

The

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From the Desk of...

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Writer and speaker on Thailand's political economy

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Thailand's Dialectical Crisis; commentary from Dr. Thitinan Pongsudhirak, Professor and Director of the Institute of Security and International Studies, Faculty of Political Science, Chulalongkorn University, Bangkok.

More than seven months after a military coup overthrew and exiled former Prime Minister Thaksin Shinawatra, Thai politics remains unsettled. The military junta, known as the Council for National Security, (CNS) succeeded mainly in ousting Mr. Thaksin, but not much more. The junta's coup rationales on Mr. Thaksin's corruption, polarisation of Thai society, usurpation of the bureaucracy and constitution, and disrespect to the monarchy have made little headway.

The CNS appointed a now-embattled prime minister, former army chief and privy councillor General Surayud Chulanont, whose interim leadership has proved weak and indecisive. His two-pronged platform of national reconciliation and sufficiency economy has gone nowhere, as the Muslim insurgency in southern border provinces rages on and economic growth forecast comes in below expectations. General Surayud is accompanied by an equally ineffectual cabinet characterised by murky and contradictory policy directions that included capital controls and foreign business laws aimed at limiting foreign investor presence.

As both the CNS and the Surayud government have lost their way in post-coup Thailand, what is likely to take place in the second half of the year and beyond is the continuation of a fierce and prolonged struggle between the forces of the establishment and those of Mr. Thaksin. At stake will be no less than Thailand's 21st-century future. Several concurrent trends portend why and how this grand battle will pan out.

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First, Mr. Thaksin still represents a potent and unrivalled political phenomenon previously unseen in Thailand. He commands vast financial resources from the sale of his telecommunications and media

conglomerate. Moreover, Mr. Thaksin is a unique, consummate and pro-globalization personality, who can count on a vast network of contacts, informants, sympathisers, and loyalists in many echelons of the police, the military, the bureaucracy, the private sector, not to mention the rural masses and urban poor who voted his Thai Rak Thai party into office in January 2001 with two landslide re-elections in February 2005 and April 2006 – the latter result subsequently nullified.

Most important, Mr. Thaksin believes in the righteousness of his cause. Although his opponents have justifiably deplored him for corruption and abuses of power, he sees his pro-poor populist platform as a clutch of innovative ideas to remake Thailand into a more egalitarian society, thereby uprooting its neo-feudal underpinnings. Finally, Mr. Thaksin's background and experience reveal a man on a mission, a self-styled messiah of Thai politics. His nature is not to accept defeat unless it is forced on him. Thus the Thaksin phenomenon, his denials notwithstanding, is unstoppable because of the sheer force of Mr. Thaksin's resources, personality, and conviction.

Second, the CNS as spearheaded by General Sonthi Boonyaratglin has unwittingly maintained Mr. Thaksin's political viability through its post-coup ineptitude. It has yet to come up with the goods on Mr. Thaksin's long trail of alleged graft and misrule. It has neglected to bring Thailand's vast rural majority on side by telling them why the coup was necessary and why Mr. Thaksin deserved the boot. It set up a lacklustre caretaker government and stacked the National Legislature Assembly with pro-military representatives. Similarly, it appointed a constitution-drafting committee that has come up with a draft new charter than is much less participatory than the abolished 'people's constitution' of 1997, incurring opposition and protests from a multitude of political parties and pressure groups.

The ruling generals also have been unable to curb the southern separatist violence and to provide security for the capital, as coordinated bomb attacks rocked Bangkok during the New Year's celebrations, with isolated explosions and regular bomb threats since. What is more, the coup-makers are now under growing scrutiny for their own graft and nepotism. The gradual erosion of their legitimacy and credibility will make it difficult for the CNS to exit the political stage gracefully.

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If the expanding coalition of anti-coup, anti-military and anti-government public protests continues to gather strength in view of the CNS' inability to maintain security, a harsher incumbency coup may be on the cards. It would be another putsch geared in the same direction, led by the same clique of generals, but with tougher methods and means. Another coup in 2007 would almost certainly delay the already contentious and problematic constitution's drafting process, its unprecedented national referendum slated for September, and the election date set for December 16 or 23. The economy, already in limbo following the Surayud government's policymaking incompetence, would decline further, as GDP forecast for 2007 has been revised steadily downwards to under four per cent.

Indeed, Thailand's latest coup is unlike previous putsches for its critical timing. Its tumultuous aftermath is transpiring as Thais enter the twilight of their monarch's glorious 60-year-old reign in a 21st century kingdom that is underpinned by an unresolved polarisation and an ongoing tussle for the country's soul after the royal succession. Thailand as it is known today has modernised from a village backwater to a middle-income nation with a gleaming metropolitan capital, weighed down by social and income disparities between the rich and middle classes on the one hand and the poor on the other, between Bangkok and the countryside.

Unless the forces of the Establishment make genuine and conspicuous efforts in bridging this yawning gap, Mr. Thaksin and his devoted camp will remain appealing to large swathes of the electorate. While the coup has temporarily restored the holy trinity of monarchy, military and bureaucracy to the apex of Thailand's socio-political order, this conservative alliance should be self-enlightened to adjust and adapt to the 21st-century tunes of democracy, greater freedom and shared prosperity that Mr. Thaksin introduced, despite his egregious abuses of power and corruption in the eyes of many.

The pent-up forces of change are so powerful that Thailand's old elites would be better off adapting astutely rather than putting up a risky and futile resistance. As the dialectic between the old and the new is resolved in the coming months, Thailand as we know it will likely come to an end.

A new Thailand is slowly but surely emerging.

About Dr Thitinan Pongsudhirak

Dr Thitinan is Director of the Institute of Security and International Studies at the Faculty of Political Science, Chulalongkorn University, Bangkok, and is one of Thailand's leading political economists and commentators. He has over 20 years' experience observing and studying Thailand's political and macroeconomic development. At the London School of Economics, his PhD thesis "*The Crisis Within; the politics of macroeconomic management in Thailand*" analysed the lead-up to the economic crisis of 1997, it won the UK's 'best dissertation' award 2001 and is now being turned into a book.

He is a freelance writer and outspoken columnist with the *Bangkok Post* and is generally one of most sought-after commentators on Thailand, quoted in just about every major newspaper of the world and regularly interviewed on local and international TV and radio.

Dr Thitinan is regularly invited to deliver confidential briefings to senior executives and financial institutions who seek to anticipate the impact of key political changes on their businesses and investments in Thailand. He delivers presentations at major international conferences in Asia and around the world.

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