

Thai Journal – Volume 16 – Political Crisis

Today Thailand is in the throws of a political crisis. Just five years ago, a party founded by Thailand's richest man, a guy by the name of Thaksin Shinawatra, who built a communications empire, came to power. The party has a rather hooky name, Thai Rak Thai (Thai Love Thai) and had a populist program, which had wide appeal. It won, in fact, by a landslide and was the first party in memory to be able to form a government on its own without having to do all the horse trading required to form a coalition government. This scenario promised great stability and might just be the first to complete a full four year term.



Despite the overwhelming victory there was high drama from the beginning because its leader, Thaksin, pronounced Toksin, was suspected of concealing his assets while serving in a previous government, which would bar him from politics for five years. Eventually the Supreme Court settled the issue by an 8 – 7 vote, which found him not guilty. Yes, he is flashing a “hook 'em horns” sign (This could be some kind of victory sign I suppose, but I ain't buying it). He did obtain a Ph.D. from Sam Houston State University, so maybe he was having a flashback.

Despite the early controversy, there was great hope that with a solid, ruling majority a lot could be accomplished. There were some early successes. A universal health care plan was put in place that would only charge the equivalent of .75 cents a visit (30 baht). Though it continues to be underfunded, this has provided medical care to many who could not otherwise afford it.

Then there was the plan to have each of the districts (tambon) within Thailand spotlight a unique product that was produced there. This has been very popular both within the country and to identify potential exports.

The focus on the rural areas, which had been much neglected in the past, was a welcome change. A lot of money (\$25,000) was doled out to each village, often without sufficient accountability, but such programs were wildly popular.

Another thing the Prime Minister brought to the table was CEO style management. The cabinet meetings are run like a board room and the provincial governors, who are appointed by the government, not elected, act as managers. I dare say it was the first time many on the cabinet had ever used the laptop computer that was so much in evidence at these meetings.

With huge majority in the House of Representative and a working majority in what was envisioned as a non-political Senate, one would have thought that things would progress smartly. Unfortunately the Prime Minister is a rather insecure man and so he does not take too kindly to criticism. As a result he used his money to gain majority control of an independent TV news network, iTV. Any news stories or programs that might be critical of the government were dispatched, as were reporters and editors who did not tow the party line.

This kind of personal financial clout also manifest itself in other media where advertising revenue dried up. There were even some high profile, multi-million dollar lawsuits against individuals or publications that criticized him. Libel laws here don't necessarily take the same view of public figures as those in the US and Europe. In a couple of these cases, the King himself had to publicly but gently tell him to back off.

One TV show, which was very popular, on one of the government controlled stations (they essentially all are) was pulled from the lineup. The hosts then took the show on the road, first to one of the universities, until it outgrew that venue and finally to Lumpini Park, where it drew upwards of 50,000 people on a weekly basis.



I wanted to check this out for myself, so it didn't take much convincing by this time to get Cindy to join me along with my buddy John, who was on one of his thrice a year visits to Thailand to come along. The hall was filled before we got there and overflowed to adjacent areas, which had TV screens and projectors. The topics of these rallies ranged from affronts to the monarchy, corruption, suppression of free speech, failure to deal with the "trouble" in southern Thailand, and abuse of power. These rallies have grown from a protest to calling for the Prime Minister to resign. The bottom picture shows 80,000 convened in the Royal Plaza near the palace. The yellow articles of clothing represent the monarchy.

What has brought out all these people? Some of the things I have already touched on, but another big one is corruption. I had thought that the richest man in Thailand would be virtually incorruptible. Unfortunately I hadn't taken greed into account, because for greedy people there is never enough. According to the Corruption Perceptions Index (CPI) Thailand comes in at number 59 (the lower down the worse), right there along with Cuba and Trinidad and Tobago. The US, by the way, ranks 17th. The least corrupt are Iceland, Finland, and New Zealand. Check out the entire list at the following link:

http://www.transparency.org/policy_and_research/surveys_indices/cpi/2005

There have been indications that on foreign trips the Prime Minister conducted some private business along with state business. Do the kid gloves the Prime Minister treats the generals in Myanmar (Burma) with have anything to do with the telecommunications deals his company has secured? Indeed corruption seems to pervade his administration. There was a big stink not too long ago



over the inflated cost of baggage scanners for the new Suvarnabhumi international airport, which was supposed to open last September, but won't until July. Corruption has raised the cost of the airport by 10% by some estimates. Little has been done by this government to rein this in. The Auditor General has been locked out of her office for over a year over a technicality in the way

she was selected. The Counter Corruption Commission was disbanded when they voted themselves a raise. As a result no one is watching the hen house.

Of equal gravity have been a number of widely publicized civil liberties violations. In order to combat drug dealers, the Prime Minister gave quotas to his governors as to how many had to rounded up, dead or alive. As a result close of 3,000 extra judicial killings occurred at the hands of police. Most of these deaths have never been investigated, so how many were actually guilty? The latest State Dept human rights report is very critical of these violations.

In the southern Moslem dominated provinces, government forces over reacted at Tak Bai, summarily executing insurgents it had overwhelmed, with a take no prisoners policy. In another incident at Krue Se, villagers who were peacefully protesting some of the government's heavy handed tactics were rounded up, stacked like cord wood in military trucks and driven 8 hours in scorching heat to military camps in other provinces. Scores died in route from heat exhaustion. When the UN Human Rights commission sought to look into this, they were told by the government to bug off, this was an internal affair.



As you might expect, George Bush is not too popular around here. This is even less so now that the US is engaged with the Thai government in FTA (Free Trade Agreement) talks. A lot of people see that this will put Thailand at a distinct disadvantage when competing with global US companies here in Thailand, not that a little competition wouldn't benefit consumers. There are also provisions benefiting US drug companies. OMG (Oh, my God), does this mean I will have to go to Laos to get my blood pressure medication? Thailand will, however, gain some advantages relating to importing shrimp and other textiles into the US.

There has also been a lot of talk about privatizing some of the state enterprises such as EGAT (Electric Generating Authority of Thailand). Given that these state run monopolies could improve from some efficiencies, but selling them off would almost surely lead to the same kind of situation we saw in the Soviet Union where oligarchs bought state resources for pennies on the dollar and became billionaires over night. Given the level of corruption here, that scenario would be a foregone conclusion.

It also didn't help when Thailand's richest man bought an Airbus, dubbed Air Force One, to the tune of several million dollars, at tax payer expense, for his foreign travels. Add Thailand to the small list of countries having such a perk.



It's not as though the Prime Minister doesn't have a lot of support, particularly in the provinces. Just a little over a year ago his party was once again re-elected by a landslide, increasing its majority in the House of Representatives. So it was last week that the Empire Struck Back, and the government had its own rally, which drew close to 200,000 supporters, many bused in from strongholds in the north. Another 20,000 gathered at a local sports complex here in Chiang Mai. Unfortunately Chiang Mai is Thaksin country, so there's not a lot of vocal opposition around except at the university. Thaksin grew up here and the place abounds with projects he has sponsored, including the aforementioned Night Safari.



If the Prime Minister is so popular, then what is all the fuss about? Is this place descending into mob rule? Well, the straw which broke the camel's back and precipitated the current crises happened when the Prime Minister sold off his 49% share in his communications empire for \$1.9 B, after transferring it to his kids, and didn't pay any taxes on the deal as a result. Worse yet, it was sold to a Singapore government owned entity, and there have been

cries that national assets and national security are threatened. Just before the transaction closed, regulations that increased foreign ownership in Thai companies from 25% to 49% were conveniently passed. The final sale of remaining (non-Thaksin owned) shares will be executed on March 14th.

Under increasing pressure, the Prime Minister dissolved parliament and scheduled new elections for April 2, which puts opposition parties at a disadvantage due to short time frame. The opposition, particularly the Democrat Party has little in the way of a program other than opposing Thaksin. As a result, the three opposition parties will not compete, leaving the way open for another Thai Rak Thai landslide and the return of Thaksin for another four year term.

Under this scenario, nothing will be resolved and the political impasse will continue. One thing that could happen is that His Majesty the King could step in and appoint a caretaker Prime Minister who would organize and supervise evenhanded elections. He has already received a number of petitions asking him to do just that. The next big opposition march is schedule for the 14th. Stay tuned.

So, you are probably asking yourselves about this time, what the heck are we still doing here? Fortunately things have been peaceful so far. The police have been flexible and restrained and have kept things from getting out of hand. I don't know that I would agree with the adage that "people get the kind of government they deserve", because the Thai people deserve better than they've been getting. We, nevertheless, remain hopeful. We were here in 1976 when student lead protests sparked the overthrow of the then military dictatorship and ushered in a democratic government. Much progress has been made; Much more progress needs to be made. Democracy is always a work in progress. There is a sense that history is being made and it's great to be here and observe it close up.