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Thailand

# Crisis in the 'Land of the Smile'

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**Since the beginning of this year Thailand has witnessed a growing mass movement demanding the resignation of Prime Minister Thaksin Shinawatra. As we approach the elections that Thaksin has called for April 2nd in an attempt to shore up his position, this movement shows no sign of weakening. We publish the following report on the situation, sent from Bangkok on March 20th.**

Thaksin Shinawatra, Prime Minister of Thailand and one of the country's most important businessmen, is at the centre of the storm. Having come to power with his new party Thai Rak Thai (TRT, which means "Thais Love Thais") in the elections that followed the major economic crisis of 1997, Thaksin returned to the tradition of a strong state, no longer governed by the army, but directly by the economic elites who were determined to control the levers of power without hiding behind any straw men.

[<https://www.internationalviewpoint.org/IMG/jpg/thailandprotests.jpg>]

Fanning people's distrust of globalization and democracy, both of which were held responsible for the economic and financial crisis, Thaksin played on nationalist reflexes to weld behind himself a unity that enabled him to win the elections.

Accusing his predecessors in power of having sold the country cheap to foreigners during the crisis of 1997-98, in particular the IMF, he was able to seduce by demagogic promises many small peasants in the North and East of Thailand, who have traditionally been treated with contempt by the rich and educated Bangkok elites. He did this to such an extent that he gained the support of a certain number of associations of poor peasants, and not the least important of them, for example the "Assembly of the Poor" which had led courageous and important struggles against preceding governments.

Promising to fight corruption and the drug trade, he also won the support of many ordinary workers in the cities and won the January 2001 elections with ease. Having established a populist regime, combining the brutal use of police repression (with several thousand dead and disappeared, often innocent, in the fight against the drug trade) and some social measures (health, education) he used the media that he owned to orchestrate a permanent propaganda campaign.

Alongside him, Berlusconi, to whom he is often compared, is a bumbling amateur. In Thailand, one of the television chains that Thaksin owns broadcasts programmes, 24 hours a day, where his smallest actions and gestures are commented on by attractive female presenters. It outdoes even reality shows. The Thais thus have the pleasure of being able to observe the Prime Minister camping for five days in a village where he wanted to show the villagers how to escape from poverty.

## A Country "Managed by a Boss"

Under his and the TRT's authority, the big businessmen of the capital succeeded in dominating the political life of the country, running it in the service of their economic interests, favouring corruption, nepotism, and clientelism. By an irony of history, Thaksin was able to take advantage of a new constitution adopted after the 1997 crisis, whose principal aim was to prevent it being possible for one party to dominate parliament.

In this way, the powers of the prime minister were strengthened, with the aim of establishing a government that would be stronger and long-lasting. He was able to neutralize all the power mechanisms that had been put in place as counterweights to the role of the executive, placing his allies in all the key jobs and exercising close control over the media.

His five years in power were largely utilized to enrich himself and favour friendly businesses, to such an extent that one university study demonstrated that on the Bangkok Stock Exchange the shares of companies considered to be close to the government had increased by more than the average, because all the speculators anticipated that they were going to win all the public contracts.

It is in this context of corruption and repeated scandals that Thaksin decided at the beginning of 2006 to sell his industrial empire Shin Corp. to the telecommunications holding company Temasek. Supposedly to put an end to possible "conflicts of interest" between his role as Prime Minister and his financial and economic interests, the sale turned out to be a juicy affair, but also particularly disastrous for Thaksin.

Shin Corp, valued at 73 billion bahts (1.5 billion euros) comprises among things several television channels and the leading mobile telephone company in Thailand, the satellite operator iTV. This sale, which was to the advantage of the Temasek company, controlled by the state of Singapore, was immediately seen as "selling the nation". To this should be added the fact that through the intermediary of a fictitious company clandestinely set up in a tax haven, Thaksin managed to get round the Thai tax authorities and not pay a single baht in taxes!

Considering the gigantic sums involved, the Thai population, which had, however, seen other such affairs, was justifiably shocked. This brought together against him intellectuals, the political opposition and civil society, who were united by a common desire to kick him out. The protest has been so strong and ongoing (a mass rally every week since the middle of January in the centre of Bangkok) that Thaksin decided to dissolve the assembly and call fresh elections on April 2nd.

His intention is clearly to counter-pose to his critics the legitimacy of the ballot box and to keep his position as Prime Minister.

## A Snowballing Crisis

This crisis illustrates the quintessence of political life in Thailand. Democracy, which has existed since the last military coup d'etat in 1992, is very fragile, and although the masses are now called on to vote, the political elites expect them to remain submissive and outside political life. Politics is a much too serious affair to be shared with the people. Furthermore, it is significant that to be eligible to be elected to parliament you have to have a higher education diploma!

Thaksin is nevertheless the first party political leader to have organized electoral campaigns based on a political programme. His simple ideas go down well with the relatively uneducated rural population. They view democracy in a somewhat circumspect way, and are not far from thinking that if the Prime Minister has been able to enrich himself during his term of office, that just shows that he deserves to govern.

Thaksin has furthermore been able to win the support of a mass of electors by his personal handouts (distribution of bank notes to the poor during his campaign trips), giving every village a million bahts, offering to cancel the debt of the small peasants and developing a policy of access to health care for 30 bahts (65 euro cents) a consultation, a

measure which practically caused the Thai health system to explode, since it was absolutely not equipped to respond to the demand which followed.

These promises, which are not always put into practice, such as the cancellation of the peasant debt, clearly show the extent of unsatisfied social needs, the lack of resources of the public services and the non-existence of social protection (for example there are no retirement pensions).

When cheap dental care was introduced, the demand was such that there were waiting lists of several months. Private clinics, not wanting to make their own patients discontented, withdrew from the programme, thus increasing the burden on the public hospitals, which were not able to handle it. This situation is not new. The Democratic Party, today in opposition, did nothing to improve things when it was in power.

The parliamentary political opposition really consists of a clique of Bangkok politicians. They are so inconsistent that they decided to boycott the election called for April 2nd and it is not thanks to them that we have seen this big protest movement developing.

So, at the origin of the anti-Thaksin movement, we find Sondhi Limthongkul, a press magnate who was heavily indebted after 1997, a former accomplice and business partner of Thaksin who was abandoned by him in the rout that followed the financial collapse of 1997.

Now one of his most ferocious adversaries, he was able to rally behind him all sorts of discontented people, whose motives were very diverse. First of all, Sundhi was able to mobilize the fairly well-educated, essentially urban middle classes, who were shocked by the scale of corruption and shady deals... and who wanted Thailand to have a more attractive image abroad.

Among the main forces who joined the protest movement there was also the very nationalistic Buddhist monk Luangta Mahabua, who has a reputation for being honest and ascetic and who was at one time a supporter of Thaksin. He gave a moral legitimacy to the movement that Sundhi himself could not bring to it.

This legitimacy was reinforced by a declaration by the senior academics of the University of Thammasat, one of the two most important in the country, who denounced the absence of legitimacy of the Prime Minister. All these anti-Thaksin people have in common a high opinion of themselves...

However, the movement is now so powerful that people are joining it on all sides and, something that is new and very significant in Thailand, the activists of the social movement have rallied to anti-Thaksin cause.

## **A Weakened Working Class Movement**

This country is not however a major centre of social conflict. The big mobilizations from the 1970s to the early 1990s against the military dictatorships were harshly repressed (thousands of murders and summary arrests of trade unionists, peasant leaders, village mayors and student protesters).

The fragmentation and division in the trade unions which are the norm today are the direct consequence of this massive repression, during and after the Vietnam War, when anti-communist hysteria provided every pretext for political repression.

The Communist Party of Thailand, which at one time organized a peasant guerrilla movement in the border region in the grand Maoist tradition, long ago laid down its arms, and is now content to organize an annual camp to remember those times. There has even been built, with government subsidies, a museum and restaurants in the former guerrilla zone, where they hope to attract tourists to engage in "sustainable development".

An army general whose father was a guerrilla commander, and a minister of Thaksin's government who is a former student who took refuge in the guerrilla zone, have come there to make "moving" speeches.

This political disaster gives you an idea of the state of the Thai workers movement, which no longer has a political party to express and defend its interests. Everything needs to be rebuilt from scratch, starting from the defensive struggles of trade unions and associations (village associations play a very important role).

These struggles exist. but they are fragmented, isolated and do not find expression in the political sphere. There is no shortage of reasons to struggle in Thailand, although the country is not poor and has not endured policies of structural adjustment for decades, as in Latin America, apart from the brief episode of the 1997-98 crisis.

There is no excessive foreign debt, no unmanageable deficit, a high rate of growth and almost permanent full employment. The per capita income in 2002 was US\$2,034, which is far behind South Korea (US\$10,050), Taiwan (US\$12,503), and Japan (US\$31,207), but also far ahead of its nearest neighbours like Cambodia (US\$265), Laos (US\$366), Burma (US\$187), Vietnam (US\$425), and especially China (US\$978).

[<https://www.internationalviewpoint.org/IMG/jpg/Thailand2.jpg>]

All these neighbouring countries have a surplus labour force and engage in intensive competition based on cheap labour in order to attract multinational companies. As a result, although absolute poverty no longer exists and although Thailand does not experience unemployment, does not have gigantic shanty towns and beggars as there are in Jakarta or Mumbai, the standard of living of the population is stagnating at a relatively low level.

The social demands concern essentially wages (the minimum monthly wage is about 500 bahts, the equivalent of 108 euros). To increase their income, workers are forced to accept extraordinarily long working hours, which is completely within the law, because there is no legal limit.

In the factories of the immense industrial zone around Bangkok, it is not unusual for workers, often very young, to work for eight hours, the normal working day, plus two or three extra hours after a minimal pause of 20 minutes. Some of them sleep on the floor between the machines during the pause. The working week is six days, but Sundays can be worked if the companies want them to be. Since the basic wage is so low, the workers want to do overtime, even working up to 60 or 70 hours a week.

Apart from the workers' health, children are also victims of this super-exploitation. On Saturdays and even on Sundays, it is not unusual to see children accompanying their mothers and playing between the machines or on the building sites! Work flexibility is total, all the more so as the labour legislation places no restrictions on sackings. One of the only limits that enterprises encounter is the fact that there is full employment, which allows discontented workers to vote with their feet by changing employers. In these conditions, the trade union struggle is very difficult, but it exists nevertheless.

## Victorious Social Resistance

The political crisis is not however the result of a working class revolt. It is the product of a widespread malaise, which has crystallized around the person of the Prime Minister but whose origins lie in distrust of his policies. Thaksin has had, to in the course of the same year, to face numerous challenges to his policies.

Among others:

- An important mobilization against his attempt to privatize EGAT, the Thai public electricity company. Privatization was adjourned because it was judged that the procedure was unconstitutional.
- Teachers in the north of Thailand mobilized very massively against the decentralization reform of education, which would have handed over to local authorities the management of schools. They still remember the disaster that was caused by the same decentralization law 20 which deprived them of the means of doing their job for two years, before the transfer was cancelled and the schools were again administered by the Ministry of Education.

Putting them under local control would also deprive teachers of their status as civil servants. The law was adopted by parliament but the Ministry of Education had to soften it by proposing that its implementation would be on a voluntary basis for a certain time, with all schools having to be under local control by 2009 at the latest. This measure had the effect of dividing the movement, but the contestation was pursued through the movement to demand the Prime Minister's resignation. Threats of disciplinary measures and of mass dismissals did not have much effect on the teachers.

- Several associations of consumers, of AIDS sufferers, of peasants, of poor people, and also the unions, succeeded in having suspended the bilateral free trade agreements between the US and Thailand that were negotiated at the beginning of January.

The stakes were not insignificant: the right of intellectual property, the possibility of establishing brevets and the length of time of patents on medicines (on this question, the proposals made by the US were inferior to those agreed by the WTO, which directly threatened the survival of AIDS sufferers who could no longer buy their medicines); the liberalization of the agricultural market has led to a further impoverishment of small peasants, who are already affected by the free trade agreement between Thailand and China and the massive imports of Chinese fruits and vegetables; there were special treatments for US investors, concerning in particular public enterprises (electricity, water, agricultural).

## Violence in the South

The picture would not be complete if we did not mention the daily murders and massacres which have been regularly taking place in the three Muslim provinces in the South of the country for three years now. This violence has been endemic since the annexation of these provinces, which have a Malay majority, after the Second World War.

Thais of Malay origin are victims of discrimination. They are not really citizens with equal rights, and they are demanding a broad degree of autonomy. Their exasperation led to an attack on an arms depot on January 4th, 2004 and the violence that followed has since led to thousands of victims.

The response of the Thaksin government was to proclaim a state of emergency and give full powers to the army. The army suffers daily losses of men and equipment and replies by exercising indiscriminate violence against the population that it is supposed to be protecting. Although it is far from the capital, this emergency situation will sooner or later have political consequences for the rest of the country.

It contributes to maintaining the exorbitant power of the army and the police in the whole country. Thus, the spokesperson of the police, a general, found it quite natural to call a press conference where he calmly announced to journalists that he had sent a letter to the Prime Minister asking him to resign in order to restore calm in the country, without that provoking a political scandal or leading to his dismissal.

The violence in the South also illustrates the unenviable fate of ethnic minorities and immigrant workers in Thailand, but also in many Asian countries where the right of blood is primary, and where it is extremely difficult for a foreigner to become naturalised.

Minorities do not always have citizenship rights and sometimes when they do they can be withdrawn from them. We could say that they are then in a certain sense "wiped off the map", considered as non-existent, undocumented in their own country, and therefore without rights. As in France in the 1960s, immigrant workers, including women (often of Burmese or Laotian origin), come to work in Thailand, most of them without papers, at the demand of Thai employers, to occupy the most hazardous and lowest paid jobs which Thai workers no longer want.

They work in particular on building sites, often seven days a week, even sleeping on the site. So in the general context of shortage of labour, by using immigrant labour the Thai employers can avoid increasing Thai workers' wages. We find the same situation in South Korea, where however the per capita income is 5 times higher than in Thailand and where the workers movement, much more powerful, is more engaged in solidarity with immigrant workers.

This is not the case in Thailand, where the divisions thus created between workers against a background of latent racism represent an additional obstacle to social progress.

The boycott of the election by the opposition makes it probable that there will be a new electoral victory for Thaksin, which would give him a free hand to continue his policies... unless there is a direct intervention by the king, who is the supreme moral authority in Thailand, asking him to step down.

But the big movement that has been launched to drive him out of office has made possible the convergence of many struggles and the establishment of links between organizations. We can hope that from this will come a re-politicization with positive consequences in the long term.