows: “They … appeal to unorganized, largely poor people in the informal sector, have an adversarial relation to many organized groups in civil society, and attack the established ‘political class’ as their main enemy.” They rely on “a strongly top-down approach and … strengthening the apex of the state in order to effect profound economic reform and to boost the position of the personal leader.” They have tended “to ally with the army, sideline or destroy existing political institutions (unions, parties), and manipulate the media.” They also tended to align with the US, acquiesce in neo-liberalism, and pursue rapid economic growth to win the support of local business elites. The similarities to Thaksin are obvious.

In short, Thaksin’s populism is far from unique but follows in broad outline a pattern which was dominant in Latin America a decade or so earlier. But the Latin American case has a second important learning. Populist politics are not static. Just as neo-liberal neo-populism supplanted an earlier “classic” era, so neo-populism has already been supplanted by distinctly new trends in Latin America. In the last few years, movements embracing leftist ideologies of varying degrees have won power through the ballot box in Venezuela, Brazil, Uruguay, and Chile, while mass movements have toppled conservative or centrist presidents in Ecuador, Argentina, and Bolivia.

This shift appears to have many elements, which operate in greater or lesser degrees in different countries. First, there is a growing popular reaction against neo-liberal policies which can be tapped in electoral campaigns, particularly through promises to roll back the penetration of multinational capital in these economies. Second, there is a rise in anti-Americanism – or at least a drop in deference to the US – which is probably attributable to the international rejection of the George W. Bush presidency. Third, there is some mobilisation of class interests on ethnic lines, most obvious in the election of Evo Morales in Bolivia in 2005.

The point is that populism evolves and mutates in response to ideological development, shifts in the political economy, and changes in the international environment.
In the neo-populism phase, Latin American populism moved away from mobilisation based on structured parties and social movements towards looser organisations and “electoral populism” in which the party existed only for the purpose of election campaigning. Fujimori is again a primary example. He formed a new party on each of the three occasions that he stood for election, and promptly abandoned or disbanded the party in the aftermath of his victory. The lack of any institutional form to bind Fujimori to his electoral promises gave him the freedom to woo local business and make his settlement with the US (Ellner, 2003; Roberts, 2007).

Roberts argues that change in the degree of organisation by Latin American populists is not a trend over time but a function of the fierceness of opposition. Populist leaders who face no serious response from an old elite can afford to operate without any organised base of support, but those that provoke opposition need defences.

Populist leaders are often polarizing figures who generate fervent loyalties and intense opposition, particularly among elites who feel threatened by populist reforms, rhetoric, redistributive measures, or mobilizational tactics. The more radical the discourse and behavior of populist leaders, the more intense the opposition, and the more likely that socio-political conflict will be channelled into extra-electoral arenas. These conflicts create incentives for populist figures to organize and empower their followers for political combat. Followers not only vote, but they may be called upon to mobilize for rallies and demonstrations, participate in strikes and occupations, or even take up arms to defend their leader in times of peril. (Roberts, forthcoming)

Fujimori’s lack of organised support eventually became “a congenital defect of Fujimorismo.” When the extent of the organised corruption which underpinned the regime became public in 2000, the government collapsed and Fujimori had to flee into exile (McMillan and Zoido, 2004). Roberts cites the contrasting example of Hugo Chavez in Venezuela. He also began with no substantial party organisation, and came to power through a clandestine movement in the military, and spontaneous acclaim at the ballot box. However, as his radical policies alienated the US and large sections of elite and middle class opinion in Venezuela, Chavez responded by founding a network of grassroots organisations called “Bolivarian circles.” When his enemies ousted Chavez by coup in April 2001, he was able to regain power through his remaining influence in the army, and his ability to organise people on the streets and at the polling stations. He subsequently founded a more conventional party organisation which claimed 20,000 base units by 2003 (Roberts, forthcoming).

Thaksin’s TRT party closely resembled the loose form of electoral populism in Latin America. It differed little from other Thai parties except in the scale of its funding (McCargo and Ukrist, 2005, Ch. 3). Its prime function was to orchestrate election campaigns. It held an annual conference, and occasional regional meetings, principally as rituals to celebrate the party leader. The party claimed to have signed up eight million members before the 2001 election (The Nation, 18 December 2000), and extended that to 14 million by the 2005 poll (The Nation, 21 February 2005). But these members paid no party dues, engaged in no party activities, and had no part in selecting the party executive. There was no formal channel for party members to
influence policy. Thaksin’s aides used market research techniques to help formulate policies. The party membership list served principally as a database for election campaigning.

TRT organised for the 2001 election by the classic tactic of persuading factions of sitting MPs to join the party on the expectation that TRT would form the next government and be in a position to reward them (Ockey, 2003). Thaksin thus attached the existing clientelist networks, which extended down from the MPs into the localities, to his new party. He continued this strategy after the election by persuading two surviving parties to merge into TRT. At the 2005 poll, the influence of TRT as a party, Thaksin as a leader, and the clientelist networks of individual MPs are impossible to disentangle. The MPs were bound to the party by constitutional barriers against splitting away, and by the continued expectation that TRT would again win. TRT as a party thus continued to draw on their clientelist networks.

Prior to the 2001 election, Thaksin and his aides toyed with schemes to ally civil society groups to his party. In particular, Thaksin appeared in public with the Assembly of the Poor, the most prominent activist coalition of the 1990s. He promised to act on their agenda of complaints, and won their endorsement for his election campaign (Bangkok Post, 19 December 2000). Similarly, TRT met with representatives of organised labour, resulting in a nine-point policy document, and endorsement of TRT’s election campaign by labour organisations (Brown and Hewison, 2005). But Thaksin reneged on both these promises. When the party’s labour policy was submitted to parliament in the month after the election, four of the nine points had already disappeared, including those considered the most important – ratifying the ILO conventions on freedom of association and collective bargaining, and establishing an occupational health and safety institute. Organised labour’s support for Thaksin dwindled, and turned to outright opposition over privatisation in 2003 (Brown and Hewison, 2005). The Assembly of the Poor’s major demand was decommissioning the Pak Mun dam which disrupted the ecology of a major river and the livelihoods of people depending on it. Thaksin visited the dam, and called for research on the issue, but then personally made a summary decision to retain the dam before the studies were even completed. The Assembly of the Poor turned hostile (Bangkok Post, 8 and 9 January 2003).

Subsequently Thaksin avoided arrangements with civil society groups which might place him under some obligation to deliver against his promises. Once in power, with a virtual monopoly control over the electronic media, he relied on his ability to dominate public space to secure public support.

However, as opposition increased from 2004, Thaksin not only intensified his efforts to win public support by populist strategies, but also began to consider strengthening the party as an organisation. In campaign speeches before the 2005 poll, he promised that TRT would soon introduce a system to allow local party members to select the TRT candidate on the model of the US primaries (Thaksin, 2005). In July 2005, the TRT party moved into massive new offices in two buildings (of 8 and 14 storeys) previously occupied by a state bank, and Thaksin announced his aim to “institutionalise” the party (The Nation, 15 July 2005). Nothing concrete had emerged, however, before the 2006 coup.

Instead, he tried to mobilise support through informal means. His lieutenant for this task was Newin Chidchob. Before the 2005 poll, Newin was sent to the south in an apparent attempt to disrupt the Democrat Party’s support base through wholesale vote-buying delivered through the bureaucratic apparatus. The scheme was exposed and had to be abandoned. As opposition to Thaksin accumulated over 2005 and early
2006, Newin was involved in organising support among Bangkok taxi drivers and among farmers groups from the northeast. The taxi drivers were occasionally assembled for shows of support for Thaksin in the capital. In 2006, groups of northeastern farmers travelled to Bangkok and set up camp in a city park to serve as a counter to the demonstrations organised by Sondhi Limthongkul and the People’s Alliance for Democracy, and to demonstrate against newspapers which opposed Thaksin (Kasian, 2006: 8-10). Thaksin’s aides threatened to bring a million farmers to the city.

As with Fujimori, the lack of any strong organisational base proved to be a “congenital defect.” Thaksin and TRT crumbled when confronted by opposition from the palace, the military, and a hostile middle class.

**POPULISM AND THE COUP**

What is the significance of Thaksin’s populism for analyzing the coup of 19 September 2006? As Hewison argues (2008), the coup was very much a royalist event. Yet it depended also on urban middle class support in the public space of the media and public platforms. The army’s planning for the coup appears to have begun after an attempt by a Thaksin ally to buy up the Matichon press group in September 2005 turned the press and intellectuals openly hostile, and after the Shinawatra family’s tax-free sale of Shin Corp in January 2006 provoked a gut reaction in the tax-paying middle class.

Royalist opposition to Thaksin was evident from the beginning of his first government in 2001 and thus predates the development of his populism, though that opposition undoubtedly increased as the implications of Thaksin’s populist leadership became clearer.

The evolution of Thaksin’s populism and the growth of middle-class opposition were interrelated in a kind of dialectic: as Thaksin lost urban middle-class support, he intensified his populist appeal to the informal mass; as Thaksin’s populism became more strident, the middle class felt more alienated. Thaksin’s threat to bring millions of rural supporters into the capital was the logical conclusion to this spiral, and a key trigger for staging the coup. Beneath this interplay lay the massive gap in incomes between city and village, and a long-standing middle class fear of empowerment of the rural mass. The threat which the middle class perceived in Thaksin’s populism was partly fear that they would be obliged to pay for his redistributive schemes, but more fear that they would no longer have a privileged position to influence the state agenda. Sondhi Limthongkul, who set out to channel middle class aspirations, stated explicitly that Thaksin had to be overthrown in order to restore political influence to the middle class. In talks given in the US following the coup, Sondhi was reported as follows:

He [Sondhi] argued that there cannot be electoral democracy in

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50 A graphic created by an anonymous academic and circulated in March 2006 purported to show a “Thaksin model” in which taxes levied on the middle class (25 percent of the population) paid for populist policies lavished on the poor (70 percent) to keep Thaksin in power to boost the wealth of the rich (5 percent). It concluded, “The middle class has to support the whole country.” The graphic appeared in several newspapers including *The Nation*, 20 March 2006.
Thailand such as is found in the West because most people outside the middle class lack sufficient knowledge to understand how power can be abused. The rural people only vote, he claimed, for those who pay them either directly through party organizers (hukkhanaen) or indirectly through the populist programs. He compared the populist programs of Thaksin to those of Peron in Argentina. Khun Sondhi said that in the future he himself will work only with the middle class who have sufficient education to truly understand how populist politicians can abuse power (Keyes, 2006).

A more detailed rejection appeared in a book Thaksina-prachaniyom (Thaksin-style populism) completed in mid 2006 in parallel with the countdown to the coup. Anek Laothamatas is a prominent political scientist who entered politics in the late 1990s, became an MP under the Democrat Party in 2001, and switched to lead the Mahachon Party which was annihilated at the 2005 poll. Anek (2006) argued that the rural electorate supported Thaksin because his populist policies were in their self-interest, but these “irresponsible” policies had made people dependent on handout welfare, politicised the bureaucracy, and would result in fiscal crises of the sort endemic to Latin American populist regimes. Anek suggested alternative policy offerings, including a version of TRT’s policies cleansed of their intrinsic irresponsibility and dishonesty, and an adaptation of the third-way welfarism of Anthony Giddens. But ultimately Anek seemed to doubt that these policy offerings would sway the Thai electorate, and instead offered a political solution.

Anek argued that populism would outlast Thaksin because it was founded on the surviving vertical linkages in rural society. Thailand’s rural voters were not free agents but bound by patron-client ties. Where they had once been clients of a local boss, they had now been transformed into clients of a national boss and his party (Anek, 2006: 123-4). In this social setting a “pure democracy” was bound to lead to de Tocqueville’s “tyranny of the majority” and irresponsible populism. Anek’s answer was that, “A better democracy is a balanced compromise between three elements: the representatives of the lower classes who are the majority in the country, the middle class, and the upper class” (Anek, 2006: 177). In this democracy, the only time when everybody would have equal rights would be when they dropped their ballot paper in the box. After that “the importance of each person will depend on knowledge, ability, experience, and status,” so that the wishes of the majority would not be able to replace “what is correct according to ethics and academic principles” (Anek, 2006: 178-9).

The “tyranny of the majority” would be avoided by ensuring that the opinions of two groups had special weight. The first, Anek called ekaburut and translated as “monarchy,” but glossed that this was not simply equivalent to royalty, but comprised “a small number of upper class people who are leaders or governors of the country at the highest level, who are prominent by their office and by themselves, and who command the trust of the majority.” The second group, Anek called apichon and translated as “aristocrats.” This included “the middle and upper classes, especially the leaders with wisdom and experience in politics and administration,” including senior bureaucrats, top intellectuals, and senior journalists (Anek, 2006: 178, 179, 181). He

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51 Anek initially argues that people are rational to support Thaksin’s populism, and should not be pictured as stupid and fooled (pp. 164-5). But later he compares populism to a mantra which can stupefy (sakot) people and to a whirlpool which can suck them down (pp. 166, 186); he dismisses TRT’s election victory as illegitimate because of the use of money (pp. 179, 182); and argues that people need education to “upgrade their needs” (pp. 167, 185, 189-91).
cited examples of samurai and medieval knights as *apichon* who “had won acceptance of state and people through leadership on the battlefield” (Anek, 2006: 181), and this is perhaps a metaphor for the military. Anek claimed that such a “mixed system” had in fact been in operation in Thailand “ever since October 1973” (Anek, 2006: 183). A major duty of this leadership would be to educate the lower classes so that they “upgraded their needs and demands” to be less self-interested, and more aware of the interests of society and nation.

For the longer term, it would be necessary to transform rural society through education, welfare, and employment “to make rural people stronger and more self-reliant so they do not remain clients of state policy.” This would “benefit the middle class and those in the city as the rural people would no longer be the foundation for populist-style democracy” (Anek, 2006: 198).

Both Anek and Sondhi argued that Thaksin’s populism mobilised popular support for change, and that more power had to be given to the elite and middle class to prevent this. The rise of Thaksin’s populism was a crucial part of the background against which the assault on Matichon and the Shin Corp sale could bring the middle class onto the streets.

**CONCLUSION**

Thaksin Shinawatra was an unlikely candidate to become a populist leader. Prior to his arraignment for false asset disclosure in December 2000, he had shown little interest in rural society and made no reference to “the people” in his rhetoric. He made a bid for popular support, but thereby became the instrument of popular aspirations. He was swept along by social forces shaped by Thailand’s strategy of outward-oriented development and subjection to neo-liberalism. The content of his populism began with a simple raft of redistributive policies which responded to the needs and aspirations of the informal mass that constituted around two-thirds of the workforce and the electorate. Thaksin subsequently went much further by responding not only to this constituency’s demand for political goods, but also for a leader they felt they could own. People supported Thaksin because he gave them cheap health care and accessible credit, but also because he gave them a feeling of empowerment. Thaksin appealed to people by setting himself up as the enemy of the “old politics” represented by the bureaucracy and the Democrat Party; by adopting the familiar style of the local boss inflated to the national scale; and by arguing that his personal leadership would deliver more than the old liberal-democratic model which had failed to prevent massive inequality in economy and society. Thaksin’s populism was thus not just a policy platform, but matches the three key points of Roberts’ definition, namely mass mobilisation, personalised leadership, and a challenge to established elites.

In the old model of “development,” based on the historical experience of the West, industrialisation creates a domestic capitalism, urban working class, and white-collar middle class; these new social forces sweep away old social and political elites, and support liberal democracy as the best means to resolve the conflicts among themselves. This model was replicated in the post-Second World War transformation of Japan, Korea, and Taiwan but has since become irrelevant. Since the collapse of the Cold War, the West has lost interest in nurturing domestic capitalism in developing countries and sees the outside world solely as a field of expansion for western capitalism. Countries like Thailand find the barriers against independent industrialisation are now too high, and choose instead to adopt outward-oriented
development strategies and become dependent links in the global production chains of multinational capital. This strategy results in a very different social evolution. The domestic capitalist class is weak and embattled; the formal working class is small and politically marginal; the white-collar working class is conscious of its dependence on global forces; and a high proportion of the population remains in declining agriculture or in a swelling urban informal sector. Thaksin’s populist politics echoed themes visible elsewhere in Southeast Asia, in Latin America, and in Eastern Europe because the political economy underpinnings and neo-liberal framework are similar.

Latin America offers the most interesting parallels because of the long history of populism in the region, and the consequent subtlety of its academic analysis and debate on the topic. Thaksin’s populism had strong affinities with a phase of Latin American populism in the 1980s and 1990s, in which the most striking example was Fujimori’s Peru. These populist regimes tapped the support of the informal mass by offering universalist schemes of welfare and redistribution, and by posing as enemies of an old political elite. These regimes was careful to direct their fire against the political and social elite, while simultaneously cooperating with US neo-liberalism in external policies, and supporting domestic business. Fujimori undermined the parliamentary system, media, and judiciary with corrupt money flows, while promoting an alternative model of personal, authoritarian rule. In order to avoid incurring obligations to their support constituency and to retain their freedom of action to negotiate with other social forces, populist leaders of this era dispensed with mass party structures and close links with civil society organisation, and relied instead on modern media and mass communication to mobilise electoral support. The cost of this strategy was insecurity, especially in the face of elite counter-attack. Most of these regimes lasted between two and five years. Fujimori was the exception, surviving for a decade, but ultimately falling just as precipitately.

This phase of populism in Latin America has since been superseded. The new wave of leaders, exemplified by Chavez, Lula da Silva, and Morales, has seen a return to more explicit leftist ideology, mobilisation of ethnic divisions, and new types of mass organisation. We are not implying that Thailand’s populism strain will move in the same direction, only that the Latin American story shows that populism evolves in response to social change, the external environment, and local history.

Thaksin’s populist leadership challenged the monarchy’s claim to be the sole focus of political loyalty. It threatened the ability of key sections of the middle class to influence politics – businessmen through money, bureaucrats through position and tradition, and media and intellectuals through command of public space. It promised to replace Thailand’s plural, managed democracy with something akin to a personalised one-party regime. Thaksin’s populism was thus a key factor in assembling the support which persuaded the military to undertake a manoeuvre which had generally been counter-productive for its own interests over the prior quarter-century.
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ABSTRACT: The Thai coup of 19 September 2006 derived ideological legitimacy from the view that the Thaksin government’s electoral mandate was illegitimate because it had been “bought” from an unsophisticated and easily manipulated electorate. There is nothing new about this argument, nor its use in justifying military interference. Political commentators have regularly asserted that the Thai populace lacks the basic characteristics essential for a modern democratic citizenry. Accounts of the deficiencies of rural voters often focus on their parochialism, their lack of political sophistication, the vulnerability to vote buying and the influence of electoral canvassers (hua khanaen). This paper challenges this negative portrayal of rural electoral culture. Drawing on ethnographic fieldwork in northern Thailand, it is argued that the everyday politics of elections is informed by a range of different electoral values that shape judgements about legitimate, and illegitimate, political power in electoral contexts. These local values can be usefully thought of as comprising a “rural constitution.”

KEYWORDS: Thailand, democracy, rural constitution, voter rationality, localism, vote-buying

I suspect many Thais still lack a proper understanding of democracy. The people have to understand their rights and their duties. Some have yet to learn about discipline. I think it is important to educate the people about true democratic rule. It is a challenge to enable all 60 million Thais to gain an in-depth understanding of democracy and all its rights, duties and rules. Democracy will thrive once the people learn its true meaning.

Coup leader General Sonthi Boonyaratglin, cited in the The Nation, 26 October 2006

The Thai coup of 19 September 2006 derived ideological legitimacy from the view that the Thaksin Shinawatra government’s electoral mandate was illegitimate because it had been “bought” from an unsophisticated and easily manipulated electorate. This was not the only rationale, but the denial of electoral legitimacy was fundamental in justifying the removal of a government that had been elected three times. And, with a further election scheduled for late 2006, those seeking to defend the coup relied heavily on the argument that the electorate was in no position to make a reasonable judgement about the Thaksin government’s well-publicised faults. Faced with the likelihood that Thaksin’s Thai Rak Thai party would win yet another election, the coup-makers argued that the army’s intervention was the only way to resolve the

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52. Research for this paper was undertaken in the northern Thai village I call “Baan Tiam” (located in the district I call “Pad Siew”) in a series of research visits between 2003 and 2006. The paper has benefited enormously from the patient and diligent research assistance provided by research assistants in Thailand. I have also benefited from ongoing discussions and collaboration with Craig Reynolds (who also provided helpful advice on clarifying the argument in this paper) and Nicholas Farrelly. And thanks, of course, to the residents of Baan Tiam and Pad Siew.
political standoff (see Hewison, 2008). The fact that the electorate continued to support Thaksin was, in the eyes of many of his opponents, clear evidence of voter irrationality and of the ongoing failure of the electoral process.

There is nothing new about this argument, nor its use in justifying military interference. Political commentators have regularly asserted that the Thai populace, and especially the rural populace, lacks the basic characteristics essential for a modern democratic citizenry (Connors, 2003). Accounts of the deficiencies of the voting population often focus on three key problems. First, uneducated rural voters are parochial and have little interest in policy issues. Lacking a well developed sense of national interest they vote for candidates who can deliver immediate benefits. Second, given their poverty and lack of sophistication they are readily swayed by the power of money. Vote buying is said to be endemic. Cash distributed by candidates, through networks of local canvassers, plays a key role in securing voter loyalty. And third, rural electoral mobilisation is achieved via hierarchical ties of patronage whereby local influential figures can deliver blocks of rural votes to their political masters. An array of studies documenting the political rise of provincial businessmen-cum-godfathers or chao pho (McVey, 2000) have added considerable strength to this patron-client model of rural political behaviour. Kasian’s (2006: 14-15) account of Thailand’s “electocracy” captures the key elements of this enduring view of the rural electorate:

At the base of the electocracy lay the 40 million voters, the majority of whom were poor, ill-educated and rural-based. With most of their constitutional rights routinely trampled by arrogant officials, local mafia bosses and politicians, they had to take advantage of the one that remained: to sell their votes to their local political patrons for money, jobs, protection or informal welfare benefits. Their interests long ignored by urban policy-makers, their local resources depleted by both state and private sectors, these voters perforce became willing accomplices of the electocrats in the systematic corruption of electoral “democracy.”

There is little the rural electorate can do to shake off this persistent image. It is often alleged that electoral reforms and increased regulation of local electoral processes have had little impact on the pattern of financially lubricated electoral patronage. The only solution, we are consistently told, is ongoing political education, to provide rural voters “with a proper understanding of the object of elections and their mechanisms, as well as to arouse political awareness” (Suchit, 1996: 200). In the post-coup environment this call for education has been taken up with a passion by leading anti-Thaksin campaigner Sondhi Limthongkul who envisages a vanguard of politically aware urbanites gradually moving out into the countryside to spread their message of disinterested democratic rationality to the parochial and money-focussed rural masses (see the discussion in Walker, 2006).

A review of the literature on rural political behaviour in Thailand, and elsewhere in the region, suggests two main alternatives to this negative perspective on rural political culture. One perspective emphasises rural people’s non-electoral political mobilisation, in co-operation with an array of non-governmental

53. See, for example Tanun (1994: Ch. 4); Anek (1996); Suchit (1996); Surin and McCargo (1997); Nelson (1998); Ockey (2000 and 2004: Ch. 2); Arghiros (2001); Callahan (2005); Kasian (2006) and the numerous works cited by these authors. Of course, there is considerable nuance and variation in these accounts and I am not suggesting that all of these authors deal with the issues uncritically—in some cases quite the opposite, especially Callahan (2005).
organisations (NGOs), to resist the incursions of both state regulation and market commercialisation. There is a rich body of research and activist commentary that documents local non-electoral struggles against infrastructure development, heavy-handed conservation policies and the commoditisation of local resources (see, for example, Hirsch 1997; Missingham 2003). Rural people’s involvement in protest movements and advocacy coalitions, their commitment to alternative forms of resource management, and their vigorous promotion of local knowledge are regularly cited as evidence of a dynamic rural “civil society” standing in opposition to the dominant development directions set by the Thai state.

But does this material provide a sound basis for a reappraisal of local political culture? I do not think so. My perspective is partly influenced by the specifics of my research site where, by and large, “grassroots” advocacy organisations have a very low profile. But there are more fundamental issues involved. Participation in these types of organisations is, in overall demographic terms, very modest and their influence outside specific sites of high-profile resource conflict is limited. More importantly, many of the rural advocacy campaigns waged by civil society organisations are based on what I have called a “limited legitimacy” that relies on an imagery of local cultural identity, self-sufficient agriculture and ecologically friendly lifestyles (Walker, 2001; 2004). This is an empowerment framework that finds it difficult to incorporate widespread electoral support for Thaksin government policies that promoted external cash input into local economic development and the conversion of local resources into capital assets (see Pasuk and Baker, 2008). Faced with this “rural betrayal” of communitarian values, civil society and NGO advocates tend to resort to the convenient imagery of a rural populace seduced by money politics (Walker, 2007).

A second alternative approach to rural political behaviour focuses on “everyday politics.” This approach has received considerably less attention in the Thai context. It draws on the work of Scott (1985) who examined the informal, day-to-day and often surreptitious ways in which subordinate peoples express their dissatisfaction with prevailing structures of power and systems of resource distribution. Kerkvliet’s (2002) important study from the Philippines focuses on the politics of daily life to counter the prevailing view that political behaviour is to be understood in terms of the operation of hierarchically organised “factions” that mobilise voters to serve the electoral purposes of the elite. In an attempt to broaden perspectives on what is regarded as “political” behaviour, Kerkvliet (2002; 2005) draws attention to the forms of “everyday politics” that tend to fall beneath the radar of much conventional political analysis. This broader view of politics embraces the “debates, conflicts, decisions, and cooperation among individuals, groups, and organisations regarding the control, allocation, and use of resources and the values and ideas underlying those activities” (Kerkvliet, 2002: 11). These debates and values are explored via the informal and everyday politics of complaint, theft, gossip, avoidance, sabotage, denunciation and, at times, outright protest. A key dimension of this analysis is a concern with the alternative sets of values that inform day-to-day political action. Building on Scott’s (1976) analysis of “moral economy,” Kerkvliet (2002: Chapter 8) identifies a range of values relating to assistance, basic needs, security and dignity that “interact” and “tussle” with the values that underpin capitalist property and market relations.

This is an approach that I find promising in seeking to understand rural political culture in Thailand. Its strength lies in its focus on the localised day-to-day

54. A key exception is to be found in the work of Turton (1984: 65) who calls for greater attention to the “wide range of … everyday forms of resistance” in rural Thailand.
debates about resource allocation rather than the more exceptional cases of mobilisation under the banner of civil society organisations. It also directly challenges the view that rural politics can be understood in terms of an uninformed and gormless peasantry mobilised to serve the political interests of elite patrons. However, in exploring “everyday politics” in northern Thailand, I propose an important modification to Kerkvliet’s approach. I am rather less inclined than Kerkvliet (1995: 418; 2002: 242-245) to draw a distinction between “everyday politics” and the formal politics of electoral contests. The regularity of elections and the density of participation in electoral matters renders the distinction untenable. In the northern Thai village where I have been working there were seven local and national elections between early 2004 and the end of 2006. Voting turnout is usually high (around 80 percent) and, more importantly, there are a considerable number of people in the village (by my count at least 20) who are active in this “formal” political arena. Given this temporal and social density of political participation, discussions about “elections”, “candidates”, “policies” and “campaigns” are a regular feature of day-to-day life. Electoral contests are embedded in local social relationships, and values that relate to the day-to-day politics of the village readily spill over into the electoral arena.

The local values that inform the everyday politics of elections can be usefully thought of as a “rural constitution.” In most general terms, constitutions regulate the exercise of government: they define government structure, attribute roles and distribute power. As a result they authorise the legitimate use of government power and constrain its illegitimate manifestations, often providing a range of protections for the governed population. While most attention focuses on the formal constitution, political advocates and constitutional scholars recognise that written charters are situated within a broader field of tradition, morality and cultural orientation. This is what historian Nidhi Eoseewong (2003) has referred to as the “cultural constitution” and what I, in the context of northern Thailand, am referring to as the “rural constitution.” This un-codified set of political values regulates, constrains and legitimates the exercise of political power. It sets out the desired type of political representative, proposes ideal types of political behaviour and proscribes various forms of abuse of public office. This constitutional role is evident both in local government elections and in electoral assessments of the national government.

The ethnographic focus of this paper is the village of Baan Tiam which is located about one hour’s easy drive from the northern city of Chiangmai. It is an ethnically northern Thai (khon muang) village located in a narrow intermontane valley a few kilometres to the west of the district centre of Pad Siew. The village is made up of about 100 households engaged in rice cultivation in the wet season, cash cropping in the dry season and an array of off-farm labouring activities. About half of the households derive their primary income from outside the agricultural sector and a
large number of “farming” households have family members working elsewhere. This is a diversified rural economy.

LOCAL ELECTORAL CULTURE: LOCALISM, SUPPORT AND ADMINISTRATION

Localism

A number of commentaries of Thai political culture have highlighted the emergence of “localism,” a political orientation that places a strong (and often primary) emphasis on the local community as a bulwark against the intrusions of the modern state (Pasuk, 1999; Hewison, 2002). Local community institutions and capabilities are promoted as alternatives to the standardising bureaucratic structures of the modern state. In some respects this is similar to the version of localism that I am describing here. There is a similar emphasis on the moral desirability of local specificity and local attachments. But there is also an important difference. The localism of Baan Tiam is fundamentally outward oriented. It does not seek to resist the state but to draw it into a socially and culturally legible frame of meaning. What is important in Baan Tiam’s localism is that relations with the state are mediated by appropriately embedded local actors.

One of the most commonly expressed aspects of Baan Tiam’s rural constitution is the view that it is better to elect a local than a non-local. This is usually expressed as a preference for candidates from baan haw. Literally baan haw can be translated as “our village” but baan is a delightfully malleable word and its spatial referent of belonging can readily adjust to the different scales of electoral competition. In local government elections localism provides an explicit framework for political discussion and debate.57 Candidates are readily assessed in terms of the strength of their local linkages, which are highly legible and amenable to commentary within the electorate. The importance of localism is enhanced by the fact that the large increase in resource allocations to local government (as a result of decentralisation) has heightened budgetary competition between villages. As one villager told me, seeing the council fall under the control of another village would be like “waiting for an air drop of food and then watching the parachute float down on the other side of the hill.”

In fact, Baan Tiam has been a successful contender in these local resource contests. The previous sub-district head was a Baan Tiam resident and he went on to become the district’s provincial assemblyman. Most of his supporters in Baan Tiam expressed their support in terms of their desire to “help” someone from the same village. As Grandmother Mon said just before the provincial assembly election held in early 2004: “I’m helping one of us, whatever happens he’s one of us.” The incumbent candidate for municipal mayor in the election of 2006 was also a resident of Baan Tiam and derived considerable support from the view that it was only logical to vote for a fellow villager. He was also able to expand the range of his localist support as a result of close kinship connections with at least two other villages in the municipality. By contrast other mayoral candidates were weakened by perceptions that they were insufficiently locally embedded. This clearly applied to one candidate who was a former government official who had been posted to the area for only three years. But even long-term residents could be judged as non-local. One mayoral candidate, Dr Tanet, had distributed aprons advertising one of his businesses to vendors in the

57. Baan Tiam is part of a small municipality (thesaban) for where there is an elected mayor and an elected council.
market. When I asked one of the small restaurant owners if her apron signalled support for Tanet she responded: “He came and gave them out so we decided to wear them. He is standing for election to be mayor. But I don’t know if he will get elected. He is not a local. He has lived here for 20 years. Most people know him. But he is from somewhere else.”

Some of the subtleties and shifting coordinates of localism were demonstrated by the Senate election of 2006. Of all the elections discussed this was the least local and posed particular challenges for a localist approach to electoral decisions. There were 39 candidates for the five provincial seats and only a small number of them had tenuous ties to the local area. A typical comment in the lead up to the poll was that there “wasn’t even one person standing from Pad Siew district, only people from other places.” Without the orientation of local affiliation many voters indicated that they had difficulty in making a choice and a good number spent a long time reading the board outside the polling booth where the candidate’s profiles were displayed. Some village officials predicted a large number of spoilt or frivolous votes, and, possibly, a low voter turnout. In fact, the vote went relatively smoothly — though the informal vote was somewhat higher than usual — but their comments did reflect some anxiety about the socially and spatially disconnected nature of the candidates.

Voters are flexible and pragmatic and sentiments of local belonging are highly malleable. Overall the Senate results from Baan Tiam accorded with a broadly defined localist logic. Two candidates each received 38 of the votes cast in the village. One of these was predicted to do well because he was well known, as the younger brother of a former member of parliament for the province (he was also said to be “Thaksin’s man”). The other was a former resident of the district and a provincial assemblyman. As the only candidate who had lived in Pad Siew district he could have been expected to poll better, but pre-election sentiment was that his connections with the district had been limited in recent years and his work as an assemblyman had produced no real local benefits. The next most strongly supported candidate (36 votes) was a key supporter of a nearby temple. Her recent history of merit making in the area was highly regarded, as was her close connection with a senior opposition party figure. Other candidates receiving local support were also locally situated in various ways: one had local business connections through his money-lending business (“good connections, lots of money, but perhaps not trustworthy”); another hosted a popular radio show (“lots of people here know him so they will want to help him”); and another with a “famous” surname had good connections among the district’s cock fighting fraternity (and he had supported the construction of a cock fighting facility in a neighbouring district). Interestingly, Thaksin’s sister in law, who carried the famous Shinawatra surname but who had no significant local connections, received only three of Baan Tiam’s votes.

One of the underlying motivations for this kind of localism is a desire for political legibility. It is not just the state that seeks to create simplified and legible structures of governance (Scott, 1998). Electors themselves seek to locate candidates in a simplified framework of inside (baan haw) versus outside. This is a morally charged framework in which the spatially flexible concept of baan haw is associated with approachability, social familiarity, linguistic ease and commitment to local institutions. But localism does not provide a simple template for political decisions. Partly this is because it operates in ambiguous ways and there are competing claims to

58. Given that Senate votes are counted at the village polling booths (unlike lower house votes which are counted at electorate level) village voting data is readily available.
varying degrees of localness. Within Baan Tiam there is real concern that the large number of politically-engaged people will split the local vote and reduce the political influence of the village in municipal affairs. Quite simply, there are too many “locals” to choose from. Another key factor mitigating the purchase of localist values is that local legibility also often involves an intimate awareness of the human frailty of electoral contenders. The symbolic force of the simplified baan haw categorisation can be attenuated when it is set alongside the reality of interpersonal dispute, jealousy, resentment and gossip. The local reality of interpersonal conflict opens up fissures that can provide a basis for non-localist forms of political orientation. In brief, localism provides one flexible framework for political decision making, but local social life is simply too complex for it to be used as a one-dimensional template for political action.

Support

Many accounts of localism in Thailand emphasise local resources and locally-oriented livelihoods as an antidote to the disruptions caused by the external economy. Such thinking gained significant momentum in the wake of the 1997 financial crisis and the king’s subsequent promotion of the “sufficiency economy.” This version of “localism” does not necessarily advocate disengagement from external economic systems but it does involve “looking inwards for a basis to resist the destructive forces of globalisation” (Pasuk, 1999: 6). Again, the form of localism that I am describing has a rather different emphasis. In Baan Tiam, locally-embedded political representatives are not valued because they embody local resources or capabilities but because they are more likely to direct externally-derived resources to locally valued initiatives. They are culturally and socially familiar figures with whom villagers feel relatively confident to negotiate for material benefits. Securing access to external resources is a key element of Baan Tiam’s outward-oriented localism.

In Baan Tiam’s rural constitution there is a strong expectation that political representatives will financially support their constituency. The issue of financial support is clouded in much discussion by the spectre of vote buying. I have no doubt that political candidates make direct cash payments to voters in Baan Tiam — even I was a beneficiary of Thaksin’s munificence (100 baht) when I attended a Thai Rak Thai party meeting. But it is important to place direct cash handouts to electors in the broader context of the array of material assistance that is expected of political representatives and other well-resourced people seeking to demonstrate their social standing and their embeddedness in local circuits of exchange. These culturally-valued strategies of material assistance include: personal loans; donations to temples; support for household rituals; payment of (appropriately inflated) expenses for attendance at meetings; payment of children’s education expenses; provision of low cost transport services; and support for budgetary shortfalls in local development projects. Here are three brief examples:

- Fon obtained a personal loan from the Thai Rak Thai Party candidate in the national election when she experienced financial difficulties as a result of crop failure. Local rumour was that this was instrumental in her becoming a canvasser for Thai Rak Thai. Later, she received a mobile phone. In the lead up to the 2005 national election Fon actively canvassed for Thai Rak Thai, and also sought funds from the opposition Mahachon Party candidate to contribute funds to a village project she was attempting to initiate.
Khruawan was a candidate in the 2006 Senate election. For some time she had been building up connections in Pad Siew district by patronising highly regarded temples and supporting religious construction projects. In November 2005 I attended a major temple festival in a village about ten kilometres from Baan Tiam. Khruawan was the major sponsor of the festival but her donation was actually presented to the temple by the district’s provincial assemblyman. I was told that Khruawan was making donations in every district of the province.

Prior to Baan Tiam’s headman election in 2004 a group of women were invited to represent the village at a cultural festival in a neighbouring sub-district. Transport was provided by one of the candidates, Jakkrit, who owned one of the few pickup trucks in the village. He also provided modest support to cover the women’s expenses for the day, but they considered this inadequate. He was accused of being stingy and the other main candidate was approached for a contribution. He refused, saying this could have been regarded as vote buying.

These various forms of assistance are locally assessed in terms of a range of interlinked political values which address issues of personal status, capability, and morality. There is a widespread view that those with an established financial position are in the best position to hold political office. In part this is due to the obvious personal financial demands made on local and national politicians. Being a politician involves the building of charisma and regular demonstrations “that they have not forgotten the villagers.” This is an expensive process, requiring regular investment in the form of donations, loans and attendance at many social events. This preference for politicians with established financial positions is also informed by the common view that they are less likely to corrupt public monies than those who are less affluent. One villager, clearly rating affluence above local connections, spoke enthusiastically about the credentials of one of the mayoral candidates:

He is a good and fair man. I don’t think he would cheat with money because he already gets paid a lot, about 40,000 [baht per month]. He is not likely to want to cheat more. Some people say that he is an outsider, but this is not important because a person from outside doesn’t have an opportunity to favour anyone. And he is well-educated.

Another political value relating to the issue of support is that the best political representatives are those who have made a sacrifice for the broader community. In local discourse a strong distinction is regularly made between the private and public domains. “Sacrifice” typically involves the diversion of some resources (labour, time and cash) from the private to the public sphere. There are many types of such sacrifice that are locally valued: participating in committees; assisting with the implementation of development projects; making representations on behalf of less capable villagers; and active involvement in village festivals. Provision of financial assistance is a highly visible way of demonstrating personal sacrifice, especially in the busy pre-election environment when time constraints limit other forms of participation. But there is a caveat. An appropriate demonstration of sacrifice requires that there is a perception that the funds being used are private rather than public funds. Of course, there are numerous ways in which candidates will attempt to blur this distinction (especially incumbents who already have access to various budgetary allocations) but a widespread perception that public funds are being used to create an impression of personal sacrifice is likely to generate some electoral backlash.
A commitment to local development is also a key element in the rural constitution’s positive evaluation of support. A standard mode of justifying or challenging a candidate’s credentials is the extent to which he has, or will, bring development to the local area. The importance of this value is reflected in the ubiquity of terms such as phattana (development), charoen (prosperity), and kaew na (moving forward) in local campaign material. The incumbent candidate for mayor emphasised his development achievements in his campaign songs that he broadcast before the March 2006 municipal election:

The municipality has moved forward. The roads are good, the work is finished. We have lights on both sides of the road. We have water to drink and water to use. The water supply system has provided water to houses near and far. We will continue to expand it. Rich and poor are equal. Mark my words, the work we have done is not insignificant. We will continue to move forward and work together so everyone can be happy and secure.

The discursive force of “development” in electoral culture is complex. On the one hand it fits readily with the image of the generous and good-hearted patron who makes personal sacrifice for the benefit of the broader community. Financial donation prior to the election is a demonstration of the candidate’s willingness and capability to direct development resources to constituents. Personal sacrifice and community development are symbolically linked. But, at the same time, the common emphasis on progress and development can move local discussion of support into a somewhat different domain of social meaning. In broad terms a distinction is emerging between forms of benevolent assistance that are expressed in personalised patron-client terms and forms of development assistance that are linked to more socially inclusive modernist discourses of progress, administration and broad-based access. Whereas personal generosity is highly valued in relation to the former, the latter places primary emphasis on the ability to effectively mobilise government resources and to direct them to “projects” in the local area.

Some of the dimensions of the local emphasis on both benevolent support and community development can be explored in relation to the election for mayor. The incumbent, Somsak, was a resident of Baan Tiam, from a family with substantial kin connections within the village and a high economic and cultural profile. His younger sister was elected head of the village women’s group a few months before the municipal election and his key running partner was the brother of the village headman. But this substantial social capital did not translate automatically into electoral support. Overall there was recognition that Somsak had contributed to local infrastructure development, even if this had been slower than some villagers had hoped. This was most visible in the conversion of numerous rutted dirt lanes into smooth concrete strips, but there were numerous other small construction projects that had received municipal allocations. But there were some complaints that one of the key beneficiaries of this development was his son-in-law, who had received many of the construction contracts. Somsak was also criticised for not mobilising assistance quickly enough when the village experienced flash flooding. And perhaps most damaging was the view that he did not use enough of his reportedly substantial salary to support local projects. For one villager his failings were highlighted when he

59. Each mayoral candidate had a team of candidates running for council membership.
responded to a request for budgetary support for one of the village’s irrigation groups by asking them to submit a formal written proposal to the local government planning committee. In brief, while Mayor Somsak may have been a reasonably good, if somewhat plodding, developer he lacked some of the key characteristics of the quick-acting benevolent patron.

Somsak’s main electoral rival, Dr Tanet, provides an interesting contrast. He was from outside the district (though he had lived there on and off for 20 years), and his social distance from the population was signalled by the ubiquitous use of his professional occupational title. But he had gained a reputation as a locally influential “Mr Fixit” personally supporting a number of local projects, enterprises and welfare activities. For example, when he was told about the irrigation group’s request he immediately “pulled money out of his own pocket” and handed it to Chusak, the irrigation group’s deputy head. “Compare this to Mayor Somsak,” Chusak said, “when he does help us he uses the government’s money, not his own, and it comes too late.”

Dr Tanet’s act of patronage and personal sacrifice was sufficiently impressive for Chusak to sign up as one of his local canvassers. Dr Tanet also distributed satellite dishes to key supporters (and was somewhat bemused to receive one of the dishes back after the election requesting repairs under warranty). And he expressed interest in providing support for Baan Tiam’s community shop, cleverly exploiting the perception that Mayor Somsak was half-hearted in his support for this particular project given that two of his close relatives were village shopkeepers who were concerned about competition from the community shop. Overall, Dr Tanet’s reputation was of a well-connected and wealthy man who could quickly mobilise funds to address local needs and desires.

But the demonstration of an ability and willingness to provide financial support is not without electoral risks. Dr Tanet’s generous displays of financial assistance generated some feeling that his campaigning was too “strong” and insufficiently linked to broader development goals. A number of voters expressed the view that he would win the election with money and suggested that there were likely to be “dirty stories” in relation to his campaign. One resident of Baan Tiam suggested that someone who had invested so much in cultivating local support would want it back, plus profit, if he won. There were also allegations about vote buying directed particularly at Dr Tanet’s vigorous campaigning in a large upland minority village located near Baan Tiam. But possibly most damaging was that his demonstrations of local support were undermined by his history of acquiring land and houses through foreclosure on unpaid debts. As one woman advised her mother, “don’t vote for that shit, he has grabbed land all over the place.” This was combined with a feeling that he was seeking election so that he would be in a position to upgrade the land titles on many of his holdings in the area. In other words, for some voters, Dr Tanet’s demonstrations of personal sacrifice and benevolence were simply not credible given what was regarded as an established personal history of self interest and private benefit. As such his financial support came to be interpreted by some as an attempt to exercise “influence” (itthiphon), which is widely regarded as a negative dimension of power (see Tamada 1991).  

60. It would be surprising if Baan Tiam residents had not absorbed some of the messages of high profile national campaigns that seek to undermine the electoral power of “influential figures” though Turton (1984: 31) provides an indication of a longer term subaltern critique of itthiphon.
Administration

The concern about the inappropriate use of financial influence points to another key aspect of the rural constitution that, to some extent, challenges a political emphasis on the localist provision of support. This alternative perspective places a primary emphasis on good administration and takes on self-consciously modernist connotations. Local advocates of this position often present themselves as a “new generation” and not infrequently make explicit reference to the general principles of participatory democracy and the need to move beyond old-fashioned systems of patronage and local “dictatorship.”

This perspective places considerable emphasis on educational qualifications. This is a clear challenge to localist values. Most locally embedded politicians are of a generation when few rural people progressed beyond the middle years of primary school. For some voters this is seen as a limitation in terms of administrative and legal competence. This issue gained some currency in relation to the mayoral election with some arguing that Mayor Somsak’s limited education (fourth grade) meant that he was incapable of effectively reining-in officials within his administration, most of whom held bachelor degrees. Other better educated candidates, who also had more formal experience in public administration, were seen as more able to “reduce the role” of non-elected officials. There was particular concern about Mayor Somsak’s ability to manage one particular official — a gun-toting local strongman who was widely rumoured to have enriched himself from manipulation of construction contracts. Of course, this view did not go unchallenged, and Mayor Somsak responded by drawing on localist sentiments about the remoteness and impracticality of knowledge acquired through formal education:

Dr Tanet may have university degrees but that doesn’t mean that he can manage the work. Just sitting at a desk in an air-conditioned office giving out orders is one thing, but he can’t get out and walk in the paddy fields. How will he help the villagers? There are lots of people who think like this. That’s why they will vote for me.

Apart from the desirability of educational qualifications there are a number of other elements in the modernist emphasis on strong administration. These include an ability to speak well at meetings, to make quick and effective decisions, to manage budgets effectively, and to represent the locality effectively in meetings with higher level bureaucrats and politicians. But perhaps most important of all is that administration and specifically the implementation of “projects” is transparent. Mayor Somsak’s campaign slogan — “aiming for development, honest, transparent, accountable” — tapped into one of the most common preoccupations of local political discourse. This discussion often revolves around the implementation of the numerous projects that are a key preoccupation of Baan Tiam’s everyday politics. Projects are

61. During the period I have been working in Baan Tiam I have become aware of a large number of these projects. Here is a sample: the community shop, the wood carving project, the music group, a community rice mill, support for children with disabilities, lighting for public events, construction of visitor facilities in the nearby national park, a new concrete pavilion for the village territorial spirit, the handicraft centre, uniforms for the women’s group to wear on public occasions, new stoves for the temple kitchen, a village history project, dolomite for the paddy fields, funds for the leaders of one of the irrigation groups to travel to the irrigation office to request further funds for renovation of the
stereotypically justified in terms of their collective management and generalised benefit. But they usually bring together quite specific coalitions of interests and thus become the focus for ongoing conflict about the allocation of resources and the distribution of benefits. Most projects are subject to withering criticism and gossip — including regular allegations of financial mismanagement and misappropriation — by those who support other elements of collective activity. It is in this context that the language of transparency becomes crucial to defend one’s own initiatives and to cast aspersions on the supporters of other projects.

For some, this emphasis on transparent administration starts to displace the electoral value of development. In this alternative framing, rapid development can be portrayed as rushed and unaccountable expenditure, often on projects of dubious economic value. Development can also be framed as a form of electoral manipulation. High levels of spending on local projects, especially in the months leading up to an election, can be regarded as a blatant attempt to secure votes. Supporters of Dr Tanet, were at pains to point out that Mayor Somsak had spent over eleven million baht in the final months of his tenure, building on their critique that he was a less than competent administrator for whom development amounted simply to approving projects and pouring concrete.

And, of course, the discourse of transparent administration links to explicit concerns about corruption. One of the most damaging aspects of corruption is that it can undermine the electorally important image of personal sacrifice for the common good. But this is a subtle moral economy. Sacrifice in the form of diversion of resources from the private to the collective domain is a highly valued electoral asset. But, at the same time, it is broadly accepted that many of those who are active in the collective sphere will also gain some private benefit for themselves or for their family, kin and close friends. As such, it is regarded as quite normal that political representatives will derive some private benefit from public office. The key is to maintain this benefit at a level that is appropriate. What is appropriate is difficult to judge, and it is in this grey area of exchange between collective and private benefit that conflict often erupts and allegations of corruption are made. These allegations are likely to be electorally potent if there is a perception that collective resources are used for private benefit in a way that directly disadvantages others. For example, in Baan Tiam an early contender in the village headman election was ruled out on the basis of allegations that he had used his position on various village committees to divert communal funds to support his private money lending business. The fact that communal funds were being used to extract punitive rates of interest from fellow villagers was, for many residents, a blatant breach of the moral economy of exchange between the collective and private spheres. It was corrupt.

EVERYDAY POLITICAL VALUES AND THE THAKSIN GOVERNMENT

In the 2001 national election, which bought Thaksin to power, the Thai Rak Thai candidate in Baan Tiam’s electorate won with 48 percent of the votes cast. In the 2005 election his vote climbed to 66 percent. But in the controversial 2006 election, without any opposing candidate, his vote was halved and over half the electorate either did not vote, voted informal or registered a “no vote.” In other words, during the

irrigation system, a toilet for the community shop, the banana group, the proposed village cultural centre and the community rice mill.
62. The boycotting opposition parties and anti-Thaksin protest groups urged their supporters to cast a “no vote” in the election. A “no vote” option is available on Thai ballot papers.
period of Thaksin’s tenure there was considerable variation in the level of his electoral support. Local elections also cast doubt on the common image of Thai Rak Thai electoral hegemony. In the provincial assembly election of 2004, the incumbent candidate, who had strong Thai Rak Thai backing, was soundly defeated. And in the vigorously contested mayoral election the Thai Rak Thai candidate, Dr Tanet, fell short by the slimmest of margins despite his well-resourced and high-profile campaign. So, rather than assuming, as Kasian (2006: 15) does, “rock solid” rural electoral support for Thaksin and his party, readily mobilised via financially-lubricated networks of patronage, it is more useful to examine how the Thaksin government was evaluated in terms of the rural constitution’s local political values.

**Localism: “The Prime Minister is from Chiangmai”**

In the national election of 2005 localism played an interesting but politically ambiguous role. Thaksin is, of course, from Chiangmai and is, in the eyes of many voters in the region, one of baan haw. One of the popular Thai Rak Thai slogans, regularly printed in distinctive northern Thai idiom, reflected this sentiment: “The people of Chiangmai are proud. The Prime Minister is from Chiangmai. Thai Rak Thai is the only party.” Part of the local political identity of Pad Siew district was that it had become part of the Thai Rak Thai heartland and there was a common extension of the baan haw category to include Thaksin’s Thai Rak Thai Party. This commonly expressed sentiment was nicely summarised by a local party canvasser:

Thaksin’s policies develop Chiangmai. And we are Chiangmai people. So why wouldn’t we vote for him? Northerners have to help northerners and then Thai Rak Thai will win. We have to help Thaksin because the southerners will vote Democrat, they won’t vote for a northerner. If Thai Rak Thai win then the budgets will come here. Otherwise they will be cancelled.

The common contrast with the Democrat Party-dominated south is morally charged, with the southern region increasingly seen as an undesirable place characterised by religious cleavage, ongoing violence and, in the lead up to the 2005 election, the inauspicious misfortune of the tsunami. At a speech in the district centre the Thai Rak Thai candidate made much of the contrast between the “good hearted” people of Chiangmai and the Democrat supporters of the south. In response to a question about agricultural extension he enthusiastically promoted the virtues of rubber, claiming that Thaksin had lifted the Democrat government-imposed southern monopoly on the cultivation of rubber, providing a new source of lucrative income for farmers in the north and the northeast. Initial tests, he suggested, had shown that northern farmers could produce even higher quality rubber than their southern counterparts.

So, localist sentiment certainly acted in Thai Rak Thai’s favour and it was actively cultivated during the campaign. But this was not without complexities when we come to consider the candidates themselves. The Thai Rak Thai candidate (the incumbent, first elected in 2001) may well have been a Chiangmai man, but this was not a key point of local discussion. What was more relevant was that his long career in public administration combined with a somewhat bookish, formal and aloof style clearly marked him in non-local terms. Regular comments were made that he had a low profile in the district and that he did not communicate easily with farmers. By
contrast, his opponent (who had previously served as a member of parliament) was well known and locally popular. He came from a neighbouring district (where many in Baan Tiam had relatives) and was renowned for his informal, friendly and avuncular style. At the election rally he held in Pad Siew he impressed the large crowd with his entertaining command of informal northern Thai. He was even able to address some comments to the Karen present in their own language, a smart move in a region where linguistic word play is an exceptionally popular pastime. He explicitly played up his localist credentials, emphasising that the election was about choosing a local representative rather than choosing a party (the Thai Rak Thai campaign message was exactly the opposite). The pre-election sentiment was that the localist credentials of the opposition candidate may well result in his victory and while he lost heavily in the overall count I have no doubt that he attracted substantial support in Baan Tiam where some of the most influential opinion leaders (including the headman) were keen supporters.

**Support: “Good in some respects”**

Thai Rak Thai had a rather mixed record in terms of the rural constitution’s valuing of financial support. There was considerable grumbling about the limited local involvement of the Thai Rak Thai candidate, and there were also complaints about the limited payments received for attendance at Thai Rak Thai meetings. Within Baan Tiam, the local party canvassers were accused of being half-hearted in mobilising villagers to attend various party events, thus denying them potential income. Some even suggested that incompetent local canvassers had been deliberately recruited so that district level party workers could pocket a greater share of the electoral benefits. Overall, despite some specific acts of personal support, the Thai Rak Thai candidate did not have the reputation for high profile generosity. In fact, it was the locally-embedded opposition candidate who was more readily associated with the rural constitution’s values of benevolent patronage. His active engagement in Pad Siew district had earned him the affectionate (and, for some, slightly mocking) title of “the honourable tent” (*sor sor tent*) referring to the large number of canvas awnings (printed with his name) that he had donated to local organisations during his previous tenure as local representative in the national parliament. At his election rally *sor sor tent* could also claim that he had contributed to various local projects, most notably the construction of a small-scale hydroelectric project and the new agricultural cooperative building. His benevolent profile was enhanced by the commonly expressed local view that, “Mahachon is much more generous than Thai Rak Thai” in its payment for attendance at rallies and party meetings.

But Thai Rak Thai’s disadvantage in relation to the personal characteristics of its candidate was outweighed by the strong local endorsement of the official support provided under Thaksin’s policy initiatives. Here, Thaksin’s government was regarded as having performed very strongly: “they have helped us in many ways. Thaksin has many projects that bring benefits to farmers. The old government did not help us like this.” Particularly strong support was expressed for the Thaksin government’s local economic development initiatives such as the village fund and the so-called “SML” program. In Baan Tiam, despite some problems, the one million baht village fund operated relatively successfully with relatively high rates of repayment. It had also

63. Under the SML scheme funds were provided to villages for local development projects, often construction projects. The “SML” referred to the different allocations for small, medium and large villages. It was usually referred to using this English acronym.
managed to increase its original capital stock as a result of members’ regular deposits and the purchase of member shares. The village-level SML grant funded the construction of a village rice mill, which offers cheaper rates than the three privately-owned village mills. A number of farmers in Baan Tiam have also taken subsidised cattle provided under the Thaksin government’s “one million cows” programme. As one villager remarked, “People still like Thaksin a lot. The project for raising cattle tries to fix poverty by creating income for villagers.” And about 20 have participated in income generating activities provided as part of the government’s poverty alleviation campaign. There was also very strong local support for the government’s health policy which provided hospital treatment for only 30 baht.

Electoral support for the various government initiatives was enhanced by the perception that they had been implemented very quickly and in a manner that largely bypassed the local bureaucracy. The rapid pace of the Thaksin government’s financial assistance was a key point of contrast with previous governments. The SML scheme was regularly cited as demonstrating the government’s effectiveness. It was promised in the campaign for the February 2005 election, and by June 2005 the village had received the money and was in a position to decide which project would be implemented. Though there was considerable local debate about how the money would be spent, the policy of village-level decision making and implementation was seen as a significant departure from the usual administrative practice of submitting funding requests to higher-level authorities. The eventual decision was to construct a community rice mill and it was completed by early 2006, little more than a year after villagers had first heard about the new programme.

But it would be misleading to suggest that Thai Rak Thai was invulnerable on the issue of support. In fact there was persistent local criticism that Thaksin’s government had offered insufficient support to the agricultural sector. This point needs to be understood in terms of the considerable agricultural uncertainty faced by Baan Tiam’s farmers. Coinciding with the Thaksin government’s tenure many have experienced catastrophic declines in the yield of garlic, their primary cash crop. Of course, the primary causes of this reduction in yield — disease, bad weather and soil-fertility decline — were unrelated to government policy. However the government was not completely blameless in relation to the garlic collapse, and a good number of farmers correctly linked the steep drop in the price of garlic to the government’s free trade agreement with China (see Pye and Schaffar, 2008). As one of the most active garlic farmers in the village told me, “Thaksin has been good internationally but not so good within the country.” But even more damaging was a general perception that the government had done little to address the overall agricultural malaise, and there were specific concerns that some of the agricultural support programs (especially the livestock initiatives) were tokenistic and unviable. Often an implicit contrast was drawn between specific development initiatives (on which Thai Rak Thai scored well) and a broader based support for the agricultural sector. Consider the views of Daeng, when he was responding to rumours that officials would be coming to the village to check that farmers claiming the government subsidy for reducing the area of garlic cultivation had actually done so:

Why should they come? Really, farmers who grow garlic don’t get anything anyway. You have to invest a lot in fertiliser, and I don’t want to be in debt. But we have to do it, because there is no alternative income. Why is the price of fertiliser and fuel going up? But the money to help us and the prices for our crops just go down. Just look at it! For the rice I lost [in the floods in the 2005 wet
season] I only got 300 baht. If I had not lost that rice and been able to sell it I would have got several thousand. The government is not completely bad but their commitment and spending on agriculture is small and the farmers are still in trouble. No end in sight! I am still in debt. Everyone is in debt. The government has started to help us, such as the 30 baht health care, but it’s not enough and not transparent.

Daeng’s impassioned statement about the linkage between agricultural decline and indebtedness expresses the key socio-economic concern in Baan Tiam. Garlic requires significant investment in inputs and the failure of a series of garlic crops has meant that many farmers have substantial debts, in some cases amounting to over 200,000 baht: “garlic made us rich, and then it made us poor.” The Thaksin government’s debt repayment moratorium was appreciated but it provided temporary relief rather than addressing the debt problem itself. And, more importantly, there was a strong thread of local critique that Thai Rak Thai’s one million baht village credit fund had merely increased indebtedness:

Thai politics is terrible. I don’t like Thaksin. He has given money to the villagers but I have not seen any of them get rich, just further into debt. They just bring budgets and give loans to the poor people who then go and support them. But it’s the money of the government, not Thaksin’s own money. Farmers are in trouble, all the crop prices are going down. I stopped farming a few years ago. Running a restaurant is better.

Administration: “I call him sap sin”

There is no doubt that many of Thaksin’s personal qualities were highly valued according to the rural constitution’s measures of strong administration. He had a record of extraordinary business success, he was a capable public speaker and became a charismatic media performer, and he had excellent educational qualifications. Particularly important in local perceptions was that Thaksin could speak English well — a key cultural marker of social connection, sophistication and intellect. What all this meant was that Thaksin could effectively represent Thailand on the world stage. “Thailand is famous now,” Baan Tiam’s assistant headman told me, “everyone has heard of Prime Minister Thaksin.”

There was one particular aspect of his administration that contributed to the Thaksin mystique and reinforced the image that he was a national leader who could operate effectively on the world stage. Local supporters regularly cited the fact that Thaksin had cleared the IMF debt that had been Thailand’s national burden in the wake of the 1997-98 economic crisis. They thought that this had enhanced Thailand’s international status, improved the country’s credit rating, and enabled the government to better support its own population. Some even suggested that Thaksin’s success in settling the IMF debt was an indication that, given time, he would be able to deal with the problem of household debt. This electorally beneficial blurring of national and private debt was nicely expressed by the owner of one of Baan Tiam’s noodle shops: “In the past any Thai child that was born was 60,000 baht in debt. But now the IMF debt is gone and Thailand’s new born can rest easy. And money is

64. Sapsin means “property”, a playful allusion to Thaksin’s extraordinary wealth.
coming into the village. Thaksin has done a good job. As for the other side — I’ve seen nothing.”

Another factor that acted strongly in Thaksin’s favour was his penchant for high profile campaigns (or what Thaksin called “wars”). The ambitious targets and tight deadlines of these campaigns clearly captured the local imagination. Most prominent of these was the so-called War on Drugs during which there were widely reported to have been over 2000 extra-judicial killings of alleged drug dealers in a nation-wide crackdown. As in other parts of Thailand this heavy-handed campaign attracted significant local support. It was regularly cited by local supporters as evidence of the Thaksin government’s effectiveness and Thaksin’s strong and decisive leadership. It tapped into profound local anxieties about the spread of amphetamine use among young people and was also consistent with local sentiments that continue to value direct action against alleged criminals. Consider the comments of Uncle Man who checked himself out of hospital on election day in April 2006 so he could cast his vote in favour of Thai Rak Thai (despite the fact that there was no opposition candidate):

The thing I like most about Thaksin is the war on drugs. There has been a real benefit. In the past there were a lot of people on drugs, a lot of young people in this village. Just a couple of years ago, some young people came and tried to steal computers from the school. They were kids from our village. I didn’t want to get involved. I am old and they might kill me. Our village set up a “night patrol” committee. It was a secret committee. They got people in several villages. Now it is quiet and I feel much safer.

Set against these positive perceptions of Thaksin’s administrative record were concerns about his corruption. Thaksin’s extraordinary wealth and his various business dealings and manipulations while in government made him vulnerable to the charge that he was “greedy,” that he “cheated” too much, and that he surrounded himself with bad people. These were commonly expressed views, though for many they were not electorally potent given the view that while he had “helped himself” Thaksin had also “shared” the benefits with rural people. In other words, his diversions from the public domain to his private domain were not seen as having directly disadvantaged rural voters. But this rationale was not universal, and some countered by pointing out that Thaksin’s apparent generosity to the poor was not genuine, as it had come from government money rather than from his own private funds:

Talking of Thaksin, I call him “sap sin” (property). I don’t like the way he has cheated so much money. My relatives in Bangkok don’t like him at all and never agree with his actions because he just throws money away. The money that Thaksin uses is the country’s money. It is not money from his own pocket. He has lots of money but we never see him make donations. When he dies will he be able to take it with him?

For some voters, Thaksin’s corruption and maladministration was highlighted by the controversial April 2006 election. As a result of the boycott by opposition parties, Baan Tiam’s electorate only had one party standing — Thai Rak Thai. Some argued that the election itself was a waste of money (“the country’s money, the money
of every villager”)) and that the electorate was being taken for granted by offering them no electoral choice:

I think they should delay the election. Because doing it like this is not fair to all parties. I don’t like Thaksin’s government because it has cheated a lot and “eaten” too much. But here we only have Thai Rak Thai and this district is a vote base for them. Personally I would like another government to run the country.

CONCLUSION

Over the past few decades Thailand has been afflicted by what McCargo (2006) has called a “disease” of “permanent constitutionalism.” Enormous energies have been devoted to developing constitutional provisions that will provide the appropriate balance between royalist, military, corporate and civil society interests. For many, the holy grail of constitutional drafting is a form of democracy where an appropriately constrained expression of electoral will is combined with a continued elite hold on key processes of government. Since the 2006 coup, Thailand has entered yet another round of constitutional drafting intent on avoiding a return to the “tyranny of the majority” that emerged from the 1997 charter.

In response to this constitutional obsession, historian and public intellectual Nidhi (2003) wrote in 1991 about Thailand’s “cultural constitution.” In contrast to the formal written charters, that are so easily set aside by coup-makers, the cultural constitution reflects the more enduring “ways of life, ways of thinking, and values” that underpin the key institutions in Thailand’s political life. While, according to Nidhi’s account, ultimate “power” resides with the sacred monarch, Thailand’s cultural constitution holds that rulers are constrained by other forms of “influence.” Local leaders have influence, as does the military and members of parliament (even if they are asleep when votes are taken). Power is also constrained by “morality” at least to the extent that “external manifestations of morality” provide a basis for the public’s evaluation of legitimate power. Influence and morality are also “sacred institutions.” For Nidhi, this “cultural constitution” is much more important than any written document in accounting for the underlying rationale of Thai political life.

There is, of course, considerable room for questioning how widely held the cultural constitution described by Nidhi really is. But his exploration of the role of informal cultural provisions in national political life is provocative and it invites more ethnographically engaged investigations. This paper has taken up this challenge by exploring the operation of a rather different cultural constitution operating in a rural context. The rural constitution provides a basis for judgements about legitimate, and illegitimate, political power in electoral contexts. Like Nidhi’s cultural constitution, it acts as an unwritten constraint on the exercise of power. It is embedded in the everyday politics of discussion, gossip and debate about the personal attributes of leaders, resource allocation, development projects and administrative competence. It is an important cultural domain where the everyday politics of village life spills over into the more formal arena of electoral contest. The rural constitution is an unwritten constitution made of numerous informal provisions, but they can be usefully grouped under three main headings: a common preference for local candidates; an expectation that candidates will support their electorate; and an emerging emphasis on strong and transparent administration. But these various elements are refracted in complex and sometimes contradictory ways and do not provide a ready template for political
decision making. Rather, they provide a broad framework in which local political evaluation can take place.

In proposing this rural constitution I want to avoid creating a mirror image of the negative portrayals of rural electoral behaviour with which I started this paper. It would be ludicrous to argue that all rural electors are careful and rational decision makers who painstakingly assess candidates against a range of clearly defined criteria. Mrs Priaw told me that she votes for Thaksin because she does not know who else to support. Miss Noi goes to vote because her parents and relatives tell her to; but she votes informal because she does not know any of the candidates. And Mr Num, a young government employee, was a member of Thai Rak Thai but was not sure why because he did not get any personal benefits. As in any electoral system there are a good number of people who vote (or not) on the basis of disinterest, disengagement or disillusionment.

Nor do I intend to deny that “vote buying” and party canvassers have any influence on electoral behaviour in Baan Tiam or elsewhere in rural Thailand. But I do insist that these specific institutions need to be placed in the much broader context of everyday political values. As I have indicated, cash distributed by candidates and their canvassers means fundamentally different things in different contexts—it is subject to evaluation and critique within the broad framework provided by the rural constitution. And party canvassers are similarly evaluated. In Baan Tiam one of the key Thai Rak Thai Party canvassers was widely regarded as a man who “talked too much, a lot of it rubbish.” His somewhat dubious leadership status was underlined when, in late 2004, he was dumped as head of the village’s largest irrigation group given his inattention to the smooth running of the system (largely because his own fields lay at the head of the irrigation canal). The other key Thai Rak Thai canvasser suffered a major setback not long before the 2005 election as a result of her alleged mismanagement of a local development project. When village members ended up having to pay 500 baht each to salvage the project, her reputation nosedived. “She works hard for the community” one woman commented “but she is hopeless with money.”

It is also important to remember that candidates and political canvassers are socially embedded in complex and overlapping networks of relationships. There is no neat hierarchy of political patrons and vote-offering clients. Rather, there is a “diverse society of ill joined actors” (Kerkvliet and Mojares, 1991: 10) in which personal connections overlap, compete and draw people in different directions. Gluckman’s (1955) classic analysis of custom and conflict in Africa shows how a complex network of conflicting loyalties prevents feuds degenerating into outright conflict. In the same way, rural voters in Thailand find themselves linked in multiple ways with local figures on all sides of political contests. There is no ready-made social basis for political mobilisation into clearly defined electoral entourages. In this socially complex environment, the rural constitution is drawn upon to provide an informal framework for specific electoral allegiances.

Of course, Baan Tiam is only one village. But greater attention to the rural constitution, in its diverse forms, is likely to prompt some rethinking of the common stereotype of a failed democratic citizenry (see Somchai, 2008). From the perspective of Baan Tiam’s rural constitution, the Thaksin government was elected because a majority of voters considered that Thai Rak Thai candidates and policies best matched their values for political leadership. Often the match was imperfect but, on balance, Thai Rak Thai was the most attractive alternative on offer. This electoral decision was swept away in a wave of urban protest which culminated in the sabotaged election of April 2006 and the coup of September 2006. Coup supporters and constitutional
alchemists have sought to delegitimise Thaksin’s electoral support by alleging that it is based on the financially fuelled mobilisation of an easily led and ill informed rural mass. This erasure of the everyday political values contained in the rural constitution represents a much more fundamental threat to Thailand’s democracy than the tearing up of the 1997 charter.
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THE THAI RAK THAI PARTY AND ELECTIONS IN NORTHEASTERNS
THAILAND

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Abstract: Thaksin Shinawatra’s electoral success, through the Thai Rak Thai party, has led to a debate: was the party’s electoral landslide based on the appeal of its policies or the power of money? On one side of the debate, the party’s success was seen to result from its policies that reflected the interests of widely divergent sectors of the electorate. On the other side, TRT was held to be no different from “old-style” political parties that relied on money politics (vote-buying, buying members of parliament and other kinds of patronage. This article explores the nature of TRT’s successes and failures by examining the operation of TRT in Northeastern Thailand. It is argued that it is wrong to single out policies or money as a source of TRT’s success because the party relied on both strategies to win elections.

Keywords: Thai Rak Thai party, elections, populism, vote buying, money politics

Thaksin Shinawatra, one of Thailand’s richest businessmen, founded the Thai Rak Thai Party (TRT) on 14 July 1998. Within three years the party had already become the most successful political party in Thailand. In the 2001 general election TRT won 248 of the 500 parliamentary seats (McCargo, 2002: 248). And in the 2005 general election TRT fared even better when it won 377 out of 500 seats. This was an unprecedented parliamentary majority.

TRT’s success has led to a debate: was the party’s electoral landslide based on the appeal of its policies or the power of money? On one side of the debate, the party’s electoral success was held to result from its policies that reflected the interests of widely divergent sectors of the electorate (McCargo, 2002: 253). On the other side of the debate, TRT was held to have adopted “old-style” political tactics. Its main electoral strategy was based on MP buying, vote buying and other kinds of patronage (see Kengkit, 2006: 95-96). However, the effort to single out policies or money as a driving force behind TRT’s success is misleading since the party’s success was based on the combination of the two factors. This article will explore the nature of TRT’s successes and failures by examining the operation of TRT in Northeastern Thailand (the region commonly referred to as “Isan” in Thailand).

Isan is crucial to Thai electoral politics, as the largest and most populous region it is home to one third of Thailand’s 60 million people and has the most members of parliament (MPs). As a result, the region became the place that all major political parties in Thailand competed for seats. However, in the past, there was no single party that could politically monopolise the region or its MPs for long periods of time; the number of seats which each party won varied in every election (see below). Such a situation encouraged competition among parties. Historically, all major political parties, with the significant exception of the Democrat Party, gained substantial support in the region, providing them with enough seats to bargain for entry into the coalition governments that were a feature of the Thai electoral landscape prior to 2001.
During the 1990s, Thailand held four general elections: March 1992, September 1992, July 1995 and November 1996. Political parties that had very strong political bases in Isan, such as the New Aspiration Party (NAP), Chart Pattana Party (CPP) and those with a reasonable political base in the region, such as the Chart Thai Party (CTP) and the Social Action Party (SAP), played a major role in setting up coalition governments. Because Isan occupies such an important place in Thai politics, it is worth examining the operations of the highly successful TRT Party in the region. However, before looking at that, we first have to look at the new legal framework for elections after the passing of the 1997 Constitution.

NEW ELECTION RULES

TRT competed in the 2001 and 2005 elections under the terms of the 1997 Constitution. As McCargo points out, “the constitution was in many respects the most important – albeit – delayed outcome of the May 1992 violence” (McCargo and Ukrist, 2005: 3). In May 1992, hundreds of thousands of protestors took to the streets of Bangkok and some provincial cities to oppose the military-dominated government of General Suchinda Kraprayoon, a leader of the 1991 military coup. Following the collapse of the Suchinda government, there were attempts to reform the political system in a more liberal direction, eventually resulting in the promulgation of a new constitution in 1997 (Connors, 2002: 39-44). Under this new constitution and related organic laws, new rules were introduced to make elections “clean and fair.” For example, the power to supervise local and general elections was transferred from the Ministry of Interior to the National Election Commission (NEC), an independent organisation, in order to cut what Sombat (2002: 204) called “the crucial ties that exist between politicians and the civil servants responsible for administering elections.” The NEC had the power to investigate all kind of electoral irregularities, disqualify candidates for election fraud and order a re-run of contests in constituencies where fraud was found to have influenced the result (Callahan, 2002: 9). The electoral system was also changed. Multi-member constituencies were replaced by single-member constituencies in order to make constituencies smaller both in terms of area and voters. It was believed that smaller constituencies “would allow candidates to establish close contact with their supporters, without having to resort to bribing or intimidating potential voters” (Sombat, 2002: 203). Apart from these single-member constituencies, MPs were also elected nationwide on a party list. Under the 1997 constitution, there were 400 constituency MPs and 100 party list MPs.

TRT: MONEY, POLICIES AND POWER

Although TRT was a new party, it became a favorite to win the 2001 election (Matichon Sutsapda, 6 November 2000). TRT was tipped to win the election because it was more successful than any other party in recruiting a large numbers of former MPs (Ockey, 2003: 672; Matichon Sutsapda, 11 December 2000). In the 2001 general election, 189 former MPs stood for TRT; 117 of them were former MPs who had won in the 1996 general election, while 72 of them had won in previous elections (see Table 1).

TRT was able to recruit a large number of former MPs first of all because of its money power. According to Case (2001: 536-7), TRT paid a huge amount in “transfer
fees” for defecting MPs. This kind of practice is known in Thailand as *dut* (to suck), and TRT became known as *phak dut* (the sucking party) (McCargo and Ukrist, 2005: 80). The massive cost of the transfer fees contributed significantly to the total cost of the election campaign, which was estimated to be the most expensive election ever in Thailand (Case, 2001: 537). According to the Thai Farmers Research Center, about 25 billion baht ($625 million) was put into circulation during the 2001 election campaign, up 25 percent from the 1996 election (Ockey, 2003: 671). In addition to the transfer fees, former MPs joined TRT because it provided candidates with monthly allowances and substantial election funds (*Matichon Sutsapda* [Matichon Weekly], 21 March 2000; Ockey, 2003: 678). However, money was not the only factor that induced former MPs to join TRT; popularity also played a significant part. Some former MPs defected to TRT because of the prospect of the party doing well and entering government (*Matichon Sutsapda* [Matichon Weekly], 17 July 2000: 11). Another factor that contributed to the defection of former MPs to TRT was internal party conflicts within existing parties and the prospect of poor electoral outcomes. NAP and SAP were examples of parties that fall into this category before the 2001 general election (*Matichon Sutsapda* [Matichon Weekly], 6 November 2000).

### Table 1: TRT Candidates for the 2001 General Election

<table>
<thead>
<tr>
<th></th>
<th>MPs returned in 1996 (1)</th>
<th>MPs returned in other previous elections (2)</th>
<th>Total (1)+(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Party list</td>
<td>31</td>
<td>16</td>
<td>47</td>
</tr>
<tr>
<td>Constituency</td>
<td>86</td>
<td>56</td>
<td>142</td>
</tr>
<tr>
<td>Total</td>
<td>117</td>
<td>72</td>
<td>189</td>
</tr>
</tbody>
</table>

*Source: Matichon Sutsapda [Matichon Weekly], 11 December 2000.*

Apart from MP-buying, TRT became a favorite of would-be MPs because the Democrat Party’s compliance with the IMF’s post-1997 recovery requirements and its inability to tackle the country’s economic problems meant that its electoral prospects were dim (see Pasuk and Baker, 2008). Disappointed with Chuan Leekpai’s Democrat-led government, as more and more people looked for a “new alternative,” Thaksin attracted potential voters and MPs through his nationalist rhetoric and economic policies (*Matichon Sutsapda* [Matichon Weekly], 20 November 2000; Baker, 2005: 107-37). Thaksin was especially attractive to business groups. In contrast to Chuan’s austerity programme, Thaksin promised to implement policies to assist the struggling business. Politically, his policies helped TRT to gain support from sectors of business that had previously supported other political parties (see Ockey, 2003: 672-3; Case, 2001: 538; Pasuk and Baker, 2004: 74-8).

Thaksin not only used the economic crisis to win over the urban rich but also the rural poor. As Ockey (2003: 672) points out, during the time of the economic crisis rural poverty became central to the political agenda and it could be used to win votes. Thaksin did just that. During the first half of the 1990s, there had been series of farmer protests, especially in Isan. The protests subsided in mid 1997. But economic hardship after the economic crisis led to a new round of farmer protests. In May 1998, thousands of indebted Isan farmers organised a protest in Khon Kaen, a major regional centre, when news spread that Chuan’s government was going to borrow some 700 billion baht to cover the debts of collapsed financial companies. The demonstrating
farmers demanded that the government declare a five-year moratorium on the debts that farmers owed to the state-owned Bank of Agriculture and Agricultural Cooperatives, and set up a Farmers’ Rehabilitation Fund to assist farmers in solving their indebtedness and provide funds for community enterprises. The farmers justified their demands by arguing that if the government could help the rich, it should also be able to support the poor (Somchai, 2006: 182-4, 188). Thaksin capitalised on the situation by consulting with both farmers’ leaders and NGO activists. In early 2000, he adopted the farmers’ demand for a debt moratorium. This policy later came to be seen as one of the TRT’s so-called populist policies (see Pasuk and Baker and Pye and Schaffar, 2008). Later, Thaksin added other popular policies into TRT’s programme that became known as his populist policies: a revolving fund of one million baht for every village and community in the country and the 30-baht-per visit healthcare programme (see Pasuk and Baker, 2004: 81-2).

Thaksin’s policies became popular across a wide spectrum of the population and this was reflected in opinion polls. For example, a survey conducted in October 2000 showed that TRT led the Democrats in every region of the country (Matichon Sutsapda [Matichon Weekly], 13 November 2000).

TRT AND THE JANUARY 2001 GENERAL ELECTION

TRT’s Rivals in Isan

Even though Chuan Leekpai’s popularity had decreased, the Democrats remained TRT’s main rival (McCargo, 2002: 247). However, the Democrats were not strong in the Northeast with their traditional stronghold being in the South (Surin and McCargo, 1997: 144). In the 1996 general election, the Democrats managed to win only 12 of the region’s 137 seats. The main rivals for TRT in Isan were NAP and CPP. In the 1996 general election, NAP had won 78 seats while CPP held 21 seats in the region (see Table 2).

Table 2: Results of the 1995 and 1996 General Elections in the Isan Region

<table>
<thead>
<tr>
<th>Party</th>
<th>No. of MPs July 1995</th>
<th>No. of MPs November 1996</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chart Pattana</td>
<td>27</td>
<td>21</td>
</tr>
<tr>
<td>Chart Thai</td>
<td>29</td>
<td>5</td>
</tr>
<tr>
<td>Democrats</td>
<td>14</td>
<td>12</td>
</tr>
<tr>
<td>New Aspiration</td>
<td>36</td>
<td>78</td>
</tr>
<tr>
<td>Seri Tham</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Social Action</td>
<td>14</td>
<td>12</td>
</tr>
</tbody>
</table>


In 2001, competition from the NAP in Isan was weakened because TRT was able to recruit Sanoh Thienthong into the party. Sanoh was the leader of the so-called Wang Nam Yen group, a major faction within NAP. He was, and remains, an influential figure in Thai electoral politics, having played a key role in setting up the Chart Thai government in 1995 and the NAP government in 1996. After the down fall of the NAP government in 1997, many NAP members made plans to leave NAP,
including Sanoh’s faction. In early 2000, Sanoh instructed Pitak Intarawittayanun, the chief advisor of the Wang Nam Yen group, to negotiate with Thaksin about the possibility of the group joining TRT. After a series of meetings and negotiations, Sanoh agreed to take his group into TRT. He became Thaksin’s chief political advisor and was given responsibility for selecting TRT candidates to compete for constituency seats nationwide (Matichon Sutsapda [Matichon Weekly], 1 February 2000; 8 February 2000). Sanoh led some 70 former NAP MPs and other local politicians from different regions into TRT. Thirty-six members of this group were former Isan MPs and Isan local politicians (Nation Sutsapda [Nation Weekly], 15-21 January 2001). In addition, TRT bolstered its power in the Northeast by recruiting Adisorn Piangket, a NAP leader from Khon Kaen province, into the party. It is worth noting that the competition between TRT and the weakened NAP did not last for long. The parties soon became allies and it was widely believed that Thaksin had partly funded NAP during the 2001 election campaign (see McCargo, 2002: 255; Somyot, 2003: 105).

Also bolstering TRT in the Northeast was the defection of Suvit Khunkitti, a former minister and an SAP leader from Khon Kaen province. Suvit also brought 10 former SAP MPs with him. Notably, TRT failed to lure influential figures from CPP into the party. This was partly due to conflicts Pitak, who was a founding member of CPP before joining TRT, had with the CPP leader (Matichon Sutsapda [Matichon Weekly], 8 February 2000).

Finding Candidates

What kind of politicians did TRT attract? As indicated above, many came from existing electoral networks. TRT projected an image of being a “new” party with politicians drawn from non-traditional sources. How accurate is this?

For decades, Thailand’s electoral politics was dominated by “money politics.” Politicians regularly spent large amounts of money on vote-buying and then used their political power to reap rich economic rewards after winning elections, which they then invested in a new cycle of vote-buying (Somchai, 2006: 4-5). When Thaksin founded TRT, he sought to dissociate his party from this old style of electoral politics. TRT, according to McCargo and Ukrist (2005: 80), sought to project itself as a new kind of party, emphasising the extent to which its MPs had derived from non-traditional sources. However, for the Northeast, this claim was contradicted by what actually happened. If we look closely at TRT candidates in Isan, we find that most came from existing electoral networks. From the profile of TRT’s candidates (Thai Rak Thai, n.d) we can classify its candidates in Isan into three groups. As noted above, the first group TRT recruited were former MPs. Thaksin used his vast personal wealth to recruit a large group of former MPs into TRT. This group of candidates was a part of that process. Thus, this recruitment represents an old way of doing politics. As Surin and McCargo (1997: 137) have pointed out, after the announcement of a general election:

… former MPs and other prospective parliamentary candidates with good electoral prospects are offered financial incentives to join or switch political parties. Major new parties have emerged in nearly every recent election, and typically seek well-known political figures for their candidate lists.
In the Isan region, TRT recruited 52 former MPs to compete in the 2001 general election of which 34 were former MPs who won in the 1996 general election. Those 34 came from NAP (22), CPP (4), CTP (3), SAP (3), the Democrats (1) and the Solidarity Party (1). Another 18 had won seats in elections prior to 1996. It should be noted that the region had 138 constituencies in the 2001 election, and former MPs constituted just more than one-third of TRT candidates. In some provinces TRT found it difficult to find former MPs to stand for the party. For example, in Sakon Nakhon and Udon Thani provinces, which had seven and ten constituencies respectively, TRT had only one candidate in each province who were former MPs. Meanwhile, in Mukdahan province, TRT was unable to recruit any former MPs to represent the party in the province’s two constituencies.

The former MPs provided TRT with a high profile group that could attract the public attention. But former MPs were not the only ones succumbing to TRT’s attractions and wealth. As Ockey (2003: 672) points out, TRT also recruited as candidates members of former MPs personal election networks. Prominent among their personal election networks were local politicians (discussed below as the second group of TRT candidates) and their relatives and canvassers (the latter referred to as _hua khanaen_), discussed as a third group of TRT candidates in the Northeast. Because these groups of people also had their own electoral networks in place, TRT was interested in attracting them to the party and supporting them to stand in the election.

The second group of TRT candidates that represented the party in the 2001 general election was made up of local politicians. For many decades local politicians played an important role in helping national politicians to win elections in the provinces. Because most local politicians, such as provincial council members or mayors, were well known persons in their areas and some of them were "influential figures" ( _phu mi ithipon_), their support was crucial (Sombat, 1993a: 143-5). Most of these “influential figures” were semi-businessmen/semi-gangsters. While running legal businesses also operated illegal businesses such as smuggling and gambling. They used violence to protect their businesses and expand their influence. Therefore, to shelter themselves from law, “influential figures” made friends and connections with the military and the police (see Sombat, 1993b). However, their political role was not confined to that of canvassers for political parties; some of them, especially those who had business background managed to become MPs themselves. By 1990, 62 per cent of local politicians were businessmen (Pasuk and Baker, 1997: 337-7). One reason behind their success in national politics was economic growth in the provinces. The expansion of the economy benefited local businessmen-cum-politicians not only in terms of wealth but also political power. They translated their newly acquired wealth into politics, and were able to occupy about 20 per cents of seats in Parliament during the 1980s and 1990s (see Parichart, 1997: 251-64; Pasuk and Baker, 1997: 332-40; Sombat, 1993a: 147).

As mentioned above, the 1997 Constitution introduced single-member constituencies. These constituencies enhanced the role and importance of local politicians because smaller constituencies meant that local politicians with support in particular areas no longer had to compete in big electorates where they were virtually unknown; smaller constituencies placed a premium on strong and localised support. As a result, political parties, including TRT, sought to recruit local politicians with
good prospects to stand in constituency seats. There were 37 former local politicians who represented TRT in Isan during the 2001 general election.

The third group of TRT candidates came from local business circles, canvassers, the wives and relatives of former MPs, and politicians who had never won an election before, such as policemen, teachers and so on. Although almost all members of this group were not as engaged directly in politics as those in the second group, some of them were relatively wealthy, well known to local people and had good connections with politicians. They were the second largest group amongst those standing as TRT candidates, with 48 standing in 2001.

From the evidence provided above, we can conclude that all of the three groups of TRT candidates in the Northeast were essentially drawn from what might be considered traditional political networks. In other words, on the basis or recruitment, the claim that TRT represented a new kind of political organisation appears weak.

What were the criteria used by TRT in selecting candidates from the three groups mentioned above? In general terms, candidates were chosen on the basis of their popularity or their connections with influential figures in TRT. Although TRT gave priority to former MPs, it did not mean that they would always be chosen to represent the party. If the former MPs were not popular in their constituencies, TRT would look to people in other groups. The popularity of candidates was judged mainly on the results of polls conducted by TRT in the constituency (Interview with TRT staff in Kalasin, 20 April 2007). However, good connections with powerful figures within the party could also be vital for a candidate to be sponsored by TRT.

To illustrate the way TRT chose its candidates, we will look closely at candidate selection in Mahasarakham province. In the 2001 general election, three of six TRT candidates in Mahasarakham were former MPs, but only two of them had won seats in the 1996 general election. Those two former 1996 MPs, Suchat Chokkhaiwattanagorn and Krit Kongpet, represented the party in constituencies 3 and 6 respectively. The third, former CPP MP, Charnchai Chairungrueng, had failed in the 1996 election, coming fifth in a field of seven candidates, and competed in constituency 4 in 2001. The chance of Charnchai winning seemed minimal. However, he won support from TRT because of his connection with Thaksin’s sister Yaowapa Wongsawat. Charnchai’s wife was a relative of Yaowapa’s husband. Because of such a close relationship to the Shinawatra family, Charnchai eventually became one of the leaders of TRT MPs in Isan after the election (Interview, Pairat Chaisomkun, 16 January 2007).

Another TRT candidate in Mahasarakham who had experience in House of Representative elections was Kusumawadee Sirikumut. Before the 2001 general election Kusumawadee had run for a parliamentary seat on four occasions. She failed in all four attempts. While many locals were convinced that Kusumawadee would never win an election, TRT decided to sponsor her to run for a seat in Mahasarakham’s constituency 5. This was because she was close to Krit Kongpet an important member of the Wang Nam Yen faction (field notes, 25 October 2006).

Personal connections also played a role in candidate selection in constituencies 1 and 2. The TRT candidate in constituency 1 was Thonglor Polkote. He was chosen
because of his connection with Srimuang Charoensiri, a TRT-sponsored senator in Mahasarakham and an influential figure in the party. Initially, TRT wanted to sponsor Yingyot Udonpim, a provincial council member, who had a strong political base in the area. But Yingyot was not qualified to run for an MP seat because he lacked the equivalent of a university degree, required under the 1997 Constitution. TRT therefore decided to support Thonglor, a civil servant, who had no experience in elections. Srimuang decided to help Thonglor because of a family connection. His elder sister was Thonglor’s mother-in-law. With Srimuang’s help, Thonglor was in a good position to win an election. Srimuang was a powerful TRT figure in Isan. He developed a close relationship with Thaksin when he was a high-ranking official in the Ministry of Communications. At that time Thaksin was not yet fabulously rich and Srimuang is said to have helped him a great deal. It was believed that because of this, Thaksin felt indebted to Srimuang, so he helped him to succeed in politics. Srimuang had long wanted to be a Mahasarakham MP but his ambition had not been realised. However, in the 2000 senate election, Srimuang’s position changed dramatically when he received Thaksin’s backing, and he went on to win a seat without difficulty. Later, Srimuang became the leader of senators who supported TRT in parliament. Moreover, he was appointed by Thaksin to oversee TRT financial matters in Isan. Money that Thaksin gave to TRT’s candidates and MPs in Isan was paid through Srimuang (Interview, Pairat Chaisomkun, 16 January 2007).

In constituency 2, TRT decided to support Chaiwat Tinrat, a provincial council member. He was chosen ahead of Suchat Srisung, a former MPs who won in the 1995 and 1996 general elections. The decision was based on the result of polls which indicated that Chaiwat was more popular than Suchat (Centre for Information on Local Politics in Isan, 2001: 17). Moreover, in terms of personal connections, Chaiwat was in a better position than Suchat. He was close to Somsak Thepsuthin, a leader of the Wang Nam Yom faction. Chaiwat and Somsak became friends because of their mutual interest in cock fighting (Interview, Pairat Chaisomkun, 16 January 2007).

From the evidence regarding candidate recruitment, we can again conclude that TRT did not adopt any particularly new or innovative means to identify and recruit candidates in the Northeast.

**Funding Candidates**

In his 1993 study Sombat divided election funds in Thailand into two categories, which remain relevant. The first category are funds for the cost of rallies, cut-out boards, posters, leaflets and so on. Election expenditures in this category are legal if candidates do not spend beyond the limit set by the law. But more often than not most candidates break the law on this issue. The second category involves secret and illegal funds for canvassers, donations to communities and for vote-buying. The illegal funds are far bigger and more important to candidates than the legal funds (Sombat, 1993b: 154-67). Before the 2001 election campaign funding was generally conducted as follows: parties would grant initial funds to candidates; the amount being dependent candidates’ election prospects. The parties would then monitor the popularity of candidates to decide whether funding should continue (Callahan and McCargo, 1996: 381).
TRT funding of its candidates followed this pattern. A person who was selected to represent TRT received 40,000 baht per month for the election campaign. Candidates reported details of their spending and the result of their campaigns to the party regularly. At the same time, TRT also assessed the on-going popularity of each candidate by polling (Interview, Pairat Chaisomkun, 16 January 2007). In addition to a monthly allowance was an undisclosed fund believed to be about 20 million baht. This fund was used for vote-buying. TRT candidates carried out vote-buying in various disguises. For example, one TRT candidate used seminars in sub-districts as places to carry out vote-buying. He invited voters to attend seminars and paid them with cash (Centre for Information on Local Politics in Isan, 2001: 20). It should be noted that candidates did not have the same amount of funds for their campaigns. Some of them got additional funds from the patron of their groups. The size of this fund depended on the patron. For example, a candidate in Kalasin province got 20 million baht from his patron to fund his campaign (Field notes, 15 January 2007), while a candidate in Mahasarakham’s constituency 2 got only 5 million (Centre for Information on Local Politics in Isan, 2001: 17). TRT’s candidate funding in the 2001 election did not differ greatly from other parties; the major difference between them was TRT offered more money to its candidates than any other party (Matichon Sudsapda [Matichon Weekly], 21 March 2001).

Election Results

Utilising the selection and funding mechanisms indicated above, in the 2001 general election, TRT candidates registered a notable victory for the party. In Isan the party won 71 of the 138 seats contested. However, when compared with the result of the 1996 general election in the region, TRT won fewer seats than NAP, which swept 78 of 137 seats. Therefore, although the scale of success of TRT in Isan in the 2001 election was impressive, it was not unprecedented.

Who won the seats for TRT? If we look at the three groups of TRT candidates outlined above, it is clear that the first group, comprising 52 former MPs standing again in 2001, was the largest group that won seats for TRT. Thirty-seven candidates from this group managed to win their seats while 15 failed. Twenty-seven among those who won were former MPs from the 1996 Parliament and ten were former MPs from earlier elections. For the second group of candidates, which comprised of 38 local politicians, their rate of success was about 50 percent; 16 candidates from this group won seats. The numbers of successful candidates from the second group is almost the same as those of the third group, but the percentage of success was higher. Only 18 of 48 candidates from the third group won. The result shows that in the first election for TRT in Isan the numbers of its MPs who were or were not former MPs was almost the same (37 and 34 respectively). This fact reflected the changed electoral system. It is clear that smaller single-member constituencies increased the chances of candidates in the second and third groups because they had strong political bases. Under the old electoral system, because a constituency was big, a winning candidate required a wide political base. If the candidate was strong only in a particular area, the chance of winning was rather small. However, under the new electoral system the size of a new constituency was reduced to about one-third of an old constituency. Therefore, having a strong political base in a particular area was an advantage for local politicians or canvassers. But it caused problems for some former MPs who had wide political bases – linked by canvassers - but who were not strong in any particular
place. This kind of former MP tended to be the ones who lost their seats in 2001. It is for this reason that a large number of so-called new faces came from the 2001 general election.

The original result of the 2001 general election was inconclusive in a number of seats and election re-runs were held on 29 January and 1 February 2001. In Isan the NEC ordered electoral re-runs in 41 constituencies because of vote-buying and other transgressions of the electoral laws. Initially, TRT won 71 seats but only 55 of these were confirmed by the NEC, while 15 results were “yellow carded” (invalidating first round results) and one was “red carded” (disqualifying from standing). After the two re-runs TRT won an additional 14 seats bringing the party’s total number of seats in Isan to 69 (see Table 3). However, after the 1 February re-run the NEC ordered reruns in 13 constituencies of Isan in which 6 TRT candidates were “yellow carded”. In those reruns TRT managed to win 8 seats which lifted the party’s MPs in Isan to 71.

Table 3: The 2001 General Election Result

<table>
<thead>
<tr>
<th>Party</th>
<th>Number of Seats in Isan</th>
<th>National Seats Won</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thai Rak Thai</td>
<td>69</td>
<td>248</td>
</tr>
<tr>
<td>New Aspiration</td>
<td>19</td>
<td>36</td>
</tr>
<tr>
<td>Chart Pattana</td>
<td>16</td>
<td>29</td>
</tr>
<tr>
<td>Seritham</td>
<td>1</td>
<td>14</td>
</tr>
<tr>
<td>Chart Thai</td>
<td>11</td>
<td>41</td>
</tr>
<tr>
<td>Democrat</td>
<td>6</td>
<td>128</td>
</tr>
<tr>
<td>Ratsadorn</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Social Action</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Tin Thai</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>


Even though TRT’s performance in Isan was impressive, the result of the general election also revealed some of TRT’s weaknesses in some Isan provinces. For example, the party failed to win a seat in Amnat Charoen and Nakhon Phanom provinces, which had 2 and 5 seats respectively. In Si Sa Ket and Roi- Et provinces, TRT won only 3 out of 9 seats. And in the big province of Nakon Ratchasima, the party won just 7 out of 17 seats. One reason for TRT’s failures in these provinces was that other parties had established political strongholds. The implication of this is that competition for seats was still heavily reliant on the old ways of doing politics. Political parties that had strong traditional electoral networks could still hold onto their seats in those constituencies. TRT’s attractive policy platform was unable to help the party in some of these constituencies. TRT would only be able to control such constituencies through the merging of other parties into TRT after the election.

“New face” MPs

One important objective of the 1997 Constitution was to make it difficult for old-style politicians to win elections and at the same time allow new faces to enter politics. To some extent, this strategy seemed to work. In the 2001 general election, a number of famous old-style politicians failed in the election while a large number of “new faces” emerged victorious (McCargo, 2002: 249, 251). If we compare the number of new faces in the 1996 general election with those of the 2001 general
election, we will find that the number of new faces in parliament increased dramatically. In the 1996 general election, only 17 out of 137 Isan MPs were newcomers. This number increased to 60 out of 138 in the 2001 general election (Nation Sutsapda [Nation Weekly], 15-21 January 2003). These newcomers, according to Ockey (2003: 667), were seen as “the harbingers of a new style of politician”. As we have seen, in the 2001 general election about half of TRT’s 72 MPs in Isan were those who won a seat for the first time. For some, the TRT new faces were politicians who were different from old-style politicians. Thaksin portrayed the new faces in his party in this manner (see McCargo and UKrist, 2005: 81).

Were the new faces a new type of politician? Were they “good” and “capable” people that the 1997 Constitution had been meant to nurture? If we look at the first group of newcomers, discussed above as former local politicians, then the answer is definitely no. This is because, just as national politicians, these politicians had tried to win local elections in the past through vote-buying and other forms of money politics (see, for example, Supat, 1995). They were old-style local politicians, even though they were new to the national parliament. What about the second group of new comers who were not former local politicians? Did they represent a different type of politician from the first group of newcomers? The difference between the two groups was minimal because almost all of them had close connection with old-style politicians. 13 out of 18 of newcomers in the second group were relatives, family members, former canvassers of MP’s and local politicians (Nation Sutsapda [Nation Weekly], 15-21 January 2001, pp. 28-9). They were predominantly drawn from existing political networks.

TRT and the “Red Card”

As mentioned above, one TRT candidate was red carded by the NEC. The case was significant, not only because it was the evidence of electoral fraud by a TRT candidate, but also the way the TRT leader handled the issue. Seksit Wainiyompong, TRT’s candidate in Roi-et’s constituency 2, finished first in the constituency with 35,085 votes, and was then red carded because he violated the election law prohibiting any form of entertainment by featuring comedy during his campaign. As a result, Seksit was suspended from politics for one year (Somyot, 2003: 87-90). After learning of his fate, Seksit consulted Sanoh Thienthong. Sanoh did not try to help him and told him that if the NAP candidate won in the new round this would not be a problem as the NAP was likely to join a coalition government formed by TRT. Seksit and his secretary were not happy with Sanoh’s advice. They believed that if the NAP candidate became an MP, it would be very difficult for Seksit to compete with him in the future. The best option for Seksit was to try and find someone to act as a stand-in for him for one year. He decided to make a deal with Boonterm Chantawat, the weakest candidate in the constituency. According to Seksit, he agreed to support Boonterm in the constituency seat election rerun, but after one year Boonterm had to resign to make way for his return to Parliament (Somyot, 2003: 98-99, 102). Such a move was based on the idea that Boonterm was very weak and he would be unlikely to thwart Seksit’s will. Boonterm was a candidate of the small Tin Thai Party. He finished last in the original election with 240 votes. With the help of Seksit he won the re-run with 19,271 votes (Somyot, 2003: 63, 106).
After Boonterm won the election, he did not keep his promise. Seksit tried hard to pressure Boonterm to resign. Instead of helping Seksit, TRT recruited Boonterm into the party. Nirand Namuangrak, an MP of TRT in Roi-et’s constituency 4, reported that Thaksin had instructed him to recruit Boonterm (Somyot, 2003: 123). However, TRT tried to console Seksit by appointing him an advisor of the Justice Minister (Somyot, 2003: 121).

The abandonment of Saksit by TRT sheds some light on TRT’s policy toward its members. Did the Seksit saga show that TRT would not support a candidate who violated the election law? If we look at the recruitment policy of TRT which relied on old-style politicians, we would conclude that TRT had no objection to candidates who violate the election law. The Seksit saga pointed to the opportunist nature of TRT; it was ready to recruit any politician who won the election and at the same time it would abandon those who failed.

**TRT AFTER THE 2001 ELECTION**

Between its 2001 election victory and the 2005 election, TRT took two important steps to enhance its position. After winning in 2001, Thaksin rapidly implemented his policies that were aimed at rural voters, including the debt moratorium, the village and community fund and universal health care (see Pasuk and Baker, 2008). These measures undoubtedly helped to boost TRT’s popularity.

Another measure that TRT implemented to strengthen its power was the incorporation of other parties. Shortly after the election, TRT absorbed the Seritham Party (Ockey, 2003: 663). And in early 2002 another party, NAP, merged with TRT (Pasuk and Baker, 2004: 95). After torturous negotiations and defections, the CPP decided to join TRT in September 2004 (Connors, 2005: 371). The merger increased the number of TRT MPs to more than 300. This measure not only strengthened the power of the TRT government but also helped to increase the chance of the party winning more seats in the upcoming election.

**TRT and the 2005 Election**

In the 2005 general election TRT registered the biggest ever victory in the history of Thailand’s national elections. In Isan, the party’s MPs increased from 72 to 126 (see Table 4).

**Table 4: The 2005 General Election Result**

<table>
<thead>
<tr>
<th>Party</th>
<th>Number of Seats in Isan</th>
<th>National Seats Won</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thai Rak Thai</td>
<td>126</td>
<td>337</td>
</tr>
<tr>
<td>Chart Thai</td>
<td>6</td>
<td>25</td>
</tr>
<tr>
<td>Democrat</td>
<td>2</td>
<td>96</td>
</tr>
<tr>
<td>Mahachon</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>


What were the sources of TRT’s resounding electoral victory? As discussed at the beginning of this article there is a debate on whether the success of TRT was based on policies or the power of its money. As demonstrated in the previous section, TRT
employed both policies and old-style money politics to strengthen its power. Its success, therefore, was not derived from a single factor; it was the result of the combination of factors.

One way to locate the sources of TRT’s success in the 2005 election is to look at its new MPs. If we take a close look at the new TRT MPs for Isan we find that the majority of them were former MPs from other political parties. Forty-one of them came from those political parties that merged with TRT after the 2001 general election: NAP (16), CPP (14) and Seri Tham Party (11). Five defected from CTP and one from the Democrats. Only eight were newcomers and all of these were local politicians or relatives of MPs. The number of the TRT MPs increased mainly because it “sucked” MPs from other parties. Since both these “new” MPs and the re-elected TRT MPs were all old-style politicians, their success surely would have been based, in part, on money power and the political patronage they had nurtured for years.

At the same time, no one can deny the contribution of the populist policies to TRT’s success. One way to measure the popularity of TRT’s policies in Isan is to look at the political position of farmers who worked with non-governmental organisations (NGOs). Isan has long been a stronghold of grassroots social movements. From the 1990s onwards, NGOs and other social activists organised more than fifty significant protests in Isan provincial towns and Bangkok. Sometimes they were able to mobilise 10,000-30,000 Isan farmers to stage months-long protests at the front of the Government House. They rallied against dam projects, demanded land rights and a debt moratorium. Accompanying such political mobilisations, NGOs organised meetings, seminars and political schools to raise farmers’ political consciousness. After more than a decade of mobilisation, NGOs had succeeded in creating networks of progressive farmers in various parts of Isan (see Somchai, 2006; Prapat, 1998). In the past these groups of farmers had generally adopted the same political view as that of the NGOs that worked with them. Therefore, when NGOs launched their campaigns against Thaksin, we should expect that these farmers’ groups would have adopted a critical attitude toward the Thaksin administration as well. However, almost all of the farmers who worked closely with NGOs strongly supported Thaksin. NGOs tried in vain to persuade villagers to oppose him. Even at the time when the rallies to oust Thaksin from power reached their height, the NGO organisers still found it difficult to persuade farmers to support the protest.

Why was this? From the NGO perspective, farmers refused to join the anti-Thaksin protest because they were unable to look beyond the short terms material benefits of the populist policies. This was attributed to the impact of the government’s propaganda. What was needed was to help farmers to see the long term damage of Thaksin’s policies by supplying them with “correct” information (Field notes, 27 June 2006). Such a view implied that there could only be one political line taken towards Thaksin, and to be politically correct farmers had to adopt that line. Such a thing was not going to happen because it ran counter to many farmer’s way of thinking. Farmers do not adopt totalistic views towards things or persons; they deal with them in a pragmatic way. They judged Thaksin on an issue by issue basis. As a result, whether Thaksin was good or bad depended on the issue at hand.

The case of the anti-potash mining will be a good example to illustrate the point. Farmers in 21 villages of Udon Thani, a province in northern Isan, organised
protests against a potash mining project in the province. They feared that the project would cause widespread subsidence, salt contamination of agricultural land and of groundwater. Co-ordinated by NGOs, farmers rallied at the provincial hall and at the front of the National Parliament in Bangkok. Although the Thaksin government actively supported the project, these farmers refused to join the anti-Thaksin movement. For them, protest against the potash mining project was one thing, rallying to oust Thaksin from power was another. They mobilised against the project because it threatened the survival of their communities. But they did not want to topple Thaksin from power. In their view, Thaksin, who helped farmers tackle their difficulties with money from the village funds and other projects, was better than any other prime minister. There was no reason that they should try to overthrow him, and many said they would vote for him in the next election (Field notes, 27 June 2006).

Farmers who worked with NGOs in other areas also welcomed and valued Thaksin’s populist policies. While the policies were severely criticised as a new form of vote-buying by many NGO leaders and academics in Bangkok, farmers viewed the policies as the distribution of resources to the countryside that helped farmers to address their needs. They insisted that the rural poor were as entitled to access the government budget as were the urban rich. In the past, politicians always promised to channel funds to help farmers but failed to deliver after they had won elections. Thaksin was the first to really deliver (Interview, Don Dang villagers, 12 January 2007). However, it must be noted that this does not means that all farmers who worked with NGOs always supported Thaksin. For various reasons, some turned against him (see below).

The popularity of TRT’s policies undoubtedly contributed to the party’s landslide victory. However, we have to be cautious about the extent to which these policies influenced voters’ decision making. It was widely believed that in the 2005 general election anyone who stood for TRT would definitely win a seat because of the popularity of its policies. However, one also needs to be able to explain the exception: why in 2005 did TRT lose in eight constituencies it had won in 2001? By looking at its losses it is possible to throw some light on why it was successful in other seats.

A few examples will help us to make the point clearer. In the 2005 election in Ubon Ratchathani’s constituency 8, Poonsawat Hotrawaisaya, a 2001 TRT MP, lost to Isara Somchai of the Democrat Party. In theory, Poonsawat was in a position to beat Isara without too much difficulty because he had already defeated Isara in the 2001 general election, and the popularity of TRT should have helped him enormously. But, in reality, other factors had more influence on the election outcome than these two factors. First, a power struggle within TRT affected Poonsawat’s campaign. Soon after the 2001 election, a conflict between Thaksin and Sanoh emerged and resulted in the declining power of Sanoh within TRT (Matchon Sutsapda [Matichon Weekly], 16 June 2001, McCargo and Ukrist, 2005: 103). Because Poonsawat was a member of Sanoh’s Wang Nam Yen faction, he got less money from the party for his campaign. Second, after the 2001 election, local villagers were dissatisfied with Poonsawat because he did not have good “achievements” (phon ngan) (Interview, Ubon Ratchathani Election Commission official, 24 January 2007). Phon ngan means a variety of things, especially providing service to villagers, ranging from road building and maintenance and other infrastructure improvements, to contributions to festival and funeral expenses (Callahan and McCargo, 1996: 338). Phon ngan was crucial to
the success of politicians in Isan. As Callahan and McCargo (1996: 338) have pointed out, phon ngan was as important as money; candidates could not win their seats only by spending money. To win elections, they had to have good phon ngan as well. Hence, lack of phon ngan undermined Poonsawat’s position significantly. Third, the way Thaksin handled the on-going Pak Moon Dam also had a negative impact on Poonsawat (for information on the Pak Moon conflict, see Kanokrat Lertchoosakul, 2003: 226-52). Before the 2001 general election Thaksin promised NGOs and the AOP, who organised villagers in the constituency against the construction of the dam, a sympathetic government response to their demands if TRT won. However, after the election Thaksin did not keep his promise. He approved the suppression of the AOP and sided with the Electricity Generating Authority of Thailand that operated the dam (Pasuk and Baker, 2004: 82, 146). Bitterly disappointed with Thaksin, AOP members in the constituency voted for Isara. Fourth, emotion also played an important part in Isara’s victory. During the time of the election, one of Isara’s sons died. In sympathy, local people decided to support him in the election. Fifth, in the sub-district administrative organisation election, a canvasser of Isara, who competed in the election, was red carded. Locally, it was generally believed that Isara’s canvasser was probably innocent and TRT was behind the red-carding. Such belief led to sympathy with Isara among villagers. This combination of five factors assisted Isara in winning the election (Interview, Ubon Ratchathani election commission official, 24 January 2007).

Another interesting example was the 2005 elections in Roi-et. In constituency 1, TRT candidate Sanit Wongsaktanapong was defeated by the CTP’s Anurak Jureemat. Sanit and Anurak were long-time rivals. Sanit lost to Anurak in the four previous attempts before he eventually was able to defeat him in 2001. In the 1996 general election, Sanit led the election but after a temporary electrical power failure he was beaten by a small margin by Anurak. It was widely believed that the power blackout was not an accident. Voters felt sorry for Sanit, who tried many times but failed in previous elections. They thought he deserved to win the election this time. Sanit took this public sentiment into his election campaign in 2001. He told local people that he was cheated last time by his opponent and asked for justice by begging them to give him a chance to become their MP. This tactic and the good phon ngan he provided for locals in the constituency helped Sanit to win the election.

Considering the popularity of TRT and the declining position of CTP, Anurak seemed to have had little chance to win his seat back in 2005. However, he managed to beat Sanit. The competition between Sanit and Anurak was not decided by access to money alone because both were level on this matter. Anurak tried to win his seat back by rectifying his past mistakes. After the 1996 general election, Anurak spent most of his time in Bangkok and rarely visited his constituency. Sanit devoted most of his time to building his support base among villagers. He replaced Anurak as the main “service provider” for voters in the constituency. But after the 2001 general election, the opposite was true. While Anurak worked hard in the area, Sanit failed to keep up (Interview, Roi-et election poll station official, 11 January 2007). As a result, in 2005, although TRT’s policies were very popular, they were unable to help Sanit to win again, demonstrating that there was a desire amongst voters for their MPs to perform (see Walker, 2008).

In the 2005 election some TRT MPs had to fight hard to retain their seats because of poor relations with local villagers. For example, in Mahasarakham’s
constituency 6, a veteran MP and new TRT member, Krit Kongpet, almost lost his seat because voters in the constituency were dissatisfied with his unresponsiveness to local needs. They wanted to try a new MP. However, Krit was saved by Thaksin who toured the area at that time. Satisfied with Thaksin, who promised to help them if they voted for Krit, villagers decided to support Krit again (Interviews, Kantarawichai villagers, 10 January 2007).

The above cases indicate that a number of factors affected election results, important among them was a perception about achievement (phon ngan). These cases add some weight to the view that Isan villagers ranked phon ngan above party policies. If a party had good policies but a candidate had poor phon ngan, it was possible for that candidate to lose in an election. TRT candidates, who had money and the popular policies on their sides, still lost their seats when local electors considered that they did not have good phon ngan. However, this does not mean that an election result is decided only by phon ngan alone. To be successful, candidates need a right combination of money power, phon ngan, popular policies and other lesser important elements. But one thing is certain, politicians had to regularly maintain their service to local people, if they failed to do so their chances of winning were greatly reduced. The point that needs to be emphasised is that Isan villagers are not docile voters who politicians can easily control through the power of money; they also had their own criteria for electing their representatives.

CONCLUSION

At the time when TRT’s populist policies reached its height Sanoh Thienthong told TRT members who belonged to his faction that the party could not win with populist policies alone. He stated: “The notion that the party can ‘sell’ well with the current populist trend could be just wishful thinking. Individuals and canvassers still count when it comes to what can influence the decisions of the voters” (cited in McCargo and Ukrist, 2005: 103).

Applying Sanoh’s idea to TRT’s success in Isan, we find that it is a one-sided view that fails to grasp the complexity of the party’s success. In fact, it underestimates the impact of the populist policies on Isan voters. However, Sanoh was right when he pointed to the continuing importance of individuals and canvassers.

As we have seen, apart from the popularity of its policies, TRT’s success in Isan in the 2001 general election was based on the recruitment of three groups of candidates – (i) former MPs; (ii) local politicians, and (iii) canvassers and relatives of former MPs – into the party. Although the second and third groups were new to parliament, their basic characteristics did not differ from the first group; most of them were members of former MPs’ personal election networks. In the 2005 election TRT strengthened its power by the absorption of other parties. Therefore, TRT relied on candidates from traditional political networks to win elections. In addition, TRT recruited those candidates by paying them a huge “transfer fee.” This is an old way of doing politics. If we look back at the 1995 and 1996 general elections, we will find that the success of CTP in 1995 and NAP in 1996 were based on similar money politics methods (Matichon Sutsapda [Matichon Weekly], 17 July 2000).
The 2005 general election in Isan also shed some light on the influence of TRT’s policies on voter’s decision-making. Although the popularity of TRT’s policies among Isan voters is undeniable, we have to be careful not to exaggerate the extent of their influence on voters. There were a number of cases in which former TRT MPs who won in 2001, lost in 2005. Those former TRT MPs lost their seats because they had not performed adequately in their constituencies; they had poor phon ngan. The cases suggest that the achievements of individuals was important to Isan voters. If a party had good policies but a candidate had poor phon ngan, it is possible that he or she would lose in an election.
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A DIFFERENT COUP D'ÉTAT?65

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Abstract: The 2006 coup d'etat was far more than a simple case of military seizure of power. Rather, the 19 September 2006 coup is intimately connected to the monarchy in various respects. The “royalist military” legitimated the coup by using the royalist discourse that was generated by the anti-Thaksin movement and the massive celebrations of the king’s 60th year on the throne. Having succeeded in overthrowing Prime Minister Thaksin Shinawatra, the coup makers thought they could secure the throne by ensuring loyal succession to the position of Army Commander in Chief in the medium term. To enhance military influence the “royal military” are also revitalising a cold war relic, the Internal Security Operations Command (ISOC). In line with this political regression, it appears that military want to return Thailand to the years of “semi-democracy”, when the military and bureaucracy had significant power over elected politicians.

Keywords: coup d' etat, monarchy, military, business groups, democracy

The conventional perception of military coups d'etat is of a military faction or individual seizing power for selfish, often anti-democratic reasons. A coup, in its general sense refers to political conflict between the military and a government resulting in a military takeover. The Thai coups d'etat of 1991 and 2006, which overthrew the democratically elected governments of Chatichai Choonhavan and Thaksin Shinawatra respectively, were staged for ostensibly similar reasons: allegations that there was rampant corruption, the emergence of deep divisions in society, attacks on the military and threats to the institution of the monarchy (National Peace Keeping Council, 1991; Council for Democratic Reform, 2006).

This article analyses the nature of the military coup that brought down the Thaksin government in September 2006. It seeks to demonstrate how the coup group was able to draw on the rising royalist sentiment of 2005-06 in order to legitimate their illegal actions against the elected government. In part, the nature of the 2006 coup leadership is specified by the contrast with the coup group of 1991. The article offers some provisional observations relating to the political economy of the coup – how Thaksin’s economic rise was perceived as a threat by some other capitalist groupings. Finally, it moves to an analysis of the likely post-coup political structure.

CONTRASTING COUPS: 1991 AND 2006

Though similar in nature, the 1991 and 2006 coups differ when viewed from three vantage points. First, it is widely accepted that the 1991 military takeover was, in part, a result of friction between graduates of various classes of the Chulachomklao Military Academy beginning in 1980, which finally culminated in a major rift between the military and the government.66 The 2006 coup, on the other hand, was staged by

65 Research for this article was made possible by the financial support provided by the JSPS-NRCT CORE University Exchange Program 2006. I would like to thank Michael K. Connors for encouraging me to write this article and for his comments. I greatly benefited from comments provided by two anonymous peer reviewers and Kevin Hewison, Soren Ivarsson, Okamoto Masaaki and Honna Jun.
66 Conflict between the classes started in 1980 with the failed coup of April 1980. Tensions continued throughout the 1980s and finally led to the intervention that brought down the Chatichai government.
military officers claiming deep loyalty to the monarchy with the main objective of overthrowing a prime minister accused of having treated the King disrespectfully. The Council for Democratic Reform under the Constitutional Monarchy (CDR) royalist rationale for the coup in 2006 resembles that of the coup in 1947, when the civilian government was held responsible for the mysterious death of King Rama 8 (see Suthachai, 2007: 223). Subsequent military rule, be it in the 1940s and 1950s under the Field Marshal Pibun Songkhram, or the late 1950s to early 1970s, under Field Marshal Sarit Thanarat, Field Marshal Thanom Kittikachorn and Field Marshal Prapas Charusathien, was justified on the basis of anti-communism. Thus the intensifying royalist sentiment formed during the five years of the Thaksin government, and its expression during the coup led by the CDR, is quite unique and requires close analysis.

Second, the 2006 coup resulted from efforts to mobilise royalist sentiment to oust a government perceived by various groups and individuals to be a direct threat to the institution of the monarchy. Included in these opponents were media owner Sondhi Limthongkul, Privy Councilor members, some military leaders, as well as various politicians, academics, members of the media and elements of various civil society organisations. This mobilisation was dramatically different from 1991 when allegations of an assassination attempt on Queen Sirikit were made against a member of Class 7, failed to gain the military much increased support (Tasker, 2006).

Third, in terms of naked political ambition, the 1991 coup group, the National Peace Keeping Council (NPKC) was led by the Class 5 controlled core military units. They had concrete political ideas and ambitions. Class 5 leaders had clear political ambitions. Coup leader General Suchinda Kraprayoon’s brief prime ministership in 1992 is testament to this ambition, however misplaced. The political ambition of the 2006 coup group is not yet clear, other than their already achieved objective of overthrowing Thaksin while claiming to protect the monarchy.

The 1991 and 2006 coup makers’ political ideology, experience and role significantly differs. In terms of the 1991 coup group, Class 5 was led by General Suchinda Kraprayoon, and was in direct political competition with Class 7, led by Major-General Chamlong Srimuang. Class 5 were antagonised by the higher political and military influence of Class 7 over them. Class 7 was an important force in the overthrow of General Kriengsak Chomanand and the rise of General Prem Tinsulanonda as the new prime minister in 1980. Their political reward was higher military and political positions and control of all core military units (Chai-Anan, 1982: 23-24). The leaders of Class 7 had substantial experience in confrontation with communism, both in Thailand and in the Indochina war. By contrast, Class 5 had connections with various business leaders such as stock exchange traders, arms trading, and big real estate companies (Handley, 1997: 108-9). They had relationships with many political and business leaders who invested a lot in the stock market and mega infrastructure projects during the period around the time that Chatichai Choonhavan was prime minister and which saw an economic boom. They had linkages


67 Other stated reasons for the coup included: the Thaksin government’s creation of an unprecedented rift in society, corruption, nepotism, interference in independent agencies, and insults to the King (see Council for Democratic Reform, 2006).

68 For an alternative perspective on the role of royalists and royal sentiment in coups, see Hewison (2008).

69 Military cliques are often grouped by year of entry – their class number – into the academy.
with influential politicians such as Newin Chidchob (Deputy Minister of Finance) and Suchart Taunchaleon (Deputy Minister of Interior) and the real estate based Ban Chang Group’s Pairot Piamphongsan. Their connection provided fruitful insider information, special-personal credit lines from the Bangkok Bank of Commerce and allowed speculation on real estate and land trading (Handley, 1997: 108-9). Their money was utilised for both business and politics. Paul Handley (1997: 107) notes that the 1991 junta was reasonably attuned to investment and the stock exchange, both as individuals and as a group. General Suchinda, in particular, had his own investment managers, and the military used intelligence sources for market research.

This background differs markedly from the CDR leadership that have, for the most part, no clearly stated political ideas or experience. The key figures are from a range of classes at the military academy and appear not to have developed any clear program that benefits each class’s membership. Among coup leaders, General Sonthi Boonyaratklin and General Winai Pattiyakul are from Class 17, General Saprang Kalayanamitr from Class 18 and General Anuphong Phaochinda from Class 21 (The Nation, 21 July, 2006). Air Chief Marshal Chalit Pukphasuk (Commander of the Royal Thai Air Force), Admiral Sathiraphan Keyanon (Commander of the Royal Thai Navy) and Police-General Kowit Wattana all belong to Class 17 but none of them seem very attached to their class. The junta also gained support of members of Class 20 led by General Montri Sangkhasap. With but a couple of exceptions, it is far to say that most of these officers had never expressed any particular interest in politics. Interestingly, few of them demonstrated a strong sense of unity as a class in the same way as their predecessors in Classes 5 or 7.

General Sonthi and General Winai from Class 17, were outside Thaksin’s military inner circle. Before becoming Army Commander-in-Chief, Sonthi was not a particularly well known public figure. He served in the elite Special Warfare Command based in Lopburi, a unit that has produced top military leaders. In 2004 he became Deputy Army Commander-in-Chief. He assumed the rank of Army Commander-in-Chief in 2005 as a compromise candidate. Bargaining for his elevation, supported by Privy Council President Prem Tinsulanonda, to the top post was partly based on his assumed ability to play a special role in problem solving in the South of Thailand, given his Muslim background (see Bangkok Post, 4 July 2006; Irrawaddy Online, 20 September 2006). His close friend General Winai, a quiet man, worked as head of National Security Council during Thaksin’s rule, a post that had no military unit command. General Saprang, the strong-headed and outspoken Third Army Commander and First Army Commander General Anuphong, were the two key military operations commanders for the coup. Initially, they had no clear political ideas, experience or demands other than the overthrow of Thaksin. Both assumed their leadership roles just one year before the coup.

A partial exception to this characterisation of relative political inexperience is the case of General Winai. He has had a long connection with Suwat Liptapanlop, a prominent politician from Nakorn Rachachima. They were classmates at St. Gabriel’s School and political and business partners. In 1982, General Winai served as a military aide for General Arthit Kamlang-ek, former army in chief (Anon. 2006). He met and worked with Suwat from the late 1980s when Suwat formed the Thai People (Poungchonchaethai) Party with General Arthit, who became deputy defence minister under the Chatichai government. Later General Winai was a member at the Prime Minister’s Office staff under Prime Minister Chatichai. Interestingly, General Winai has also shown an interest in business, and is currently an executive board member for
Chiratiwatra family’s Big C Supercenter department store company and Thai Life Insurance controlled by the Chaiwan family (Anon. 2006).

This relative lack of political and business experience of core coup members would suggest that there had been no long term planning for the expansion of this coup group’s political role. It may be suggested that they were driven by events, rather than conspiring to use events to realise long-held ambitions. However, now in power, political and business ambitions have blossomed, both within the core coup group and the military as a whole, and this development is likely to influence the shape of democracy in the near future (Matichon, 10 November 2006; 28 December 2006).

These three differences suggest that the 2006 coup was far more than a simple case of military seizure of power. Rather, the 2006 coup is intimately connected to the future of monarchy.

THE RISE OF A ROYALIST MILITARY

The 2006 coup came more than 15 years after the military last played such an overt political and interventionist role in 1991. The military retreat from politics occurred after their move to install General Suchinda as Prime Minister in 1992 backfired. Massive protests ended with a military clamp-down following a violent confrontation on Ratchadamnoen Avenue where at least fifty protestors were killed, although some insist that hundreds may have been killed. After that, the military returned to their barracks and remained in a low-profile political position.

During the period of Thaksin’s government, from 2001 to 2006, a new political phenomenon emerged when members of Class 10 of the Armed Forces Academy Preparatory School (AFAPS) or Class 21 of Chulachomklao Military Academy, who had been classmates of Thaksin, rose to enjoy unprecedented prominence in the Thai armed forces. 70 With the administration’s determination to create its own military support base, several officers, ostensibly strong Thaksin supporters, were promoted from the rank of colonel to that of general in only a year and a half. Many also took control of key positions such as Army Commanding General of 1st, 2nd and 4th army regions, Army Chief-of-Staff and Army Assistant Chief as well as commander of the 1st Infantry Division and the King’s Guards (see McCargo and Ukrist, 2005: 121-65). These rapid promotions meant that, for the first time, a civilian government was building a network of support from top military commanders. These moves caused considerable consternation amongst those being passed over and shunted aside. It also challenged the so-called network monarchy (McCargo, 2005).

The turning point that eventually culminated in the coup was the sixtieth anniversary of the King’s accession to the throne and conflicts that occurred during the period of the annual military reshuffle. It is worth noting that there had been criticism of Thaksin and his government for their dictatorial ways, violation of human rights and alleged corruption since Thaksin’s first year in power. It was the escalation of these complaints into very large public protests from February 2006 and the resort to a “Royal Power” discourse that began from the end of 2005 that saw an escalation of anti-Thaksin sentiment.

Despite a limited truce between Thaksin and his opponents during the celebrations of the King’s Diamond Jubilee, the royalist discourse reached its zenith

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70 The AFAPS is two year preparatory school after which attendees then divide into the army, navy, air force or police and attend separate academies.
on 9 June 2006 when hundreds of thousands of people donned yellow shirts and took part in the anniversary day festivities around the Royal Plaza. The hearts and minds of many Thai people were riveted by the various celebrations, televised live, while souvenir photographs of the events were sold and widely distributed. When the King underwent surgery and was confined to hospital from 20 July to 4 August, the King’s fortunes were keenly followed and hundreds of people clad in yellow shirts gathered at the hospital. Television showed royal family members visiting the King twice a day along with other prominent figures such as Privy Council members. Despite these celebrations, public concern for the king’s health and displays of loyalty to the monarch, Thaksin, facing pressure to leave office, made a speech on 29 June 2006 before high-ranking government officials, stating: “… there is chaos in society because charismatic people and some organisations outside those sanctioned by the Constitution are trying to overthrow the government, rules and laws, Constitution and democracy” (INN Editorial Board, 2006: 21). This was widely understood as a reference to Privy Council President Prem Tinsulanonda and the palace.

The Thaksin government was also criticised for attempting to take a high profile in the organising of royal ceremonies and the welcoming of royal guests from abroad. However, it was chastised for neglecting to pay much interest to the government’s exhibition celebrating the King’s reign at Impact Arena in Muangthong Thani. Opponents opined that this exhibition was too small, had a meagre budget and, with Cabinet Spokeman Suraphong Suewonglee in charge, not sufficient attention to rank. Opponents claimed, despite massive television advertising, that the event was poorly publicised and that it was only word of mouth that had people flocking to see it. In the end, the exhibition was extended to accommodate escalating royalist sentiment. Some critics interpreted these events as showing Thaksin’s disrespect to the monarchy.

The political game then shifted to the military reshuffle that took place in mid-July 2006 when Thaksin urged military commanders to hasten their submission of the lists of military personnel to be transferred. When then Minister of Defense General Thammarak Isarangkun determined a 27 July deadline, this was met with considerable opposition from those opposed to the government (Matichon, 14 July 2006). For example, General Saprang, commander of the army’s Third Region emerged to criticise this move citing that it would create conflict and lead to a schism in society (Khom Chat Luuk, 14 July 2006).

The most forceful demonstration of opposition to the Thaksin administration’s military reshuffle which was also a sign for the emergence of a “royal military” was General Prem’s actions on 14 July 2006. Dressed in military uniform, Prem gave a speech at the Chulachomklao Royal Military Academy asserting that “the soldiers belong to His Majesty the King, not to a government. A government is like a jockey. It supervises soldiers, but the real owners are the country, and the King” (cited in Bangkok Post, 15 July 2006). He gave a similar talk at the Naval Academy where the topic focused on the ethics expected from politicians where he claimed that “… it is OK if a rich person acquires his wealth through righteous means but if he acquires his wealth through dishonest means then we should not pay our respects to them with a traditional Thai wai” (Matichon, 1 September 2006). Similarly, he also addressed an audience at the Air Force Academy cautioning that “the nation is sacred and that

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71 Yellow is the king’s birth colour and has become a symbol of loyalty to the monarch. It is also a color associated with Thai Buddhism.
72 Prem had been a former military commander, became prime minister in 1980 and remained in that position until 1988 when political pressure forced him to abandon hopes of a longer tenure. Always loyal to the king, he was made a member of the Privy Council.
anybody who dares even to think of appropriating it for himself will ultimately meet with destruction” (Matichon, 1 September 2006).

The ideological support rendered by General Prem, who was also a well-respected figure in military circles, provided anti-government military figures the morale boost necessary to launch action against the government. A week after Prem’s speech Army Commander General Sonthi accepted a reshuffle list submitted by the Commanders-in-Chief of the four regions. This included the reposting of 129 middle-ranked military officers, including 38 battalion commanders, many of them considered sympathetic to Thaksin. Because of their membership of Class 10 of the Preparatory Military Academy School, these men were considered Thaksin loyalists and so were re-appointed to positions with no control over military fighting units. As Wassana noted (2006: 10) the immediate transfer outside the normal season included the transfer of various perceived pro-Thaksin supporters:

Lt-Col Kosit Chinwasant, commander of the 4th cavalry battalion of the Royal Guards which, in the past, played a crucial role in coup attempts – he is the son-in-law of Maj-Gen Sanit Prommas, commander of the 2nd cavalry division of the Royal Guards and a member of Class 10; Lt-Col Wechasakdi Khantha-ubon, commander of the 1st infantry battalion of the first regiment; Lt-Col Anuparb Sirimonthon, commander of the 3rd infantry battalion of the first regiment.

In addition, key Class 10 member Maj-Gen. Proen, who had once called for anti-Thaksin political moves to cease and who was Commander of the 1st Infantry Division (known as the Royal Guards) was punished. His troops were transferred to inactive posts and were replaced by Lt. Gen. Anuphong’s troops who took control of the key positions in Bangkok (Naew Na, 20 July 2006).

Thaksin attempted to shore up his position by transferring generals who were perceived as being from the anti-government camp, such as Anuphong, Saprrang and Sonthi, but he was unsuccessful. Disputes between anti- and pro-Thaksin groups within the military led to an unprecedented two week delay in the King’s endorsement of 2005 annual military reshuffle (The Nation, 13 December 2005). Even so, Thaksin continued to try and remove these key figures. During the People’s Alliance for Democracy (PAD) demonstrations in March 2006, Thaksin reportedly urged General Sonthi to declare a state of emergency and employ force in cracking down on the demonstrators. Sonthi apparently refused to do so (The Nation, 23 March 2006). In post-coup reflections, Sonthi said that he realised that if he did Thaksin would use the resulting popular outcry to dismiss him (The Nation, 27 October 2006). 73

When the coup was carried out, it was clear that it was a coup by royalists in the military. The coup group followed Prem, relied on his moral support and agreed that the military owed their allegiance to the King. They demonstrated their royalism by attaching yellow ribbons to their sleeves and their weapons. Soon after the coup, in a highly symbolic act, they went to “apologise” to the statue of King Chulalongkorn at

73 While no evidence has been produced, following the coup, Sondhi claimed that the orders for Sonthi’s dismissal and replacing him with General Ruangroj Mahasaranand were in Thaksin’s hands for some months, waiting only for him to put a date on it. He is said to have finally signed the orders in New York on the day of the coup when it was too late. Sonthi would later allege that in June 2006 Thaksin had asked whether he would stage a coup and the General answered in the affirmative (Sonthi, 2006).
Army Headquarters, stating that they did intend to disrespect the long-dead king when they made their coup. Given this background, it may be argued that the September Coup occurred as a result of a power struggle led by the faction in the armed forces staunchly loyal to the king and bent on putting an end to a government that they considered anti-royalist.

The coup may have also served to reassure royalists in the military that the political status quo could be maintained even after the eventual demise of the ageing General Prem and an ailing king, both octogenarians. In much the same way the palace will be reassured that it has a guaranteed loyalist armed force to provide it with their undying support; military leaders Sonthi, Saprang and Anuphong are very likely, collectively, to keep the position of Commander-in-Chief in their hands for at least three consecutive years (Sonthi’s retirement year is in 2007, Saprang’s in 2008 and Anuphong’s in 2009).

Given their limited political power base and their apparent lack of political ideas and ambition, it was certainly daunting for this group of royalist military to confront Thaksin, who at that time had strong control of parliament, the media, the bureaucracy, provincial governors, police, significant sections of the military, and the solid support of the masses, especially in rural areas. Yet the emergence of the royalist military was possible with the support of a royalist ideology that maintained a stronghold throughout the anti-Thaksin campaigns from the end of 2005.

THE ANTI-THAKSIN AND ROYALIST MOVEMENT

Like the 2006 coup, the 1991 putsch initially enjoyed considerable public support. The 1991 coup-group initially focused on the alleged corruption of the so-called buffet cabinet of the Chatichai government. Royalist and nationalist ideology was also used to legitimate the 1991 coup, but not very successfully. As mentioned above, this centred on an alleged assassination plot to assassinate Queen Sirikit, allegedly linked to Colonel Manoon Roopkachorn from Class 7. The plot was publicised in a video-taped confession by Class 7 members. Widely believed to be fake to implicate Class 7 and to strengthen the position of Class 5, the video-tapes were withdrawn from circulation and public broadcast. In 1991, royalism was deployed only in the intra-military struggle of class groupings, it was not used to create a royalist military or to mobilise a mass movement as was to be the case in 2006.

Turning now to the movement to oust Thaksin, as Pye and Schaffer (2008) observe, it was composed of various groups, including some who were academics, social activists, politicians, business figures, aristocrats, the middle class, the media, Buddhist monks, Privy Council members and military leaders. The movement began with Sondhi Limthongkul, founder and owner of The Manager group of companies and newspaper, taking up media criticisms against government policies and the benefits enjoyed by Thaksin and his family. The movement was later expanded to be led principally by academics, social activists and political figures. Sondhi, a former friend and sometime business rival of Thaksin, was once involved in the telecommunications business that Thaksin came to dominate (The Nation, 28 November 2005). The 1997 economic crisis had far less of a detrimental impact on Thaksin’s businesses than other large conglomerates; Sondhi’s Manager Group ended

74 Thaksin would emerge as the owner of AIS, Thailand’s largest mobile telephone operator, while Sondhi once owned IEC. Thaksin’s company launched Thai Com satellite and subsequently IP Star while Sondhi’s company oversaw Lao Star Co. in the People’s Democratic of Laos.
up being saddled with massive debts following the economic crisis (The Nation, 29 November 2005).

When Thaksin came to power, Sondhi’s company benefited from government-owned Krung Thai Bank which reduced its debts from 1.8 billion baht to 200 million baht (The Nation, 30 November 2005). His business experienced a swift recovery and Sondhi entrusted his son, Chittanart Limthongkul, to establish Thailand Dot Com Co. that invested in concessions it received from the Public Relations Department for radio and television programs on MCOT’s Channel 9. Sondhi hailed Thaksin as the best prime minister the country had ever had and fiercely attacked the opposition Democrat Party for selling out Thailand’s debt-ravaged companies to foreign-owned companies (The Nation, 30 November 2005).

The falling out between Sondhi and the Thaksin government came when Viroj Nualkhair, who had been instrumental in helping Sondhi salvage his business, was asked by Bank of Thailand governor Pridiyathorn Devakula to resign from his post as president of the Krung Thai Bank (The Nation, 30 November 2005). In the meantime, as Sondhi used his television program “Thailand Weekly” on the government’s Channel 9, the program was soon removed. Sondhi then aired his criticisms of the Thaksin administration at venues such as the Thammasat University auditorium and open-air forums in Lumphini Park, claiming that his still-small movement was meant to “Save the Nation”.

Sondhi’s attacks against Thaksin soon came to centre on Thaksin’s alleged disrespect of Thailand’s ideological “holy trinity,” nation, religion and the monarchy. Sondhi cited examples of disrespect including a merit-making ceremony at the royal Temple of the Emerald Buddha presided over by Thaksin Shinawatra, and the appointment of an interim Supreme Patriarch of the Buddhist sangha. Sondhi then began to use slogans such as “We will fight for the King”. He took to wearing the now symbolic yellow shirt. People who joined him at his rallies were also encouraged to don yellow shirts. Sondhi tapped into conservative royalist discourse by capitalising on the popularity of the book, *Royal Powers* written and published in mid-2005 by disgruntled Thai Rak Thai Party member Pramuan Ruchanaseree (2005). In early September 2005 at a public forum featuring Sondhi, Pramuan and Senator Kaewsan Atibodhi, Pramuan declared:

> there are two paths for our country to follow, one is to be a kingdom where prosperity of the country is measured not only by economic prosperity but through the improvement of the people’s quality of life according to the advice given by His Majesty the King. The second path is to see to it that our nation turns into Thailand Company Limited where money is everything and everything is money (cited in The Nation, 7 September 2005).

This “Royal Powers” discourse soon transformed itself from an idea in a book to the basis for the formation of anti-Thaksin movements and was popularised by Sondhi in his Phujatkan newspaper and on his cable television network, ASTV. Close Sondhi associate and influential academic Chai-Anan Samudvanija then switched sides. From being a Thaksin loyalist rewarded with the chairmanship of the board of Thai Airways International and the Electricity General Authority of Thailand, Chai-Anan publicly joined Sondhi at the end of November 2005. As a Phujatkan columnist, Chai-Anan’s (2005) first Phujatkan column in late November warned Thaksin to prepare to save his
political life, because the maverick Sondhi was braver and more willing to take risks. Chai-Anan’s columns helped revitalise the anti-Thaksin campaign. He was also instrumental in gathering signatures for a petition to the king requesting that he replace Thaksin with a new prime minister (Phujatkan, 6 March 2006). One other notable intellectual who joined Sondhi and his moves to return power to the king was the royalist Pramote Nakhonthap, yet another academic-turned-columnist for Phujatkan newspaper. It was Pramote who sought to demonstrate similarities with the British system claiming that the Queen of England frequently made interventions in her nation’s pressing political issues and controversies (Pramote, 2006).

The use of the monarchy as a point of attack, revelations of graft and corruption, and exposés of the government’s attempts to silence the media served to increase pressure on Thaksin. The prime minister would, however, counter the allegations that he was anti-royal by a series of threats and law suits. For example, he had military leaders denounce any use of the monarchy to criticise the government, having loyal aide’s under Maj-Gen. Proen Suwannathat deliver a letter to Sondhi at Manager Group headquarters asking Sondhi to cease using the monarchy to attack Thaksin (The Nation, 19 November 2005).

Despite growing dissatisfaction with Thaksin, Sondhi’s fight only reached its most intense point with the sale by the Shinawatra family of shares of Shin Corporation on 23 January 2006 to Singapore’s Temasek Holding for US $1.8 billion, at the time being assessed as not being liable for taxation (Ukrist, 2006: 1-2). What ensued was public outrage – particularly among members of the upper and middle classes – and the consolidation of the anti-Thaksin movement. Sondhi’s rally at the Royal Plaza on 4 February was attended by tens of thousands of people (Suthachai, 2007: 218). At that gathering Sondhi initially pursued an aggressive strategy of presenting a petition to General Prem asking for power to be returned to the king (see Connors, 2008). He also sought a meeting with General Sonthi. General Prem was not in his residence and assigned an aide to receive the petition while General Sonthi, who met the group, claimed that he granted the meeting so as to avoid political chaos (Supalak, 2006: 176).

Sondhi Limthongkul’s protest base expanded further and was transformed into the People’s Alliance for Democracy (PAD), with the Campaign for Popular Democracy calling for 40 non-governmental organisations to join in the protest against Thaksin (Thai Post, 6 February 2006). PAD prepared for a huge demonstration on 11 February at the Royal Plaza (The Nation, 12 February 2006).

Considering the composition of PAD’s leadership, comprising Sondhi Limthongkul, former Thaksin supporter and Bangkok Governor Maj. Gen. Chamlong Srimuang, the academic Somkiat Phongpaiboon, retired union leader Somsak Kosaisuk and NGO leader Phipob Thongchai it is evident that Sondhi played the leading role. It was he who footed the bill of 800,000 to one million baht for each rally to cover the cost of the stage, electricity, projector screens, VTR mobile units (Supalak, 2006: 178-9) Meanwhile, Somkiat, Phipob and Somsak had only a small following and were devoid of financial means. For this reason, Sondhi and Chamlong were able to press for royal intervention to install a new prime minister through the use of the Constitution’s Article 7, despite the fact that their PAD co-leaders disagreed with this approach. However, they seemed unwilling to withdraw their support (Supalak, 2006: 179-80).

On 25 April 2006 the king, in an audience to the nation’s judges claimed that
Article 7 does not empower the King to make a unilateral decision. It talks about the constitutional monarchy but does not give the King power to do anything he wishes. If the King did so, he would overstep his duty. I have never overstepped this duty. Doing so would be undemocratic (Bhumibol, 2006).

While this effectively undermined the movement for a royally-appointed prime minister, the king’s intervention also paved the way for annulling the elections Thaksin had called in April and which TRT had won (see Hewison, 2008). Nevertheless, the royalist ideology was post powerfully manifested in June, during the celebrations of the 60th anniversary of the current monarch’s reign. The image of loyal subjects numbering hundreds of thousands all in yellow shirts filling up the royal plaza and shouting in unison “Long Live the King” was a reflection of the royalist ideology that the People’s Alliance for Democracy, in particular, Sondhi Limthongkul, had sought to mobilize for their own political ends.

The royalist ideology conveniently coincided with Sondhi’s idea to “fight for the king and return royal power.” In the end, this call would provide the basis for the royalist elements of the armed forces to stage the 2006 coup and legitimate it in terms of the monarchy. Ostensibly, the main objective for the 2006 coup was to rid the political arena of Thaksin since the royalists claimed to have seen from the start that Thaksin posed a more perilous threat to democracy and the monarchy than any other political figure in Thailand.

The Thaksin Challenge – The Challenge from Capital

Any analysis of the 2006 coup must also take into account the tensions within Thai capitalist groupings. Given the contemporary nature of events, the shadowy politicking of various capitalist groups, and the oftentimes highly personalised nature of business dealings, this analysis is necessarily preliminary. One point of departure is to recognise significant economic rivalry among domestic capitalist groups, and especially between the Shinawatra business group and, despite some significant linkages, the monarchy’s investment arm the Crown Property Bureau (CPB) (also see Hewison, 2008; Porphant, 2008). Tensions were not limited to these two. Thaksin alienated a number of other business groups, so that by the time of the political crisis of 2005-06, there had emerged a loose alliance of some capitalists who had come to support moves to throw Thaksin out of office. Indeed, Thaksin’s aggrandising tendencies led some disaffected capitalist groupings to mobilise against him (Connors 2005; 2006).

During Thaksin’s tenure as Prime Minister the Shin Corporation Group grew exponentially, amassing a total profit of 9,723 million baht in 2003 and holding assets of 60,153 million baht with a market capitalisation of 113,888 million baht. In the same year, another Shinawatra family company, AIS Co. Ltd., had a profit of 18,529 million baht with assets of 124,944 million baht and 249,775 million baht in market capitalisation (Pasuk and Baker, 2004: 206).

Due to its rapid growth during the 2001-03 period, the Shin Corporation’s subsequent move was to further expand its business from telecommunications to companies such as Thai Air Asia, a low cost airline, and Capital OK, a personal credit company, established in conjunction with the state-owned Development Bank of

75 Earlier birthday speeches by the king had also criticised Thaksin – see Thongchai (2008).
Singapore (Bangkok Post, 11 December 2003). The Shinawatra family also expanded the investments in real estate and health care. SC Asset is the family’s real estate business flagship company, while ownership of the Rama IX Hospital and the attempted takeover of the Paolo Memorial group’s hospitals indicates its expanding interests in health care.

While there were credible economic rivals to Shin Corporation by 2004, including the beer and whisky tycoon Charoen Sirivadhanabhakdi and the CPB, no single business group possessed Thaksin’s economic power and his strong hold over state power. 76 One of the strongest Thaksin opponents was Prachai Leophairatana of the TPI group, the country’s largest petroleum and chemicals firm. TPI had long-standing debt problems, and Prachai had opposed all governments since the economic crisis. Thaksin’s government had vigorously pursued the restructuring of TPI and had allowed legal moves by creditors to gain control of TPI and saw Prachai lose his executive position in May 2006 (The Nation, 3 May 2006). These defeats saw Prachai providing considerable support to the anti-Thaksin movement. Some media reported that then Finance Minister Somkid Jatusripitak had obstructed executives of Chinese state enterprise CITIC from providing US$2,700 million in financial aid to bail TPI out of its debts (Phujatkan [Manager], 22 November 2006: 18). This was one of the reasons behind TPI’s decision to advertise in Phujatkan Newspaper and support its political stance against Thaksin. 77

Moreover, the whisky tycoon Charoen, one of Thailand’s richest men, had planned to list his Thai Beverage company on the stock exchange in 2005. This move which would have given Thai Beverage more than 300 million baht in market capitalisation was, however, blocked (The Nation, 10 January 2006). Charoen has close ties with the palace and the military, with General Prem serving as honorary chairman of New Imperial Hotel Group owned by Charoen. However, Charoen was still unable to protect his interests. What was interesting about this was that the people obstructing Charoen were Thaksin’s close associates such as Thanong Bidaya, the Minister of Finance as Chairman of the Stock Exchange of Thailand and Anant Asavabhokin, President and CEO of Land and Houses as well as the member of the Securities and Exchange Commission (The Nation, 10 January, 2006). Anant had earlier been a major donor to Chamlong Srimuang’s Palang Dharma Party and the Dharma Forces Foundation (Nechan Sutsapda [Nation Weekly], 19 January 2006). Thanong and Anant consistently opposed the Thai Beverage listing.

One of the main obstacles in this case was Chamlong who, as head of the Palang Dharma Party, had been responsible for bringing Thaksin into politics in 1995. While still allied to Thaksin, in January 2006, Chamlong led a mass protest against Thai Beverage’s listing, bringing together 172 organisations in an anti-alcohol network demonstration outside the Stock Exchange. The government’s obstructionism regarding the Thai Beverage listing may be interpreted in two ways: as a fear of upsetting Chamlong, a strong moral campaigner who has a proven record of mobilising against governments on moral issues; or as hiding behind the moral campaign against the listing in order to frustrate a Thaksin business rival. Charoen later turned to the Stock Exchange of Singapore for his listing (Matichon Sutsapda

77 Prachai was reported to have close contacts with both PAD leaders and some of the leaders of the coup. On Prachai, see “Prachai_Leophai-ratana,” http://en.wikipedia.org/wiki/Prachai_Leophai-ratana and “Saprang Kalayanamitr,” http://en.wikipedia.org/wiki/Saprang_Kalayanamitr, both downloaded 6 July 2007.
[Matichon Weekly], 13-19 January 2006). While Thaksin continued to have the support of many business leaders, these two examples illustrate the nature of a growing business disenchantment with Thaksin’s use of political power to frustrate potential business rivals.

We now come to the most contentious and difficult capital relation of all: that between Thaksin and the CPB. The CPB was hard-hit by the economic crisis of 1997 (see Porphant, 2008). Paul Handley (2006a: 410) suggests that the crisis wiped out palace income. Dividends stopped flowing and many tenants stopped paying rent. The impact on the CPB was so hard that for a time it lost its controlling shareholding in its flagship bank, the Siam Commercial Bank (see Porphant, 2008; Porphant, 2006: 120-6). At the same time, the CPB’s industrial flagship, the Siam Cement Group (SCG) was weakened and forced into a massive sell-off of subsidiaries. While the SCG’s strategy soon returned the group to profitability and saw it investing overseas (Porphant, 2006: 124-5), there had been considerable damage done.

While the CPB remained the country’s most valuable business group, in some sectors, remained under threat from the prime minister’s expanding Shin group. Thaksin did two things. First, he is said to have utilised his own money, showing his superiority over the CPB. At the end of the 1990s many well-informed Bangkokians talked of Thaksin having taken on many of the profligate crown prince’s larger expenditures, including the refurbishment of the old palace of Rama VII, where the prince wanted to reside (Handley, 2006a: 424). This suggested that Thaksin was not beholden to the palace and may have even had an ally in the palace (see Far Eastern Economic Review, 10 January 2002). Thaksin was also perceived as crass in his government’s dealings with royal finances; always secretive, direct discussion on royal finances is rare in Thailand. When, on 9 June 2006, Thaksin told the media that his government had approved a 500 million baht budget to finish a new building in the Grand Palace where all the King’s guests dine together, many royalists were apparently flabbergasted and saw Thaksin as challenging the palace (Thaksin 2006).

Given the above, the coming together of some key business groupings to back the overthrow of Thaksin is not surprising. TPI’s Prachai joined the crusade by providing financial support to Sondhi Limthongkul including placing rolling advertisements in the latter’s Phujatkan newspaper. Charoen who failed in his endeavor to enlist Thai Beverage in the Stock Exchange of Thailand lent his support to Pramuan Ruchanaseree by offering his Ratchapruek Club as the venue for the launching of Pramuan’s Royal Powers in late July 2005. The affair was eventually cancelled due to pressure from members of the Thaksin administration (Anon. 2005). In a dramatic movement, in February 2006 Thaksin’s old friend and mentor Chamlong led several thousand members of the Dharma Forces Foundation and joined forces with Sondhi Limthongkul. There is speculation that Chamlong’s opposition to Thaksin became explicit after a figure close to the palace, presumed to be Prem, asked why “his son” (meaning Chamlong) had not joined the protests; Chamlong had been Prem’s secretary in 1980s. Charoen also had ties with Prem and was able to challenge Thaksin’s money power. Chamlong was the most militant strategic leader, and when he join with Sondhi Limthongkul, Thaksin’s fortunes plummeted. Sondhi’s anti-Thaksin efforts had been continuous and these efforts gathered considerable momentum once these individuals allied themselves with him. The combined pressure of all these forces, finally led Thaksin to dissolve parliament in March 2006 in an effort to break the political impasse that had developed.

The rise of the anti-Thaksin forces marked a significant merging of capital, middle class and aristocratic elements, politicians, media and royalist forces and would
form the basis of a movement that would pave the way for the military take over on 19 September.

After the Coup: Military, Monarchy and Democracy

The 2006 coup raises several issues regarding the likely re-emergence of semi-democracy and strong military leaders. First, it is hard to envision an end to military involvement in politics and economy. On the first day of the coup leader General Sonthi assured the Thai people that the CDR had no intention to become political leaders of the country and would return administrative powers to the people as soon as possible (Council for Democratic Reform, 2006). Three months later Gen Sonthi again echoed those exact sentiments stating, “We affirm hereby that we do not wish to continue to maintain power…” (Matichon, 20 December 2006). However, the history of the Thai military shows that the lure of power and its benefits remains potent and addictive. Despite the avowed intention not to seek continued power, the experience of office, the power that comes from it and the benefits that flow from power lead to a reluctance to let go. The coup has already brought about numerous political and economic pay offs for coup leaders and coup supporters; it seems certain that military officers are not going to easily fade away.

A number of armed forces personnel were appointed by the CDR to the National Legislative Council, formed in late 2006 (see Table 1). Given the predominance of state officials and the military, the appointed Council that has emerged from the coup seems like a throwback to the 1950s and 1960s - the hey day of benefits and pay offs. As many as 11 generals from the army and two from the police are now board members of some 13 state enterprise agencies (see Table 2).

Table 1: CDR-Appointed National Legislative Assembly, 2006

<table>
<thead>
<tr>
<th>Position at appointment</th>
<th>No.</th>
<th>% (n = 242)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retired government officials</td>
<td>43</td>
<td>17.8</td>
</tr>
<tr>
<td>Military officers</td>
<td>35</td>
<td>14.5</td>
</tr>
<tr>
<td>Business</td>
<td>30</td>
<td>12.4</td>
</tr>
<tr>
<td>Media and artists</td>
<td>20</td>
<td>8.3</td>
</tr>
<tr>
<td>Permanent secretaries of various ministries</td>
<td>17</td>
<td>7.0</td>
</tr>
<tr>
<td>Judiciary</td>
<td>12</td>
<td>5.0</td>
</tr>
<tr>
<td>Academics</td>
<td>11</td>
<td>4.5</td>
</tr>
<tr>
<td>State enterprise officials</td>
<td>8</td>
<td>3.3</td>
</tr>
<tr>
<td>Police</td>
<td>7</td>
<td>2.9</td>
</tr>
<tr>
<td>Legal experts</td>
<td>7</td>
<td>2.9</td>
</tr>
<tr>
<td>Bankers</td>
<td>6</td>
<td>2.5</td>
</tr>
<tr>
<td>Other</td>
<td>46</td>
<td>19.0</td>
</tr>
</tbody>
</table>

Source: The Nation, 14 October 2006.

The military has also revived the long-gone tradition of once again receiving the lion’s share of the national budget. The new government’s budget for security proposed by CDR-appointed Prime Minister General Surayud Chulanont for the Ministry of Defense to the National Legislative Council was an unprecedented 115 billion baht. The proposed budget did not suffer any cuts with the reasoning being that the Defense Ministry’s budget had been in continual decline since 1997. The committee also added that while the defense budget of Thailand’s neighboring countries amount to more than four percent of their GDP, in comparison, the Thai
Ministry of Defense has utilised less than two percent (Thairath, 12 December 2006). Even so, the budget allocations to the Ministry of Defense account for 28 percent of the total budget, the highest single allocation, followed by the Ministry of Education at 25 percent and Ministry of Finance at 19.8 percent (Matichon, 17 November 2006).

The military has a range of sources of funding that it can draw on. For example, on the day of the coup, a total of one billion baht was withdrawn from the military’s “secret funds” (Matichon, 28 December 2006). In late 2006 the military requested a budget to set up a new security agency and was granted 555.96 million baht for the CNS Special Operations Center, comprising 13,625 personnel from all four sectors of the armed forces, with a term in office until September 2007 (Matichon, 28 December 2006). Commanding this new special operations force, whose task is to quell the activities and protests by various political factions before the general elections take place, is none other than the ubiquitous General Saprang. The problem with this budget allocation is not just that it drains funds from other sectors, but it is a direct political intervention since any action can be interpreted by the military as a national security threat.

Aside from this special unit the Internal Security Operation Command (ISOC) is another agency recently revitalised. As head of the National Security Operation Command (in his capacity as the commander and Army Chief of Staff), General Sonthi explained that ISOC was the equivalent of the US Department of Homeland Security (The Nation Online, 12 December 2006). Such a potentially great and powerful agency will dominate whichever government eventually emerges after general elections take place, scheduled for late 2007. The military appears to be immensely proud of their newly-installed ISOC, yet from a critical perspective it has been pointed out that this agency has been previously responsible for creating

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Sources: Matichon, 10 November 2006; Matichon Weekly, 15-21 December 2006; Siamrath Weekly, 20-26 October, 2006; Aeronautical Radio of Thailand, 2006; Thai Airways, 2006; Ports Authority of Thailand, 2006; Communications Authority of Thailand, 2006; Thai Post, 2007; Expressway and Rapid Transit Authority of Thailand Board, 2006
problems that have escalated into significant political problems. Some examples whereby ISOC personnel have been accused or suspected of involvement are insurgencies in Southern Thailand (from 2004); the alleged car bomb assassination attempt on Thaksin in August 2006, and the New Year’s eve explosions at nine locations around Bangkok on 31 December 2006. It can be anticipated that increasing ISOC’s power will be a grave threat to any democratically-elected government in the future.

The lack of foresight and planning by the military junta that staged the coup has become evident, with its claim to protect the monarchy. It is not clear that the emerging security framework can provide the assurances required by the monarchy, even though the royalist military led by Generals Sonthi, Saraprap and Anupphong will remain influential into the near future. These three generals are not the only ones with power; and other forces within the military can also avail themselves of the power and benefits that come from the military’s new position, including the increased power associated with a revamped ISOC. There is no assurance that, upon the eventual death of General Prem, that the monarchy will be protected. There is no assurance that when the new elections have taken place that the new government, which may be formed through a coalition, will readily accede to the wishes of these three generals without heeding the voice of other groups. These other factions will be expecting to reap the benefits of the increased budget for the armed forces, military organisations, positions and appointments in parliament, state enterprises or even economic paybacks from politicians and business interest groups. It must be said that the narrow-mindedness and shortsightedness of this junta directly affects the unity of the military and creates the condition for new conflict and disintegration as different factions fight to secure posts.

The junta’s focus on ensuring who will be the next army commander-in-chief is also a rather narrow objective. They seem to think that a royal succession can be peaceful as long as they secure the army (see Tasker, 2006; Handley 2006b). However, this transition period will depend more on personality of the present king because, in fact, the monarchy in Thailand is not institutionalized; it has been built up around the personal charisma that has been created for the incumbent king. In this context, post-coup politics remains insecure, even though General Prem’s men took over many key political posts. Gen Surayud, a close aide to Prem during the early 1980s and a fellow member of the Privy Council was chosen as interim prime minister. Meechai Ruchuphan, a law specialist for Prem in the early 1980s, was chosen to be National Legislation Assembly chair.

The coup has also made democracy in Thailand increasingly fragile and precarious, despite the fact that the junta promises to return democracy to the people. The question is how democratic is this going to be? Current indications are that the political direction is rather “retro.” There is evidence for this in the deliberations around the drafting of a new constitution: should senators be elected or appointed? Should the prime minister be appointed? It is possible that whatever the shape of the new constitution, Thailand’s democracy may well revert to a period of semi-democracy, a form of democracy that characterised the rule of General Prem in the 1980s.

The main reason why we can anticipate the re-emergence of semi-democracy stems from the fact that the drafting of this new constitution seeks to prevent the re-emergence of a powerful and threatening government such as that which proved so alarming under Thaksin. Inherent in this approach is a distaste for elected politicians as a whole and the design of a political system that reduces their control and power.
This process is resulting in the re-design of a semi-democracy, where the bureaucracy is at the helm and where there is little participation on the part of political parties and the public. This would result in a diminished role for political parties. This form of democracy would be based upon the principle that it is the military that plays the role of nurturing the government much in the same way that it did when General Prem was prime minister. The problem for the junta is that the political and economic context has altered dramatically and there probably isn’t any military figure as powerful as Prem, who was able to convince the armed forces to support weak semi-democratic governments. The push for some kind of semi-democratic solution remodels the golden years of the Prem era but fails to provide an adequate new economic and political context for a Thailand that has changed politically and has a different location in global production than it occupied in the 1980s.

The 2006 military coup by royalist armed forces was staged with the immediate aim of eradicating Thaksin and protecting the monarchy. In the short term, it might have been successful, yet undoubtedly Thailand will suffer from long term repercussions. The soldiers are unlikely to hasten back to their barracks since they have now created a gigantic agency dealing with security – ISOC – that will support their continued political role. The junta’s key members may not have evidenced any political plan for Thailand, yet it is apparent that this group is pushing for a semi-democracy to make a come-back after two decades. This is evidence of the political ignorance of the military and does not augur well for the fortunes of Thai democracy, for it is likely that before such a winding back of the political clock will result in continuing political conflict and bloodshed.
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ARTICLE OF FAITH: THE FAILURE OF ROYAL LIBERALISM IN THAILAND

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Abstract: Calls for “royal intervention” to end the political crisis that wracked Thailand in 2006 were consistent with the disposition of Thai liberalism. The apparent paradox of liberals seeking a seemingly extra-constitutional solution to end the popular rule of Thaksin Shinawatra’s government stems from the agnosticism of liberalism to majoritarian democracy. The specific challenges that emerged as a consequence of Thaksin’s rise led liberals to mobilise royalist ideas to withstand Thaksin’s assault on the liberally conceived 1997 Constitution. Key among these ideas was the notion of sovereignty as expressed in the relationship between the monarch and the people, or rachaprachasamasai. The failure of “royal liberalism” to bring an end to the crisis, may signal a more general failure of royal liberalism to secure political order in the future.

Keywords: Thaksin Shinawatra, liberalism, democracy, Constitution, Sondhi Limthongkul, Democrat Party, monarchy

It seems inevitable that the 2005-2006 protests against the elected rightwing populist, Thaksin Shinawatra, will be remembered for the sea of pro-monarchist yellow T-shirts worn by some protestors and the slavish rhetoric of the slogan to “return the royal powers.” Any plausible account of those protests must proceed from the premise that behind the deployment of royalism lay a rational strategy. This article unpacks the politics of a number of actors who mobilised against Thaksin and argues that their appeal for monarchical intervention was intended for liberal purposes. I do this for the purpose of analytically separating the anti-Thaksin movement (up until the end of April 2006) from the royalist coup d’etat that finally felled the Thaksin government in September 2006. The mass mobilisations of 2005 and 2006 were a genuine historical movement and should not be conflated with the illiberal military and palace networks that eventually ended Thaksin’s rule.

The support by various “progressive” actors for the 2006 coup, has given rise to much soul-searching and polemic. Giles Ji Ungpakorn’s (2007: 30) memorable phrase “tank-liberals” calls to account those progressive actors who legitimated the coup by participating in the post-coup political institutions. However, Thaksin’s rise to power through the ballot box should not be allowed to disguise his fundamentally anti-democratic politics. The elected Thaksin regime (2001-06) was authoritarian in inclination even if the formal institutions of democracy were in place. Despite Thaksin’s arguably pro-poor policies, the depth and quality of Thailand’s democracy was greatly diminished under his rule (for a more qualified interpretation see Case, 2007). A basic premise underlying the analysis that follows is that left-wing critiques of authoritarian democracies should proceed from the position that majorities which serve authoritarian ends are hegemonically and coercively structured and do not reflect the free conditions upon which a genuine democracy may be embedded. Of course, the

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78 Research for this paper was supported by an Australian Research Council Discovery Grant. My thanks go to Kevin Hewison and Duncan McCargo for sound criticisms and suggestions for improvement.
79 After April the movement was effectively demobilised and the focus moved to intra-elite conflict in the courts and the military.
same can be said – substituting “majorities” with “vanguard elites” – of the illegitimate assumption of power by the 2006 coup group.

With this premise in mind, this article analyses the mobilisation of royal ideology and the call to “return the royal powers” (thawaikheun phrarachaaamnat) that emerged in 2005-2006. In the first part of this article, I briefly look at what may be termed “royal liberalism” – a liberalism shaped by fear of an uneducated citizenry unschooled in appropriately restrained democratic practice and manipulated by demagogues, otherwise known as the “tyranny of the majority.” The political rise of Prime Minister Thaksin Shinawatra gave life to these fears. In the second substantive part of the article I address how the intervention of a one-time Thaksin supporter, opportunist media tycoon Sondhi Limthongkul (The Nation, 29 November 2005), bolstered the fading fortunes of Thai liberalism, giving rise to calls, on the basis of Article 7 of the 1997 Constitution (see below), for power to be returned to the king. To examine the elite liberalism behind this strategy, I look at the origins of Article 7. Relatedly, it is necessary to look at the revival of the neologism rachaprachasamasai (royal-people-mutuality), which was used to demonstrate how calls for royal intervention were in accord with “the traditions of Thai democracy.” It will be argued that this mobilisation reflected a long-term project to establish a liberal state based on the ideological power of the monarchy. I then discuss how key actors differentially invoked Article 7. Finally, I consider the implications of royal liberalism’s failure to solve the crisis.

Before I begin, a qualification: it may be argued that monarchy and liberalism are dichotomous, given that conservative monarchists understand rights in terms of cultural heritage rather than something given to the universal nature of the individual as in classical forms of liberalism. All ideologies, more so than doctrines, contain contradictory strains. My interest here is in the adaptation of monarchy and ideals around it to the emergence of a Thai liberal political settlement out of messy institutional, political and ideological struggles: that is, political liberalism not philosophical liberalism.

CONTEXTUALISING THE TRIBULATIONS OF THAI LIBERAL DEMOCRACY

In Democracy and National Identity in Thailand (Connors, 2003; new edition, 2007: 153-211) I present a critique of Thai liberalism and its relationship to the monarchy not, as some readers have construed it, as an argument supportive of Thai liberalism (Thongchai, 2007: 41-2, 50). For the purposes of the key argument of this article – the liberal nature of the anti-Thaksin movement prior to the September 2006 coup – a reprisal of that critique is apposite. The principle point is that Thai liberalism, in so far as its advocates write about it, is held to emerge in constitutional struggles against authoritarianism, rather than emerging in bourgeois struggles against an absolute monarchy. Whatever its contested role, the perception is very strong that the monarchy is the font of liberalism. In the late 1940s Seni Pramoj, co-founder of the Democrat Party, provided the best description of liberal conceptions of the monarchy: “The constitutional monarchy offers us an effective tool in defence against

80 There is no correct way of translating this term, although king-people-interdependency comes closest. I use “mutuality” to suggest something of the pacting nature inherent in the term.
dictatorship. So long as the supreme power remains with the monarch … there will not be a desire among politicians to become a dictator” (cited in Kobkua, 1996: 7).

Contemporary liberals have, by selective readings of Thai history, in part founded liberalism in ancient notions of Buddhist kingship, or Dhammaraja, which envisages a social contract between monarch and subject based on the royal performance of duties and exemplary morality (see Dhani, 1954; Handley, 2006). More specifically, great ideological work by the politician brothers Seni and Kukrit Pramoj who, writing mainly from the 1950s to the 1970s, built an image of ancient liberality grounded in the late Thirteenth Century reign of King Ramkhamhaeng, symbolised by the Ramkhamhaeng Stone Inscription. Although its authenticity (see Mukhom, 2003) is disputed, the Inscription offers liberals an interpretation of a time that they can portray as one of relative freedom, commerce, welfare and responsive government:

If any folk of the realm seeks court with the King, having anguish in their stomach, grievance in their heart, there is no difficulty. Go ring the bell hung there. Hearing the call, Father King Ram Kham Haeng will sift the case honestly (Seni trans., 1990: 18-9).

For Seni and many others the Inscription describes an implicit social contract between the king and his subjects that guarantees liberties, equality and fraternity: a Thai magna carta (Seni, 1990: 23, 34). The Inscription is used at times to dispute accusations that Thai liberal institutions are western importations. For example, the key framer of the 1997 Constitution and later Cabinet Secretary to the Thaksin administration, Bowonsak Uwanno, explained that because Thais could register grievances with the king “Thailand had the institution of the Ombudsman before any country in the world since the time of King Ram-kham-haeng…” (Office of the Parliamentary Ombudsmen, 2001). Seni’s brother Kukrit Pramoj, sometime supporter of military rule, also proselytised on the fundamental liberalism of Thai monarchy and, as with other liberals, warned against investing the people with too much power. For Kukrit democracy was a danger to “freedom.” He argued that “the justice of the liberal system is its respect for the rights of the minority, freedom of speech, freedom of expression and religion.” Kukrit opposed complete democracy (prachathippatai sombun), as it would entail a fully sovereign people able to violate the rights of the individual (cited in Kriangsak, 1993: 22-4). Overtime, Thai liberal democracy has come to mean governments which rule by the consent of the people when they are able to make the right choices, where power is divided among the executive, legislature and judiciary, and the king plays a guardianship role, and holds ultimate sovereignty (Connors, 2007: 182-211). Fundamentally, liberalism in Thailand has been a disciplinary ideology that promotes the production of a citizen-body that is committed to elite constructions of nation, king and religion. As such it works towards a project I have elsewhere identified as democrasubjection, where people are subjected to imaginary forms of self-rule (see Connors 2007: 16-27).

From the late 1970s liberal advocates benefited greatly from the rise of business groupings seeking a greater share of power from the bureaucratic, military and palace elites that had ruled, with some interruption, from the 1950s. Power struggles among different groupings, both elite and grassroots, generated the need for a political system that was pluralistic, allowing for competitive elites to shape political outcomes (Hewison, 1993). In this context, a rich fabric of political liberalism was
woven into the public sphere by a range of actors including leading intellectuals such as Chai-Anan Samudavanija, a key proponent of embedding liberal democracy (Chai-Anan, 1990: 104-5). Various non-governmental organisations (NGOs) also sought to work with the emerging parliamentary regime to push progressive social change agendas (Connors, 2007: 219). The aim was to counter both the imperatives of the security arms of the state and emerging business-political networks engaged in the corrupt practices of “money democracy”. Since the 1980s, fearing both extremes, many liberals have largely vested their hopes in the para-political institution of the monarchy, which is held to symbolise all Thais and which is able to exercise sovereignty, when necessary, on their behalf.

As Thai political space opened up in the 1980s and 1990s, the liberal ethos grew in depth and appeal. Many public interest organisations such as PollWatch emerged to promote political liberalism (Callahan, 2000). An example of the extent of this development is the parliamentary-established King Prajadhipok’s Institute (KPI) which grew from liberal intellectuals’ attempt to engage with the parliamentary arena. KPI ensured that the development of political liberalism remained connected to mythic notions of liberal monarchy, by propagating the notion that Prajadhipok had granted democracy in 1932 (Connors, 2007: 190-7). Social forms of liberalism, that also drew sustenance from the monarchy, emerged within NGOs, community groups, universities and the bureaucracy (Connors, 2007: 212-47). By “social liberalism” I mean forms of politics that are communitarian in nature and substance but which, informed by struggles and voices from below, seek to liberalise the state (see Nidhi, 1995). Social liberals entered an alliance with elite liberals to advance political reform, bounded by a common interest in remaking the state. This alliance reached its climax in the passing of the 1997 Constitution.

From the overthrow of the military backed regime of Suchinda Kraprayoon in 1992, liberal forces had clamoured for a more thorough going institutional restructuring of politics, in part to prepare for the eventual departure of King Bhumibol (McCargo, 1998; 2005: 511). It is little remembered that the intellectual originator of political reform was former Council of State member Amon Chantharasombun (in consort with Chai-Anan) who promoted “parliamentary rationalisation”, by which he meant a greater degree of executive power removed from popular pressure. He proposed that the king establish an assembly to reform politics – exactly the same demand of the anti-Thaksin protests in 2005 (Amon, 1994: Connors, 1999). Amon’s ideas, once they were popularised and adapted by the prominent public intellectual Prawet Wasi and the government appointed Democracy Development Committee in 1994, stimulated what is now considered to be the first “political reform movement”. Against great conservative reaction that movement succeeded and in 1997 Thailand adopted a constitution that sanctioned various checks and balances including the Parliamentary Ombudsman, the National Counter Corruption Commission (NCCC), the National Election Commission (NEC), the Constitutional Court, and the establishment of a National Commission of Human Rights (Connors, 2002). The rationale for the creation of these check and balance mechanisms was that the political executive was substantially empowered by new provisions in the constitution and they were to act as counter-balance to this.

The 1997 settlement twinned enhanced executive power with institutions which were to scrutinise the exercise of that power, something that was consonant
with various international organisations then pushing “good governance.” Reflecting a hegemonic project of a liberal restructuring of the state, the 1997 Constitution won acclaim from civil society groups, in part because it encapsulated a desire by farsighted elites to create a form of rule that functioned in the “public interest,” understood as promoting a regulatory state overseeing a liberal market society. This particular project was never fully embraced by sections of the military, bureaucracy and capitalist class.

Several factors combined to challenge this settlement. Externally, the securitisation of foreign policy reduced international pressure to conform to liberal forms of governance (Higgott, 2004). Internally, Thaksin’s arrival as prime minister in 2001 signalled a new approach. Thaksin was sceptical of both the economic and liberal elements of the Washington Consensus and began to reorganise politics and economics in an authoritarian neo-liberal direction. His political capital was greatly enhanced by his party’s antidote to the interventions of the International Monetary Fund (IMF), the fire sale of Thai capital assets and the forced entry of international capital that had followed the economic crisis of 1997. He advanced a quasi-nationalist strategy that combined domestic protection with support for aggressive outward expansion for relevant capitalist groupings, reflecting a broader Southeast Asian political-economy nexus (Glassman, 2004; Robison, et. al 2005). This position stood in contrast to the Democrat Party’s servile implementation of the IMF Letters of Intent. But to succeed, Thaksin first had to win what I would describe as his most significant and enabling victory – a court appeal.

A month before TRT’s victory in January 2001 the NCCC found Thaksin guilty of having deliberately concealed assets in 1997 while serving as a minister. He faced calls to decline political office. Instead he assumed the prime ministership and appealed to the Constitutional Court. As Pasuk and Baker (2008) detail, Thaksin turned his court appeal into a struggle for survival. Thaksin’s supporters orchestrated mass support in the form of a petition of one million people, and mobilised mass turn outs when Thaksin attended court. In August 2001 Thaksin won the case by a judgement of 8-7. The acquittal emboldened Thaksin’s cavalier attitude to the settlement of 1997:

It’s strange that a leader who was voted by 11 million people had to bow to the ruling of the NCCC and verdict of the Constitutional Court, two organisations composed of only appointed commissioners and judges, whom people do not have a chance to choose (cited in Pasuk and Baker, 2004: 5).

If these comments were meant to indicate a commitment to the democratisation of legal processes, Thaksin did not act on them. Rather, his years in office involved a well detailed crushing of the 1997 settlement, in part aided by the strong executive authority written into the 1997 Constitution (McCargo and Ukrist, 2005; Hicken, 2006). Securing an effective parliamentary majority within months of the 2001 election by merger with a small party, the governing party began to court supposedly neutral senators and supported the senate presidency of Suchon Chaleekrua (Bangkok Post, 21 and 23 February 2004). Through influence in the Senate the government was able to shape the composition of the independent agencies including securing
supporters in the NEC (Mutebi, 2006). While control was not absolute, influence ensured a relative lack of scrutiny of the government’s exercise of power. To buttress political control, Thaksin also made key appointments in the military, “re-politicising” an institution that previous governments had worked to “professionalise” (see McCargo and Ukrist, 2005).

In retrospect, circumstances were fortuitous for Thaksin’s assault on political liberalism. Firstly, liberalism’s establishment protagonists, the Democrat Party, were a political liability (see Montesano, 2006). During the 2001 election TRT exploited the image of an unresponsive and sluggishly bureaucratic Democrat Party-led government. Secondly, as the War on Terror emerged as a key dynamic in global politics and Thaksin pledged support, his international standing was enhanced and the Bush administration granted Thailand non-NATO ally status and offered free trade negotiations (Connors, 2006a). Thirdly, the new electoral system facilitated the enrolment of existing political networks into TRT (Somchai, 2008); this overwhelming parliamentary majority allowed Thaksin to evade scrutiny. Fourthly, 1997 was a contested settlement and Thaksin found many willing accomplices in its dismantling. Fifthly, as Pasuk and Baker (2008) powerfully recount, Thaksin brilliantly wooed the masses. This was partly a function of so-called populist policies and what Hewison (2004) describes as Thaksin’s “social contract,” but it was also about his self-elevation as an expression of the popular will. In claiming to channel the voice of people, he was also challenging in very concrete terms the royal liberal conception of shared sovereignty between the monarch and people.

THE ORIGINS OF ARTICLE 7

The calls to “return the royal powers” in 2005 and 2006 were premised on Article 7 of the 1997 Constitution. It states: “Whenever no provision under this Constitution is applicable to any case, it shall be decided in accordance with the constitutional practice in the democratic regime of government with the King as Head of the State” (Kingdom of Thailand, 1997).

Article 7 was originally used by anti-Thaksin forces in 2005 to support monarchical intervention to “kick start” a new round of political reform. As those forces grew into a broader movement in 2006, interlocking networks of individuals, political parties, professional associations, civic organisations and NGOs used Article 7 to call for a royally appointed interim government (see Kasian, 2006; Nelson, 2007). The use of Article 7 was accompanied by the revival of the term *rachaprachasamasai*. These two elements enabled an intellectual argument and a political slogan to be built around returning power to the king. Before examining their application in political struggle, an examination of Article 7 and *rachaprachasamasai* offers insights into their political substance.

The Public Relations Department (1998) reports that in 1956 the king visited the Northeast of Thailand and met people afflicted with leprosy, whereupon he

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81 Calls for a royally-appointed government were an intermittent feature of post 1997 politics. They assumed meaningful form however with the rise of the liberal anti-Thaksin movement.
initiated a royal project under the Ministry of Health. Royal funds established the Institute of Rachaprachasamasai and its eponymous foundation in 1960. From that time *rachaprachasamasai* has been associated with public health. The most significant political inflection to the term came in 1972, first in *Siam Rat*, and then in a seminar discussion featuring Kukrit Pramoj (Kukrit, et al., 1972) concerning the possibility of democracy in then military-ruled Thailand.

Kukrit, having courted favour with the military regime, expressed concern that the divide between the people and the increasingly integrated and self-interested bureaucratic and business classes provided the Communist Party of Thailand with opportunities to win people’s allegiance. Also at play was the fact that Kukrit’s long-term ambition to forge a metaphoric unity between king and people/nation was being undermined by the rise of left-wing currents among students and intellectuals (Saichon, 2007: 181, 263-368). Kukrit noted that rural people, facing various injustices and disadvantages, lacked group identity and a “sense of belonging” (Kukrit, et al., 1972: 30-31). To overcome this Kukrit proposed that the king undertake more rural visits to create a sense of belonging and, as a consequence, the monarchy would be identified as one with the people. Arguing that the king and the people were “outside the circle” of power, Kukrit envisaged an interdependency that strengthened them (Kukrit, et al., 1972: 39). Importantly, Kukrit’s stated ambition in strengthening the bond between the king and the people was to *counterbalance* the increasingly integrated bureaucratic and business circles, indeed to break them apart so that the bureaucracy could govern impartially (Kukrit, et al., 1972: 34, 38). This mutuality he labelled *rachaprachasamasai*. Kukrit outlined a political project for reform that began with a *rachaprachasamasai constitution*: a directly royally appointed parliament that gradually opened up to popular election. A royally appointed parliament would have sufficient legitimacy and prestige to counter vested interests (Kukrit, et al., 1972: 40-41). Kukrit envisaged the monarchy acting as a moral exemplar of the principles of public rule: this could discipline predatory elites by orientating them to the public good. This strategy requires seeing the monarchy in terms that are abstracted from its own institutional interests. This is precisely how Thai liberals and conservatives understand the monarchy today. The *quid pro quo* of this bargain, obscured by a mythic social contract, might be crudely stated as: you perform the legitimacy function of symbolic unity and assume power of last resort. In return you are eulogised and made sacral, your earthly endeavours will be ignored.

The term *rachaprachasamasai* was taken to a wider audience at a mass rally in November 2005 when Sondhi claimed that Thaksin was attacking the mutuality of king and people – their joint sovereignty – by usurping the relationship through constant reference to his majoritarian support of “19 million votes” (Khamnun, 2006: 336, 342). He also called on officials and the military to break from the government. The use of Article 7, to return power to the king, was conceived as a practical expression of *rachaprachasamasai* – the people were active in returning power to the king, given that the constitution had been subverted. *Rachaprachasamasai* need not be consciously invoked by political forces, although it was in 2005-06; its utility lies in

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82 Khamnun Sitisaman is a close associate of Sondhi, having worked as a senior editor at Manager. He was influential in circulating the idea of *rachaprachasamasai* (see Khamnun, 2005), where reference to Bowonsak and Kukrit is made – leading me to these sources.
indicating that a form of “people’s politics,” of whatever political persuasion, can attach to the monarchy. 

*Rachaprachasamasai* was the intellectual substance that lay behind the use of Article 7: it expressed the mythic belief of the mutuality of king and people. The question arises as to whether Article 7 was or was not originally formulated to give expression to this doctrine. While the 1997 draft constitution had been subject to many public hearings, Article 7, originally an amendment to Article 6, was exempt from this process and appears to have been introduced into the Constitution Drafting Assembly (CDA) in July 1997, after public hearings ceased. Internal CDA reports, however, record an interesting debate (CDA, 1997a). Controversy erupted when the CDA was presented with an amendment to Article 6 to add the wording that would become Article 7. Framer Somkhit Sirisangkhom argued that the amendment was taken from previous interim constitutions issued by coup groups; the brevity of those constitutions required an expansive article allowing the exercise of broad powers (CDA, 1997a: 58).

Perhaps Suni Chaiyarot offered the greatest challenge: “How to interpret democracy with the king as head of state? There have been many times when this was the system, and it was not really a democracy. So, how to interpret it?” (CDA, 1997a: 69-70)

Bowonsak Uwanno, the constitution’s primary framer, replied that the amendment was required to guide the Constitutional Court’s deliberations. The constitution could not anticipate all exigencies; the amendment would provide the required interpretive freedom, allowing the Constitutional Court to judge according to the traditions of “democracy with the king as head of state” (CDA, 1997a: 70-1). Hinting at *rachaprachasamasai*, Bowonsak noted that the right to petition the king was not in the draft constitution and yet this right could be invoked in terms of the amendment (CDA, 1997a: 72-3). However, Bowonsak principally presented the amendment as limited in scope – an attempt to avoid legal loopholes.

Bowonsak’s explanation is not convincing. Internal documents of the CDA that record reservations within the drafting committee about each article make no mention of what was to become Article 7 (CDA, 1997b). Why had the drafter not considered the introduction of the Article during the committee stage months earlier? Why was it introduced in July? The answer may lie in controversial deliberations over Article 3 that preceded deliberations on Article 6. Article 3 stated that “sovereignty comes from the people.” Against the wishes of the CDA president, Anand Panyarat – the doyen of Thai liberalism, the CDA debated a motion to change the wording of Article 3 to “sovereignty belongs to the people” in early July. Thongthong Chandarangsu argued against the amendment on the basis “of the principle of *rachaprachasamasai*” (CDA, 1997c: 110). A slim majority voted for the amendment (CDA, 1997a: 133).

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83 The idea of *rachaprachasamasai* was taken up by extreme right-wing groups in the lead up to the coup of 1976 (personal communication, Ukrit Pathamanand, July 16, 2007).

84 Article 7, in modified form, appeared in the post-coup constitutions of (year, followed by the article number): 1959/20; 1971/22; 1976/24; 1977/30 1991/ 30). Its usage in the 1997 Constitution differs from previous usages. While preceding usages refer only to “democracy”, Article 7 refers to “democracy with the king as head of state”, giving it a royal inflection. Previously, usages were positioned towards the end of the constitution. Article 7 of the 1997 Constitution occurs as the last article in Section One on general principles and immediately before Section Two on the monarchy.

85 At first the amendment was lost (30:29). A recount was requested and the amendment won 37-35 (CDA, 1997c: 133).
Opponents lobbied for the CDA to overturn its decision (*Bangkok Post*, 11 July 1997). Conservatives and royal liberals were concerned that such changes, along with the very expansive rights written into the new charter, were moving away from traditional concepts of political order, in which the monarchy greatly figured. The newly-worded Article 3 challenged some key aspects of juridical thought, in which the monarchy is said to have given sovereignty to the people, and that sovereignty in the last instance always resides with the monarchy. Article 3 raised fears that the king’s power and prerogatives were being eroded and that the CDA was being too strident in its various articles relating to rights and freedoms. Here perhaps is the mystery of Article 7 unlocked: the effect of Article 7 was to limit the reach of all of these new claims by empowering a traditionalistic and royalist interpretation should one be so required. \(^{86}\) While Bowonsak’s case to the CDA for amendment was quite limited, an examination of his influential juridical thought suggests a greater depth to his thinking.

Eager to re-affirm the role of the “traditional constitution” in Thailand in the context of the first political reform movement, Bowonsak (1994: 9) argued that “if one analyses deeply in all spheres... no one could deny that the Thai monarchy…and the people are the main institutions in the democracyness \(^{87}\) of Thai society.” By using the phrase “the king of the people, by the people, and for the people” (Bowonsak, 1994: 12), he elucidated what was meant by the term “traditional constitution”. \(^{87}\) In this formula, the king is the mediator of democracy; it is through him that popular will is manifest. Sovereignty is seen as residing jointly in the king and the people, a condition that is said to have emerged when King Prajadhipok “bestowed” the 1932 constitution (Bowonsak, 1994: 25). So, what happens in the aftermath of a coup, an event sufficiently frequent to affect judicial principles and law? Implicitly endorsing various historic legal judgements from the 1950s onwards that condone coups as legally legitimate if they won the acceptance of the people and, thus, judgements which recognise law issued by coup groups as legally binding (Somchai, 2006: 193-5), Bowonsak argued that during a *coup* sovereignty returns to the king: the coup group will draft a constitution that the king deliberates upon, and if the king accepts it he returns sovereignty to the people (Bowonsak, 1994: 25). \(^{88}\) Bowonsak explained that the king’s customary powers must be interpreted in terms of traditions of government (Bowonsak, 1994: 28-9). This “traditional constitution” by convention, Bowonsak argued, supplements the king’s right to warn and advise with extra powers. This included the ability, in the face of crisis “to dissolve parliament...he may even remove the prime minister in order to end a crisis because according to the constitution he is the owner of sovereign power with the people...” (Bowonsak, 1994: 29). Further, should the people petition the king (having been through various other procedures):

He has royal prerogative according to the traditional constitution to command the civil service act, and the civil service must respect this and act accordingly. This royal deliberation is

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\(^{86}\) Later, of course, it would be used to discipline electoral majorities – a seemingly political liberal ruse on democracy.

\(^{87}\) The term “convention” is also used.

\(^{88}\) This is a contested, but largely operative legal principle. It is on that basis that Khamnun (2005), for example, elaborating on the call for power to be returned to the king in 2005, argued that as Thaksin had effectively launched a coup d’etat by virtue of his power and the constitution was now dead, power should be returned to the king.
effectively law as He wields sovereignty for the people … he is the Supreme Ombudsmen… (Bowonsak, 1994: 30).

Bowonsak made scant reference to these ideas in his defence of the amendment in the CDA, but that did not stop people arguing for Article 7 being used in its most expansive sense.

THE INSINUATION OF ANTI-ROYALISM

Elite disquiet with Thaksin’s rule was widespread by 2004 and was variously expressed, but various machinations were unable to dislodge him (Connors, 2005). It was Amon’s call for a second round of political reform, taken up by Sondhi Limthongkul, that allowed a comprehensive strategy to dislodge Thaksin to take shape (Banjet, 2004). If in the early 1990s “money politics” was the issue that mobilised support for reform, in the mid 2000s Sondhi used the issue of royal prerogative and its relationship to constitutional procedure to highlight the need for reform. This was an explicitly ideological mobilisation of the monarchy as a means to forge an anti-Thaksin coalition.89

Attacks on Thaksin began to be coded in terms of violation of royal prerogative in 2003. This usage however was concurrent with the government’s invoking of Article 7 in 2003 as a way of overcoming parliamentary rules. Having rammed a Bill on Education Colleges through three readings in parliament, the executive was required to pass it to the king for signature. On discovering over 40 errors in the legislation the executive attempted to return the bill to parliament although no regulation allowed this. It invoked Article 7. This led to claims that it was violating royal prerogative (Siamrat, December 21 2003; Krungthepthuratakit, 22 December 2003), and to fears of a newly interventionist standard of executive interference in legislative affairs (Siang Sao Long, 2003).

The issue of royal power became a hot issue during a prolonged controversy surrounding Auditor-General, Jaruvan Maintaka. Appointed in 2002, Jaruvan quickly gained a reputation for vigorously scrutinising irregular expenditures by past and present governments (Bangkok Post, 18 June 2002; 10 July 2002). A small group of senators opposed Jaruvan and claimed her appointment was illegitimate. This led to a June 2003 NCCC ruling that the State Audit Commission (SAC) had acted inappropriately in forwarding her name for appointment as Auditor-General (Bangkok Post, 19 June 2003).90 A year later the Constitutional Court ruled that the SAC had violated rules of appointment but did not state that she should step-down (Bangkok Post, 7 July 2004). Through all this, Jaruvan continued to work arguing, with influential support from former constitutional framers such as Khanin Bunsuwan, that she could only be removed by royal command (Bangkok Post, 24 July 2004). Initially,

89 Sondhi’s compromised past as an associate of Thaksin (see Ukrit, 2008, Hewison, 2008) and his mobilisation of a mass movement meant that key leaders of the liberal “network monarchy” (McCargo, 2005: 511) that pushed forward political reform in the 1990s were suspicious of his agenda and remained distant.

90 Rules stipulated that the Senate accept or reject only the successful SAC nominee, not select from the pool of nominees. The SAC originally forwarded its successful nominee to the Senate, but the Senate requested all three SAC nominee names be forwarded. It then selected Jaruvan, even though she was not the SAC choice.
Jaruvan had enjoyed strong support from the Senate, but this diminished as she exposed budget irregularities and contracts related to the Thaksin administration (Bangkok Post, 23 September 2004; 1 November 2004). In mid-May 2005, the Senate nominated a new auditor-general, amidst claims of the government buying senators’ support (Bangkok Post, 11 and 12 May 2005). At this time, 59 TRT MPs mainly associated with the Sanoh Thienthong’s Wang Nam Yen faction, signed a petition supporting Jaruvan, stating that “Anyone who has gone too far in interpreting that the court ruling means Khunying Jaruvan is no longer auditor-general is violating the constitution and the King’s power” (Bangkok Post, 26 May 2005). Thaksin rebuked the petitioners and advised them to remove their signatures (Bangkok Post, 26 May 2005). In June 2005, the SAC announced Jaruvan’s removal and selected a new auditor-general (Bangkok Post, 27 June 2005). However, when the Senate President forwarded the new nominee’s name for royal approval, for more than three months no endorsement came. As speculation rose regarding the king’s displeasure at the removal of Jaruvan, the Campaign for Popular Democracy, an umbrella grouping of various NGOs, interpreted the king’s inaction as an exercise of Article 7 and sought the impeachment of the Senate President for violating royal prerogative (Anon., 2005). In late January 2006 the king’s private secretary wrote a letter requesting resolution of the matter. Facing strengthening opposition to the removal of Jaruvan, Thaksin then wrote a letter to the SAC instructing it to take into account the king’s traditional powers, as stipulated in Article 7, to determine a course of action (Thaksin, 2006). In response, the SAC allowed Jaruvan to return to her post.

The three-year battle over the auditor-general brought the issue of royal prerogative to the fore. It is a fitting testament to the ambivalent birth of the political use of Article 7 that it was discrepantly mobilised by pro- and anti-government forces alike. And in the context of the legal quagmire, Thaksin’s letter to the SAC defined the issue as one of royal prerogative, as if to merit claims of violation. The issue of royal power had proved to be a potent tool with which to out-maneuuvre Thaksin.

The “Sondhi Phenomenon”

Sondhi’s Manager newspaper and his television talk show, “Muang Thai Rai Sapda” (Thailand Weekly), began to air questions in early 2005 about the usurpation of royal prerogative. Manager featured stories on several issues including: Thaksin’s appointment of a caretaker Buddhist supreme patriarch (Sondhi claimed the aged and ailing but royally-appointed supreme patriarch remained capable of carrying out his duties); Thaksin’s involvement in April 2005 in a ceremony at the Emerald Temple where, dressed casually, critics claimed he sat in the position of the king. At first, the criticisms were indirect, suggesting Thaksin had received bad advice. This all changed in mid-2005 with the publication of Royal Powers by the conservative Pramuan Ruchanaseree, a member of Sanoh’s faction that had now become a fifth column in TRT. Pramuan defined the issue in quite shocking terms. Making allusions to the

91 Thaksin’s relationship with Sanoh’s faction was complicated. Initially, Thaksin required its numbers in parliament to ensure he was not subject to a censure motion. As Thaksin’s own parliamentary numbers increased, relations with Sanoh broke down, but Sanoh remained with TRT because had his faction defected and a snap election was called, the defectors risked not being able to stand in the new election as a consequence of a 90-day party membership rule.

92 Sanoh is reputed to have had close relations to Jaruvan, and appears to have used the auditor-general issue to advance his own political interests, as well as raise issues relating to Thaksin’s overly
Education Colleges Bill and reference to the case of the Jaruvan and the Senate’s “violation of royal prerogative” (Pramuan, 2005: 152-5), Pramuan (2005: 175) argued that the Thai monarchy was at risk of becoming a rubber stamp, and that people faced a choice of supporting royal prerogatives or supporting a new form of government that usurped “the good things.”

Sondhi appeared on stage with Pramuan in early September 2005 at a packed forum at Bangkok’s Thammasat University, signalling that he was now moving the issue of Thaksin’s alleged usurpation of royal power to the forefront. At the event Sondhi read an anonymous posting from Manager Online “The Black Sheep Loses its Way.” Despite the title, this was not a fable, but a thinly veiled story of Thaksin and the King. In “Black Sheep”, the king advises the son to govern for the interests of all. Once in power the son becomes aggressive, governs without transparency, and uses fear and intimidation against others (cited in Khamnun, 2006: 58). The story reads:

Father says, I hate cheats, the lost son says, there is no need to scrutinise me, I guarantee I am the biggest in the family….
The black sheep says … I want this person [in reference to a military appointment], no one can change it, because father [the king] must live under the rules of the house (Khamnun, 2006: 59).

On 8 September Thaksin used his weekly radio address to refute claims he violated royal prerogative: “I affirm that there is nothing in this issue, believe me, everything is straight, if I have any problem I will address the king directly…” (cited in Khamnun, 2006: 65). Thaksin’s straight talking, that if he had a problem he would talk directly to the king, underlined for the royalists his implicit disrespect or at least levelling of the monarchy – as though Thaksin should assume he could speak one-on-one to the king!

On 9 September Sondhi read “Black Sheep” on Thailand Weekly and raised various issues of violation of royal prerogative, leading to the program being taken off free-to-air television. Explaining in a letter the reason for banning the program, an official from the Mass Communication Organisation of Thailand (MCOT) criticised Sondhi for frequently raising the issue of the monarchy. Then in a statement of startling clarity that struck deeply against the entire edifice of royal liberalism that sanctioned an expansive role for the monarchy, MCOT explained:

The use of royal power … has an important qualification. It is between the government and the king or the monarchy. The traditional conventions whether it is in England or Thailand are the same: … when the government consults with the king on any issue or when the king issues a warning … the government is not in the status of having to explain what advice it received from the

aggrandising behaviour. Typically before 2001 governments fell or were disciplined as coalition or factional partners pressured for their own interest. Thaksin’s position was much stronger because of the 90 day rule. Sanoh remained within TRT in 2005 despite a break down in relations. The issue of royal powers became his chosen course of attack.

Within a few months several hundred thousand people had read the story on Manager’s website.
king and the monarchy is not in the status of having to say you were warned about this already, you were told already, or to say that what you have done is in line or not in line with what was advised (cited in Khamnun, 2006: 65-6).

This may be read as implicit criticism of the king’s public speeches which increasingly took Thaksin’s government to task (see Connors, 2005; Thongchai, 2008).

Rallying Royal Liberalism

It may be inferred from the preceding discussion that Sondhi’s fight with Thaksin was solely centred on the issue of royal prerogative. This is not so. A study of Sondhi’s weekly speeches (September-November 2005), after he was taken off television and subsequently moved his show to a public park and broadcast via satellite, demonstrates that Sondhi was attempting to mobilise a broad liberal front. Sondhi mostly broadcast from inside a packed hall in Lumphini Park in central Bangkok, with the majority of attendees watching the live broadcast from large screens set around the park grounds. At the rallies Sondhi often returned to the issue of royal prerogative by reference to issues discussed above (Sondhi and Sarocha, 2006: 52-2, 77, 100-7, 128), but a greater part of the rallies was spent highlighting Thaksin’s illegitimacy. On this theme, Sondhi echoed liberal concerns relating to majoritarianism, making note of how Thaksin’s questionable actions were often justified on the basis of his popular mandate (Sondhi and Sarocha, 2006: 128). Sondhi chose to mobilise both a royalist and a liberal idiom: the choice is significant for it indicates Sondhi’s assumed constituency, one sympathetic to liberal forms of democracy with the king as head of state (see Connors, 2007: 128-52).

Sondhi noted how the 1997 constitution had allowed Thaksin to evade scrutiny and engage in corruption (Sondhi and Sarocha, 2006, 101, 271, 340-1). He attacked Thaksin’s dispensing of government resources to people as if they were his own largesse and specifically criticised Thaksin’s outrageous comments that provinces supporting TRT would get preferential treatment (Sondhi and Sarocha, 2006: 266). He used Buddhist ethical standards to highlight Thaksin’s shortcomings when contrasted with the king (Sondhi and Sarocha, 2006: 132-33, 172-3, 237-9), and in stories of melodramatic intensity he noted Thaksin’s nepotism (Sondhi and Sarocha, 2006: 57-8).

Sondhi criticised Thaksin’s neo-liberal policies, including free trade agreements and the government’s privatisation of those state enterprises that provided public goods, as benefiting associates of the government (Sondhi and Sarocha, 2006: 33-45, 139-50). He specifically offered support to workers from the Electricity Generating Authority of Thailand in their struggle against privatisation (Sondhi and Sarocha, 2006: 153). He maligned Thaksin’s “policy corruption” including his alleged improbity regarding the gaining of state concessions, tax breaks, and how Shin Corp’s business ventures benefited from import credits granted to Burma (Sondhi and Sarocha, 2006: 112, 155-9). Sondhi also claimed that Thaksin was using his position

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94 The Bangkok Post (2 November 2005) reports those comments as: “The provinces which place their trust in us will be given special care … the provinces which trust us less will come in later.”
to create favourable conditions for the sale of Shin Corp (Sondhi and Sarocha, 2006: 291-3). On human rights and social justice, Sondhi was critical of Thaksin’s erratic and heavy-handed approach to the South. Regarding the need for just rule and recognition of cultural diversity he noted,

They [Malay-Muslims] are under our jurisdiction … we must give real justice to every group, right…. Have we answered their need for justice? … Are we brave enough to apologise for the past because the old officials did no good? (Sondhi and Sarocha, 2006: 27).

At the 11 November rally Sondhi read a pledge, partly written by Amon (Khamnun, 2006: 128), to fight for the king and against Thaksin’s assault on rachaprasamasai. He called for the royal appointment of a neutral figure to initiate political reform to address the centralisation of power under Thaksin (Sondhi and Sarocha, 2006: 338-43). In that pledge he echoed elite frustrations about the supposed debt creating nature of Thaksin’s populist policies, and he criticised Thaksin for promoting rampant consumerism, which was held to be against the philosophy of the king’s “sufficiency economy.” While the appeal to the king may appear conservative, the liberal basis for the appeal is apparent: it lay in Thaksin’s ability to evade scrutiny or to be held accountable. A major theme of the anti-Thaksin movement was that Thaksin’s political behaviour was antithetical to the clean political system that political reform was supposed to create.

A week after the pledge to fight for the king, the weekly rally doubled in size to 50,000 people (Bangkok Post, 19 November 2005). Having taken Sondhi off free-to-air television and now faced with a weekly mobilised mass of disgruntled citizens and Sanoh’s machinations, the government responded with law suits, attempted gag orders, denials of the varied accusations and the mobilisation of unnecessarily large police and riot squads at the rallies (Bangkok Post, 26 and 27 November 2005; 2 December 2005). Despite this, 80,000 people attended the 10 December rally.

Sondhi’s novel form of talk show-cum-protest-rally was beginning to look like a spent force in early 2006. The first rally for 2006 on 13 January attracted less than a quarter of the 2005 peak numbers and further decline was experienced the following week (Bangkok Post, 14 and 21 January 2006). In part the decline was a consequence of the repetitive nature of Sondhi’s accusations, but it was also a result of growing fear amidst rumours of violence. Sondhi committed himself to one last Bangkok rally for 4 February, at which a petition to the king calling for political reform would be read (Bangkok Post, January 21 2006). For his part, Thaksin remained confident, telling a TRT meeting that “The saying that ‘rural folks elect government, Bangkokians topple it’ cannot be applied to our party because our party is elected by both Bangkokians and rural folks. Our government is supported by people in the capital and in the provinces” (Bangkok Post, 25 December 2005).

ARTICLE OF FAITH DENIED

Fulfilling Sondhi’s early warning of a Shin Corp sell-off, the sale came in late January 2006, soon after Cabinet relaxed laws on foreign ownership, when Temasak, a Singaporean government-linked holding company, bought Shinawatra shares in a
controversial tax free sale.\textsuperscript{95} Shin Corp was seen by many as a kind of national asset that had been built with the generous state concessions and tax breaks – and it appeared a Singaporean company would be the beneficiary of these arrangements (Thanong, 2006; Telecom Reporters, 2006).

The sell-off galvanised not only those who had long criticised Thaksin’s policy corruption, but also national conservatives within the bureaucracy and aristocratic elements, as well as business groupings which had opposed Thaksin’s embrace of neo-liberalism to the advantage of his companies and his associates (see Ukrist, 2008). Facing Sanoh’s factional defection, attempts to expose the irregularities of the Shin Corp sale, and rising opposition in the form of revitalised mass demonstrations through February, Thaksin suspended parliament on 24 February and the NEC announced an election for 2 April. Opposition parties, most notably the Democrat Party, boycotted the poll (see below) and calls for direct royal intervention to remove Thaksin were made by a variety of actors.

With 281 of 400 constituency seats having only a TRT candidate, the farcical election of 2 April went ahead, resulting in a constitutional crisis. Over 10 million people cast “no votes,” while TRT won close to 16 million votes. In 38 constituencies sole candidates failed to get the required 20 percent required for membership of the house and the NEC quickly arranged election reruns for 23 April. Fourteen constituencies still failed to return a candidate. By the end of April, of the 386 MP-elects in constituency seats, 377 were TRT members. Additionally, as no other party won the necessary 5 percent for party list seats (of which there were 100) TRT won 99 seats (one of its party list candidates resigned in the course of the election), giving it a total of 486 members in the 500 seat house (Constitutional Court, 2006: 23-7). During April, claim and counterclaim of electoral fraud, interference in the affairs of the NEC, and illegal involvement in the establishment of small parties led to massive pressure on the Administrative Court and the NEC (see Montesano, 2006; Kasian, 2006). Pro-Thaksin forces argued that it would be constitutional to convene a parliament without the full number of MPs (\textit{The Nation}, 7 April 2006). On 25 April, the king acted. Speaking before assembled judges, he called on jurists to “do their job,” to make fair rulings on the range of issues before them, including electoral fraud. He indicated that the 2 April election was a dubious democratic exercise. He ended speculation on Article 7, stating it was not a rational call and was beyond the scope of his powers to royally appoint a government in the current circumstances (Bhumibol, 2006\textsuperscript{96}). The implication was that the varied issues between the opposing sides should be decided in the courts. On 8 May the Constitutional Court ruled 8-6 to annul the election.

The following section details the positions that emerged around Article 7 during the lead up to the election. What is significant here is to understand the somewhat desperate contingencies that led to the elevation and transformation of Article 7 in strategic terms – from a call for political reform to the demand to remove Thaksin from office. This shift emerged as a consequence of Thaksin’s strengthening hand over state agencies and because of the many issues raised by the Shin Corp sale. For the opposition, another electoral victory by Thaksin, almost certain had they run in the election, meant a hardening of “Thaksinocracy” (Thirayut, 2006): a further

\textsuperscript{95} The exact nature of this “sale” remains opaque and is at the heart of current investigations into Thaksin’s alleged corruption.

\textsuperscript{96} The title of this source mistakenly dates the speech as occurring on 26 April.
strengthening of the neo-liberal elements to his rule with the result of stronger economic oligarchies forming around Thaksin’s networks, further entrenching his monetary and political power. An election was now understood as merely commemorating the death of the 1997 constitution.

The Democrat Party

The Democrats were formed as a royalist party in 1946 and have since embraced the norms of liberal international society (Connors, 2006a). A pro-capitalist party that implemented the 1997 IMF imposed reforms, it was an easy target for Thaksin. They unsuccessfully ran in the 2005 election with their own ‘populist’ policy platform complementing a political philosophy of liberal democracy and civil society (Connors, 2006b). They unsuccessfully campaigned as losers, seeking an electoral mandate sufficient to allow them to scrutinise the government and the prime minister.

In late January 2006 the Democrats seized on anti-Thaksin sentiment to push for an amendment of the constitution to release independent agencies from the grip of the Senate (which was seen as having favoured Thaksin), arguing this would allow a more effective political opposition to function. The Democrats also circulated an extensive draft no-confidence motion, and it was rumoured that disaffected TRT members would provide them with numerical support to launch it (Putjakan [Manager], 4 March 2006). When Thaksin suspended parliament and called an election, the Democrats and two other opposition parties called for its postponement, saying the government should first commit to a binding platform on political reform and then hold elections (Thalaengkan ruam 3 pakfaikhan, 2006). TRT would then be on the public record as supporting reform and the freeing of independent agencies from Senate control. This would allow for a more effective political opposition to emerge and for the reinstatement of the checks and balances of the 1997 constitution. Thaksin refused, saying he would only be held to his “social contract” with the electorate.

Failing to win this commitment, the opposition election boycott and call for people to cast “no votes” was primarily motivated by two factors. Firstly, demonstrating that a loyal opposition remains loyal only if there is a chance of assuming power, the Democrat Party secretary-general explained that “there is no way we can win, because Thaksin has state power, and many other powers” (Democrat Party, 2006a). Secondly, demonstrating that a loyal opposition remains loyal only if there is a chance of scrutinising power, Democrat Party leader Abhisit Vejjajiva painted the election as an attempt to avoid legal processes: “No matter how many votes you have … you must be scrutinised … you have no right to break the law, violate the constitution” (Democrat Party, 2006b). The Democrats determined that the election was simply a referendum to exonerate the prime minister of his alleged abuse of power. Rather than take part in an exercise aimed to shore up Thaksin’s legitimacy, and certain of losing, they chose to boycott.

After the election announcement the Democrats called on Thaksin to resign as care-taker prime minister and, there being no law clear regulation on the selection of a care-taker prime minister when parliament was dissolved, invoked Article 7 to enable the royal appointment of a temporary government and a ‘neutral’ body to initiate political reform (Democrat Party, 2006b). However, if Thaksin refused to resign the
Democrats intended to force the use of Article 7 by denying the House of Representatives a full quorum by boycotting the elections (Anon. 2006). As the election approached TRT sent signals that the Democrats might be offered a place in a Thaksin-led government of national unity. The Democrats argued this would lack proper mechanisms of balance and scrutiny and reiterated their stance on political reform (Democrat Party, 2006c: 82; Democrat Party, 2006d). Several weeks after the election, the Democrat Party continued to call for Thaksin’s resignation to allow for the use of Article 7 to initiate political reform (The Nation, 15 April 2006). This, it claimed, was a constitutional course of action.

The People’s Alliance for Democracy

With the Shin Corp sale, Sondhi intensified his use of royal symbolism, calling for a mass rally at Royal Plaza on 4 February. A booklet with a foreword by Sondhi, Save the Nation 4 February, was distributed to hundreds of thousands of people before the rally. It labelled the government “Nation Robbers,” and described Thailand as a “police state” because of the extra judicial killings of thousands of people in the “War on Drugs.” People were invited to attend the rally to present a petition to Privy Councillor Prem Tinsulanonda (Ku Chat 4 Kumphra, 2006). The reading of this petition at the rally on the night of 4 February was a remarkable event. Explaining, to thousands of assembled protestors, that in ancient times the king would receive aggrieved subjects when summoned by the sound of the bell, Sondhi rang a bell and read the petition. This was a physical enactment of the mythical lineage of Thai royal liberalism traced to the liberal kingship of King Ramkhamhaeng. The petition outlined Thaksin’s attacks on democracy and then made claims familiar to liberalism in terms of the “public good”, saying that legitimacy was derived from two sources, an electoral mandate and, more importantly, from ruling in the interests of the nation: “This prime minister relies only on the first kind …and he invokes this kind of legitimacy to suppress the rights of the people, besides disregarding the royal power under the democratic system” (Khamnun, 2006: 320). The petition then moved to a restatement of rachaprachsamamai,

The people at large are the owners of the sovereign power bestowed by the Crown. When the government lacks legitimacy and there is a monumental crisis they have the absolute right to call for the return of this power to present it to the Crown to exercise it in cooperation with the people (Khamnun, 2006: 321).

One of the striking aspects of the Sondhi rallies was the organizational absence of various pro-democracy groups and NGOs that had long campaigned against Thaksin. This ended several days after the petition rally, when Sondhi was joined by over 20 pro-democratic anti-Thaksin NGO networks and labour groups (see Pye and Schaffar, 2008), along with Chamlong Srimuang (see Ukrist, 2008) to reconstitute the People’s Alliance for Democracy.97

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97 PAD - without Sondhi and Chamlong - had first formed in 2004 in the wake of worker opposition to Thaksin’s privatisation policy. According to Thanaphon (2007: 298) it aimed at 'knocking out Thaksin' by mobilising workers and the public. Thaksin’s offer of welfare and shares to state enterprise workers helped fragment the worker-NGO alliance, and it fell into obscurity.
Key figures in the NGO-wing of PAD were against the use of Article 7 and for a time Sondhi watered down his royalist rhetoric (see Atiya and Vasana, 2006). Opposition to Article 7 remained strong among some anti-Thaksin groups. Midnight University, left-leaning political groupings such as the People’s Coalition Party, and royal liberals such as Prawet and Anand argued for a political struggle against Thaksin within the political system or through protest to build mass opposition (Walawipha, 2006; Giles, 2007). They were, however, marginal in the circumstance of growing calls for royal intervention. From late February to mid-March a range of petitioners and organisations called for royal intervention on the basis of Article 7. For example, twenty senators called on Thaksin to resign and requested that the king use Article 7 to initiate political reform (Daily News Online, 4 March 2006). On 6 March, 99 prominent senior academicians, senators and bureaucrats, including Chai-Anan, Jaruvan, and dissident senators Kriasak Choonhaven and Chermsak Pintong, petitioned the king to consider the use of Article 7 (Petition, 2006). The petition moved the use of Article 7 in an entirely new direction by calling for direct royal intervention to remove Thaksin and for the king to appoint a temporary administration which would effect constitutional change leading to a new election with “equality of contest.” On 18 March the Lawyers Council of Thailand and the Press Council of Thailand called for the formation of a People’s Assembly to initiate a petition to call for the King to use Article 7 (Bangkok Post, 19 March 2006).

From 5 March PAD, under the slogan “Save the Nation,” staged a continuous demonstration, marching to different places in Bangkok and setting up camp in various locations. On March 21 at a rally of twenty thousand in downtown Bangkok in the business area of Silom, Chamlong called for the use of Article 7. Key NGO and labour figures in PAD such as Somsak Kosaisuk and Phiphop Thongchai continued to oppose its usage (Bangkok Post, 22 March 2006; Krungthep thurakit, 22 March 2006). Chamlong’s actions brought the issue to a head, and after heated debate PAD adopted the use of Article 7 as its principle strategy.

The editorial team of Thai Post present an explanation of why NGO figures in PAD changed their position (Editorial Team, 2006). By way of background the editorial team recount that the political challenges facing the opposition had been transformed as a consequence of Thaksin’s ability to withstand calls for his resignation. This had led to greater calls for invoking rachaprachasamasai as a way of avoiding violence. As for PAD, it had reached a strategic dead-end, with key leaders split on the use of rachaprachasamasai and Article 7. Thus an emergency meeting was called. Without attribution, the report states that the meeting received a phone call from Sulak Sivaraksa – the famous dissident monarchist – urging PAD to remain united. Supporters of Article 7 argued that its use would lead to political reform in the longer term. Accepting that use of Article 7 was dependent on “special powers,” its proponents noted that the people were not stupid and the movement to overthrow Thaksin would be a “social learning process.” Facing such arguments, and believing that Thaksin could be pressured to resign, the dissident PAD leadership succumbed and on 23 March PAD issued Declaration 6, calling for a royally appointed government. This was a major shift, breaking from Sondhi’s earlier usage which called on Thaksin to resign to enable the use of Article 7.
The 6th PAD Declaration stated that the coming election was illegitimate and that a parliament could not be convened because a full house could not be elected as a consequence of the no-vote. The only constitutional way out was the use of Article 7:

The People’s Alliance for Democracy invites the people to come together to rely on the prestige \[barami\] of the King in order for the King to immediately use the royal prerogative according to Article 7 of the Constitution to royally appoint a new prime minister in order to initiate a second round of political reform, with concrete participation from the people (PAD, 2006).

The Declaration continued that the interim government should respect rights and freedoms of the people, “who are the owners of sovereignty.” Political reform should be enacted quickly so that a new election could be held. However, the Declaration called for the interim government to reconsider the free trade agreements enacted by the Thaksin government, halt the privatisation of state enterprises and rescind state concessions that had passed to Temasak (PAD, 2006). At subsequent rallies of over one hundred thousand people in late March, PAD made these demands, and repeated them throughout April until Bhumibol’s speech to jurists ruled out use of Article 7. Politically disarmed by Bhumibol’s rejection of Article 7, PAD effectively moved to the sidelines and the struggle against Thaksin became an end-game between pro-Thaksin forces and elite networks formed around the palace (McCargo, 2005: 513-15), including civil servants, judges, the military and business groupings. That struggle culminated in the September coup d’etat (Ukrist, 2008; Hewison, 2008).

ENDPOINT: THE KING SAYS NO

The extraordinary events of 2005 and 2006 and the emergence of an “Article 7” movement make sense as an attempt to mobilise the myth of a social contract between the people and the king to restore the 1997 settlement. That Thai liberalism should depend on a cleverly inserted clause in the 1997 constitution to push for king-people mutuality in resolving a political crisis reflects something of elite liberalism’s weakness and impotence, and in closing I offer some comments on liberalism’s article of faith – the monarchy.

Bhumibol’s declaration that he would not use Article 7 requires interpretation. Paradoxically, Bhumibol relied on his un-codified power (that which the anti-Thaksin movement had sought to deploy) to effectively compel a judicial solution to the crisis. The king would not be dictated to by street forces, and instead relied on the power of his speech (see Thongchai, 2008) to impact on the outcome of political events. This course of action, it may be assumed, ensures the continuing myth of royal distance from politics and secures the reserve powers codified in Article 7 which the king refused to publicly exercise. Public use of those powers, compelled by protests on the street, may well have been judged imprudent in the face of a popular prime minister.

While Bhumibol’s call for the courts to carry out “their duty” may be interpreted as a sign of a liberal kingship furthering the rule of law, another interpretation is that his intervention in late April 2006 signalled the end of an unprecedentedly mobilised form of royal liberalism, one that had escaped the control of its guardians. Bhumibol’s refusal to use Article 7 publicly highlights the completely
dependent and misguided nature of the elites’, PAD’s and Democrat Party’s strategic use of the monarchy. Articles of faith, however, are never easily broken. The future of royal liberalism is, barring a massive succession crisis, likely to remain a key element in elite ideological structuring of parliamentary politics into the future, even as conservatives make political advances in the post-coup environment (see Ukrist, 2008). Its ideological potency remains strong, witnessed by its mobilisation, along with coercive measures, in the post-coup environment to quell opposition.

As for political liberalism and its relationship to the monarchy, the question arises as to whether there is indeed an enduring social base for political liberalism in a country where class struggle and formation in the medium-term future are unlikely to mirror the forms of political and economic struggle that shaped liberal democracies in developed capitalist economies. Setting that question aside in its broadest sense, in the Thai context political liberals, believing Thailand to be bereft of a strong nation-wide middle class that supposedly grounds liberalism, have entrusted the mission of establishing liberal democracy in the ideologies and institutions simultaneously derived from and legitimated by a mythic social contract embodied in the monarchy. Political liberalism in Thailand is unlikely to find a sure footing based on such exclusive terrain, especially when that base necessarily, because of its own role as the head of a power bloc in the national Thai capitalist formation (Connors, 2007: 131), fails to address the gross economic and social inequalities that led many to support Thaksin.

In the longer term, progressive social liberal forces, perhaps now disabused of the notion that the monarchy may be utilised for progressive purposes, may well be the political beneficiaries. The wide debates on the role of the monarchy, partly refracted through debates on the role of Privy Councillor Prem (see Prachathat, 16-22 July, 2007: 11) in the events of 2006, has greatly affected its standing, especially among supporters of Thaksin’s social and economic policies. This has the potential to erode the ideological compact that has taken shape since the 1970s and offers the possibility of the emergence of a more widespread egalitarian sentiment to challenge the hierarchical and deferential sentiment that surrounds the monarchy.
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THE CROWN PROPERTY BUREAU IN THAILAND AND THE CRISIS OF 1997

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Abstract: The Crown Property Bureau is the monarchy’s investment arm in Thailand’s. While the monarchy’s political role has been much discussed since the 2006 coup, its economic foundations, activities and role have seldom been studied. To better understand these aspects, this paper looks at how the 1997 crisis affected the Crown Property Bureau. The Bureau was particularly vulnerable because of its dependence on the performance of two private companies in which the Bureau was a major shareholder. Both companies, the Siam Commercial Bank and the Siam Cement Group, were in sectors hard hit by the crisis. The Bureau survived the crisis by making significant changes in its own management and investment policies, and by promoting similar reforms in two affiliated companies. As a result, the Bureau emerged with an income significantly higher than its peak pre-crisis level.

Keywords: Thailand; monarchy; Crown Property Bureau; Asian economic crisis

This paper examines the role and performance of Thailand’s Crown Property Bureau (CPB) in and after the 1997 Asian economic crisis. In particular it looks at how the Bureau emerged from the crisis relatively successfully, despite the severity of the problems it faced. The CPB is the Thai monarchy’s investment arm. Since the 2006 military coup, the monarchy’s political role has been much discussed (see the papers in this issue). There has not been similar scrutiny of the monarchy’s economic foundations or activities. To better understand these and the impact of the economic crisis, this article first describes how the structure and financial interests of the Bureau evolved over the twentieth century.

The CPB has been virtually ignored in economic literature on Thailand. This is unfortunate, since the Bureau is a major economic institution with a lengthy history. It is the biggest landholder in the country, has investments in many significant economic sectors, and has at times performed entrepreneurial and developmental roles. It is an integral part of a business culture in which family ties and group interests continue to dominate many sectors. Insofar as the Bureau provides the economic underpinnings of the monarchy, and insofar as the monarchy is invested with enormous prestige and influence, the Bureau is a major factor in the country’s political economy. The Bureau has not only given the monarchy considerable economic strength but has helped to insulate the institution from the political pressures that would be exerted on a monarchy that depended heavily on state funding.

The paper draws from research on “The Crown Property Bureau and Business Investment” under Professor Pasuk Phongpaichit’s distinguished senior research scholar project on “Structure and Dynamics of Capital in Post-Crisis Thailand.” The project was funded by the Thailand Research Fund (2003-06). This paper will appear as a chapter in Pasuk Phongpaichit and Chris Baker (eds), Thai Capital After the Asia Crisis, (Chiangmai: Silkworm Books, 2008). The author is grateful to Professor Pasuk, Professor Krikkhik Phupatseritham, Associate Professor Withayakorn Chingkul, and Wirat Saengthongkham, for their comments on earlier drafts of this paper. I am also grateful to Professor Malcolm Falkus for valuable criticisms on the earlier draft and for Dr Chris Baker for help with the argument and presentation.

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The reticence of scholars with respect to the affairs of the Bureau is partly due to a reluctance to touch on matters relating to royal finances and a fear of lèse majesté charges. It is also due to the complexity of the Bureau’s varied activities, with only limited public information being available on the Bureau’s activities, where much can be viewed only indistinctly behind layers of shareholdings, long-term leases, and interlocking directorships. Lately though, more attention has been paid to the CPB, and more information has become available since the 1997 crisis (see, for example, Backman, 1999: 249-54; Yipphan, 2004: 66-75; Tasaka, 2003; and Our Correspondent, 2007.)

The first section of the article explains the origins of the CPB and its major assets. The second traces the management of the CPB, and the growth of its assets, from the Second World War to the 1997 crisis. The major section of the paper examines in detail how the CPB and its affiliate companies reacted to the crisis. The conclusion discusses why the Bureau emerged so strongly after the crisis, particularly in relation to other Thai companies.

**Origins of the Crown Property Bureau**

Under the absolute monarchy, the Privy Purse financed the expenses of the royal household including the living expenses of the king and his family, payments to a vast array of immediate relatives, and maintenance of such assets as the royal palaces. In 1890, as part of the overall modernisation of administration, these royal expenses were formally separated from the government budget, and placed under the management of a revamped Privy Purse Bureau (PPB) within the Ministry of Finance. Around 15 percent of total government revenue was assigned to the PPB (Chollada, 1986, 34-41).

Over ten years earlier, government had begun a reform and centralisation of the revenue machinery which resulted in a massive increase in the resources available to the central administration. The income of the PPB rose on this trend, growing from 1.5 million baht in 1892, to 6.1 million in 1902, 8.7 million in 1912, and 9 million in 1922. (Chollada, 1986: 35, 38). The allocation to the PPB allowed a surplus after current royal expenses. This surplus was investing in acquiring assets which became the financial foundation of the modern monarchy.

**The Crown Property Bureau’s three pillars**

These assets were of three main types. The first was land. Bangkok had begun to grow rapidly on the back of an expanding colonial-era trading economy, and the expansion of modernised government. The PPB acquired land on which it built hundreds of shophouses along new roads cut to accommodate the capital’s growing population and business activity. The PPB also acquired market sites in Bangkok and in several upcountry towns, and became the country’s largest landholder. In 1902, the PPB’s holdings in the capital totaled 6,458 rai (1 rai = 0.16 hectare). Some of these plots were around the royal centre on Rattanakosin Island. Others were along roads which ran southwards down the east bank of the Chaophraya River. In later decades these roads became the main thoroughfares of the Chinatown area which was the main business district for the first half of the twentieth century, and of the modern business district which developed after the Second World War. In each of these periods, the PPB was the owner of the most valuable commercial land in the kingdom (see, for example, Chollada, 1986: Ch. 3; Tasaka, 2003: 163-80; Anon, 1971: 124-5).
The second PPB asset was banking. The PPB lent from its surplus to many entrepreneurs including noble property developers and Chinese rice millers. Prince Mahit, the king’s half-brother who served as minister of finance from 1890 to 1906, had the idea of founding a bank to compete with colonial banks which “squeezed the blood from our traders” (Brown, 1988: 128). This was first done semi-covertly by opening an institution called the Book Club, which did some banking business from a PPB-owned building. In 1906, the Book Club was reconstituted as a commercial bank, and shortly afterwards renamed as the Siam Commercial Bank (SCB). Of the 3,000 shares issued in 1906, 1,300 shares were taken by Prince Mahit and his Book Club partners (who were mainly Sino-Thai merchants), and 300 shares were directly owned by the Privy Purse Bureau. A further 540 shares were taken up by German and Danish banking interests. Of the management board of seven, one was a PPB appointment and three others were Prince Mahit’s Book Club associates. Thus from the outset the royal family and the PPB were involved directly and substantially in the bank. The bank’s credentials were further established by depositing surplus government funds, and issuing a royal charter. Even so, in 1913 the bank was almost undermined by collateral damage from a fraud in the related Sino-Siam Bank. The assets had to be written down to almost zero, and the bank reconstructed with 3 million baht of new capital of which 1.6 million came from PPB (Brown, 1988: 127–44). From this point onwards, the PPB became the dominant shareholder of the bank.

The third sphere of PPB business consisted of investments in various projects related to the growing commercial economy. Many of these projects grew out of lending activity by the PPB or SCB. By 1918 the PPB owned around half of the 60 rice mills around Bangkok, many acquired by foreclosure during the downswings of the world rice trade. The PPB also invested in saw milling, tramways, importing, mining, and electricity generation, and financed construction of the first railway line to Khorat. As in the case of banking, some of these ventures were launched with the aim of reducing dependence on foreign business. This was the motive behind the establishment of the Siam Cement Company in 1913, and the launch of a shipping venture in 1918. The PPB, with the backing of the king, provided half of the cement venture’s total capital of 1 million baht. The king also approved the loan of a further 220,000 baht to secure shares in the name of Chaophraya Yomarat (Pan Sukhum, 1862–1934), Minister of the Capital (1907–22), and his associates, against the mortgage of the shares. In this way, nearly three-quarters of the initial capital of the Siam Cement Company came from the PPB. From the outset, therefore, a close connection was established between the Siam Cement Company and royal finances (Brown 1988: 153–5). As the capital of the company was increased (to four million baht by 1940), the Privy Purse maintained its interest and remained the principal shareholder. With a monopoly on domestic production of cement at a time of steady urban expansion, the Siam Cement Company became the third major pillar of the PPB beside its property and bank.

For this and the following paragraphs the author is indebted to Ian Brown’s studies (1988, 1992). Notwithstanding its advantages, in 1913 the bank was faced with collapse as a result of fraud, injudicious lending, and poor management. King Vajiravudh (r. 1910-25) instructed the PPB and the Treasury to provide funds to bail out the bank. Although the SCB was a private institution, the Minister of Finance (Prince Chantaburi, half brother of King Vajiravudh) carried out a major reconstruction that involved writing off nearly all the assets of the bank and issuing new capital of three million baht. Of this amount, no less than 1,634,000 was taken up by the PPB, which borrowed the funds from the Treasury. We may note not only the large PPB shareholding in the Bank, but also the close co-operation and links between the Treasury and the Bureau.
Under King Chulalongkorn (r. 1868–1910), the Privy Purse Bureau was, in the words of Akira Suehiro (1989: 91), “a kind of proto-investment bank which exclusively served as the core organisation to undertake private business on behalf of the king.” We may pause to ask why the royal household became so deeply involved in commercial ventures at this stage. The issue is important because of the enduring significance which some of these ventures were to have for royal finances.

The key points are two. First, in a country with little indigenous liquid capital the royal family was by far the principal holder of wealth. Moreover the royal family was huge. King Chulalongkorn had 92 queens and concubines. At his death in 1910, he had over 70 children together with a number of grandchildren. His predecessor, King Mongkut (r. 1854-68), had been similarly prolific. The demands on royal finances were high, with constant pressure to increase revenues to pay honoraria for palace officials, fund the overseas education of the next generation of princes, as well as maintaining the public presence of the institution (Chulalongkorn complained about the near-constant funeral ceremonies for royal relatives). At the same time, the vast ranks of the royal family occasionally threw up a far-sighted and energetic entrepreneur.

The second key point is that royal investment in private enterprises was a way of asserting Siamese independence from foreign commercial interests, and hence political, influence. Most capital investment in Siam’s fledgling industries before 1914 came from European countries. By investing in significant enterprises such as banking, shipping and cement, the royal family was attempting to counterbalance the influence of foreign investment within the economy.

Contraction and stagnation

This triple foundation of the PPB was laid between 1890 and the 1910s, after which there was a phase of contraction. King Vajiravudh spent on nationalist projects, travel, and royal display rather than commercial investment. The PPB still received around 15 percent of the government budget (Suntharee, 1990: 108), but in many years it was in deficit. From 1919, the PPB accumulated debts which amounted to 15 million baht, while the king amassed personal debts which had reached 5.5 million baht by 1925–26 (Greene, 1999: 169).

In this period, nothing was added to the property holdings, and at least 293 plots had to be sold to defray debts. No more shophouses were built. Many earlier investments were liquidated. All the rice mills passed to other owners. The shipping project called Siamese Steamship, beset by unrealistic ambitions and bad management, folded in 1926 (see, for example, Suehiro, 1989: 55-7; Thaweesilp, 1985: 141)

Moreover, by this time competition for the use of government revenue had become intense, and the large allocation to the PPB was a focus of political resentment. King Prajadhipok (r. 1925-35) reduced royal expenses from 11 million baht in 1924 to four million baht in 1931 in an attempt to balance the budget as the economy faltered towards depression and as anti-royalist sentiments rose (Batson, 1984: 92). After the 1932 Revolution ended the absolute monarchy, the allocation to the PPB was further reduced to 440,000 baht (Chollada, 1986: 38). In 1935, the civilian government set up a commission to divide the royal properties between those belonging to the king personally, those deemed state property such as the palaces, and those used to finance the institution. This latter category, which included the landed properties and the investments in SCB, Siam Cement, and other companies, was
placed under the control of a new body, the CPB, within the Ministry of Finance (Sakuna, 2000: 42, 84). The directors of the CPB were appointed by government. These properties were now managed by the state.

CPB assets suffered some further decline after Prajadhipok abdicated in 1935 and went into self-exile in England, he transferred some overseas properties and bank accounts into his own name, but the government sued for their return. At the same time, in Thailand, some politicians with influence in the government were found to have sold some CPB properties to themselves in suspicious circumstances (Suphot, 2002: 42). Politicians tapped the funds of the CPB to help finance some state enterprises founded in the late 1930s and 1940s as part of a war economy and economic nationalism. They also used CPB funds to finance private businesses. None of these ventures proved to be permanent. These private projects were dissipated during the political in-fighting and economic chaos immediately following the Second World War. State enterprises fared badly as a result of the post-war economic slump and poor management. They were closed down or sold off as the government abandoned economic nationalism in the 1950s.

As a result of the problems faced by Vajiravudh and Prajadhipok, and the economic stagnation following the 1932 Revolution, the major assets of the CPB in the post-war era were exactly the same three pillars as in the 1910s: landed property, the SCB and Siam Cement. One small addition was Deves Insurance, founded in 1947 to insure the CPB’s assets.

FROM 1948 TO THE ASIAN CRISIS

In 1948, in the wake of the first of a string of royalist-military coups which re-established the political role of the monarchy, the CPB was transferred back from the state to the crown (see Handley, 2006). This allowed the assets again to be managed for their commercial worth. Over subsequent decades, the CPB became one of the conglomerates at the core of the expanding urban economy.

The Crown Property Act of 1948

The Crown Property Act of 1948 reconstituted the CPB as a juristic person with considerable independence within the overall framework of the government. It also gave control back to the palace.

The minister of finance continued to serve as chairman of the CPB Board, but other board members, including the director, were chosen by the king. The role of the director, had great independence to manage the CPB’s assets, became of paramount importance. While prior to 1948 there had been frequent changes of management, over the next six decades there were only three directors, giving great continuity. The two distinguishing characteristics of these directors were that they were well-educated and palace insiders. The first, Thawiwong Thawansak, was educated at Cambridge University and served as a page to Vajiravudh. He was succeeded in 1970 by Phunphoem Krairirk, who had been educated at Stanford University, and had earlier served as head of the Royal Pages and Secretary of the Palace. Dr Chirayu Isarangkun na Ayuthaya became director in 1987 after taking a doctorate at the Australian National University, teaching at Thailand’s National Institute for Development Administration, holding the post of minister of industry during the 1980s, and serving as Grand Chamberlain of the Royal Household.
The 1948 Act had some other important characteristics. It specified that the use of the PPB’s resources and income “depends totally on the royal inclination.” It laid down that the CPB’s landed assets could not be seized or transferred. It absolved the CPB from tax on its income (a provision that had been introduced in 1936). It constituted the CPB as an absolutely unique entity which was difficult to define in terms of Thai law. In the course of subsequent legal processes, the Council of State had to give rulings on the nature of the CPB on four occasions. Not one of the rulings was unanimous, and the four rulings conflict. The Council agreed that the CPB was not a private company, government department, or state enterprise, and ultimately in 2001 ruled it was a “unit of the state,” whatever that meant (Somsak, 2006: 67–93).

Following the 1948 Act, the CPB again had the institutional ability to become a major corporate player. Thailand was entering a period of economic growth and urban expansion after decades disrupted by depression and war. Planned development and American patronage boosted the upswing. But the CPB did not resume the role played from the 1890s to the 1910s, as a pioneer of domestic capitalism. Until 1987, the CPB remained a rather passive investor. The rents on its landed properties remained low, often fixed at pre-war rates despite subsequent inflation. There was little internal reorganisation of the Bureau, and no steps taken to involve it more actively in the affairs of the SCB or Siam Cement (Sririporn, 1996: 3–4, 47–8; Suprani, 1992: 194–7; Crown Property Bureau, 2006a: 24–31). As Chirayu later explained (Interview, 2 February 2005), the Bureau deliberately preferred a more understated role:

> The fact that CPB is the investment arm for the monarchy, with a long-term and continuous reputation for reliability, induces Thai and foreign investors to seek joint ventures. Hence CPB is invited to take a minority stake as a passive partner.

As a result, the Bureau’s assets in this era were essentially unchanged from what they had been in the first phase of the Bureau’s existence, namely the three pillars of landed property, the SCB, and Siam Cement. In this era of industrialisation, diversification of the economy, and rapid growth of Bangkok, the three existing pillars of the CPB empire all prospered in their own right.

**The Three Pillars in the Post-War Era**

From the 1950s to the 1980s, commercial banks were at the core of Thailand’s economic expansion (see Hewison, 1989). They scooped up the savings of an expanding agricultural sector, and parcelled them out to investors who exploited growing trade and urban growth. For 20 years, the assets of banks expanded at the extraordinary rate of 20 percent a year. SCB was a major participant in this trend. Although it grew less precipitately than three other commercial banks owned principally by Thai-Chinese families, it still multiplied its deposits almost thirty times in twenty years, and in 1981 was the fourth largest commercial bank (Suehiro, 1989: 248). The CPB at this time held a 50 percent share. Along the way, SCB established several subsidiaries, mostly in related areas such as finance and insurance.

Siam Cement, in which the CPB held a share around 44 percent in the post-war era, also grew steadily on the back of urban expansion and the investments by the US military engaged in the Vietnam War (Anon., 1971: 124). Until 1955, it remained the monopoly domestic supplier of cement. Even after Siam City Cement and Jalaprathan
Cement were founded in 1956 and 1968 respectively, the cement market was still an oligopoly with Siam Cement as the largest supplier, controlling around 70 to 75 percent of domestic sales in 1980 (Wirat, 2000: 267).

Siam Cement prided itself as a pioneer of professional management in Thailand. With its steady income, strong reputation, and splendid backing, it became the first Thai industrial company able to tap overseas financial markets from 1965 onwards (Wirat, 2002: 9, 13). With these resources, Siam Cement founded or acquired many new companies, and matured into one of the first and largest of the Thai business conglomerates. Some of this expansion was into areas related to its cement business such as ceramics and plastic construction materials. But Siam Cement also acquired several companies when they were faring badly and vulnerable to takeover. Some of the first acquisitions were in resource-based industries such as marble, rubber and plywood. But gradually Siam Cement moved into manufacturing by acquiring Siam Kraft, the sole producer of industrial paper, Siam Navaloha, the largest iron and steel foundry, a battery company, plywood venture and sanitary ware firm (Suprani, 1992: 205–6; Suehiro 1989: 241; Pavida, 2001: 53–7; Paisal, 1985). A senior banker was quoted as saying, “Siam Cement resembles a vulture capitalist group, prone to oligopoly. It doesn’t monopolise; but it’s clear most of its diversifications are in areas having few competitors” (Paisal, 1985). In the early 1980s, after natural gas was found in the Gulf of Thailand, Siam Cement took a major strategic decision to branch into petrochemicals. As a result of this expansion, Siam Cement and its subsidiaries were reorganised as the Siam Cement Group (SCG) with Siam Cement as the holding company. By 1986, SCG was the largest industrial conglomerate not only in Thailand, but also in Southeast Asia (Suehiro, 1989: 239).

Property also contributed to CPB’s growing income. At the end of the Second World War, the CPB held around a third of the land within the official city limit of Bangkok. In 2004, the total CPB land in the city was 8,835 rai, with another 31,270 rai upcountry (The Nation, 12 April 2004).

The growth and prosperity of Bangkok ensured that the Bureau’s landholdings became increasingly valuable and attractive to developers. The CPB took no active part in developing this land in a manner analogous to the construction of shophouses during the Chulalongkorn’s reign. Instead, the CPB became a partner in projects by providing land in return for a lease income and some share in the overall venture. In an early and typical version of such deals, the CPB became a partner in the Dusit Thani, Bangkok’s first modern hotel and first high-rise building which rose on CPB land at a junction which became one the major crossroads of the modern city. Through similar ventures, by 1970 the CPB had shares in over thirty companies including the Dusit Thani Hotel, Siam Intercontinental Hotel, Thai Danu Bank, and Siam City Bank. Over the next two decades, and especially after the onset of the great boom in 1986, the number of such projects, and the value of the CPB’s land invested in such partnerships, both increased. The CPB acquired shares in other hotels such as the expanded Oriental, Regent, and Royal Orchid, and in many commercial projects on prime land including the Sermmit Tower, Sinthon Tower, and the ambitious World Trade Centre (Suprani, 1992: 211–2).

But under the deliberately passive style of CPB management, much of the land was used in ways which did not reflect its real value. Many tracts were in old areas of the city with long-standing tenants, including several slum communities, and the CPB made no effort to re-develop such sites to reflect their rising commercial value. Other tracts were leased to government departments or state enterprises, often at peppercorn rents. Not far from the Dusit Thani Hotel, for example, a large tract of CPB land was
occupied by an army cadet school. Not too far away again, another even larger plot
hosted the cigarette factory of the government’s Tobacco Monopoly. And a little to the
north was the police headquarters, again on a large tract of CPB land, and paying rent
of a thousand baht a year. The cadet school and the tobacco factory had been founded
when the surrounding area was still rural, but now they were incongruous neighbours
to the office blocks, megastores, and luxury condominiums of the new city. In all
around 30 percent of CPB land was leased to government departments and state
enterprises (Post Today, 13 April 2004).


Once the great boom began after 1986, this pattern of expansion changed in
speed though not in shape when Chirayu became director of CPB in 1987. He
undertook the first steps to modernise the institution by introducing a more
commercial outlook, especially with regard to property rents and land development.
SCG invested heavily in new cement plants to keep up with the breakneck pace
of urban expansion, and continued to diversify into other construction-related
materials to meet larger and more sophisticated demand. The company had a 65
percent of the local market in 1986, and a 48 percent share of a greatly expanded

In addition, many multinational companies flocked to Thailand after 1986 to
take advantage of the liberalising environment, and participate in the boom in export-
oriented manufacturing. Most sought local partners, sometimes because investment
regulations required it, but more often simply to find a way over the bureaucratic
hurdles, and gain some influence on political decision-making. SCG was thus
attractive as a partner because of its financial stability, its reputation for competent and
honest management, and its unique political connections. As a result, SCG became a
partner in many joint ventures with multinationals. Among the first were the Japanese
Obayashi construction company, Thai Fuji Xerox, Siam Kubota Diesel, and YKK
Trading (textiles). Several others were related to the group’s petrochemical and
construction businesses, but many others were in the sub-sectors of electrical goods
and automotive parts which boomed in this era. Its subsidiaries and affiliates
numbered around 120 companies.

SCB was also caught up in the wave of diversification associated with the
boom, foreign inflows, and the financial market liberalisation which began in the later
1980s. By the eve of the 1997 crisis, SCB had 77 subsidiary and associated companies
in which it had shareholding of more than ten percent. These subsidiaries ranged
across asset management, real estate, industry, warehousing, mutual funds, insurance,
moving, sugar, construction, entertainment and vehicle production.

As SCB thus changed from a bank to a conglomerate, the CPB share was
diluted, but remained 26 percent on the eve of the economic crisis. Similarly the CPB
stake in SCG declined from around half but remained a dominant 35 percent.

Besides the investments through its two main subsidiaries, the CPB expanded
its own shareholdings using the surplus which its boom-era income delivered after
deduction of royal expenses. Most of this surplus was reinvesting through the Stock
Exchange of Thailand which became more active from the mid 1980s. The CPB
targeted new sectors of expansion in Thailand’s maturing economy, especially media,

101 In 1997, Siam City Cement and TPI Polene controlled 25 and 17 percent of the market.
manufacturing, and energy. In 1996, the CPB became the major shareholder in ITV, the first privately-owned television channel, as well as ventures in press and radio. The Bureau acquired a crucial two percent “balancing” stake in the National Petrochemical Corporation and Thai Oil, the largest oil refinery (Paisal, 1988). The Bureau also joined in an electronics venture with Japan’s Minebea Group, the largest foreign investor on the upswing of the boom.

By the closing stages of the great boom, the CPB had become a sprawling conglomerate. According to estimates, the CPB had direct interests in around 90 companies, and indirect interests in another 300. Of these, 43 were listed on the stock exchange. Of 92 companies in which CPB and its subsidiaries figured among the major shareholders (over ten percent), 41 were in manufacturing, 18 in finance, 12 in media, eight in hotels, seven in insurance, and six in property and construction. The CPB’s interests stretched across the spectrum of Thailand’s modern urban enterprise (Porphant, 2006: 69, 145–50).

**Pre-crisis income and wealth**

Because of the CPB’s unique status, it is not bound by the rules of disclosure governing a state enterprise, a listed company, or even an ordinary unlisted company which is required to report its annual profit and other details to the Department of Commercial Registration. Hence estimating the CPB’s income is difficult.

Over the boom, the profits of the CPB’s two main companies increased rapidly. In 1996, SCG had assets of 180 billion baht and profits of 6.8 billion baht, both figures having roughly doubled over the prior three years. SCB returned profits which averaged 6.4 billion baht between 1992 and 1996, and peaked at over nine billion baht in 1996.

On the eve of the crisis, no less than 60 percent of the CPB’s total income came from the dividends of SCB and SCG (Chirayu, cited in Anon., 2003a: 38), which rose from just under one billion baht in 1984, to 1.7 billion baht in 1995. The next largest portion of the CPB’s income came from land rents, estimated to be somewhere in the range of 300 to 600 million baht a year (Suprani, 1992: 204, 218; Yipphan, 2004: 68). The remainder came principally from shares in other companies, mostly held through the stock market. The largest such contributors were Dhana Siam Finance and Securities and Thai Farmers Bank, but also included Nakhon Thon, Krung Thai, and Siam City banks, Siam-Sanwa Industrial Credit, Thai Glass, Siam Rubber, and Christiani & Nielsen, a construction company (Suprani, 1992: 204; Ellis, 2003: 1–2; Post Today, 13 April 2004; Crown Property Bureau, 2006a: 18–19; Anon., 2003b).

The total dividends in 1994 are estimated at 870 million baht. Allowing for other undisclosed sources of income, the total income of the CPB immediately prior to the crisis was around one billion baht a year.\(^{102}\)

The CPB owned one of the largest (perhaps the largest) corporate groups in Thailand. In 1997, Forbes magazine estimated its asset value at US$1.8 billion. In 1999, Michael Backman gave an alternative estimate closer to US$8 billion (Backman, 1999: 249).\(^{103}\) This range of US$2 to 8 billion was quoted in Time magazine (Horn, 1999).\(^{104}\) In baht terms, this would be between 90 and 350 billion baht.

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102 This was the figure later cited by Chirayu (see The Nation, 4 March 2005), but he may well have been underestimating.
103 That is the figure that Backman headlined, but his calculation is actually US$ 9 billion. He estimated that the shareholdings were worth US$4.079 billion. As for property, he calculated that the holdings in...
THE CROWN PROPERTY BUREAU in the 1997 crisis

When the economic crisis broke in July 1997, the CPB was heavily dependent on two companies. The crisis struck with such severity that both concerns made large losses, were unable to pay dividends, and needed to raise new capital. In turn their losses undermined the income of the crown, and their need to recapitalise threatened to undermine the CPB’s controlling shares in these enterprises.

The Crown Property Bureau’s Vanishing Income

The SCB paid no dividend for three consecutive years, and the SCG paid none for five consecutive years (see Table 1). Most of the other financial and industrial companies within the Bureau’s portfolio were also forced to suspend dividend payments. Thus, at a stroke, the Bureau lost some 75 percent of its income and was forced to borrow heavily to cover royal household expenses (Ellis, 2003). Chirayu later reported that this borrowing amounted to 6-7 billion baht. Others estimated the sum at US$200 million, equivalent to over 8 billion baht (Ellis, 2003). In addition, the balance sheets of the two principal companies were wrecked. As Chirayu later reported, “every morning when we woke up and found the currency had dropped by another 1 baht, it meant the debts had risen by 2.5 billion baht (Anon., 2003a: 41). Correcting the balance sheets would require recapitalisation, raising the possibility that the CPB’s dominant share might be undermined. The CPB faced the problem of how to continue financing the expenses of the monarchy, and how to survive.

Table 1: Income, Profit, and Dividend of SCG and SCB, 1996–2006

<table>
<thead>
<tr>
<th>Year</th>
<th>Siam Cement Group</th>
<th>Siam Commercial Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Income (billion baht)</td>
<td>Net Profit (billion baht)</td>
</tr>
<tr>
<td>1996</td>
<td>110.7</td>
<td>6.8</td>
</tr>
<tr>
<td>1997</td>
<td>122.6</td>
<td>-52.5</td>
</tr>
<tr>
<td>1998</td>
<td>105.2</td>
<td>19.3</td>
</tr>
<tr>
<td>1999</td>
<td>101.8</td>
<td>-4.8</td>
</tr>
<tr>
<td>2000</td>
<td>128.1</td>
<td>0.0</td>
</tr>
<tr>
<td>2001</td>
<td>120.4</td>
<td>7.6</td>
</tr>
<tr>
<td>2002</td>
<td>128.2</td>
<td>14.6</td>
</tr>
<tr>
<td>2003</td>
<td>148.9</td>
<td>20.0</td>
</tr>
<tr>
<td>2004</td>
<td>192.4</td>
<td>36.5</td>
</tr>
<tr>
<td>2005</td>
<td>218.3</td>
<td>32.2</td>
</tr>
<tr>
<td>2006</td>
<td>258.2</td>
<td>29.5</td>
</tr>
</tbody>
</table>

Source: Siam Cement Plc, Annual Report, various years; Siam Commercial Bank Plc, Annual Report, various years.

Note: * SCG had a 10-way share split in 2003, and the dividend from 2001 reflects this new valuation.

central Bangkok amounted to 2.5 million square metres with a value of US$ 2,000 per square metre pre-crisis, giving “a long-term market value of approximately US$5 billion” (Backman, 1999: 250–1).

Suehiro (2003) estimated the assets of the CPB (excluding land) were worth 475 billion baht in 1997, but this figure includes the full value of corporations (like SCB and SCG) in which the CPB had only a controlling stake.
The SCB was hit in both its income statement and balance sheet. In keeping with all banks, and found it impossible to recoup payments from stricken customers, especially those which were its own subsidiaries. The bank’s proportion of non-performing loans rose to 34 percent in 1998, and in the following year the bank had to write off 64 billion baht of bad debts. Also in keeping with other banks, SCB had borrowed money in dollars (around 20–22 percent of its liabilities) and lent it onwards in baht, resulting in huge losses after the baht depreciated. Under IMF conditions, the bank was forced to find new capital to square its balance sheet and meet more stringent standards of banking prudence.

The crisis caught the SCG in a phase of investment expansion in both cement and petrochemicals to meet the accelerating demand of the boom. The group had contracted US$6.6 billion in debts, mostly in foreign currency and mostly unhedged. In addition, the crisis halved the turnover of the construction industry, and hence slashed demand for the group’s products.

Both companies experienced heavy losses during the crisis. SCG did not regain its 1996 level of profitability until 2001 (the positive profit in 1998 was achieved by selling off assets to increase liquidity). SCB did not record profits as high as 1996 until 2003.

Heavy losses and bankruptcies were found throughout the CPB’s affiliated companies, especially in the financial sector. Siam City Bank, Nakhon Thon Bank, the Bangkok Metropolitan Bank, Dhana Siam, and Siam Industrial Credit all effectively went into liquidation. Other banks in the portfolio paid no dividends for five years (for aspects of the crisis and the impacts to the CPB’s affiliated company, see Backman, 1999: 249–54). The construction firm Christiani & Nielsen, one of the CPB’s affiliated companies, experienced losses of 954 million baht in 1995 and 2,634 million baht in 1996 because of overly rapid expansion into China, Vietnam, Malaysia, and Germany. Many of the company’s subsidiaries were sold off, and the company had to enter the rehabilitation process of the Stock Exchange of Thailand.

The crisis forced major changes in the CPB’s outlook and strategies. The changes included new policies with regard to the running of the SCG, the SCB, and other companies with affiliations to the Bureau.

An early measure was the appointment of Chirayu, the director of the CPB, as chairman of both SCG and SCB. These were, of course, appointments designed to restore confidence in both companies by linking them directly with the power and prestige of the Bureau. They also signified more attentive control.

**Restructuring the Siam Cement Group**

Siam Cement underwent a major restructuring. The group decided to concentrate on three core businesses: cement and construction materials, petrochemicals, and paper. New talent was drafted onto the group’s board, including experts in finance (Pridiyathorn Devakula and Panas Simasathien), retired technocrats with expertise in industry (Sivavong Changkasiri and Sumet Tantivejkul), and businessmen with experience and contacts in the core business of petrochemicals (Yos

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106 The contribution of the construction industry to GDP, in billion baht, from 1996 to 1999 was: 197, 144, 88, 84.
Euarchukiati). In 1999, SCG tried to raise capital for restructuring from the international markets, but the attempt failed miserably. Instead it raised money primarily by selling off the joint ventures contracted with multinationals over the boom decade, especially ventures in automotive parts, electrical goods, iron and steel.

To finance this restructuring, extra capital was raised, and the SCG board agreed to allow the foreign share to rise from 25 to 40 percent (Brooker Group, 2001: 148–55, Siam Cement, Annual Report, 2000 and 2001). Many non-core businesses were sold including Siam Magotteaux (to Magotteaux International of Belgium), Siam Guardian Glass (to its US-based partner Guardian Industry Corp) and Tianjin Cement Thai Gypsum Products (to KNAUF GmbH of Germany). In addition, SCG reduced its equity in other non-core business such as Siam-Hitachi Construction Machinery, Thai Engineering Products, Siam AT Industry, Nawaloha Industry and Siam Fuchs Lubricants in 1999 and TileCera distributing Inc (all shares of both to Florim Ceramic of Italy) in January 2000 (Brooker Group, 2001: 149). Over 2000–1, SCG issued two sets of debentures in the local market, and used he proceeds to convert virtually all its remaining foreign debt. In all, SCG raised 49 billion baht by selling off stakes in 57 of its 124 subsidiaries (Bangkok Post Mid-year Economic Review, 2007: 22). The CPB share in SCG fell from 35.6 percent in 1996 to 30 percent in 2004.

Siam Cement turned a profit in 2001, and thereafter the profit grew steeply. Initially, while the domestic construction industry was in slump, little of this profit came from its cement and construction materials business. However, the paper factory, which still had a virtual monopoly for industrial paper products, continued to show a profit through the crisis, and was the major contributor to SCG’s income until 2002 (see Table 2).

Petrochemicals was the next relevant sector to recover. As a result of the fall in the value of the baht, Thailand’s exports of petrochemicals soared, multiplying over eleven times from 18 billion baht in 1996 to 206 billion baht in 2006. SCG’s net profit from petrochemicals expanded rapidly from 2.6 billion baht in 2001 to 20.5 billion baht in 2004. SCG not only enjoyed these profits, but found the resources to increase its investment in this sector, especially by taking higher stakes in existing ventures such as National Petrochemical Aromatics. Although the group still went by the name of a cement company, petrochemicals became its largest segment both in profits and assets (see Table 2).

In 2003, profits from cement also revived. Siam Cement was able to export increasing amounts of cement and construction materials, principally to China which entered a construction boom and faced a lag before domestic production could catch up with demand. Domestic demand for cement and other construction materials also revived with the recovery of the building industry and renewed government spending on infrastructure, especially the new international airport.

From 2001 onwards, the group was able to expand by buying up companies in trouble, expanding capacity, and founding new ventures overseas. The paper division bought majority stakes in Phoenix Pulp and Paper in 2001 and Thai Cane Paper in 2003, besides increasing its stake in United Pulp and Paper in the Philippines and building a plant in Vietnam in 2006. The cement division bought a 20 percent stake in the largest cement producer in Bangladesh in 2001, and built a plant in Cambodia in 2005. The petrochemicals division increased its holding in many local companies, and bought stakes in companies in China, Iran, and Indonesia in 2005 (Siam Cement, Annual Report, various years).
Table 2: Financial results of the Siam Cement Group, 2001–6 (billion baht)

<table>
<thead>
<tr>
<th>Sector</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Petrochemicals</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets</td>
<td>54.2</td>
<td>57.7</td>
<td>67.2</td>
<td>75.1</td>
<td>78.6</td>
<td>105.0</td>
</tr>
<tr>
<td>Net sales</td>
<td>38.1</td>
<td>38.1</td>
<td>50.7</td>
<td>75.1</td>
<td>86.0</td>
<td>122.6</td>
</tr>
<tr>
<td>Net profit</td>
<td>2.6</td>
<td>2.6</td>
<td>7.7</td>
<td>20.5</td>
<td>16.5</td>
<td>17.6</td>
</tr>
<tr>
<td><strong>Cement</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets</td>
<td>59.6</td>
<td>60.6</td>
<td>66.3</td>
<td>54.8</td>
<td>55.9</td>
<td>57.8</td>
</tr>
<tr>
<td>Net sales</td>
<td>24.1</td>
<td>27.2</td>
<td>30.5</td>
<td>36.6</td>
<td>41.6</td>
<td>44.1</td>
</tr>
<tr>
<td>Net profit</td>
<td>0.8</td>
<td>2.0</td>
<td>5.3</td>
<td>6.5</td>
<td>7.9</td>
<td>6.7</td>
</tr>
<tr>
<td><strong>Paper and Packaging</strong></td>
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<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Assets</td>
<td>25.8</td>
<td>28.7</td>
<td>32.8</td>
<td>39.1</td>
<td>38.5</td>
<td>40.7</td>
</tr>
<tr>
<td>Net sales</td>
<td>26.9</td>
<td>29.3</td>
<td>33.5</td>
<td>38.2</td>
<td>40.3</td>
<td>42.6</td>
</tr>
<tr>
<td>Net profit</td>
<td>3.2</td>
<td>4.0</td>
<td>4.2</td>
<td>4.1</td>
<td>3.6</td>
<td>3.6</td>
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<td></td>
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<td></td>
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<tr>
<td>Assets</td>
<td>16.0</td>
<td>15.3</td>
<td>15.7</td>
<td>18.0</td>
<td>20.2</td>
<td>20.6</td>
</tr>
<tr>
<td>Net sales</td>
<td>13.0</td>
<td>16.1</td>
<td>18.1</td>
<td>20.5</td>
<td>22.2</td>
<td>22.7</td>
</tr>
<tr>
<td>Net profit</td>
<td>0.4</td>
<td>1.5</td>
<td>2.2</td>
<td>2.7</td>
<td>3.0</td>
<td>1.9</td>
</tr>
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<td><strong>Distribution</strong></td>
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<tr>
<td>Assets</td>
<td>7.8</td>
<td>6.8</td>
<td>6.6</td>
<td>7.7</td>
<td>8.5</td>
<td>10.6</td>
</tr>
<tr>
<td>Net sales</td>
<td>53.3</td>
<td>52.1</td>
<td>56.5</td>
<td>68.5</td>
<td>76.9</td>
<td>81.5</td>
</tr>
<tr>
<td>Net profit</td>
<td>1.0</td>
<td>0.9</td>
<td>0.2</td>
<td>0.5</td>
<td>0.6</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Other</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets</td>
<td>25.9</td>
<td>19.2</td>
<td>18.5</td>
<td>18.1</td>
<td>22.3</td>
<td>12.0</td>
</tr>
<tr>
<td>Net sales</td>
<td>6.7</td>
<td>0.5</td>
<td>0.4</td>
<td>0.4</td>
<td>6.0</td>
<td>3.0</td>
</tr>
<tr>
<td>Net profit</td>
<td>2.2</td>
<td>5.0</td>
<td>3.3</td>
<td>3.7</td>
<td>4.5</td>
<td>1.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets</td>
<td>189.3</td>
<td>188.3</td>
<td>197.1</td>
<td>212.8</td>
<td>224.0</td>
<td>221.9</td>
</tr>
<tr>
<td>Net sales</td>
<td>162.1</td>
<td>163.3</td>
<td>189.7</td>
<td>239.3</td>
<td>273.0</td>
<td>258.2</td>
</tr>
<tr>
<td>Net profit</td>
<td>10.2</td>
<td>16.0</td>
<td>22.9</td>
<td>38.0</td>
<td>36.1</td>
<td>29.5</td>
</tr>
</tbody>
</table>

Source: Siam Cement Plc, Annual Report, various years.

Restructuring the Siam Commercial Bank

In 1999 Chumpol NaLamlieng retired as head of SCG and was inducted to advise SCB on an aggressive makeover. Olarn Chaiprat, a former academic, resigned as head of SCB to take responsibility for the bank's losses. He was replaced by Jada Wattanasiritham, who had earlier been head of the Bank of Thailand’s research and planning division before spending two decades in SCB. The bank also hired Vichit Suraphongchai, who had earlier been a rising star and managing director in Bangkok Bank, before leaving because of internal friction and serving briefly as a government minister in 1995. McKinsey was hired as consultants to advice SCB on restructuring.

SCB was obliged to recapitalise. Initially, it attempted to raise capital from foreign banks with which it had some association, especially the Sanwa Bank and Long-term Credit Bank of Japan, but this was only partially successful. Sanwa’s stake in SCB rose from 0.58 percent before the crisis to 13.12 percent in February 1999.

As all the major commercial banks faced a similar problem, on 14 August 1998 the government launched a scheme in which government would provide counterpart funding against additional capital raised by the banks themselves. Interestingly, Finance Minister Tarrin Nimmanhaeminda, who designed this scheme, was a former president of SCB. This scheme considerably raised the attraction for outside investors...
to take a holding in Thai banks. SCB first attempted to raise funds for this scheme on the local stockmarket, but failed. In early 1998, the bank took a roadshow overseas, and raised US$675.7 million from the US and Europe. Japan’s UFJ Bank took 12.6 percent and other participants included the US’s State Street Bank and Trust, and Britain’s Hong Kong Bank (HSBC). As *Time* reported, “Of course, being known as the King’s bank didn’t hurt. Says Chumpol: ‘I’m sure investors were confident they would get fair treatment from the royal family’” (Horn, 1999). CPB put in US$202.7 million, and the government matched the total with US$878.4 million. Under this arrangement, the CPB’s share was diluted from 25.3 to 11.05 percent, while the Ministry of Finance became the largest shareholder with 38.8 percent.\(^{107}\)

Most other surviving banks were wary of taking advantage of this scheme because they feared it would make them subservient to government direction, and vulnerable to a state takeover. They preferred an alternative scheme which was less robust and ultimately more costly. Only the Thai Military Bank and TISCO finance company followed SCB’s route. SCB was thus not only the first of the surviving commercial banks to recapitalise, but also the most robust.

Possibly SCB was less wary than other commercial banks of the 14 August scheme because, as later reported, “there was an agreement allowing the CPB to repurchase the stock once market conditions turned favourable” (*The Nation*, 10 April 2004). In 2004, the CPB arranged to buy shares back from the Ministry of Finance at the original price plus interest, which amounted to 13 billion baht. This purchase was achieved by transferring to government a tract of 485 rai of CPB land in central Bangkok (Phaya Thai) on which several government institutions had been built (*The Nation*, 10 April 2004). This deal was unique. No other bank enjoyed similar treatment. The deal raised the CPB share in the bank back to a dominating 24 percent (*The Nation*, 10 April 2004; Songkiat 2004: 34–41).\(^{108}\)

SCB returned to profitability in 2003 (see Table 1). But already by 2001 as a result of the recapitalisation under the 14 August scheme SCB had enough funds to contemplate expansion. On the exit from the crisis, all the surviving commercial banks reoriented themselves to some extent towards consumer banking. From 2001, SCB was among the most aggressive in this respect, hiring expert marketing staff, and investing heavily in new systems and a redesigned branch network. From 2002 to 2006, it increased its branches from 483 to 793, and ATMs from 1083 to 3028. By 2006, retail banking contributed almost 60 percent of profits (*The Nation*, 8 May 2007). In 1996, prior to the crisis, SCB’s share of the banking market, measured by assets or deposits, was around nine percent. A decade later, that had risen to around 13 percent. In 2006, SCB captured almost a quarter of the total profit of commercial banking.

In 2000, the SCB Board took a decision to divest many of its affiliated companies other than those which contributed to their core banking business. As the SCB *Annual Report*, 2000: 26) stated,

> In the past, it was the Bank’s intention to invest in various businesses in order to facilitate the operation of the Bank and distribute risk through investment in various businesses, directly and indirectly…. The emphasis is now to focus mainly on the

\(^{107}\) CPB’s share fluctuated between 11.05 percent in 1999 and 12.5 percent in 2003.

\(^{108}\) Under laws designed to dissipate concentrated family control, the Commercial Bank Act No. 2 of 1979 placed an upper limit of five percent on any individual shareholding in a bank. This law did not apply to the CPB.
investment in financial businesses that are complimentary to the commercial banking business and in businesses that can support or add value to banking services.

At the onset of the crisis, the bank had stakes in 47 companies worth 4.6 billion baht. Several were closed down or sold off over 1999–2001. But by 2001, the bank felt expansive again. It revoked the policy to invest solely in financially related businesses in favor of a “focus on long-term investments in businesses with high growth potential or high dividend yields” (SCB, *Annual Report*, 2001: 26). SCB entered into negotiations to merge with the Thai Military Bank in order to create Thailand’s largest commercial bank, but ultimately this plan came to nothing. In 2006, SCB still had stakes worth 23.4 billion baht in 25 subsidiary and affiliate companies. These sold-off companies were principally its financial subsidiaries, but also included Christiani & Nielsen and some property companies. It was planning to reduce the number to 16 (Stock Exchange of Thailand, 1999)

**The Crown Property Bureau’s share portfolio**

The CPB sold some of its significant holdings in non-core companies, but seemingly without the pressure of distress sales. In 2000, its stake in ITV was sold to the Shinawatra group for US$60 million. Given that ITV had consistently lost money, some commentators have judged that this was a very friendly price. The stake in Dusit Thani (10.28 percent), one of its oldest and largest non-core holdings, was also sold, but not until 2002 after the economy had recovered from the crisis.

Far-reaching changes also took place in the organisational structure and strategies of the Bureau. In 2001 a new entity, the Crown Property Bureau Equity Company (in Thai called Thun Laddawan) was formed to look after the CPB’s share dealings. The registered capital was 11.621 billion baht, with CPB holding 99.99 percent. CPB Equity set out to manage the share portfolio to maximise revenues and capital gains through more active dealing (Anon., 2002: 54–7).

**Table 3: CPB Equity Company, 2000–5 (million baht)**

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>15,151.6</td>
<td>12,932.1</td>
<td>9,289.7</td>
<td>22,376.3</td>
<td>24,601.9</td>
<td>24,036.9</td>
</tr>
<tr>
<td>Securities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>investment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Short-term</td>
<td>1,420.3</td>
<td>1,927.4</td>
<td>6,119.1</td>
<td>7,747.5</td>
<td>9,129.2</td>
<td>9,264.8</td>
</tr>
<tr>
<td>-Long-term</td>
<td>12,585.5</td>
<td>10,493.4</td>
<td>3,697.3</td>
<td>6,821.9</td>
<td>6,911.7</td>
<td>6,752.3</td>
</tr>
<tr>
<td>Dividends</td>
<td>72.4</td>
<td>164.7</td>
<td>210.9</td>
<td>249.6</td>
<td>560.6</td>
<td>1,099.5</td>
</tr>
<tr>
<td>Interest earned</td>
<td>1.8</td>
<td>1.7</td>
<td>2.7</td>
<td>25.0</td>
<td>190.3</td>
<td>192.1</td>
</tr>
<tr>
<td>Profit/loss on</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>securities</td>
<td>(2,061.9)</td>
<td>(1,457.7)</td>
<td>(239.0)</td>
<td>3,523.6</td>
<td>232.7</td>
<td>(579.3)</td>
</tr>
<tr>
<td>Profit/loss on</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>exchange</td>
<td>0.0</td>
<td>0.0</td>
<td>133.1</td>
<td>191.5</td>
<td>0.0</td>
<td>(276.2)</td>
</tr>
<tr>
<td>Fees and operating</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>costs</td>
<td>(18.5)</td>
<td>(75.9)</td>
<td>(106.4)</td>
<td>(104.2)</td>
<td>(114.6)</td>
<td>(80.7)</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(136.5)</td>
<td>(428.9)</td>
<td>0.0</td>
<td>(181.4)</td>
<td>(434.5)</td>
<td>(475.6)</td>
</tr>
<tr>
<td>Other</td>
<td>0.0</td>
<td>8.0</td>
<td>7.8</td>
<td>8.6</td>
<td>211.5</td>
<td>19.9</td>
</tr>
<tr>
<td>Net Profit</td>
<td>(2,142.7)</td>
<td>(1,788.2)</td>
<td>9.0</td>
<td>3,712.7</td>
<td>646.1</td>
<td>(100.2)</td>
</tr>
</tbody>
</table>

Source: Department of Business Development, Ministry of Commerce.
From 2000 to 2002, CPB Equity was mostly disposing of bad investments and booking the write-offs as losses. Its assets fell from 15.1 billion to 9.2 billion baht. But low interest rates and rising GDP growth lifted the stock market slightly in 2002, and then dramatically in 2003. CPB Equity rode this trend. Between 2001 and 2005, the company switched most of its portfolio from long-term holdings into short-term trading (see Table 3). The combined income from dividends and trading rose from a net loss in 2001 and 2002 to a gain of 3.7 billion baht in 2003. The value of its assets more than doubled to 24 billion baht. In 2005, the company again made a loss because of high interest payments, and losses on both securities dealing and exchange.

Land and property

To manage its landed properties, CPB set up another new entity called CPB Property Company (Wang Sinsup in Thai) in 2000. Again new executives were hired, headed by Yos Euarchukiati, member of a prominent banking and industrial family, and including people with experience in finance and real estate. Others were Dr Vichit Suraphongchai, MR Disnadda Diskul, Michael David Selby, Bodin Asavanich, Sirin Nimmanahaeminda, David James Mulligan, and Santi Grachangnetr (information from the files of the Department of Business Development).109

The management of the CPB’s property portfolio was also restructured and reoriented to become more commercial and aggressive. The initial aim was simply to increase the cashflow as rapidly as possible. Private tenancies were renegotiated on an individual basis, and shortly after the crisis there were rumors of long-standing commercial tenants being asked to pay greatly inflated rents. The CPB insisted that the hikes were large because earlier rentals had not kept up with the rising value of the land. The Dusit Thani Hotel objected strongly to the scale of its rent hike, and the negotiations were not settled until 2003 (The Nation, 24 March 2003). Soon after, CPB sold its entire stake in the Dusit Hotel company, possibly because of the soured relationship with one of its oldest business partners. Complaints were also heard from long-standing tenants in old areas of the city such as Chinatown who were displaced to make way for more profitable commercial ventures (Our Correspondent, 2007).

Some prime tracts were transferred to more commercial and rewarding uses. For example the army cadet school was given notice to quit the prime plot of 120 rai in the city centre. Part of the plot was allocated for foreign embassies, and the Japanese embassy became the first tenant. Part was leased in 2001 to a contractor at 700 million baht a year for creating a “night market” to attract tourists – a way to increase the revenue with little investment or lead-time (The Nation, 16 October 2001).110 In 2007, this market was closed and the plot leased to the Central group to build a large commercial complex. Similarly, unused CPB land in older areas of Bangkok, such as the Sampheng Chinatown district, and around Ratchadamnoen Avenue, were earmarked for extensive development (The Nation, 5 October 2002, 11 February 2003 and 11 March 2003).

Large commercial clients who had been bankrupted by the crisis and who had stopped paying rents were pursued through both legal process and private negotiation. One of the largest was the massive World Trade Centre commercial complex in the

109 Selby had formerly been an adviser to Jefri, the “Prince Playboy” of Brunei at the time when Jefri was sacked by the Sultan (his brother) as minister of finance in February 1997. Jefri was sued for embezzling US$ 15.4 billion from the Brunei Investment Agency, but the charges were dropped in 2006 (Asiaweek 12 and 26 September 1997, 24 August 2001).
110 This usage of the land provoked anger among the displaced army cadets (Our Correspondent, 2007).
city centre. The Tejapaibul family, which had been the major promoter of this project, had suffered badly in the crisis. In 2002, the Central group agreed to take over the project and pay 200 million baht annually in rent and other costs to the CPB in return for a 30-year lease (*The Nation*, 24 December 2002).111

Many plots which were occupied by long-standing tenants or slum communities could not be managed so aggressively, but still provided opportunities for revenue increase. On sixty areas which housed local markets and slum communities, CPB prepared to invest 200 million baht in improving the environment, employment opportunities, and quality of life (*The Nation*, 4 March 2005). To avoid criticism for raising rents on long-established communities, the CPB adopted a policy of subcontracting redevelopment work to intermediary companies. This policy was applied to a residential area and market area in Chinatown (*The Nation*, 12 April 2004).

For state-related institutions, which were often paying peppercorn rents, CPB set out a policy of gradually raising the annual rental up to two percent of the property valuation for government agencies, and three percent for state enterprises, by 2006 (*Bangkok Post*, 12 April 2000). As a result of these new arrangements, rents from government agencies increased from 70 million baht in 2000 to 300 million in 2002, and those from state enterprises doubled from 422 million baht in 2003 to 845 million in 2005 (*Bangkok Post*, 20 March 2003; Yipphan, 2004: 68–69).

In one case, CPB was able to deploy land in an unusual way. In 2001, a plot worth 1.2 billion baht in the Dusit district was transferred to the Ministry of Finance in exchange for shares which became available under the partial privatisation of the state petroleum company, PTT. Over the next three years, the value of these shares multiplied almost five times (Songkiat, 2004: 39). The use of land to buy such shares through the intermediation of the Ministry of Finance seems to be unique.

In 2003, according to one report, CPB’s rental income was 1.7 billion baht (Chirayu quoted in *The Nation*, 12 April 2004). According to data from the CPB, the rental income was in the range of 2.1 to 2.2 billion baht a year between 2003 and 2005 (see Table 4 below). Estimates of the CPB’s pre-crisis rental income were in the region of 300 to 600 million baht. Although this might be an underestimate, it seems likely that the CPB managed to hike its property income in the immediate aftermath of the crisis by anything up to five or six times in the same number of years.

### Prospering after the Crisis

The revenue of the CPB before the crisis was 3 billion baht a year. Chirayu reported that during the crisis, this fell to 2 billion baht (*The Nation*, 4 March 2005). Possibly this figure is an average of several years. From 1997 to 2000, the income from the dividends of SCB and SCG was virtually zero, and the share portfolio would have yielded little. The regular income may initially have fallen to the estimated 300 to 600 million baht from property.

Subsequently, income was raised by increasing the property income rapidly, and selling off properties, stakes in joint ventures, and shareholdings. Then from 2001, and more convincingly from 2003, SCB and SCG returned to profitability. Indeed, strengthened by the internal restructuring, buoyed by China’s extraordinary demand

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111 SCB sued the holding company of the World Trade project for bankruptcy, but the suit failed. Subsequently the project was taken over by the Thai Asset Management Corporation, the government’s debt-restructuring agency, which helped to conclude the deal with Central (*The Nation*, 26 September 2001).
for cement, boosted by the recovery of the local construction industry, and helped perhaps by the collapse of some competitors, SCG returned record profits.

In 2002, the CPB reported that it was already able to pay off its 6 billion baht debt incurred at the onset of the crisis (The Nation, 6 August 2002). With its SCG dividend and increased property income, the CPB income in 2003 was nearly 8 billion baht – that is, up to 2.7 times its peak pre-crisis level. Over the next two years, as SCG’s profits continued to soar, and SCB returned to profitability, the CPB income increased again to around 9.3 billion baht in 2005, around three times its pre-crisis income (see Table 4).

Table 4: The Crown Property Bureau’s Income, 2003–5 (million baht)

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Siam Commercial Bank</td>
<td>0</td>
<td>140.3</td>
<td>1,022.2</td>
</tr>
<tr>
<td>Siam Cement Group</td>
<td>1,980.0</td>
<td>3,240.0</td>
<td>6,120.0</td>
</tr>
<tr>
<td>Deves Insurance</td>
<td>23.9</td>
<td>26.9</td>
<td>26.9</td>
</tr>
<tr>
<td>CPB Equity*</td>
<td>3,712.6</td>
<td>646.1</td>
<td>(101.1)</td>
</tr>
<tr>
<td>Rents and fees**</td>
<td>2,168.8</td>
<td>2,255.9</td>
<td>2,253.7</td>
</tr>
<tr>
<td>Total</td>
<td>7,885.3</td>
<td>6,309.1</td>
<td>9,321.7</td>
</tr>
</tbody>
</table>

Sources: Dividend income from company reports; CPB Equity from the company filing at Department of Business Development, Ministry of Commerce; rent and fee income from unpublished files of the Crown Property Bureau, provided by CPB.

Notes:
* This row shows the profit/loss of the CPB Equity Company, but there is no evidence to show what sum was delivered to the CPB as dividend, hence this figure must be treated with some caution.
** These figures may underestimate the revenues from rents as there seem to be some major omissions, and it is a little bit surprising that rents and fees were rather static between 2003 and 2005.

The two traditional core holdings of the Bureau, the SCB and the SCG, continued to contribute the largest share of Bureau income. Together they accounted for three-quarters in 2005, with the SCG alone contributing around 65 percent.

The Crown Property Bureau’s worth

What was the total worth of the CPB after the crisis? The value of the holdings in SCB, SCG, and Deves Insurance can be estimated from the value of the shares. For the holdings under CPB Equity, the asset value provides a reasonable approximation. The segment which is difficult to assess is the landed property. While the total area owned by the CPB in central Bangkok is known to be 8,835 rai, there is no information available on exactly where this land is located.

However, from historical data we know that most of the holdings were on Rattanakosin Island, in the Chinatown area around Yaowarat, in the business district

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112 Chirayu told reporters that the CPB income in 2003 was four billion (The Nation, 12 April 2004), and in 2004 was five billion (The Nation, 4 March 2005).
113 There are several ways to estimate the value of a corporate group. Suehiro (2003), for example, sums the value of all the companies in which the group has a controlling interest. By that method, CPB’s worth would include the total worth of SCG and SCB and several other companies in which it has a controlling stake. Suehiro estimated this figure as 475 billion in 1997, and 1,172 billion baht in 2000. Here, the method assesses the value of the assets were they to be liquidated today. Hence for the corporate holdings, the figure is the value of the shares at current value.
around Silom, and further west towards Wireless Road and Sukhumvit. In other words, the plots are widely spread across many areas of central Bangkok.

Prices of land in different zones of Bangkok are published by a private consulting firm, the Agency of Real Estate Affairs (2006). To estimate the value of the CPB properties, twenty-two of the Agency’s total of 78 zones were selected on the basis of historical and contemporary information that there are CPB plots in these areas. As the exact distribution of the CPB properties is not known, a simple average was made of the 2005 price in these twenty-two zones. This is more likely to underestimate than over-estimate as the CPB has large tracts in high-priced zones such as Yaowarat (640,000 baht per square wah, the highest), Silom (525,000), Sathorn (425,000), Wireless Road (425,000), and lower Sukhumvit (320,000). The simple average gives a figure of 279,409 baht per square wah or 111.8 million baht per rai. At this rate, the CPB’s Bangkok land is worth a little short of one trillion baht. The CPB also owns 31,270 rai outside Bangkok, but as the whereabouts of this land is unknown, it is impossible to calculate the value.

Summing these items gives a total worth of 1.1 trillion baht (see Table 5). Obviously the estimation of the land value has a large margin of error, so this should be taken as a rough order of magnitude. At the end of 2005, the baht was exchanging at around 41 to the US dollar. At that rate, this worth translates as US$27.4 billion.

With these figures we can evaluate Backman’s pre-crisis estimate of the CPB value of US$ 8 billion. At the end of 1996, the CPB shareholdings were worth around 3 billion baht, lower than Backman’s estimate of 4.09 billion. Backman underestimated the extent of the CPB’s Bangkok land by a factor of almost six, and also slightly under-estimated the average price. Hence his estimate of US$ 5 billion for the land should be corrected to around US$ 38 billion, giving a total CPB value of US$ 41 billion, again around a trillion in baht terms.

### Table 5: Estimated Worth of the CPB, 2005

<table>
<thead>
<tr>
<th>Asset</th>
<th>Method</th>
<th>Worth (billion baht)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Siam Cement Group</td>
<td>30 percent of market capitalisation of 292.8 billion</td>
<td>87.8</td>
</tr>
<tr>
<td>Siam Commercial Bank</td>
<td>25 percent of market capitalisation of 94.1 billion</td>
<td>23.5</td>
</tr>
<tr>
<td>Deves Insurance</td>
<td>25 percent of market capitalisation of 1.3 billion</td>
<td>0.3</td>
</tr>
<tr>
<td>CPB Equity</td>
<td>Value of assets</td>
<td>24.0</td>
</tr>
<tr>
<td>Land in Bangkok</td>
<td>8,835 rai at 111.8 million baht per rai</td>
<td>987.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>1,123.0</strong></td>
</tr>
</tbody>
</table>

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114 The zones and prices per wah were: Charoen Krung soi 1, 300,000; Charoen Krung (Thanon Tok), 155,000; Yaowaraj, 640,000; Phayathai (department of livestock), 275,000; Rama I (Siam Centre), 550,000; Si Phraya, 195,000; Silom, 525,000; Sathorn, 425,000; Rama IV, Bon Kai, 300,000; Rama IV, Kluay Nam Thai, 170,000; Trok Chan, 145,000; Phaholyothin (beginning), 235,000; Wireless road, 425,000; Sukhumvit 21, Asoke, 275,000; Sukhumvit 63, Ekkamai, 205,000; Sukhumvit, Times Square, 320,000; Rachawithi Suan Oi, 102,000; Pinkhlao Road (beginning), 160,000; Charoen Nakhon Road, Klong San, 160,000; Rachadaphisek, Huay Khwang, 260,000; Bangsue market, 135,000; Krong Thonburi Road, 1

115 The CPB had a 35.6 percent share of SCG which had a market capitalisation of 93.6 billion at the end of 1996, and a 26.2 percent share of SCB which had a market capitalisation of 65.948 billion at the end of 1996. These sum up to 1.972 billion baht. Using the same capital/income ratio as for SCB and SCG, the value of the other CPB shareholdings would be 1.019 billion, giving a total of 3.012 billion.

116 Backman estimated 2.5 million square metres, equivalent to 1,563 rai, and a price of US$ 2,000 per square metre. The Agency for Real Estate Affairs (2007: Fig A03) reckons the index value of Bangkok land was 30.3 in 1996 and 30.9 in 2005. Adjusting the estimated 2005 price by this index and by the different exchange rate gives a figure of US$ 2,700 per square metre.
External links

CPB not only emerged from the crisis bigger and stronger, but changed in another way. It became less parochial, more international.

From 2001 onwards, SCG launched a slew of projects across Asia from Iran to China. In addition, SCG became much more dependent on income from exporting, and hence much more sensitive to market forces beyond the national boundaries. SCB was also affected. It went overseas to raise capital, and had to adjust to living with around 40 to 45 percent of its shares owned by foreign entities, and with foreign-owned banks as competitors in the domestic market.

Within this general internationalisation, Singapore acquired a special role, which initially had more to do with Singapore than with CPB. The Singapore government took a strategic decision to promote outside investment to overcome the limitations of the country’s size. In the backwash of the 1997 crisis, Singapore capital took special interest in opportunities in Thailand. Corporations associated with the Singapore government were inclined to link up with Thai businesses that also had a special link with the state. The relationship which developed with CPB was two-way. After helping to oversee the restructuring of SCG and SCB, Chumpol NaLamlieng was hired as chairman of Singtel, the Singapore government telecom company. In the other direction, Singapore’s state-owned investment arm took a stake in SCB and placed a representative on the SCB Board. The associated property company, Capital Land, went into a joint venture with CPB under the name Primus for property development in Thailand. And when the Singapore government’s Temasek Holdings took the decision to buy another government-related Thai company, the Shin Corporation of the family of Prime Minister Thaksin Shinawatra, the SCB took the primary role in structuring the deal, as well as providing much of the finance.

Conclusion

The CPB not only survived the crisis but emerged far stronger. Although the figures are uncertain, it is possible that CPB’s annual income in the mid 2000s was around three times the peak level it had achieved prior to the crisis. Some of this extraordinary record can be attributed to excellent management and strategic restructuring. Some is due to the fact that CPB, like other survivors of such a shake-out, gained from the failure of its former rivals. But much can be attributed to the very special nature of the CPB.

Critical to the CPB’s survival and success was its deep pockets. At the onset of the crisis it was able to borrow a sum variously reported at 6-8 billion baht, equivalent to between two and three times its former peak annual income. We do not know where or how this money was raised. Some was undoubtedly borrowed through SCB, indicating the value of having a bank at the core of the corporate group. Some may have been secured against its reserves of land, or even borrowed on the special strengths of the institution. This funding was critical to the ability of the CPB to continue to meet its expenses. It was also critical to the ability of the CPB to undertake such dramatic internal restructuring. The CPB also sold off many assets to improve cash flow, but relatively few in the immediate aftermath of the crisis when pricing was

at its lowest. Most other corporate groups did not have recourse to such backstopping
credit. They had to sell more assets at worse prices, and were slower or less robust in
facing the task of restructuring.

The second crucial asset of CPB was its vast reserve of landed property in
prime areas of the city, plus the fact that much of it was previously exploited in highly
suboptimal ways. By simply applying more commercially minded management, the
CPB was able to raise its income from property by possibly as much as five to six
times over the same number of years. In addition, it may also have been able to borrow
cash against its extensive land bank. In some cases, such as the two instances of
exchanging land with the Ministry of Finance, the CPB was able to realise quick
income from its land in ways which were not available to others. As with the ability to
borrow, the existence of such reserves of land, and the special ways they could be
used, marked CPB apart from others facing the same crisis.

These two factors meant that the CPB suffered less damage, had more
resources to fund restructuring, and emerged from the initial impact of the crisis much
faster than other corporate groups. By 2001, CPB was already in a position to invest in
expansion, and was able to profit from the tardier recovery of its rivals.

The organisation of the CPB was restructured from top to bottom. At the top,
the CPB exercised tighter control. The two pillar companies were refocused on their
core businesses. Non-strategic businesses were sold off, or collected under a holding
company to be managed like a share portfolio.

That much was by the book, but CPB’s restructuring also had some special
features. The organisation was able to recruit high-level talent to serve as board
members and top executives. These included some of the most admired technocrats of
the past generation, and several business executives in their prime. Among the latter,
some had become available precisely because of the crisis. In all cases, CPB could
attract such talent because it offered some intangible rewards of status. This new talent
brought not only expertise but also networks of contacts stretching through the upper
levels of the technocracy, and into other business groups.

There is yet another factor behind CPB’s brilliant recovery which is a little
more subtle. In the pre-crisis era, CPB had become a large, sprawling business empire.
Its interests were not different from other corporate groups, but rather typical. Hence
the policies which the post-crisis government adopted to revive business as a whole
were precisely the policies which favored the CPB. Government identified the collapse
of the property market as central to the collapse of thousands of firms, and hence
launched policies including low interest rates, tax breaks, and special credit windows
to revive this sector. As a result, the property and construction market recovered by
2001, and with that the demand for the cement and other construction materials which
the Siam Cement Group produced. Government also identified banking as a critical
area for sparking revival, and made a policy decision to ensure that at least some of the
larger banks were preserved from foreign takeover. SCB benefitted most from the
resulting policies, especially the 14 August scheme, perhaps because it was uniquely
reassured that it would not risk government takeover. Government also intended rising
exports to drag Thailand out of the crisis, and the resulting low exchange rate helped
SCG to expand from rapidly rising exports of cement and petrochemicals.

Finally, despite all the changes over the years, the Crown Property Bureau still
depends heavily on the two companies which have formed the mainstay of its income
for nearly a century.
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Abstract: This paper involves an assessment of Paul Handley’s important book, The King Never Smiles. A Biography of Thailand’s Bhumibol Adulyadej. The paper begins with a discussion of the supposed threat the book posed to the monarchy and outlines the attempts to prevent publication. It then outlines Handley’s evaluation of the involvement of King Bhumibol Adulyadej’s palace in Thailand’s modern politics. It uses this approach as a way to examine the clash of elites within Thailand’s ruling class that led to a royalist campaign against the Thaksin Shinawatra government and the 2006 military coup.

Keywords: Thailand, 2006 coup, King Bhumibol Adulyadej, elites, military, Thaksin Shinawatra.

In The King Never Smiles. A Biography of Thailand’s Bhumibol Adulyadej (New Haven: Yale University Press, 2006), Paul Handley, a former Thailand-based correspondent for the Far Eastern Economic Review (FEER) has produced one of the most controversial books in English about modern Thailand. The King Never Smiles is also one of the best and most fascinating books on Thailand to be published in the past two decades. In this article, I begin with an examination of the controversy surrounding the publication of this important book, then review its contents and, finally, I attempt to take elements of Handley’s analysis further through an examination of the events leading to the 2006 military coup.

That Handley’s almost 500-page book would be controversial was guaranteed by the fact that the subject of this biography. In Thailand, public criticism of King Bhumibol his family, projects and ideas is not permitted (see Thongchai, 2008). In his December 2005 birthday speech, while the king appeared to invite criticism of himself and his work (see Bhumibol, 2005), very few analysts have been willing to accept this invitation especially as lèse majesté charges are commonly invoked in Thailand.

With more than six decades on the throne, the king is treated as god-like by a public that has not known any other king. The supposed significance of the king and royal family is highlighted in everything from school texts to prime ministerial speeches. The Thai media produces nothing other than obsequious accounts of even the most mundane royal events and portrays them as somehow extraordinary. This fawning attention is often mirrored in the reporting by peripatetic foreign journalists who know precious little about the history of the monarchy in Thailand and do little to dig behind the royal imagery. Writing some two decades ago, one journalist observed:

[S]ince King Bhumibol Adulyadej came into world media focus, aspects of his life and thought have remained shielded by the centuries-old aura of reverence and dignity surrounding Thai kingship, as well as contemporary legal constraints. Probably nothing in Thailand can be as sensitive a subject as the monarchy, and some ... have exercised a measure of self-censorship when writing about it” (Grey, 1988: 6).

This sycophancy became absurd when one of the royal dogs became a media and public sensation (see Drummond, 2002).
But, as Handley’s study reveals, a full and critical understanding of the palace’s political role makes a vast difference in our understanding of recent political events.

THE BOOK, THE THREAT

Some in Thailand feared the publication of this book. Indeed, before the book was even printed, some who claimed to have read the book, wrote reviews for the Amazon website. They argued that the book was poorly researched and full of unfounded rumours. Ironically, some of these same “readers” argued that there was nothing new in these “rumours” and that most Thais and “old Thailand hands” knew it all already. Other “readers” got to work on their keyboards to state that if the book was critical, then that was enough evidence for branding Handley’s book evil.

What could be evil about a biography of a monarch? The main fear seemed to be that Handley’s independent and critical account might lift the veil on a protected pillar of Thailand’s nationalist ideology and that the decades of work that had gone into creating a national mystique and myth might somehow be undone (Connors, 2007: 127-52; Hewison, 1997). For some Thais, their ideological world revolves around the ninth king of the Chakri dynasty, and there was concern that all that was good and great in their world might be revealed as a flawed model. Previous monographs about the monarchy have not been critical or well-researched and have generally been careful to avoid sensitive palace issues (see Stevenson, 1999; Kobkua, 2003). Critical Thai-language discussions of the monarch have appeared in underground publications and pamphlets, often inexpertly produced at unknown presses and circulated surreptitiously. Handley’s book was different and more challenging to royal supporters. As a journalist with many years of experience in Thailand, with a reputation for careful reporting, Handley’s book was also being published by the highly respected Yale University Press.

As Handley’s book went through the academic review processes, rumours began to circulate about it. Ominously, the Thai government and the palace decided that they needed to protect the reputation of the monarchy as a “national treasure.” As a first step, the government apparently attempted to convince Yale University Press that they should drop the book. In December 2005, however, Yale University Press advertised the book on its website. Some six weeks later, the government then banned the book and blocked access to both the Yale University Press and Amazon websites, with a Thai Ministry of Foreign Affairs official explaining that the book was likely to be “insensitive to the feelings of the Thai people” (International Herald Tribune, 19 January 2006). In response to press questions, a spokesman for the Thai Embassy in Washington DC claimed that he couldn’t respond to any question involving a book that criticised the king, arguing that, “All Thais revere the king and there is a law that he may not be criticized.” He added, “You can’t criticize the king because there is nothing to criticize him about” (Inside Higher Ed, 3 February 2006).

Behind the scenes, the palace and the government were hard at work trying to prevent the publication of Handley’s book. A leaked, secret government document indicated that Prime Minister Thaksin attempted to prevent any negative portrayal of the monarchy. The Memorandum details the extensive efforts by the government to prevent publication of the book in the US. Amongst other things, in January 2006, advice was sought on US laws. Not unexpectedly, the advice was that preventing publication through legal intervention was unlikely to be successful given the constitutional protection of free speech. According to the document, US Ambassador Ralph Boyce helpfully advised the Cabinet Secretary-General Bowonsak Uwanno and
Privy Council Chairman General Prem Tinsulanonda to brief journalists and recommended that senior Thais bring pressure on Yale University. In an apparent effort to limit potential anti-American reactions from Thais angry about the book, Boyce advised the Thai government that he would seek a US Joint Congressional Resolution celebrating the king’s 60-year reign (Secretary-General to Cabinet, 2006).119

Influential Thais also began to speak against the book. Leading royalist Sumet Jumsai called for an injunction in the US courts to prevent the book’s publication (Case, 2006). At about this time several Thai academics were asked to attack the still unpublished book, to write articles in the local and international press that would challenge any criticism of the king and praised the monarch. They were also requested to rally foreign academics against the book’s publication (Confidential interviews with Thai academics, May-August 2006).120

While acknowledging that they couldn’t possibly have read the still unpublished book, some university lecturers defended the king, expressing alarm over the book and the timing of publication. Chulalongkorn University’s Thitinan Pongsudhirak was quoted as saying that the book would be “… offensive to the Thai people because this is the year we are celebrating His Majesty the King’s 60th year on the throne” (quoted in International Herald Tribune, 19 January 2006). Ignoring the fact that the book was being published by a reputable university press, Thitinan added that the book’s title suggested that it was probably not an academically inclined work.

According to the leaked cabinet document and US reports of the Cabinet Secretary-General’s US visit in April 2005, Bowonsak sought to garner support for a campaign against Yale’s publication of Handley’s book. He visited Yale to talk with the university’s president and vice president, reportedly accompanied by the president of the Thai Yale Club, and called on former US President George H.W. Bush for support (see Grossman, 2006). Yale’s leaders explained that the university was committed to freedom of expression, apparently matching the legal advice received by the Thai government. However, in an extraordinary concession, the Press permitted Thai officials time to “review the book for accuracy.”121 A short time later, the government responded that despite “several [ unidentified] factual errors,” they would not do more to stop the publication of the book in the US. However, the Press did agree to delay publication until after the king’s jubilee celebration, expressing a sensitivity to the accusation that the Press was “… exploiting the king's jubilee to get sales” (Case, 2006). When the book came out, sales surged and, for a time, it ranked in

120 There was also an attempt to denigrate foreign authors seen as critical of the monarchy. A scurrilous paper, circulated amongst foreigners in Bangkok, and claimed a conspiracy. The anonymous paper asserted that certain foreign analysts had assessed the king’s reign in unacceptable ways. These academics, the paper claimed, were in Britain and Australia, and produced studies that “for the most part, [are] accusatory in tone and substance.” In short, they were dealing in “exaggerations and factual inaccuracies, as well as omissions of relevant information….” to denigrate the beloved monarchy (from an Anonymous paper, in English, circulated in 2006: 1-2).
121 Ambassador Boyce emailed Handley in late January 2006, asking for details of the book's contents. Later, Yale University Press provided two copies of the manuscript to the State Department (Interview, Paul Handley, Washington DC, 18 February 2007). Within weeks, photocopied versions were circulating amongst journalists and academics in Thailand (Confidential interviews with academics and journalists, August 2006).
the top 200 sellers on Amazon. No doubt, the furore assisted in promoting interest and sales (in August 2007, sales approached 15,000).

Soon after the book’s release, in mid-July 2006, it was picked up by Sondhi Limthongkul, a self-styled royalist and anti-Thaksin campaigner, and used in his attacks on the Thaksin government. Sondhi criticised Thaksin for failing to take strong action against Handley’s book. Sondhi considered that Thaksin was disrespectful of the monarchy in numerous ways (see below), and he added the government’s alleged failure to stop the book’s publication as further evidence of this. Sondhi asserted that the government had known about the book for months but hadn’t done anything. He tied the book and the Thaksin government together by alleging that Handley and Thaksin’s chief policy advisor Pansak Vinyaratn were good friends and had worked together. In addition, Sondhi made personal attacks against Handley (Ogan, 2006). The alleged links between the government and Handley were concocted for political purposes. Indeed, it was actually Sondhi and Pansak who had a close working and personal relationship, at least until Sondhi fell out with Thaksin (see below). In any case, the leaked Cabinet document shows that the government did take action against the book, but unlike Sondhi, the government appeared to accept the legal advice it received. Even so, the book was banned in Thailand.

These events surrounding The King Never Smiles are remarkable. That a government – claimed by some to be disdainful of the monarchy (see below) – should expend so much effort in trying to prevent publication and should then encourage supporters to denigrate the book and its author is astonishing. That the book and its author could then be used by Thaksin’s opponents in their attacks on his government borders on the bizarre. Why did this book engender such reactions?

**THE KING NEVER SMILES**

Handley’s book is a biography of King Bhumibol Adulyadej, the ninth king of Thailand’s Chakri dynasty. Because it is a biography, the king is placed at the centre of events. For a reader with limited background on Thailand’s history and politics, it would be easy to conclude that the king and his coterie of court advisers have been the principal players over the past 4-5 decades. Such a conclusion is perhaps inevitable in a book that seeks to direct attention to a little studied political institution. In the discussion that follows, the reader should not imagine that the palace is being portrayed as the only significant political player. There is no doubt that the king and palace are important. At the same time, there are other significant political institutions and it needs to be remembered that the palace does not always get its political way and its political interventions are contested.

Handley begins his book with what has become an iconic image associated with King Bhumibol. This is the May 1992 scene of a prime minister and his leading opponent crouched at the seated king’s feet as he admonishes them to end the violence that had seen troops shooting unarmed civilians on Bangkok’s streets (Handley, 2006: 1-2). During the 1992 political crisis, the question asked by some Thais was not why it was that a constitutional monarch should intervene in politics, but why it took so long for the king to intervene to end the political standoff and bloodshed. This intervention underlined the fact that the constitutional monarchy, established in June 1932 when King Prajadhipok was overthrown and sidelined for a number of years, had again become a powerful political institution.

This image of a prime minister and one of his opponents appearing subordinate before a constitutional monarch may seem odd to overseas observers but for many
Thais, the king’s intervention was interpreted as a part of the palace’s role; that is, stepping in to save the country when it faced a crisis. One recent hagiography explains this canon of the palace propaganda:

His Majesty is a constitutional monarch in a democratic country. He appears neither to seek nor want a political role. But sometimes the government and the people are truly in difficulties and do not know where to turn. That is when they turn to His Majesty. He is the most respected and trusted in the land. He is their Lord of Life (Danai, 2006: 103).

This last phrase – the idea that a constitutional monarch remains a chao chivit or lord of life – is startling for the way it harks back to a time when the monarchy was absolute. That the present king can now be considered by some in a manner of the kings of earlier centuries is reason enough to read Handley’s book.

Handley’s book focuses on the present king and the critical role he has played in restoring the throne’s political fortunes and, to a lesser extent, its economic wealth. But it does far more than this. By focusing on the palace’s comeback from the dark days of 1932, Handley charts the course of modern Thai political history. For students of Thailand, Handley completes a long neglected task: he writes the monarchy back into the political events from 1932 to 2005. Indeed, he allocates a central political role to the palace.

Identifying this central political role for the monarch is controversial. The palace spinmeisters regularly assert that the king is above politics and that he carefully maintains his constitutional position. Indeed, flying in the face of the mass of information in the book and presenting no contrary evidence, Grant Evans (2006) argues that Handley misunderstands the king’s role, stating: “... Handley overestimates the political power of the monarchy. But as in all constitutional monarchies, the Thai king is strictly constrained” (Evans, 2006: 61). In fact, one of the great values of Handley’s study is that he demonstrates that this particular argument, borrowed from palace propaganda, can no longer be accepted by serious scholars. Handley’s position will be challenging for palace “true believers” who uncritically accept and vigorously maintain the “standard total view” of the monarchy (see Hewison, 1997: 59-62).

Of course, many Thais realise that the king and his palace officials and advisers regularly intervene in the affairs of government. The problem is that it is exceptionally difficult to discuss these interventions, not the least because lèse-majesté laws continue to be used against critics (see Handley’s references to cases and uses of the law; and Streckfuss, 1993). But this doesn’t adequately explain why foreign observers – especially academics – have been reluctant to analyse the monarchy’s political role. It seems that many scholars consider that the monarchy is indeed above criticism, while others were caught up in Cold War efforts to counter communism, and were thus supportive of the anti-communist symbolism of the throne. The resulting self-censorship means that critical material on the current monarch has been ignored (see Hewison, 1997: 59). Few of the major works on modern Thai politics show the monarchy playing a major political role.122 With the publication of Handley’s book, there is no longer any excuse for ignoring the palace’s political role.

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122 Ockey (2005: 117) argues that there are a number of works analysing the monarchy. Until Handley’s book, however, few of these works have been analytical (see Thongchai, 2008).
In this article, while I will focus on this political role, *The King Never Smiles* does far more. Handley’s study attempts to locate the institution of the monarchy and the king himself in a number of important stories. The great success of the book is the manner in which these stories are carefully interlaced in a coherent and convincing account of the ninth reign. The first story is about how the monarchy is traditionally viewed in Thailand. Handley details various beliefs about the position and role of the monarchy, ranging from Hindu-Brahman ideas about the “god-king” (the *devaraja*) to Thai conceptions, said to originate in ancient Sukhothai, about a good and great king, drawing on Theravada Buddhist principles (the notion of the *dhammaraja*). A second story is that of Bhumibol and his family. Handley reports on Bhumibol’s early life, his loves and education, and his family’s trials and tribulations. In this, Handley does a good job. As might be expected, accessing this kind of information is not easy, and the author has excavated an extensive range of sources from the royal family’s carefully composed books and reports, funeral volumes, and popular magazines that get access to the palace. Handley also reports many interviews, often with sources that prefer to remain anonymous. This kind of serious research is evident throughout the book.

While rumours are sometimes reproduced – this is the way information about the palace often circulates in Thailand – Handley manages to avoid the more salacious gossip that could easily have been trawled up. Another remarkable and previously untold story is of how the royal family has been able to build a colossal reputation for good and charitable works through the use of public donations and government funds. This iconic representation of the charitable “developer king” has been crucial to the king’s persona and public reputation and is a triumph of palace image-building.

For me, though, the most interesting story in *The King Never Smiles* is the account of how the king and his group of supporters (courtiers, members of the royal family, loyal civil and military bureaucrats and assorted royalists) managed the remarkable resurrection of the palace as a political institution.

Handley (2006: Ch. 3) reminds readers that the monarchy was under greatest threat in June 1932 when the absolute monarchy was overthrown and a republic briefly considered. While King Prajadhipok, his princes and some conservative members of the new government managed to maintain a constitutional monarchy, it was considerably weakened. Even so, competition between the royalists and the new government was intense and continued for many years. The royalists attempted to discredit the country’s new rulers, even calling for foreign intervention to restore the monarchy. The failure of a royalist-inspired military coup in 1933 (Handley, 2006: 52-3) eventually led to the king’s abdication and the passing of the crown to the boy king Ananda Mahidol, the present king’s elder brother, who remained outside Thailand.

The beginning of Bhumibol’s reign coincided with the shooting death of King Ananda while he was visiting Bangkok in 1946. This tragic event not only brought Bhumibol to the throne, but also provided a focus for royalist opposition to the post-1932 regime. None the less, royalists used the event to discredit their principal enemy, Pridi Panomyong. Pridi had been the civilian leader of the 1932 Revolution and author of early attacks on the throne’s political and economic power. Pridi was exiled, the royalists regained some influence, formed a political party – the precursor to the present day Democrat Party – and began replacing the government-appointed bureaucracy in the palace and royal household (Handley, 2006: 74-6). From this time, it was military leader Phibun Songkhram who became the main obstacle to a royalist political reincarnation.

The young King Bhumibol returned to Switzerland, leaving it to senior princes to continue the royalist struggle for increased power and the revival of royal rituals.
Handley (2006: 96-9) explains how the royalists regained control of the throne’s assets and business affairs. Meanwhile, Bhumibol dropped out of university, preferring to concentrate his energies on fast cars, European society events, his new wife and preparations for his return to Thailand in late November 1951.

Bhumibol’s return began inauspiciously, with a coup launched just prior to his arrival. Handley (2006: 114) argues that this coup was “… no less of a blow to the monarchists than … 1932.” The coup rolled back many of the palace’s hard-won gains, and the relationship between the palace and the government was frigid (Handley, 2006: 116-7). The lesson for palace advisers was that they needed to develop military, bureaucratic and business allies.

The palace also knew that to challenge Phibun they needed to develop the young king’s public appeal. Simply put, this involved the creation of an image of King Bhumibol as a remarkable person. He was variously shown as an outstanding artist, photographer and musician, a champion yachtsman, and a talented scientist (Handley, 2006: Ch. 7). The image of Bhumibol as great and gifted has become a powerful force in promoting the monarchy. Later, as the Cold War alliance between the US and Thailand developed, US government agencies also promoted the king’s image, viewing the throne as a bulwark against communism (Grey ed., 1988: 47).

Even so, as Thak Chaloematiarana (1979) has shown, the most important event in the revival of the monarchy was General Sarit Thanarat’s 1957 coup. Handley (2006: 139) observes that “Sarit’s coup had a giddying effect on the palace. After 25 years of struggle, the men behind the 1932 revolution, Phibun and Pridi, were both exiled and never to return.” The period of military domination from 1958 to 1973, was an incubator for the palace. Sarit revived the court. He reintroduced the use of royal language, provided funds for the palace and identified the king with many government activities. The king, fearful of communism and of anti-royal sentiment, became a strong ally of a military that now gave him the deference he required. He dressed in military uniform and positioned himself as a natural leader of the military and country. In return, the military relentlessly promoted the royal family, celebrating its exploits in the media and making royal ceremonies high-profile public events.

To this point, the palace was following the military. This began to change in 1968, when US press criticism of Thailand as corrupt and dictatorial caused the king to worry about the country’s international image. Believing that a constitution and a parliament might limit corruption and lead to a better international press coverage and he began to pressure the military leaders. The result was a short constitution that kept the military in control and introduced a weak parliament. While this innovation was barely liberal, the king came to be identified as a proponent of liberal politics. This was reinforced when the king criticised the government’s approach to rural development and encouraged university students to oppose corruption (Handley, 2006: Ch. 11).

The king’s supposed liberal credentials were tested when the military killed off its own parliament in 1971. The king gave no signal that he was irked by a return to authoritarianism, with David Morell (1974: 803-4) explaining that while the king had pushed for a constitution in 1968, he “did little to enhance the legitimacy and status of the elected parliament, participant politics …, or the institutions created to implement Thai-style democracy [sic]..., leaving the parliament exposed and vulnerable to … the military.” This outcome can be seen as one that becomes a pattern of royal political intervention: the king apparently gives his support to democratisation, but then comes to see political activity as corrupt, disorderly and messy, and then supports a military intervention. This cyclical pattern is seen again in 1973.
In that year, a student-led uprising against the military government, demanding a constitution, saw troops attack the demonstrators. The king had been mildly critical of the military government and had suggested that university students be more engaged in social and political affairs. Vasit Dejkunjorn, the Chief of the Royal Court Police, reports that when students began demonstrating, the king was not comfortable with their calls for democratisation. He states that the demonstrations were “unsettling,” with student leaders making “heated and violent” speeches. Vasit says that the king then intervened to stop the rallies, initially to support the military government. When some students continued to demonstrate and fighting broke out, Vasit remembers this refusal to accept the king’s advice as the cause of the violence of 14 October 1973 (Vasit, 2006: 93-5). Handley (2006: 211-12) correctly observes that it wasn’t the king’s intervention that was critical in ending the demonstrations and violence, but a split within the military. But a legend grew: “In official histories, … it was the king who single-handedly restored constitutionalism and democracy. Rather than credit the popular uprising, later books and articles overwhelmingly emphasised King Bhumibol’s intervention against the dictators, saving the country from disaster” (Handley, 2006: 212).

The outcome was the short-lived 1973-76 democratic interregnum. Handley’s account of this period is important (Ch. 12). The king, on the throne through three decades, was now making his own decisions. With the military’s leadership sent into exile, the king selected an interim prime minister, appointing one of his own Privy Councillors, Sanya Dhammasakdi. Sanya then nominated a constitution drafting committee dominated by palace loyalists, and when an assembly was appointed to vet the draft, the king selected its members. The resulting constitution was not a democratic triumph, but these interventions seemed to build the king’s democratic credentials.

In fact, the palace very quickly became worried that democratic politics was leading to political instability and it established links with a resurgent political right. The palace’s support for the increasingly violent right-wing included the military, the Border Patrol Police, extremist Buddhist monks and paramilitary nationalist groups that called for the blood of leftists. When the Lao monarchy was overthrown in late 1975, the palace mobilised all its resources and allies to support the right’s push to destroy the left. The outcome was a bloody massacre at Thammasat University, where students were attacked, beaten, raped, lynched and burned alive by the forces the palace supported. Handley (2006: 237) documents the palace’s role in encouraging these grisly events, arguing that the “palace’s hand was everywhere … stirring up the frenzy.” In Thailand, the palace’s involvement in these horrific events is now whitewashed.

As thousands fled a brutal military crackdown, the king appointed right-wing royalist judge Tanin Kraivixien as prime minister. Tanin’s year in power is remembered as Thailand’s “Dark Ages.” Handley (2006: 259) explains that the left was punished, any vaguely liberal idea was repressed, and the lèse-majesté law was regularly used. Books were burned and all political activism were banned. Even the military found this iron-fisted approach too strong, and the king’s selected prime minister was thrown out.

The king was not amused, for this was a throwback to a time when the military intervened without first consulting the palace. General Kriangsak Chomanan, the new prime minister was snubbed by the king, while Tanin was made a Privy Councillor (Handley, 2006: 267-8). When it seemed that Kriangsak might give more power to
parliament, political manoeuvring saw him replaced by the palace’s favourite general, Prem Tinsulanonda.

Prem was a staunch royalist and politically conservative but most importantly he understood that he worked for the throne (Handley, 2006: Ch. 15). He was willing to throw himself at the king’s feet in acts of submission and to promote the king as a great leader. From 1980 to 1988, Prem did more to promote the monarchy and its interests than any previous premier. He poured government funding into royal development projects, splurged funds on every conceivable royal event and anniversary, and vigorously promoted the Crown Property Bureau’s (CPB) economic interests.

Never elected, Prem continually refused to defend himself or his government in parliament and treated parliament as a nuisance. As a result, parliament and political parties remained weak, with the military and palace continuing to control the appointed Senate. In cabinet, Prem and his technocrats controlled all of the important ministries. The only threats to Prem and his government came from within the military, with two attempted coups in the mid-1980s, both of which were defeated with explicit palace support. In 1988, when Prem was replaced by Chatichai Choonhavan, it was only after a highly-charged campaign by intellectuals for an elected premier. As his reward, Prem was appointed to the Privy Council.

Chatichai’s advisers challenged and dismantled Prem’s administrative system and attempted to reduce the military’s political influence. Chatichai led a corrupt government that saw a number of his business cronies investing in areas considered the preserve of the CPB. The political backlash was predictable, and the February 1991 military coup was no surprise. A palace involvement in the coup was evident, with King Bhumibol making speeches and publicly snubbing the premier, making it clear that he was ready for Chatichai’s ouster. As he had done in the past, the king also expressed his view that Western-style democracy had again proven unsuitable for Thailand (Handley, 2006: Ch. 17).

Handley (2006: 338-62) shows how King Bhumibol supported the coup leaders while demonstrating disdain for constitutional rule. Following the coup, the military’s draft constitution was faxed to the king, and was returned in the same manner, with minor alterations (FEER, 14 March 1991). This nonchalant attitude was also reflected in various debates over the new constitution. The king stated that constitutional debate should end and that the draft document was “good enough” (mi khunnaphap pho chai dai). If there were problems, he said these could be fixed later (Bhumibol, 1992b). For the king, the constitution was little more than an instrument for avoiding political instability (Bhumibol, 1992a: 46).

However, when conflict persisted the king intervened to get recalcitrant political parties to support the military’s constitution while royalists and palace insiders labelled the demonstrators as anti-monarchy (Handley, 2006: 351). Even when the military put troops on the streets and gunned demonstrators down, the king ignored pro-democracy groups and sided with the military. In fact, the imagery of the meeting of the king with the crouching figures of Chamlong Srimuang and General Suchinda Kraprayoon was an expression of the king’s view that democracy activists had provoked disorder (Handley, 2006: 356-7). Handley asks a series of pointed questions that challenge the widely-held view that the monarch intervened to end the 1992 crisis and concludes that King Bhumibol was disdainful of democratic processes and constitutionalism, while exhibiting a preference for military strongmen. This same pattern is seen in the following years as the palace promotes military men into the
Privy Council and works to ensure conservative constitutional arrangements (see Handley, 2006: Chs. 19-21).

Chapter 22 of The King Never Smiles is the last, where Handley essentially summarises the uneasy relationship between Thaksin Shinawatra, the first prime minister elected under the 1997 Constitution, and the palace. This chapter was completed without the benefit of the interviews and in-depth research that distinguishes the earlier chapters, and the story ends prior to the 2006 coup.

It is at this point that I wish to take up Handley’s broad approach, showing that the 2006 putsch fits neatly into the schema that Handley has established in his study of earlier periods. As I will show, the most recent coup sees direct palace involvement in what is arguably the clearest expression of the palace’s political role.

THE 2006 COUP

On 19 September 2006, tanks rolled through Bangkok, with armed troops occupying Bangkok’s television and radio stations and staking out strategic buildings, including the parliament. The military set up roadblocks on the city’s outskirts; declared martial law; revoked the 1997 Constitution; controlled the media; arrested a handful of politicians; threatened opponents, particularly in poor rural areas and the city’s slums; and announced an investigation of “unusual wealth.”

Interestingly, many considered this a “good coup.” It was asserted that Thais “wanted” the coup and that there was “no other way” to be rid of Prime Minister Thaksin Shinawatra and his corrupt and increasingly authoritarian government (see Pye and Schaffar, 2008). In fact, one argument was that the military was somehow restoring democracy (see Australian Broadcasting Corporation, 2006; Levitt, 2006).

Significantly, the commanders of the troops that carried out the coup chose to identify their men by having them sport yellow armbands or patches; the king’s birth colour, marking them out as the “royal military” (see Ukrist, 2008).

In 1992, Bangkok’s citizens had been prepared to die in the streets to oppose the military’s continued domination of politics. In 2006, many of these now older citizens welcomed the troops with flowers. How could this be? One answer to this puzzle is to be found in the core analysis of Handley’s book.

The King Never Smiles is an account of a palace-centred elite re-establishing privilege and political hegemony. This is a political struggle that has continued since the overthrow of the absolute monarchy in 1932. More than seven decades on, the palace’s struggle pitted them against Thailand’s most popular elected politician and wealthy business tycoon, Thaksin Shinawatra. It is important to state that understanding the effort to resurrect the political fortunes of the king and palace is not the only story of modern Thai politics. Obviously, there have been other significant forces at work. However, Handley’s analysis opens a window on a story that has not been told. As argued above, the palace’s political role can no longer be ignored. Its role was critical in ousting Thaksin through the military coup.

Following Handley’s account, it can be argued that the 2006 coup resulted from a clash of elite interests – economic, political and ideological – that emerged under Thaksin. To understand this contestation it is necessary to begin with Thailand’s 1997-98 economic crisis. This crisis – the first time the Thai economy had contracted

123 Thais attach a colour to each day of the week. For King Bhumibol, born in the US on a Monday, yellow is his colour.
in five decades – unleashed the forces that caused an uneasy arrangement of power within the Thai ruling class to unravel.

The Economic Crisis and the Rise of Thaksin

Before the crisis, Thailand was East Asia’s hot economy. Business confidence brimmed, employment opportunities grew and poverty declined. At the same time, inequality increased and the capitalist class expanded. As the economy grew, there seemed plenty of space for both the oligarchs of the past and the brash new entrepreneurs born of the boom. Praised by the IMF and World Bank for adopting the “right” economic policies, globalisation was remaking Thailand, sweeping aside economic and social anachronisms. In the political sphere, while parliamentary politics became a competition between corrupt but elected politicians, there was considerable confidence that democratic progress was possible after the May 1992 uprising had freed the country of its military ballast. With so many positive indicators, when the economic crash came, it was a huge shock.

The economic crisis began with a run on the baht and the Bank of Thailand’s hugely expensive but failed defence of the currency. Facing massive capital flight, the government accepted a US$17 billion IMF bail-out for which the IMF demanded a more thoroughgoing neo-liberal revolution: financial restructuring, accelerated privatisation, massive state and corporate reforms, and huge inflows of foreign investment. This IMF medicine resulted in a deep recession. The greatest negative impacts were borne by farmers and workers as poverty ballooned, unemployment skyrocketed, and wages declined (see Hewison, 2002).

The crisis also severely damaged the domestic business class. As businesses collapsed, domestic business people, fearing social and political chaos, began to organise against IMF policies. The incumbent Democrat Party-led government was accused of destroying domestic capitalism by ceding sovereignty over economic policy-making to outsiders and engaging in a fire sale of Thai assets to foreigners. The local capitalist class worried that IMF-sponsored reforms might so weaken their political control and reduce their wealth that the demise of the class was possible.

Conservatives clustered together, with the king speaking for them. Ever fearful of instability, King Bhumibol’s promoted ideas of a “sufficiency economy,” arguing that Thais should make do with less, consider de-linking from the export economy and be satisfied with enough to get by on (Bhumibol, 1998). This call drew the royalist elite into an alliance of convenience with big domestic capital. While never particularly comfortable with the rising capitalist class, the king’s localist response drew support from intellectuals, workers, non-governmental organisations (NGOs) the business elite and politicians and became a powerful nationalist alliance. Its political outcome was to cede political leadership to the domestic business elite that wanted direct control of the state (cf. Hewison, 2000).

Enter telecommunications tycoon Thaksin Shinawatra. One of the few local businessmen to come through the crisis in good shape, in 1998 Thaksin founded the Thai Rak Thai (TRT, Thai Love Thai) Party as domestic capital’s political vehicle (for background on Thaksin, see Pasuk and Baker, 2005). When TRT was formed, Thaksin recognised that the 1997 Constitution demanded a different politics. Previously, political parties relied on vote-buying and influential local figures to deliver votes and power. TRT hit on a different strategy, deciding to get its votes by appealing directly to voters. With an inclusive message, laced with nationalist shibboleths, TRT caught the mood of an electorate distressed by the economic crisis. Its policy manifesto for the
2001 election promised to support business but, more significantly, to pour government money into rural areas – soft loans for every community, a three-year debt moratorium for farmers, a universal health care program, and a “people’s bank” (see Hewison, 2005).

This was a radical approach. The ruling class, more used to ignoring or suppressing farmers and workers, was not their natural ally, and Thaksin was not a natural populist (Pasuk and Baker, 2008). However, the crisis and the fear of social conflict convinced the Bangkok-based ruling class that they needed a new social contract with the potentially unruly masses. The historic compromise was a tacit agreement that advanced social welfare as a trade-off for restoring the ruling class’s wealth and political power (Hewison, 2004). The outcome of this alliance was a stunning electoral victory for TRT. In power, Thaksin implemented his party’s policy promises, delivering TRT a resounding re-election in early 2005, with overwhelming support from the poor.

Opposing Thaksin

In maintaining and expanding TRT’s political power, Thaksin did not exclusively rely on nationalist rhetoric. With supporters in the military and the police, Thaksin attacked critics, neutered independent agencies, controlled sections of the media and managed news, and organised mergers with smaller political parties. When criticised, Thaksin was ruthless in his counter-attacks, brazen in his use of state power and treated opponents with disdain.

As TRT’s rule continued, the economy recovered and domestic capital was strengthened, the “nationalist” Thaksin transmogrified into a “neo-liberal” Thaksin. The government moved on privatisation. This shocked the state enterprise unions that had initially supported TRT precisely because it had opposed the IMF’s privatisation crusade. The unions organised rallies, protested corruption, and accused Thaksin and his allies as benefiting by the sale of state enterprises (see Brown and Hewison, 2005). These workers provided strength to critics who had been silenced by the increasingly repressive government.¹²⁴

But by this time, the TRT leadership was so powerful that arrogance had set in, as demonstrated in reprehensible actions against the democratic system and human rights. For example, there were more than 2,000 extra-judicial killings in an anti-drugs campaign and sometimes brutal efforts to control southern separatism (see Human Rights Watch, 2004; McCargo ed., 2007). A number of human rights activists also disappeared or were killed in this period (US Department of State, 2006).

Even so, Thaksin remained popular. Rural voters continued to appreciate TRT’s policies, the middle class seemed to support tough actions in the south and against alleged drug dealers, and business leaders appreciated Thaksin’s priorities. Always contingent democrats, capitalists evinced little concern for human rights; it was Thaksin’s economic policies that mattered.¹²⁵

With the parliamentary opposition missing in action and much of the media controlled or cowed, it was no surprise that the movement to oust Thaksin was initiated by former Thaksin supporters. Some of these opponents claimed to have

¹²⁴ As Pye and Schaffar (2008) observe, a number of NGOs also rejected TRT’s neo-liberal policies in a range of areas, including free trade agreements.
¹²⁵ On general business confidence in Thaksin’s government, see the Bank of Thailand’s (2006) private investment index.
seen the light”, recognising that Thaksin was now bad for the country; others seemed to have had their egos bruised by Thaksin (Kasian, 2006: 5-10).

Most significant amongst these opponents was fellow businessman, Sondhi Limthongkul. His media empire had collapsed during the Asian Crisis but when Thaksin came to power, Sondhi received the government’s support. He and his associates were important Thaksin allies, with Sondhi associates Chai-Anan Samudavanija and Pansak Vinyaratn taking important positions and the co-founder of Sondhi’s Manager Media Group, Somkid Jatusripitak, holding several cabinet positions, including Deputy Prime Minister. Sondhi lauded Thaksin as Thailand’s best-ever prime minister and this coincided with a remarkable comeback by Sondhi’s businesses – investigative reports claim that a state-owned bank reduced Sondhi’s outstanding debts from $42 million to under $5 million (see The Nation, 9-11 April 2002). Thaksin and Sondhi fell out when the government acted on Bank of Thailand advice and sacked a banker who had overseen Sondhi’s bankruptcy workout (The Nation, 30 November 2005).

Sondhi began attacking Thaksin through a television show he hosted and in his newspapers. When the government took his show off the air, Sondhi launched public rallies. Sondhi surprised many by standing up to the government as he complained about authoritarianism, conflicts of interest, and corruption. Most strikingly, Sondhi declared that his anti-Thaksin movement was to protect the monarchy. Linking the king to political squabbles was a precarious political strategy. On the one hand, Sondhi was claiming the moral high ground, but on the other, the palace’s position is that the king is not involved in politics. Sondhi was gambling that his opposition to Thaksin would be seen as a patriotic act.

At the time, everyone claimed to be loyal to the king. As the 60th anniversary of the king’s reign approached, royal fever was reaching a new high, with displays of loyalty demanded. Indeed, in addition to the secret attempts to prevent the publication of The King Never Smiles, the Thaksin government acknowledged royal ideas such as the sufficiency economy and, like previous governments, supported the massive campaign to promote the monarchy. To do otherwise would have invited political defeat. Thus, for Sondhi’s gamble to pay off he needed a public sign of palace support. This came in a speech in December 2005, when the king proclaimed that the government should accept criticism. At this point, Sondhi and his supporters appear to have had only limited connections with the palace, but following this speech, they could more confidently declare their anti-Thaksin campaign a fight for the king.

The event that finally tipped the political balance in favour of the anti-Thaksin movement was the January 2006 sale of Shin Corporation. Shin was sold to Singapore’s government-linked Temasek in a deal worth almost US$1.9 billion. That the family paid no tax on a sale caused considerable middle-class moral outrage, seeming to encapsulate the nepotism and cronyism of the Thaksin administration.

In February 2006, the opposition also got a voice, with the formation of the People’s Alliance for Democracy or PAD (see Pye and Schaffar, 2008). A large number of middle-class-led NGOs provided support, and tens of thousands joined the demonstrations. These rallies initially attacked Thaksin for corruption. Soon, however, Sondhi was proclaiming Thaksin’s disrespect for the throne. Many of the specific accusations were unverifiable and some were fabrications, but the mud stuck. Lacking any alternative strategy, PAD leaders repeatedly called for the king to intervene and replace Thaksin. Arguing that the king was the moral and political centre of the country, they wanted him to appoint his own prime minister (see Connors, 2008; Pye and Schaffar, 2008).
In response to the continuing stand-off, Thaksin called a snap election for April 2006, but the main opposition political parties accepted PAD’s demand that the elections be boycotted. In the one horse race, TRT triumphed, and for a moment it seemed that Thaksin had out-maneuvered his opponents. However, amid allegations of electoral fraud, King Bhumibol declared the election undemocratic and called on the judiciary to sort out the “mess” (The Nation, 27 April 2006). The judges followed the king’s advice and annulled the election, with a new poll scheduled for October 2006. The 19 September coup short-circuited this process.

The Palace and the 2006 Coup

From the time of the king’s declaration on the April election, the centre of the opposition moved from PAD to General Prem Tinsulanond, the octogenarian president of the king’s Privy Council. PAD apparently accepted this, seeing Prem’s close relationship with the king as a powerful political weapon against Thaksin. There were no more big street demonstrations, and PAD’s last rally, a couple of days after the king’s pronouncement, was small. With Prem making highly-publicised speeches criticising Thaksin, it was clear that the palace wanted Thaksin out.

The anti-Thaksin campaign then became a struggle for control of the military (see Ukrist, 2008). Supported by other Privy Councillors including former military commander General Surayudh Chulanond, Prem dusted off his uniform and boots and visited military bases, demanding that officers be loyal to the king (The Nation, 15 July 2006). Thaksin had known that the military was a potential threat to his government, especially as Prem and the palace maintained a network of supporters in the armed forces, and he had worked to limit the palace’s control (McCargo, 2005). Taking up Prem’s call, some generals called for Thaksin’s ouster, with 3rd Army Region Commander Lt-Gen. Saprang Kalayanamitr announcing that he would die for the king in his fight against Thaksin (Thai Day, 22 July 2006) and launched a campaign to oust the premier (Bangkok Post, 16 August 2006).

As the political temperature rose, unlikely alliances formed as palace insider Prem and royalists were cheered by so-called democracy activists. For example, PAD’s Suriyasai Katasila of the Campaign for Popular Democracy, donned yellow shirts and met aristocrats to oppose Thaksin (Bangkok Post, 4 July 2006). The hatred of Thaksin saw political activists embrace former rightist enemies, while alliances of progressives that had stood since the student uprising in October 1973 crumbled as those supporting Thaksin were attacked by former comrades aligned to PAD and with royalists. Self-identified Leftists made themselves available to the palace in its manoeuvring against Thaksin (Interview, anonymous informant, Bangkok, 20 July 2006).

By August 2006, a coup seemed the only likely outcome of the deepening split between the palace and Thaksin. The political temperature was raised to boiling point as Prem claimed his phones were tapped (Bangkok Post, 1 August 2006) and there was an apparent attempt to assassinate Thaksin (Bangkok Post, 25 August 2006). Further complicating matters was an impending military reshuffle that might have benefited

126 Sondhi continued to attack Thaksin through his ASTV station and his Phujatkarn [Manager] and Thai Day newspapers. His most significant and unsubstantiated claim was that Thaksin had a plan – the Finland Plan – to establish one-party rule, overthrow the monarchy and create a republic (The Nation, 25 May 2006).

127 Anti-Thaksin activists claimed the assassination bid was staged by Thaksin. However, those implicated in it were military officers associated with the forces that carried out the 2006 coup.
Thaksin. Indeed, Thaksin seemed confident, predicting a TRT election victory. Conservative royalists would not permit this; there was to be no election until the possibility of another Thaksin win was eliminated.

As mentioned, the usual spin from Thailand is that the king is “above politics.” Even a doyen of the Left and long-standing anti-Thaksin activist, Kraisak Choonhavan stated in a Webcast, “King Bhumibol will only intervene in politics in … a subtle way…” (School of Oriental and African Studies, 7 October 2006). The fact is that, in these events, there was no subtlety, and the palace's footprints litter the trail to the coup. Prem’s critical role has been noted, and it is impossible that he would act without palace approval. Indeed, through Prem, the palace knew of the coup well in advance: “The coup plot was known within a tight circle of people, among them Gen Prem Tinsulanonda … and his close aides…, Air Force Commander … Chalit Pukkasuk and Lt-Gen Anupong Paichinda, commander of the First Army Region” (Wassana, 2006). Royal support for the coup leaders was important. As one columnist stated,

His Majesty's support is crucial…. [I]t helped consolidate [General] Sonthi [Boonyaratglin]'s position and win the support of the rank and file from various regions and headquarters…. It is not wrong to say that without Royal support, troops commanded by Sonthi and … Anupong … would have encountered fierce resistance. The outcome would have been uncertain (Kavi, 2006).

Within hours of the coup, the king gave it his blessing, granting the coup-makers a number of audiences (CNN.com, 2006). By publicising these meetings, opposition to the putsch became more difficult. That the junta named itself the “Administrative Reform Group under the Democratic System with the King as the Head of State” showed its support for the palace. Even so, the military issued statements declaring the king had no personal role in the coup (The Irrawaddy Online, 20 September 2006). Indeed, the junta directed the Ministry of Foreign Affairs to act against foreign journalists who commented on the role of the monarchy in the coup and blocked websites that mentioned the monarchy and the coup (The Nation, 23 September 2006). This strategy was unconvincing, especially as the king’s closest advisers maintained their high profile as mentors to the coup-makers (see Crispin, 2006).

The Clash of Elites

Understanding how the palace got so deeply involved in this coup requires an analysis of the economic, ideological and political interests involved. While this discussion revolves around Thaksin and the king, it is important to understand that their clash was representative of different elite elements within the ruling class.

In the many criticisms made of Thaksin, one has been that he has attained great wealth through cronyism. Already fabulously wealthy when he became prime minister, Thaksin used his office to benefit his supporters and family, and seemed unable to distinguish between personal interests and those of the nation. Thailand’s capitalists clustered around him, hoping to benefit from his political and economic power (see Pasuk and Baker, 2005; McCargo and Ukrist, 2005). While there had been some grumbling about the economic impact of the on-going political crisis, it was the Shin Corp-Temasek deal that saw some businesses complaining that Thaksin was
neglecting the general interests of the domestic capitalist class in favour of his own wealth (see Ukrist, 2008).

A neglected aspect of the Shin Corp deal was the involvement of the Siam Commercial Bank (SCB), one of the CPB’s flagship enterprises in the royal family’s huge business empire. The CPB has a history of investments with Singapore government-linked corporations, and Temasek is a shareholder in SCB. That the bank became a co-investor in the Shin takeover was no surprise (Temasek Holdings/SCB, 2006). The fact that the anti-Thaksin movement was reluctant to criticise the SCB’s involvement in a deal it considered corrupt is a telling marker of the nature of the movement. While the movement attacked Thaksin’s wealth, it ignored the special position of royal businesses. Indeed, as Porphant (2008) reveals, the secretive royals are extraordinarily wealthy, with the CPB worth some $28 billion in 2005, overshadowing the Shinawatra clan. The CPB and other royal enterprises are “special businesses” in Thailand and receive state support. They do not usually pay tax and are accustomed to privileged treatment.

Soon after the economic crisis hit in 1997, the two jewels in the CPB’s business crown, Siam Cement and SCB, were in deep trouble (Porphant, 2008). In fact, the SCB was essentially rescued by the Democrat-led government. According to Christmann and Sriaporn (n.d.: 15), the CPB could not meet its recapitalisation requirements. The SCB was unique amongst the private banks when the Ministry of Finance became its major shareholder, essentially bailing the bank out. It later sold its shares back to the bank basically interest-free and through a property-to-share swap (see AFX – Asia, 31 January, 2002; 4 April 2002; Global News Wire, 10 April 2004). One insider described the special nature of these transactions: “This was a deal where failure was not an option. Everything had to perfect, because in this transaction we had SCB, the Ministry of Finance, the Bank of Thailand, the Crown [Property] Bureau, and virtually the whole country as our clients” (Christmann and Sriaporn, n.d.: 15).

As royal businesses recovered from the crisis, the CPB became involved with Shinawatra enterprises, while remaining competitors. Some of the competition was about how Thai businesses should be managed. The CPB was keen to maintain the honour and integrity of royal patronage (see Young, 2002), while Thaksin’s businesses often favoured a faster approach and quick profits. But it was the combination of Thaksin’s wealth and political power that was most challenging for the managers of royal businesses. With Thaksin controlling the government, the conflicts of interest involved could not have escaped palace scrutiny as Thaksin and TRT rewarded their supporters handsomely (McCargo and Ukrist, 2005; Kasian, 2006: 27-34). Shinawatra businesses not only competed economically with CPB firms, but Thaksin challenged the CPB by apparently failing to protect its special status.

Perhaps more importantly, Thaksin and the palace competed in the political arena. As Kasian (2006: 19) notes, the palace has recruited “… government officials, police and military officers and civilians in a personal network of contacts. A special team was assigned to keep a card index of this monarchical network, which was estimated to include some 6,000 people by the mid-1970s.” Thaksin was well aware of the political challenge this network posed for his government. A number of Thaksin’s advisers had been involved with Chatichai Choonhavan’s government ousted by the military in 1991. They realised that one of that government’s failures was that it had not established control over the military and bureaucracy. On coming to power,

128 The flavour of this “royalist” business ideology is presented in the UNDP (2007: 50-2) where Siam Cement is presented as an example of an ethical and socially responsible company. For TRT’s economic approach, see Pansak (2004).
Thaksin moved quickly to shake-up the organisations linked to the palace’s network, promoting those who supported TRT. This brought Thaksin into conflict with the palace’s network, maintained by Prem, Surayudh and fellow Privy Councillors. The king appeared to personally dislike the arrogant Thaksin. In 1995, when briefly a government minister, Thaksin was criticised by the king (FEER, 31 August 1995). Each year of his premiership saw another critique by the king. The relationship between the palace and Thaksin deteriorated throughout 2005, and on 23 June 2006, Thaksin took the extraordinary step of writing to US President George W. Bush claiming that highly influential extra-constitutional people were plotting against his government (see Asia Sentinel, 26 January 2007). Thaksin did not identify names, but observers guessed that he meant either Prem or the king (see Bangkok Post, 1-7 July 2006). As the political stand-off with Sondhi, PAD, Prem and the palace developed, it was clear that Thaksin intended to challenge the palace’s authority, outraging the royalist elite (see Meechai, 2006).

Arguably, the most significant contest between Thaksin and the palace was for the hearts and minds of the masses. A central ideological component of the monarchy’s position is the portrayal of the king as a champion of the poor, with the palace’s rural development projects the symbol of King Bhumibol’s connection to the masses. Many of these projects began as a way to wean the peasantry away from the Communist Party and they expanded significantly when Prem’s government allocated budget and support to the projects (see Handley, 2006). After 1997, the king’s rural development ideas – sufficiency economy – became elements of the nation’s official development plans (Chaipattana Foundation, 2000). The palace portrayed itself as the saviour of poor peasants, through notions of sufficiency – doing better with what one already has – and palace charity.

Thaksin, the Porsche-driving modern entrepreneur, offered a different approach to the same constituency. Far from urging a return to the farm and being content with rural “sufficiency,” Thaksin’s policies emphasised “getting ahead,” producing for the market and promoted entrepreneurialism (Pansak, 2004). As noted, TRT also established elements of a social welfare system that were intensely popular. Government-sponsored welfare was a significant challenge for the palace that had long spoken against state welfare (see Bhumibol, 1992b). Of course, Thaksin had to appeal to the poor as they voted for TRT (Pasuk and Baker, 2008). Clearly, the palace was uncomfortable with Thaksin’s mix of social welfare and grassroots capitalism and feared his immense appeal to what they saw as the monarchy’s rural constituency.

The coup derived from these elite clashes. While the momentum for ousting Thaksin built over a number of years, the immediate impetus was the royalist’s fear of another TRT election victory. In 2001, TRT won 248 of the 500 parliamentary seats, with more than 40 percent of the popular vote. In 2005, TRT won more than 60 percent of votes and a huge majority in parliament. While the April 2006 election was deeply flawed, it was clear that TRT retained the support of a majority of voters. Even after the election was annulled, opinion polls showed strong support for TRT. With another election scheduled for October 2006 and Thaksin holding on as caretaker prime minister, the royalist elite was not about to risk another TRT victory.

**CONCLUDING COMMENTS**

This article began with a review of The King Never Smiles, arguing that this important book was initially feared in Thailand because it lifted the veil on an icon of
nationalist ideology and the decades of propaganda that had gone into creating a grand royal mythology. That that mythology had been transformed into a national culture of royalism made a critical assessment dangerous. For palace protectors like Prem, the book’s publication was lamentable: “I don’t like it. The nation doesn’t like it. It’s a hearsay book and is not based on the fact. We are worried [about] the foreigners who read it. My suggestion is – please ignore that book. It’s useless.”

Prem might well have preferred that foreigners didn’t read the book for, at the time he spoke, he was involved in planning a coup that validated Handley’s broad analysis of the palace’s political role. Palace representative Prem had been at the centre of the actions that opposed Thaksin’s elected government and had galvanised a royalist military. By his actions and words, Prem had urged that the government be thrown out. Whatever one thinks of Thaksin and his time in power, this scheming against a legal government is not the role of a constitutional monarchy.

More than this, Prem became the mentor of a military junta and its appointed government. Even the timid Bangkok press has acknowledged Prem’s role in the coup and in forming the new government, with coup apologist Thanong Khanthong stating: “Privy Council President General Prem Tinsulanonda … has … had a huge influence over the formation of the Cabinet” (The Nation, 9 February 2007). As in 1976, the palace now has its preferred government in place. This time, however, perhaps learning from the failure of the extremism of that earlier period, and reconsidering its previous disdain for the constitutional arrangement of political activity, the plan is to develop a constitution and other legal mechanisms that represent the political ambitions of the military and the royalist elite. While the 1997 Constitution was an elite compromise (see Connors, 2002), this time the royalists have maintained tight control over the drafting of the new constitution.

Handley ends his study with a call for the monarchy to be transformed into an institution that promotes a more democratic Thailand. He also affirms that King Bhumibol “… has sealed his own reputation, and it is unlikely to be undone” (Handley, 2006: 448). Handley is probably correct, but the palace’s involvement in the coup indicates that the king’s 60 years of work is not complete. Certainly the palace’s coup participation is an attempt to establish a government that ensures the monarchy’s continuation and its hugely significant ideological position (see Ukrist, 2008).

The problem for the king and his advisers is that they have now placed the monarchy at the centre of ongoing political struggles. This is a risky strategy and means that everything royal now has a political meaning. As such, nationalist strategies with the king at their centre have become de rigeur. Symbols of the monarchy – yellow shirts and the sufficiency economy – are also symbols of loyalty to the military-backed government and any criticism is a dangerous – if not unpatriotic – act.

The conservative royalist elite probably sees the coup and its reinvention of politics as a triumph and hopes that loyalty, both freely given and demanded, will overcome opposition and produce a “Thai-style democracy” that protects their interests (which they see as the national interest). This may work, at least in the short-term, but this conservative approach depicts Thaksin supporters as corrupt traitors or, worse, anti-monarchy. The masses who voted for TRT are portrayed as ignorant, bewildered, bought off or coerced, leading to an argument that the poor, the dispossessed, the working class and rural people are not ready for democracy (see

Walker, 2008). The emergent “Thai-style democracy” is unlikely to be a democracy that is inclusive and will be dominated by the conservative monarchy, military and bureaucracy.
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