

TOPPLING THAKSIN

THAKSIN SHINAWATRA, the Kingdom of Thailand's billionaire telecom-tycoon turned Prime Minister, went on national television on 3 April 2006 to claim an overwhelming victory in the referendum-style election the previous day. In face of an opposition boycott, Thaksin had won 56 per cent of the ballot. His Thai Rak Thai Party's 16 million votes (out of 29 million cast) was down on its record February 2005 score of 19 million, but well above the 11 million that had swept Thaksin into office in 2001; and the TRT had taken nearly every seat in the House of Representatives.¹ Buoyed by his renewed mandate from a largely rural electorate, Thaksin looked set to continue in office for the rest of his term. Just 24 hours later, after an unscheduled audience with King Bhumibol Adulyadej, an ashen-faced Thaksin, surrounded by his stunned and tearful entourage, announced from the front steps of Government House his decision to stand down as Prime Minister for the good of the nation.

Thaksin had weathered an unprecedented storm of almost daily anti-government demonstrations in Bangkok and the other main cities for two months prior to the election.² The anti-Thaksin campaign had begun in September 2005 under the personal leadership of Sondhi Limthongkul, multi-millionaire owner of the Manager Media Group and former crony of Thaksin's, turned militant oppositionist. When his popular talkshow, *Meuang thai raisapda*, was taken off state tv due to its increasingly hard-hitting exposés of government corruption, Sondhi turned the programme into a weekly roadshow, attracting boisterous anti-Thaksin audiences across the country. His newspapers published the sermon of a popular (if controversial) monk from the Laotian border region, Luang Ta Maha Bua, alleging that Thaksin was aiming to establish a presidency; and an article claiming the PM had presided over a merit-making ceremony at the Temple of the Emerald Buddha, the



country's holiest site, thus usurping the monarch's role. Sondhi's four-month blitz, making use of all his MMG outlets—cable TV, newspapers, magazines, books, CDs and websites—helped the widespread but largely passive opposition to break through the government's media blockade and build up political momentum. The travelling talkshows soon became known as 'the Sondhi phenomenon', and served as dress rehearsals for the mass movement of February–April 2006.

The first big anti-Thaksin rally took place in Bangkok's grand Royal Plaza on February 4th, its numbers swelled by popular indignation at the tax-free sale for \$1.9bn of the Thaksin family's 49.6 per cent stake in the giant Shin Corporation to a Singaporean investment outfit. Four days later the People's Alliance for Democracy was formed, under the collective leadership of Sondhi and four others, representing the major strands of the opposition. They comprised Major-General Chamlong Srimuang, former mentor and ally of Thaksin, ex-governor of Bangkok, leader of the May 1992 uprising against military rule and head layman of the ascetic Santi Asoke sect; Phiphob Thongchai, a senior NGO activist and education reformer; Somsak Kosaisuk, a veteran public-sector labour leader; and Somkiat Phongpaiboon, a university lecturer and protest movement leader. The five supremos were joined in their nightly brainstorming sessions by Khamnoon Sitthisaman, Sondhi's right-hand man, a political analyst and royalist commentator; and Suriyasai Katasila, a full-time activist and PAD coordinator. The PAD's objectives were to remove the Prime Minister from office and dismantle the Thaksin regime through a new round of constitutional reform, by petitioning King Bhumibol for the application of his Royal Prerogative. The PAD leadership aimed to build up a nationwide anti-Thaksin network, to increase popular pressure but avoid violence and bloodshed. The movement staged a series of major demonstrations in downtown Bangkok, with the Royal Plaza rally

¹ The Thai Rak Thai (Thais Love Thais) Party was founded in July 1998 with Thaksin as its financier and leader. The April 2006 vote fell along typical populist lines, with the majority rural electorate and some urban poor voting TRT while the minority urban middle and upper classes voted against. In 30 urban centres, including Bangkok, abstention ballots outnumbered pro-TRT votes.

² See Sondhi Limthongkul and Sarocha Porn-udomsak, *Meuang thai raisapda san-jorn chabab thawai kheun phraratchaamnaj* [The 'Thailand Weekly' Mobile Show on the Restoration of Royal Prerogative], Bangkok 2006; 'Chronology', *Bangkok Post*, 5 April 2006; Nitiras Bunyo, 'Yeudyeya yaonan: mai chana mai loek?' [Protracted Protest: No Stop till Victory?], *Nation Sudsapda*, 31 March 2006.

on February 4th followed by another on the 11th, and two more at the Sanam Luang ground on February 26th and March 5th.

The pro-government counter-mobilizations began in early February 2006, in direct response to the anti-Thaksin movement. Initially, these took the usual dirigiste form of deploying local bureaucratic channels to bus in throngs of government officials, bemused villagers and wide-eyed schoolchildren to Government House, to cheer on the embattled Prime Minister by waving roses and pre-printed placards for the tv cameras. From February 24th when, amid resounding calls for him to resign, Thaksin dissolved parliament and called a snap election, his Cabinet hawks—former communists, provincial bosses and ex-generals—took charge of the movement and geared it directly towards confronting the anti-Thaksin demonstrations in Bangkok. Throughout March 2006, a string of mass rallies was held in Bangkok and other major provinces, especially the North and Northeast where TRT had a strong base, to provide the now caretaker Prime Minister with a show of support and a platform for his combative speeches. For the opening rally of the election campaign in Bangkok on March 3rd, the 300-plus TRT MPs and 75 provincial governors were assigned quotas and expected to draft in, respectively, 3,000 or 10,000 supporters. Cheap lodging around the capital was fully booked, and hundreds of thousands of people were bussed in to Sanam Luang to listen to Thaksin's hour-long diatribe.

Meanwhile on March 2nd, two contingents of villagers from the North and Northeast, each around 2,000-strong and calling themselves *Khabuan E-tan* ('Column of Buggies') and '*Kharavan Khonjon Doenthao*' ('Caravan of the Walking Poor'), had set off on their well-provisioned and widely publicized journeys to Bangkok. They converged on the outskirts of the capital two weeks later, and were enthusiastically greeted by the caretaker PM in person. Moving on to Chatuchak Park, in the north of the city, they joined forces with hired taxi and motorcycle drivers and camped out in a self-styled Caravan of the Poor & Democracy-Loving People Village. This counter-demonstration, by tens of thousands of poor beneficiaries of Thaksin's populist programmes, proclaimed three objectives: to give moral support to the Prime Minister, to buttress democratic rule via election, and to call for further government help in alleviating the manifold problems of the poor.

On March 14th, in an effort to force Thaksin to resign before his referendum-style election, the PAD led 100,000 demonstrators in a huge march from Sanam Luang along the Ratchadamnoen Boulevard to Government House, where they camped out. They staged another big rally there on March 25th, but Thaksin managed to avoid any face-to-face confrontation with the demonstrators. Finally, to put pressure on the still largely reticent big commercial interests, the PAD organized a rally on March 29th in the fashionable shopping and tourist centre of Siam Square on Sukhumvit Road, and occupied it for two days. Contingents of protesters were also dispatched on an excursion to the Silom business centre, the Singapore Embassy, the Office of the Election Commission, etc. The atmosphere in these demonstrations was generally safe and relaxed, festive, resolute, even rowdy and raucous at times, but never violent or murderous. Young couples, pensioners and families with small children mingled with black T-shirted volunteer guards, groups of NGO and labour activists, Buddhist monks, police officers, reporters and a sprinkling of foreign tourists. Beside the rousing speeches and announcements, the organizers offered a variety of educational and entertaining interventions by university professors, dissident senators, ex-diplomats, folk bands, classical musicians and an amateur Chinese opera troupe.

The Caravan of the Poor avoided any full-frontal clash with the PAD demonstration, mostly staying put at Chatuchak Park. But it did dispatch groups of protesters to various opposition sites in downtown Bangkok such as Thammasat University's Sanam Luang campus, the Manager Media Group offices and those of the anti-Thaksin Nation Multimedia Group, where some minor scuffles took place. The atmosphere among the Chatuchak crowd was folksy and convivial, more like a temple fair than an earnest political rally. Pro-government speeches and diatribes against the PAD alternated with country bands, slapstick comedies and even a papaya-salad-making contest. Finally, the Caravan of the Poor dispersed and went back home to vote in the April 2nd election, delivering Thaksin his unilateral landslide that was to be reversed the following day by the 'whisper from heaven'.³ If this was an unusual political denouement for a constitutional democracy, it was also a reminder that

³ Answering the protesters in his weekly radio broadcast of February 4th, the PM had announced: 'The only person who can tell me to quit is His Majesty the King. If His Majesty whispers to me, "Thaksin, please leave", I'll go.' See 'From the Royal Plaza', www.nationmultimedia.com.

the Kingdom of Thailand has never been a democracy *per se* but always, in the peculiar formulation reiterated in the official English translation of the 1997 Constitution, ‘a democratic regime of government with the King as Head of the State’.

The Thaksin government represented the first assumption of capitalist state power by the big capitalists themselves. It combined aggressive neo-liberalization with capitalist cronyism, and absolutist counter-reform politics with populist social policy, to radically transform the existing patterns of power relationships and elite resource allocation. But the destabilizing effects of Thaksin’s project have aroused extensive opposition, from the old elite—the Palace, bureaucracy and military top brass—to Southern separatists, urban middle classes, organized labour and grass-roots groups, as well as from disgruntled former cronies such as Sondhi. In what follows, I will argue that Thaksin’s five-year rule can best be understood within a longer historical perspective of the uneven development of Thai politics and economics. It was the joint conjuncture of the 1997 financial crash, outcome of a decade of delirious growth in the conditions of capitalist globalization, and the 1997 Reform Constitution, the attempt by a multi-stranded political movement at a major overhaul of Thai ‘electocracy’, that opened the way for the rise of Thaksin and his TRT. Despite the denouement of April 4th, given the small circle of the Thai ruling elite and their deep business and political entanglements, it is unlikely that the Palace and the military will undo Thaksin’s elected capitalist-absolutist regime *in toto*. Nor will the man who liked to call himself Thailand’s CEO necessarily retire from power, as well as office.

Capitalist Thailand

The economic formation of modern-day capitalist Thailand dates back to the early 1960s and the US war on Vietnam, when the Kingdom did duty as a front-line anti-communist state, servicing the eight major American military bases on its soil with ‘rest and recreation’ facilities. Thailand was then a country of 26 million, with 80 per cent of the population working in agriculture, the main source of exports; Bangkok was a government-dominated city of 3 million. Import-substitution development policies established under World Bank guidance, and with massive American aid, were inevitably skewed to US needs; the sex and tourist industries were notable results. Over the following four decades, the Thai economy grew at an annual average of 7 per cent; per capita GDP increased from

\$100 in 1961 to \$2,750 in 1995. By the early 1980s manufacturing had replaced agriculture as the main contributor to exports and GDP. Between 1980 and 1984 Gen. Prem Tinsulanond, then prime minister, pushed through a major Structural Adjustment Programme along World Bank lines, devaluing the baht and replacing the import-substitution model with a labour-intensive export-oriented manufacturing sector, based in garments and textiles.

This urban-biased growth reached its zenith in the spectacular decade-long boom from the mid-80s to the mid-90s. In the first half of the decade, the economy grew at dizzying double-digit rates, and by the end of the boom it had multiplied in size two-and-a-half times, with the urban middle class more than tripling in number; business employees came to outnumber government officials in its ranks. With the yen strengthening in the wake of the 1985 Plaza Accord, Japan became the biggest source of FDI; manufacturing, real estate, trade and services were the principal recipients. By the end of the century the population had reached 61 million and, with intensive urbanization, that of Greater Bangkok had quadrupled. But class and regional disparities had sharply intensified. By 1996, on the eve of the crash, the top quintile had increased its share of the national income to 57 per cent, from 49 per cent in 1976; the lowest quintile saw its share diminish from 6 per cent to 4 per cent in the same period. After four decades of high-speed capitalist development Thailand had achieved one of the most unequal income distributions in the world, worse than those of its East and Southeast Asian neighbours, and comparable to the worst cases in Latin America.

The vast bulk of foreign investment had gone to Bangkok and its surrounding region, the central plain of the Chao Phraya River delta, starving the tropical forests of the mountainous North, the rolling savannah of the Northeast and the densely forested Malay peninsula.⁴ While

⁴ Regional disparities continued to increase under the Thaksin government. In 2004 Bangkok, with 17 per cent of the country's population, had 44 per cent of GDP, while the rest of the Central region (excluding Bangkok) had 17 per cent of the population and 27 per cent of GDP. By contrast, the South has 14 per cent of the population, but 9 per cent of GDP; the mountainous North has 18 per cent of the population, but 9 per cent of GDP; the Northeast has 34 per cent of the population but only 11 per cent of GDP. Income disparities between economic sectors were equally severe, with agriculture accounting for 42 per cent of employment but 10 per cent of GDP, whereas industry accounted for 21 per cent of employment and 41 per cent of GDP, and services for 37 per cent of employment and 50 per cent of GDP.

land ownership has been concentrated in the hands of the upper and middle classes, this has not been in traditional forms of landlordism. Historically, most Thai peasants were independent smallholders until the 1960s. The onset of state-promoted capitalist development led to the large-scale commodification of rural land, which ceased to be a cheap and plentiful source of production in the traditional peasant economy and turned into an increasingly expensive object of speculation in the market economy. By the 1970s, landlessness had become a national problem. Massive peasant protests resulted in a land-reform programme, instituted by the civilian government installed following the 1973 uprising. In order to appease the big landowners, however, private lands were not touched by the programme; instead, forests and public lands that had been encroached upon or become deforested over the years were allocated for distribution to landless peasants—in effect taking them from the public and giving them to the poor. In the following decade the government, with World Bank support, initiated a land-ownership survey to promote investment and farming. However, given widespread corruption among local officials, what actually took place was a wholesale privatization of community lands for purposes such as building tourist resorts, hotels, golf courses and housing estates, or securing bank loans on the unlawfully acquired property to speculate on the stock market.

From dictatorship to electocracy

The modern Thai state constructed by the absolutist monarchs of the Chakri dynasty in the late 19th and early 20th centuries was deliberately modelled on the colonial regimes in neighbouring British India and Singapore. The Kingdom's 'constitutionalization' by successive authoritarian military governments between 1932 and 1973 did little to alter its basic structure, that of an over-centralized (if fragmented) auto-colonial royalist-bureaucratic pyramid. In the student-led mass uprising of 14 October 1973, when about half a million people took to the streets of Bangkok, the state was confronted with a spectre of its own making: the burgeoning bourgeois and petty-bourgeois forces created through its unequal socio-economic policies and expanded national education scheme. The uprising overthrew the 15-year military dictatorship of Field Marshals Sarit, Thanom and Praphat to issue in a constitutional democracy.

But if this was Thailand's 1789, it was rapidly followed by the Thermidor of 6 October 1976, when unarmed protesters at Bangkok's Thammasat University were brutally massacred by a right-wing lynch mob backed by heavily armed police, on a trumped-up charge of lese-majesty.⁵ This opened the way for a Palace-engineered coup and the restoration of dictatorship. In reaction, some 3,000 students, workers and activists from the cities fled to join the Maoist-led guerrilla movement in the remote jungle regions, an unprecedented alliance between radical urban intellectuals and organized rebellious peasants in the countryside. In 1977 a 'counter-coup' by more far-sighted generals initiated an amnesty and a limited political reform. The amnestied student guerrillas returned in 1980, exhausted and politically defeated, to find that a safely corruptible parliamentary system had been installed which allowed for power-sharing between the bourgeois parties and the military. Former radicals could be harmlessly absorbed into the mainstream through co-optation by NGOs, the mass media and so on,⁶ while the political stage was dominated by a new breed, the *nak leuaktang* or 'electocrats'.

The electocrats were elected politicians who usually had a provincial entrepreneur-cum-local mafia-boss background, and were hence largely ignorant of national and macroeconomic matters; they were mainly interested in short-term personal or factional gains.⁷ For this layer, the student activists' uprising of 1973 and subsequent establishment of a parliamentary democracy were unexpected gifts, which provided them with a golden opportunity to convert their hitherto shady local wealth and influence into legal power at the centre of national politics. The typical electocrat had built his personal fortune in the 1960s and 1970s under the patronage of corrupt local officials, exploiting American aid intended for war efforts against neighbouring states and the military government's market-oriented development projects. They generally engaged in semi-legal businesses involving licences, title deeds and

⁵ The best account of these two watersheds in modern Thai history remains Benedict Anderson's 'Withdrawal Symptoms' (1977), reprinted in his *The Spectre of Comparisons: Nationalism, Southeast Asia and the World*, London and New York 1998.

⁶ For a study of this decade-long 'semi-democracy' see Anek Laothamatas, *Business Associations and the New Political Economy of Thailand: From Bureaucratic Polity to Liberal Corporatism*, Boulder, CO and Singapore 1992.

⁷ See also Benedict Anderson, 'Murder and Progress in Modern Siam', in *Spectre of Comparisons*; and Ruth McVey, ed., *Money and Power in Provincial Thailand*, Singapore 2000.

permits—in short, those in which political connections were key—such as land speculation, logging, public works, trucking, cash crops, entertainment, gambling, underground lotteries, prostitution, bootlegging, gunrunning, drug-trafficking, smuggling, etc. Intractable conflicts with business rivals and uncooperative officials were often solved with the help of hired gunmen.

Under the new ‘democracy’, these local client networks could be laundered and put to good electoral use. Meanwhile, the electocrats themselves were transformed from lowly mafia businessmen who had to kowtow to local officials into respectable members of parliament or Cabinet ministers, with jurisdiction over the promotion (or demotion) of their former ‘patrons’. Once elected, they treated politics as a kind of business, effectively selling public policy, office, concession or title deed to the highest bidder. Shameless avarice was fuelled by the need to gather enough ‘ammunition’ for election campaigns to enable them to stay in power.⁸ The political system in Thailand from the late 1980s up to the promulgation of the 1997 Reform Constitution can best be described as *rabob leuaktangthipatai bon than rat ruamsoon*, or an electocracy perched on top of a centralized bureaucratic state, consisting of four different layers: the national electorate, the local canvassers, the party factions, and the Cabinet. Let us consider these components in turn.⁹

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

⁸ The Thai terms *nak leuaktang* and *rabob leuaktangthipatai* were coined circa 1993–94 by Khamnoon Siththisaman, political editor of *Phoojatkan Raiwan*, the top Thai-language business daily. Their translations as ‘electocrat’ and ‘electocracy’ are mine.

⁹ The following analysis is my elaboration of the framework suggested by James Ockey, ‘Political Parties, Factions and Corruption in Thailand’, *Modern Asian Studies*, vol. 28, no. 2, 1994; see also Michael Wright, ‘Travels of King Chulalongkorn misrepresented’, *The Nation* (Bangkok), 5 July 1997; and Thongchai Winichakul, ‘*Prawattisat thai baeb rachachatniyom jak yuk ananikhom amphrang soo rachachatniyom mai reu latthi sadejpho khong kradumphai thai nai pajjuban*’ [Royal-Nationalist History from the Age of Crypto-Colonialism to the Current New Royal-Nationalism or the Thai Bourgeoisie’s Cult of the Father-King], *Sinlapawatthanatham*, vol. 23, no. 1, November 2001.

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'. They learned the hard way that, unless they sold their votes at election times, they would have no other tangible benefits from the system. The rural majority thus formed a massive, rock-solid electoral base that secured the victory and political power of the electocrats and were conveniently inaudible when it came to policy-making.

Rural Thais' numerical superiority, coupled with their unofficial 'right' to sell their votes, was experienced by urban middle-class voters, especially in Bangkok, as 'the tyranny of the rural majority', which allowed the unscrupulous and rapacious electocrats from the country to misrule the city and mismanage the economy. Meanwhile, the liberal principle of property rights and the city's greater purchasing power and undemocratic economic freedom to trade, invest, consume, overspend, exploit and pollute were in turn regarded by the rural folk as constituting an 'urban uncivil society', which dispatched hordes of avaricious government officials to plunder the countryside. This 'tale of two democracies', rural versus urban, made for a divided society that sustained and reproduced the electocracy, and yet was powerless to control it.¹⁰

Canvassers and factions

Local canvassers, numbering around a million, formed the strategic link between usually absentee electocrats and their rural constituencies. During election campaigns, they secured bloc votes for the candidates and dispensed money or favours to the constituents in return. Rooted in local government, religious, education or business sectors, licit or illicit, the canvassers were able to build long-term relationships and win the voters' trust by providing helpful services in hours of need, or mediating on their behalf with agents of the state or market. These cadres were indispensable for ensuring a candidate's electoral victory and, unlike the widely available alternative candidates or financial backers, they were practically irreplaceable at short notice. The drawback for the canvassers was that, come election time, they were usually prime targets for

¹⁰ See Anek Laothamatas, 'A Tale of Two Democracies: Conflicting Perceptions of Elections and Democracy in Thailand', in R. H. Taylor, ed., *The Politics of Elections in Southeast Asia*, New York 1996.

assassination by the hired gunmen of rival candidates, and hence the first to die an involuntary martyr's death for the sake of 'democracy'.

Formally speaking, the electocrats were supposed to belong to political parties. In reality, however, they were organized into *mung* (literally, 'mosquito nets') or factions. The ultimate aim of every faction was to join a ruling coalition and then use its votes to bargain for Cabinet seats for its leaders, according to the principles of political arithmetic. Under electocracy, political parties were highly unstable and mostly short-lived, often set up and dissolved at will, while factions in general were far more cohesive, and tended to stick together despite their frequent moves from one party to another. Factions were therefore everything in Thai electocratic politics while parties were almost nothing.

It was in the factions that the key political process of interest aggregation took place. However, only the interests of the well-connected networks of patrons really counted, and there was no serious attempt at formulating alternative policies as a whole. Factions and parties simply derived their platforms from the framework already laid down by state technocrats, and which they in turn had picked up in New York or Chicago.

Being in effect the executive committee of faction leaders, the Cabinet was the institutional pinnacle of Thai electocracy and the highest patronage-dispensing body whose real function, under the pretext of governing the country and managing the economy, was to misappropriate public resources, exact economic rent, and transfer these through private and factional channels to lower layers of the electocratic system. As the Cabinet's Number One faction leader, the Prime Minister did not have much real power over his colleagues, who often threatened to withdraw their factions' support for his government. Their effective veto severely debilitated government decision-making. The upshot, in the words of a central leader of the political-reform movement of 1994–97, was a stagnant, 'corruption-prone, efficiency-excluding and leadership-incapacitating' political system, which militated against any independent articulation of class interests.¹¹ Any social group, including the capitalists themselves, lacking a patron–client relationship with the electocrats found it virtually impossible to access the political system and bring

¹¹ Prawase Wasi, '*Patiroop kanmeuang-patiroop kanjadkan: thangok jak saphawa wikrit*' [Political-cum-Management Reform: The Way out of the Current Crisis], *Phoojadkan Raiwan*, 11 April 1995.

their demands to the legislative process. In short, electocracy became a government of, by and for the electocrats and their patrons.

The Crown

The Head of the State and summit of the political system was, of course, the King. Thongchai Winichakul has recently suggested that the profane 'lower tier' of electocratic politics suffered from a chronic legitimacy deficit, and so depended on this 'upper tier' of the Crown for legitimation.¹² The latter was popularly held to be an ethereal sphere of non-politics, devoid of bickering or factional interests. The King had only the national interest at heart, and devoted himself in a wise and fatherly way to the well-being of his childlike subjects, working tirelessly and selflessly to ensure that the country remained prosperous and united. The King and his trusted Privy Councillors would only descend from this lofty realm to intervene in normal politics when absolutely necessary. Since the King was viewed as the sole non-political and purely moral being in the Thai electocratic universe, his political interventions were almost universally welcomed by the public as neither 'political' nor an 'intervention' at all, and the call for an unconstitutional use of his Royal Prerogative could be made in all ingenuously in the name of democracy.

The image of the King is ubiquitous in Thailand. His portraits adorn the shacks of the rural poor and the air-conditioned offices of the multinationals, austere Buddhist temples and back-alley brothels, the huge billboards that line the congested city streets, the banknotes and coins in everyone's pockets. Identical newsreels showing the latest public functions of the King and Royal Family are broadcast at 8pm every evening on the six free tv channels. The King's occasional speeches are filmed, carefully edited, and later simultaneously broadcast on all the channels in accordance with his wishes. Their transcripts are subsequently published in all major newspapers and magazines. The King has methodically stamped his imprint on the life-course of virtually every member of the country's elites. For over forty years, every university graduate has

¹² See Thongchai Winichakul, '*Kham hai phon prachathipatai baeb lang 14 tula*' [Transcending Post-14 October Democracy], *Fa dieo kan*, vol. 3, no. 4, Oct-Dec 2005, pp. 142-64. The theme of this issue of *Fa dieo kan*, a radical journal of political analysis, is the monarchy and Thai society. It includes an interview with Sulak Sivaraksa, a maverick conservative royalist who declared against Thaksin. Pro-Thaksin demonstrators alleged that the interview insulted the King and burned a copy on stage on 28 March 2006; police also issued a banning order. Ten days later, Sulak and the journal's editor, Thanapol Ewsakul, were charged with lese-majesty.

formally received his or her degree from the hand of the King; every military or police general has been personally ‘knighted’ by him in a solemn ceremony. By tradition, a photograph of that glorious moment is given pride of place in every office or living room. The omnipresent benign, fatherly images look innocuous enough until one realizes that what they represent is indeed the totalizing embodiment of Thai statehood and public morality; then one begins to have a peculiar feeling of being watched everywhere, all the time.

Although the 1932 Constitutionalist Revolution by the middle-ranking officers and government officials of the People’s Party had deprived the monarchy of absolute power, a cultural passive counter-revolution over the past five decades has rendered King Bhumibol (b. 1927) the most hegemonic monarch in modern Thai history, effectively far more powerful than most of his absolutist predecessors. Coming to the throne unexpectedly at the age of 19, in succession to his elder brother King Ananda Mahidol who died of a gunshot wound in mysterious circumstances, King Bhumibol had neither political experience nor a power base in Thailand, having spent most of his boyhood in the us and Europe. Returning home in 1951 after completing his education abroad, the King gradually built up his cultural-political power under the protective and possessive rule of successive military strongmen.

Constructing royal hegemony

With no existing tradition of constitutional monarchy to speak of, the Palace was obliged to invent one. From the early 1950s, the King travelled around the country, visited remote villages and initiated thousands of development projects, aimed both at alleviating poverty and combating communist subversion; the goal was to create a solid peasant base of counter-revolution in the countryside.¹³ By the 1980s, the royally initiated projects were so extensive that a new government agency had to be set up under the Office of the Prime Minister to co-ordinate them, with an annual budget of around 2bn baht, or \$50m.¹⁴ During his

¹³ See the pioneering research by Chanida Chitbundid, ‘The Royally Initiated Projects: The Making of Royal Hegemony’, MA thesis, Thammasat University, 2004.

¹⁴ After the 1997 crash royal-nationalism was supplemented by a concept of *Setthakij pho-phiang*, or economic self-sufficiency, in which the King promoted a simple way of life over consumerism and materialist values. Estimates of the Royal Family’s personal assets range from \$2bn to \$8bn, managed by the Crown Property Bureau, with equity stakes in companies such as Siam Cement and the Siam Commercial Bank. Around 36,000 of the CPB’s properties are leased or rented to third parties.

trips up-country, the King also methodically enlisted 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.¹⁵ In addition to this organizational framework, the status of the King is also of course enforced by the laws of lese-majesty. Section 112 of the Penal Code stipulates a jail sentence of 3–15 years for any insult, abuse or expression of ill will towards the Royal Family; a charge often applied against political opponents since in Thai culture it carries a potent and even deadly social stigma, as evidenced by the October 1976 massacre of left-wing protesters at Thammasat University.

A crucial factor in constituting monarchical hegemony has been the development of a specifically Thai ideology of royal-nationalism. As articulated by loyal intellectuals and ideologues, this has two principal themes. The first involves a mythologized account of the colonial period, in which the wise monarchs of the Chakri dynasty—especially King Chulalongkorn (1868–1910), grandfather of the current king—are held to have ‘saved’ Siam from European occupation through timely modernization and state reform.¹⁶ The second theme portrays the monarchy as the guarantor of democracy. In accounts of the 1932 Constitutional Revolution, pride of place is given not to the People’s Party insurrectionaries but to King Prajadhipok (1925–35), uncle of the current king, who selflessly gave up his absolute power to help bring about a peaceful transition to a democratic-constitutional monarchy.

After the October 1973 uprising, the two themes came together: King Bhumibol was credited by the Thai bourgeoisie with saving both the nation and democracy from military dictatorship and communist threat.¹⁷ In the context of large-scale anti-government demonstrations and a crisis of ruling-class legitimacy, the King’s personal intervention was decisive in restoring law and order, and replacing the hated

¹⁵ For the concept of ‘network monarchy’ see Duncan McCargo, ‘Network monarchy and legitimacy crises in Thailand’, *Pacific Review*, vol. 18, no. 4, December 2005.

¹⁶ An alternative view would see the King as deeply dependent on the capital and weaponry of his European advisors, after they had eliminated Siam’s traditional Burmese, Khmer, Vietnamese and Malay enemies. See Anderson, ‘Withdrawal Symptoms’, p. 162.

¹⁷ These arguments draw on Thongchai, ‘*Prawattisat thai baeb rajachatniyom*’; and Benedict Anderson, ‘Studies of the Thai State: The State of Thai Studies’, in Eliezer Ayal, ed., *The Study of Thailand*, Athens, OH 1978.

government with a royally appointed one. The perceived threat to the monarchy–nation–democracy triplet was removed, and the King's prestige further enhanced, so much so that he became popularly regarded as the fount of political legitimacy.

Yet the ultimate outcome of 1973 and after was, as we have seen, the emergence of the parochial and cronyist electocracy. Viewed in this light, the short-lived 1991 military coup could be seen as a belated attempt to resolve the manifold problems of the electocratic system through the traditional method of martial law. Under the so-called National Peace-Keeping Council, the unaccountable assets of 'unusually rich' politicians were arbitrarily confiscated, and a new constitution promulgated to restore the old order. But the generals were out of step with the post-Cold War times. During the 1980s boom the Thai bourgeoisie had grown in size, wealth and confidence, the economy had become more open and globalized, and the middle classes had developed to such an extent that 'semi-democracy' was no longer acceptable. The popular uprising of May 1992 that overthrew Gen. Suchinda Kraprayun's regime differed from that of October 1973, even as it seemed to re-enact it: the former communists and radicals were older, perhaps richer, and there was no subsequent massacre.¹⁸ But once again the King's intervention proved the turning point, as he stepped in to restore order and appoint a new government. The unconstitutionally seized assets were returned to their rightful if shady owners, and the military retired to the sidelines, behind the King.¹⁹

Democratization?

Yet Thai politics emerged from the uprising of May 1992 to find exactly the same problem: the electocracy. Hence began a political-reform movement that aimed to tackle electocracy without resorting

¹⁸ For a succinct analysis of the 1992 uprising, see Anek Laothamatas, 'Sleeping Giant Awakens: The Middle Class in Thai Politics', *Asian Review* 7, 1993, pp. 78–125.

¹⁹ After 1992, the conflict between different classes of Chulachomkiao Military Academy graduates that had dominated factional politics in the armed forces subsided, as 'professional' officers who considered themselves first and foremost 'soldiers of His Majesty the King' asserted control. Prominent was Gen. Surayudh Chulanond, C-in-C of the Army from 1998–2002, then Supreme Armed Forces Commander until 2003 and appointed to the Privy Council after retirement; a close aide-de-camp to Gen. Prem Tinsulanond, 1980s Prime Minister and former C-in-C, currently President of the Privy Council and one of Thailand's two royally appointed Honorary Statesmen.

to unconstitutional means, culminating in the drafting of the 1997 Reform Constitution. There were two different, at times conflicting, strands to this movement which should be distinguished: the liberal and the democratic-reform projects. The first reflected the growing social weight and confidence of the new commercial classes, many of ethnic Chinese extraction, who saw professional CEOs or financial managers as more legitimate candidates for office than generals or electocrats, who had no idea how to manage globalization. They rallied to the liberal consensus of the international institutions: a desirable political system would subscribe to human rights, limit state intervention and ensure the development of a deregulated free-market economy. Leading advocates of the liberal reform project included big-business executives, urban politicians, mainstream economists, state technocrats and human-rights campaigners.

The democratic-reform strand, by contrast, laid stress on ‘people’s politics’, and hoped to build a nationwide network from an alliance of local campaigns and organizations, development NGOs and public intellectuals, under the banner of an egalitarian, rural-community based ‘self-sufficient economy’. In the more open atmosphere that followed the ousting of the military, the post-92 period saw an upsurge in grassroots protests against the socio-economic and ecological inequities of the neoliberal boom. There were reportedly 739 mass demonstrations in 1994, 754 in 1995 and 1,200 in 1997.²⁰ As veterans of the 1970s Octobrist generation, the ‘people’s politics’ activists most involved in these protests shared a common background, mentality and style, favouring mobilizations that disregarded Parliament and other formal institutions. Their preferred political arena was the street and their ideal a direct, participatory democracy; at the same time, they aimed to transform the state bureaucracy into a public forum for negotiation between various interest groups.

Generally speaking, the ‘people’s politics’ movement gave pride of place to the peasantry and the countryside, at the expense of city dwellers and

²⁰ See Prapart Pintobtaeng, *Kanmeuang bon thong thanon* [Street-Level Politics: 99 Days of the Assembly of the Poor and the History of Mass Demonstrations in Thai Society], Bangkok 1998, p. 121. For other studies of the post-92 ‘people’s politics’ movement, see Pasuk Phongpaichit et al, *Withi chiwit withi soo* [Way of Life and Method of Struggle: Contemporary People’s Movements], Chiang Mai 2002; Seksan Prasertkul, *Kanmeuang phak prachachon nai rabob prachathipatai thai* [People’s Politics in the Thai Democratic Regime], Bangkok 2005.

workers. Its discourse tended to de-emphasize class and class conflict, and preferred to speak of 'the poor' or 'the marginal groups'. In contrast with the radical left of the 1970s, the 'people's politics' movement paid allegiance to the royal-nationalist, democratic discourse of constitutional monarchy. In the final analysis, it constituted a loyal extra-parliamentary opposition under the official Thai formula of a 'democratic regime of government with the King as Head of the State'.

1997 Crash and Constitution

From the mid-90s, the two strands converged under the leadership of Dr Prawase Wasi, former PM Anand Panyarachun and Prof. Chai-anan Samudavanija to form a nationwide reform movement which succeeded in pressuring the political establishment into drafting a new constitution. The lengthy document that resulted affirmed, of course, the nature of the Thai polity as a 'democratic regime of government with the King as Head of the State', and asserted the usual rights to private property and civil liberty. The legislature was overhauled, to create an elected 500-seat House of Representatives and 200-seat Senate, with a 5 per cent bar militating against smaller parties. It also established eleven further independent bodies, including an Election Commission, a Constitutional Court and a National Counter Corruption Commission, with the aim of ensuring transparent and non-corrupt electoral and legislative processes. Ministers were obliged to declare their assets on taking office.

Most importantly, the Reform Constitution attempted to redress the inefficiencies of the electocracy through an unprecedented concentration of executive power in the Prime Minister, over and above the Cabinet, state bureaucracy and parliament. It gave the PM wide-ranging powers to appoint and dismiss ministers and top officials, and to restructure state agencies by decree. It also made it harder for the opposition to propose a no-confidence motion in the government. It is this third, understated authoritarian agenda that makes the 1997 Constitution a deeply ambiguous document. Behind the liberal-democratic façade, it also contains some purely elitist elements, for example that no one can be elected to Parliament who does not have a BA. Inserted by 'urban minority' academics hostile to the 'tyranny of the rural majority', the provision does nothing to raise the educational level of parliamentarians—corrupt politicians can buy cheap BAs from diploma mills with no problem—but clearly says to millions of poor Thais: this Constitution is for us, not for you.

Yet the Reform Constitution might have lingered in legal limbo had it not been for the financial crisis that erupted in July 1997, leading to the worst economic crash in modern Thai history. The Kingdom had trustingly followed the twists and turns of us economic orthodoxy throughout the postwar period, from the import-substitution programmes of the 1950s and 60s to the structural adjustments of the 1980s. In the 1990s, it was a matter of ideological loyalty to peg the baht to a rapidly strengthening dollar, soon eroding the competitiveness of export-led manufacturing (garments, textiles), and increasing the difficulties of the import-dependent high-tech assembly sectors (computer accessories, auto parts). From 1995 onwards, the widening current-account deficit was only financed by short-term capital inflows; the credit-fuelled boom proceeded on the basis of unregulated and often reckless investment. The crunch of over-capacity, falling exports and non-performing loans came in the summer of 1997. Foreign capital fled. Panicking Bank of Thailand officials threw most of the country's foreign-exchange reserves into a desperate bid to shore up the baht; to no avail. The Bank was forced to abandon the dollar peg on 2 July 1997, and the currency went into free fall. In the following year, GDP contracted by a massive 10.5 per cent. As the crisis unfolded, nearly two-thirds of big Thai capitalists went bankrupt, thousands of companies folded, and two thirds of the pre-crisis private commercial banks went under and changed hands. One million workers lost their jobs and three million more fell below the poverty line.²¹

One effect of the crisis—aggravated, though by no means solely created, by the macroeconomic mismanagement of successive electocratic governments—was to stiffen political will for reform; the new Constitution was enacted in October 1997. Another was to prompt a broader scepticism about the neoliberal globalization project. Thai manufacturing industry, especially the larger export-oriented companies, were driven to the edge of bankruptcy; most survived only after being taken over by their multinational partners. Among this layer—as also for the many workers laid off—there was a widespread resurgence of economic nationalism in response to the crash, with ‘the Thai nation’ defined in opposition to globalization. The middle classes were deeply ambivalent:

²¹ See the Nukul Commission's ‘Report on the Analysis and Evaluation of the Facts behind Thailand's Economic Crisis’, Bangkok 1998; see also Pasuk Phongpaichit and Chris Baker, *Thailand's Crisis*, Chiang Mai 2000. For a comparative region-wide perspective see Benedict Anderson, ‘Sauve Qui Peut’, *Spectre of Comparisons*, pp. 299–317.

they owed their climb up the social ladder to a relatively free and open economy, yet at the same time discovered that they might lose everything within it, as indeed many of them did. This traumatic revelation of their insecurity has nourished a new culture of mutual indifference, alongside the growth of economic nationalism. In their desperate individual struggles to adapt to the crisis, they could not but turn their faces away and pretend not to see other people's suffering, for the simple reason that they themselves could hardly survive. The result was a sharp decrease in collective action for mutual protection, and hence a severe weakening of civil society.²²

Yet not everyone did badly out of the crash. Typically, the survivors were those who had made their billions through monopolistic concessions on the domestic telecoms market. They still had money to burn when other domestic capital had collapsed or been taken over. They could buy up MPs or prospective candidates at a time when electocrats' factions were hurting for liquidity. From the point of view of the big-business elite, the rationale for a new political set-up was quite obvious. Confronted with the risk-ridden turbulence of the globalizing capitalist system, and with the restive and emboldened protest movements at home, it was no longer enough to have a government that worked on their behalf and yet was run by others, be it the military, the technocrats or the electocrats. These old ruling elites had failed to protect big-business interests. That was why Thaksin and others deemed it imperative to set up their own party, to take control of the state to re-manage the risks and opportunities of economic globalization for themselves and their cronies.²³ It was these business groups and their families who formed the core of the Thai Rak Thai Party and the Thaksin government.

Road to power

Thaksin Shinawatra was born in 1949, in the northern province of Chiang Mai, into the third generation of a Thaified ethnic Chinese family of the Khu clan, with extensive interests in the silk trade and well established in the local business and political elite. Thaksin's father dabbled in politics, and was twice elected MP for Chiang Mai. The son attended military

²² See the observation by the Thai historian Nidhi Aeusrivongse in the human-rights discussion reported in *Matichon Raiwan*, 8 August 2004.

²³ Pasuk Phongpaichit, 'A country is a company, a PM is a CEO', *Bangkok Post*, 21 April 2004.

cadet school and went on to study at the Police Academy, where he graduated top of the class in 1973. Thaksin served his political apprenticeship with Prida Patthanathabut, a friend of his father's in the Prime Minister's Office. His tasks included 'collecting money from some big army figures, borrowing from certain ministers, and distributing the money to MPs and ministers whose "hand" or vote the government needed'.²⁴ After gaining a doctorate in criminal justice in Houston (1974–78), Thaksin returned to launch a series of business ventures, and married into a top-ranking police family. His breakthrough came with a deal to computerize a major police centre.

During the early 1990s, the flourishing electocracy, bubble economy and neoliberal orthodoxy provided the ideal opportunity for Thaksin to build up his telecom empire and launch his political career. Combining high-tech know-how and political know-who with open-handed oiling of the wheels, he adroitly cultivated relations with senior bureaucrats and Cabinet ministers to win a string of lucrative telecom concessions and licences, including paging, mobile phone, cable tv, satellites, etc. Thaksin successfully lobbied the Finance Ministry to have his concessionaire companies listed on the booming stock market, flooded by foreign inflows following financial deregulation. By 1994, the total asset value of the Shinawatra companies was \$2.4bn. Thaksin had been transformed from struggling businessman into a billionaire telecom tycoon in just four years.

Given the close entanglements between telecoms and the concession-granting government ministries, it was understandable that Thaksin found it imperative to go into politics. Wielding his new-gotten billions, he joined the aptly named Phalang Tham (Moral Force) Party, and soon took over its leadership from Major-Gen. Chamlong Srimuang. However, Thaksin's image as a concession hunter dogged his stints in the Cabinet and finally destroyed the party. Thaksin quit Phalang Tham and founded his own Thai Rak Thai Party in July 1998. He was well positioned to take advantage of the conjuncture of a desperate economic crisis and a fervent if ambivalent agenda for political reform. For the January 2001 election, the first held under the provisions of the 1997 Constitution,

²⁴ Pasuk Phongpaichit and Chris Baker, *Thaksin: The Business of Politics in Thailand*, Chiang Mai 2004, p. 38. This is the best account available in English of the Thaksin regime.

Thaksin recruited former 70s activists to run a high-tech campaign with a raft of populist measures to appeal to rural voters. Helped by the new electoral rules, the TRT won an unprecedented 11 million votes and 248 seats in the House of Representatives, marginalizing the other parties—of whom the (relatively speaking) centre-right Democrats remained the largest force.

His backers included Sondhi Limthongkul, whose Manager Media Group initially hailed Thaksin as the best Prime Minister Thailand had ever had. The parallels between the two careers are striking. Sondhi, alias Lin Ming Da, was born to an immigrant Kuomintang family in Bangkok in 1947. His father, a former officer at the Whampoa Military Academy, set up a publishing company to sell Chinese works to fellow settlers. Sondhi's elite education included a French missionary boarding school, Chinese and mechanical engineering courses in Taiwan, then history at UCLA and Utah State University. Returning home in 1973, he became executive editor of the left-leaning *Prachathipatai* (Democracy) at the age of 27. By 1983 he had launched a string of publications, and succeeded in getting Manager Media Group listed on the booming stock market in 1990.

Briefly in exile for his opposition to the military coup of 1991, Sondhi positioned his group at the forefront of the post-1992 celebration of the 'new economy', propagating the rapidly fashionable talk of globalization, the information revolution, knowledge society, and so on. Sondhi himself not only glibly talked the new talk, but also—recklessly—walked the new walk. With the enormous loans secured on his overpriced shares, he went on a buying spree of IT firms, publishers and magazines, invested heavily in a joint satellite project with the Lao government to beam digital TV to an audience of two billion in the Asia-Pacific region, and planned to enter the cut-throat cellphone market. On the eve of the 1997 crash, the jet-setting, heavy-tipping aspirant 'Media Mogul of Asia' was reported by *Fortune* magazine to be worth \$600m.

When the crisis hit in July 1997, Sondhi's overextended business empire was 20bn baht in debt while Sondhi himself owed 1.5bn baht to the Krung Thai Bank and was declared bankrupt for three years. Blaming his misfortunes on the Chuan Leekpai government under IMF tutelage, he swung his *Phoojadkan Raiwan* newspaper behind Thaksin in 2001 and saw an almost immediate reversal of fortunes, owing in no

small measure to the long-time friends and colleagues who now staffed the government's inner circle. Thaksin's new Commerce and Finance Minister was Somkid Jatusripitak, co-founder of the Manager Media Group and columnist for *Phoojadkan Raiwan*. His chief policy adviser was Pansak Vinyaratn, editor of Sondhi's now defunct *Asia Times*. The president of the Electricity Generating Authority of Thailand was Chai-anan Samudavanija, resident intellectual of the Manager Media Group and head of several of Sondhi's foundations. The executive director of Thai Airways International was Kanok Abhiradee, head of one of Sondhi's companies, and the CEO of Krung Thai Bank was Sondhi's former banker Viroj Nualkhair. Big advertising money from state enterprises started to pour into the Manager Media Group. Most of the 1.8bn baht debt to Krung Thai Bank was generously forgiven. Manager Media launched a satellite tv service (ASTV) in Taiwan, to serve the Asia-Pacific region. A state tv channel allotted airtime to Sondhi's hard-hitting, pro-government weekly talkshow.

State-funding Thaksin's vote

The Sondhi case, which applied in different degree to many others, illustrates the strategy of 'crony capitalist-oriented globalization' so vigorously pursued by the Thaksin government—to the applause of the Western financial press. It combined an ambitious privatization programme (energy, water, transportation, telecoms), providing billion-baht pickings for his cronies, with some showy infrastructural projects and a scattering of crumbs to his electoral base in the villages: micro-loans, farmers' debt relief, a reduced charge of 30 baht (around 75 cents) per hospital visit. The Village and Urban Community Fund allocated roughly \$25,000 (1m baht) to each of Thailand's 70,000-plus villages and 4,000-plus urban communities. The 'Thirty-baht per Hospital Visit' programme was welcome, as are any improvements in rural healthcare, but it was hastily implemented, poorly managed and underfunded, resulting in overworked and demoralized medical staff and near-bankruptcy at many rural hospitals. As for the micro-credit programmes, if they enabled an expansion of the cellphone and motor-scooter markets, they also saw average household indebtedness rise from 70,586 baht (\$1,764), or 5.7 times the average household monthly income in 2000, to 84,603 baht (\$2,115) or 6.1 times monthly income in 2002. In the poorest households, the rise was from 20,083 baht,

or 11.5 times monthly income, to 24,188 baht or 15.2 times monthly income, in the same period.

A 2002 survey found that, as a result of land speculation in the bubble economy, 500,000 farmer households were landless, while 30 million *rai* of arable land (one *rai* is equal to 1,600 square metres) were left uncultivated. A major land redistribution programme is the only rational response. Lacking that, the Thai peasantry has been forced to adapt. Though some 70 per cent of the population still lives in the countryside, 60 per cent of their income now derives from employment in non-agricultural sectors. This includes paid work in the local informal economy and wage labour in the towns, arranged by local middlemen. This type of employment is irregular and insecure, and falls outside social security provision. As they become more deeply involved in the money economy and consumerist lifestyles, the cash nexus replaces community solidarity for these young workers, and credit culture assumes the function of a disappearing community safety net. Economically speaking, they come to rely increasingly on the middlemen who are the linkage between the city and the countryside—cash-crop traders, labour brokers, agents of urban-based creditors, heads of groups of contracted farmhands, local subcontractors, etc. Politically, these middlemen also serve as local canvassers who mobilize their respective networks for the electocrats. In this regard, Thaksin's populist policy amounts to the use of the government budget to buy up these canvassers wholesale for his Thai Rak Thai party.

In Thaksin's hands—as if the dreams of the post-1992 reformers had undergone some monstrous genetic modification—the 1997 Constitution has proved perfectly adapted for an authoritarian-populist government by and for big business. Making full use of his financial resources, enhanced executive power and overwhelming parliamentary majority, Thaksin lost no time in packing or bending the constitutionally created bodies set up as checks and balances, to undermine or neutralize their power.²⁵ The government has intervened in the selection of candidates for some of these organs, refused to co-operate with

²⁵ See Rangsun Thanapornpun, '5 pi patiroop kanmeuang thai nai mummong sethasat' [5 Years of Political Reform from the Perspective of Economics], *Fa dieo kan*, vol. 1, no. 3, July–Sept 2003; Saneh Chamarik, 'Wikrit rathathammanoon 2540 kheu wibakkam khong phaendin' [The Crisis of the 1997 Constitution Is the Country's Terrible Ordeal], *Khao Sod*, 13 January 2003.

them, obstructed their work or even offered them bribes.²⁶ An early test case came when the National Counter-Corruption Commission accused Thaksin of having concealed assets worth around \$100m, or 4.5bn baht, when a minister in 1997–98; the assets in question had been registered through his housekeeper, maid, driver, security guard, etc. The case was referred to the Constitutional Court, where Thaksin faced a mandatory ban from politics for five years if found guilty. In August 2001, under intense pressure, the Court found in Thaksin's favour by a controversial 8–7 split decision. The Prime Minister regained the initiative by launching a series of 'wars' on drug dealers, mafia bosses, human-rights and development NGOs, grass-roots protest movements and Malay Muslim separatists in the South, in which success was measured in terms of body count.

The South

The separatist insurgency in the South—the provinces of Pattani, Yala, Narathiwat, Satun and Songkhla, bordering on Malaysia—began shortly after the Second World War in response to a history of annexation, repression and discrimination by the Bangkok-centred, Buddhist-majority Thai state. The separatist movement had its ups and downs, depending on government policy and internal strife. In 1981, under Gen. Prem Tinsulanond, a Southern Border Provinces Administrative Centre (SBPAC) and a joint civilian–police–military task force (CPM 43) were set up to function as 'a government at the forefront', thus streamlining bureaucratic chains of command, and providing local religious and community leaders with direct access to governmental power. The separatist insurgency had subsided, with many rebels surrendering to the authorities so as to resume a normal life, and some turning to border smuggling and the black market under the protection of local government officials. Thus, for two decades, there had been in the South a corrupt peace, but peace nonetheless, maintained by the SBPAC and CPM 43 acting as a clearing-house for local interests and communities, under

²⁶ Examples include: 'Warning on "secret killings"', *Bangkok Post*, 3 February 2003; 'Groups lament govt meddling in media', *Bangkok Post*, 3 February 2003; 'A terribly important short-cut?', *Bangkok Post*, 23 August 2003; 'Govt rejects rights panel's probe report; Commission finds police in the wrong', *Bangkok Post*, 27 August 2003; 'Judge "lobbied" in PM's assets case; Court told of judge's reluctance to face fact', *Bangkok Post*, 14 October 2004.

the joint domination of the Fourth Army Area, the 'monarchical network' and the local politicians of the Democrat Party.

Thaksin's aim was to dismantle this order and replace it with one of his own, under police control. Informed by the Police High Command that the remaining troubles in the area were criminal in nature, caused by a few hundred 'petty bandits', and inclined by his own police background and autocratic CEO style of leadership to criminalize intractable social problems and adopt a strong-arm approach, Thaksin abolished the long-standing SBPAC-CPM 43 structure in April 2002, pulled the army back to barracks and put the police in charge, overruling objections by local military commanders. The Southerners had no direct access to the new structures, which were subservient to Bangkok rather than responsive to their grievances and demands. The police, as newcomers to the area, tried to gather information by abducting local contacts in the army intelligence network and squeezing it out of them. Some were later simply killed. To make matters worse, the Thaksin government's murderous 2003 'war on drugs' took its toll on the drug-infested South. By then, police officers in the area had become the targets of mysterious gun attacks, in which scores of them were killed.

The re-igniting of the separatist insurgency in the South was thus a direct consequence of Thaksin's normalization policy. On 28 April 2004 there were eleven coordinated separatist suicide attacks in Pattani, Yala and Songkhla. On the same day, the ancient Krue Se mosque, where thirty-two lightly armed Malay Muslim militants had taken refuge, was stormed by heavily armed troops under the command of Gen. Panlop Pinmanee, a former anti-communist death-squad leader in the Royal Thai Army. None of the militants survived the ensuing bloodbath. On 25 October 2004 a mass demonstration of Malay Muslims outside the Takbai District Police Station in Narathiwat province was violently dispersed by the police and the military. At least eighty-five Muslim men and boys were killed, many of them dying of suffocation after being locked in army trucks for transport to a military base.²⁷

²⁷ The Thaksin government responded to international condemnation by launching a 'peace bomb' initiative in which 100m paper origami birds were folded *en masse* and dropped from military planes onto restive areas in the South as tokens of goodwill.

Thaksin's response to the flare-up was everything a militant group could hope for: thoughtless comments, angry retorts and patronizing boasts. More seriously, his government's reaction to the situation in the South has consisted of three components. Firstly, state terror—blacklisting, round-up, torture, detention-cum-political re-education, the forced disappearance of at least 160 local people, and extra-judicial killings of captured insurgents, local religious leaders, teachers and in some instances whole families of alleged separatists. Secondly, authoritarian legislation—first martial law and then successive declarations of a state of emergency—which have had the effect of suspending constitutional rights for Thai citizens in the affected provinces, without improving the security situation. Thirdly, militarization: some 20,000 soldiers are now deployed in the deep South, most of them ethnic Thai or Laotian Buddhists who do not speak the local Malay dialect and know nothing about Islam or Malay culture, yet were authorized by martial law to wield wide-ranging powers over the local population. With their big tanks and M16 rifles they are highly visible, guarding checkpoints, government offices, universities, schools, airports, stations and street markets, in their combat fatigues; ready to open fire, making arbitrary arrests and conducting warrantless searches of religious schools, student dormitories and family houses, accompanied by 'unclean' sniffer dogs. Their overwhelming presence makes the deep South seem an infidel-occupied country, like Iraq.

Alarm at the sharply deteriorating situation in the South led to objections from the military, the Palace and the Privy Council, as much as from local Islamic leaders and human-rights groups. As a result, the government yielded to the establishment of a National Reconciliation Commission chaired by former PM Anand Panyarachun, in March 2005. Faced with interventions on the matter of the South from powerful domestic and foreign forces the super-CEO had to compromise. This made for rudderless government, with different agencies and security forces pursuing their own approaches in conflict with one another. The upshot has been a growing number of districts in which state terror reigns supreme.

Gathering opposition

While the TRT was, understandably, all but wiped out in the South in the elections of February 2005, elsewhere Thaksin's party increased its support, winning a record 19 million votes and an unprecedented absolute

majority in the House of Representatives, with 377 out of the 500 seats. Nevertheless, the year 2005 witnessed a convergence of factors that would lead to Thaksin's ouster. Firstly, the steep rise in oil prices—itsself the result of an increasingly tense world political and economic situation—and the effect of free trade agreements with China and other countries worsened Thailand's balance of trade, which began to run into the red. The unprotected economy was also increasingly vulnerable to such natural or man-made disasters as global pandemics (avian flu, SARS), tsunamis, hurricanes, wars and terrorist attacks, which between them had a devastating impact on local food, agricultural and tourist industries. The on-off recovery from 1997 seemed to be faltering again. Government spending and credit programmes had emptied the treasury reserves and soaked up excess liquidity in the commercial banking system. As deflation gave way to burgeoning inflation, interest rates started to climb, and the Thaksin government was no longer able to honour its double electoral promise to 'the two democracies', i.e. economic growth with stable prices for the urban middle class, and cheap credit to get a foothold in a consumerist lifestyle for the rural grass roots. Something had to give, and it was the urban middle class that was the first to go.

Secondly, Thaksin's policies in the South had hardened the—initially mainly cultural—antagonism towards him from the old elites, the military as well as the Palace and Privy Council. By the end of the twentieth century, King Bhumibol's power was at its zenith. The Thai counterparts of the social and political forces that had overthrown the monarchy in neighbouring countries—the military in Cambodia, the communists in Laos and the bourgeoisie in China—had all fallen under his hegemony. Even though, constitutionally speaking, he is not a sovereign ruler, his leadership role carries overwhelming weight in Thai society. Signs of tension between the father-like King and the *nouveau riche* Thaksin—with his big mouth, presidential disposition, multi-billion baht 'new economy' fortune and massive popular vote—were apparent as early as mid-2001, when a top-ranking bureaucrat and a well-respected Cabinet minister who resigned from their posts due to conflict with Thaksin were immediately appointed to the Privy Council. Intermittent skirmishing between the government and the Palace began at the end of 2001, with a variety of royal speeches obliquely or frontally castigating the Prime Minister's arrogant behaviour, his autocratic, CEO style of leadership, his capitalist-populist economic policy, and worsening corruption in the

government and bureaucracy; speeches of a different tenor to those he had made against the shortcomings of the electocracy.

An address to provincial governors on 3 October 2003, in which the King famously put a curse on corrupt government officials, became the basis for a nationwide campaign against corruption, spearheaded by members of the Privy Council. Taking up the IMF–World Bank tropes of ‘good governance’, translated and naturalized as *Thammaraja* or ‘the righteous king’, the campaign mobilized tens of thousands of local contacts in the monarchical network and urged them to denounce corruption and expose bad rulers. A huge televised convention of the anti-corruption groups was held in December 2005, with a series of similar conventions in every region of the country in the pipeline. Needless to say, these activities took place amidst the continuous eruption of scandals involving the Thaksin government and its cronies. April 2005 saw the exposé of the ‘CTX scandal’, involving allegations of bribes from American contractors in the \$100m purchase of bomb-scanning machines for the new Suvarnabhumi international airport that led to a censure debate on the then Transport Minister, Suriya Jungrungreangkit. July 2005 saw the opening of the \$10m libel suit against media activist Supinya Klangnarong by the Shin Corporation, for having linked its soaring profits to political decisions by the Thaksin government.

Sondhi’s turn against ‘the best Prime Minister Thailand ever had’ may not be unrelated to the involuntary departure of Viroj Nualkhair from Krung Thai Bank, due to the discovery of problem loans worth 40bn baht in its accounts; or to the government’s decision to scrap a plan to develop two new tv channels by splitting up an existing one, in which Sondhi had already invested. As for the peculiar fierceness of the ‘Sondhi phenomenon’, once his weekly talkshow had been taken off air, a deeper psycho-cultural cause might account for it. The two are much the same person: both grew rich by speculating in the booming 1990s stock market, both spoke in the bombastic terms of the self-styled global CEO, both made friends within the narrow circle of the intellectual and professional elite, both were braggarts and risk-takers who liked to boast about their visionary ideas. The main difference was that while one made it big, the other, more reckless, did not. The fact that each saw the other’s dark side only made it more difficult for them to reach a compromise.

A further factor in the alienation from Thaksin was the announcement of ‘The Kingdom of Thailand Modernization Framework’ that would throw open a wide variety of state assets and functions—utilities, transport, natural resources, telecoms, IT, national security and intelligence, agriculture, culture, public health, medical services—to open bidding by foreign investors in partnership with the state. This exacerbated middle-class rage and insecurity, fearing that their dear old Kingdom of Thailand, based on cheap labour and underpriced services guaranteed by a sympathetic patron government, would be part-privatized by Thaksin and his cronies and then sold off to their foreign partners in the not-too-distant future. Initially impressed with the government’s forceful, innovative and output-oriented leadership that seemed to lead to rapid economic recovery and reduction in drug-related crimes, members of the urban middle classes, especially in Bangkok, became increasingly disillusioned with it due to the proliferating number of scandals, conflicts of interest, kickbacks on government procurement projects, insider trading, stock-price manipulation, etc. With Thaksin’s image as a selfless honest patriot utterly shattered, they came to see him in a new light as just a greedy little cheat who, as rich as he is, still wants to take the lion’s share of the spoils by abusing his privileged status, leaving only crumbs for non-cronies ‘like us’. The Prime Minister’s typically brash, intolerant and outright rude retorts to any unfavourable comments alienated them further.²⁸ The tax-free sale of his family’s public holdings to the Singapore government’s investment arm for a huge profit, along with control of vital national assets such as mobile phone, satellite, TV station and civil aviation concessions and licenses, was simply the last straw.

For the traditional elites—military, civil service, technocratic, electocratic—the choice under Thaksin was stark. They could swallow their pride, submit to Thaksin and the TRT and get their share of the spoils; or retain their dignity and independence, even stand up to him and speak their mind, and then be harassed, elbowed out of the way and marginalized, losing their status and opportunities as a result. No

²⁸ Examples of such ‘Thaksin talk’ abound. The more infamous ones include: ‘All that bastard ever does is criticize the government; why does he feed on a public salary then? If he wants to criticize, he should join the Opposition’; ‘The human rights lawyer disappeared because he had an argument with his wife’; ‘Those who criticize the sale of my family’s shares are just envious of us’; ‘In fact, I have paid more taxes than all the protesters ever did combined’; ‘The protesters are crazy . . . They number just a few thousand and yet they tell me to quit’.

wonder former Cabinet ministers, senators, MPs, dismissed TRT executives, retired generals, ambassadors, corporate CEOs and even Royal Family members who chose the latter option, and suffered the consequences, were seen queuing up at anti-Thaksin rallies to thunder at the top of their voices: ‘Thaksin—*ok pai!*’, ‘Thaksin—out!’²⁹

Calling on the Crown

The ranks of the anti-Thaksin forces thus ranged from old-time bureaucrats and officers who disliked the government’s autocratic, CEO style of administration as well as the nepotism and cronyism of its appointments, to business rivals and opposition politicians who complained of unfair treatment at the hands of police, tax or electoral authorities, to conservative technocrats and economists who disapproved of the government’s easy-credit populist social measures, to organized public-sector workers resisting its privatization policies, to community and NGO activists opposing the environmental effects of its infrastructural and energy-development projects, to liberal intellectuals, lawyers and human-rights campaigners who condemned its systematic abuse of power and extra-judicial killings, to critical journalists and broadcasters subjected to government intimidation or outright censorship, to the Malay Muslims in the South, at the mercy of the state-sanctioned terror of the security forces.

Yet the above groups were too diffuse, ideologically and politically, to forge a coherent opposition to the Thaksin government. In the end the only rallying point for these disparate forces was the King. The central demand of Sondhi’s four-month media crusade was a call for the restoration of the Royal Prerogative and the King’s appointment of a new prime minister and cabinet in Thaksin’s place—although, strictly speaking, this would amount to an unconstitutional coup.³⁰ The ‘Sondhi phenomenon’

²⁹ A comprehensive list of speakers at anti-Thaksin rallies is available at www.managerradio.com. The fact that Sondhi has conscientiously devoted all the media at his disposal to recording it makes the anti-Thaksin campaign probably the best documented protest movement in Thai history.

³⁰ Legal justification for the Royal Prerogative was sought in Section 7 of the Constitution: ‘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’. This is clearly inapplicable to the appointment of the prime minister, to which other provisions apply, especially Section 201.

drew its legitimacy from the Privy Council-led *Thammaraja* anti-corruption campaign, in which a broad layer—anti-censorship media activists, anti-statist NGOs, anti-privatization trade unions, anti-capitalist development groups—found common cause, as they did with the royal *Setthakij pho-phiang* (self-sufficient economy) proposals. Despite the controversy surrounding the Royal Prerogative demand, the People's Alliance for Democracy which assumed formal leadership of the fast-growing anti-Thaksin movement swiftly approved it and put it forward as their own. The movement was thus given a collective royal-nationalist political identity, by defining Thaksin and his regime as the enemy of the nation, the Buddhist establishment and the King. The contrast with the gathering rebellion in Nepal during these same months could hardly have been starker.

The Palace, taking note perhaps of the scale of the pro-Thaksin mobilizations and popular vote, ducked the open use of the Royal Prerogative and used the more discreet device of the 'whisper from heaven' instead. The Thai government remained in suspension for several weeks after Thaksin stepped down on April 4th, while the various Courts investigated the election results; since all its 500 seats had not been filled, the House of Representatives was technically inquorate. On April 25th the King intervened again in a televised speech to the country's judges, in which he posed the question:

Should the election be nullified? You have the right to say what's appropriate or not. If it's not appropriate, it is not to say the government is not good. But as far as I'm concerned, a one-party election is not normal. The one-candidate situation is undemocratic. When an election is not democratic, you should look carefully into the administrative issues. I ask you to do the best you can. If you cannot do it, then it should be you who resign, not the government, for failing to do your duty . . . I was watching tv a while ago; a ship weighing several thousand tons was hit by a storm and sank 4,000 metres under the sea. Thailand will sink more than 4,000 metres under the sea. Irretrievable. We would not be able to rescue it. So you would also sink, and innocent people would also sink below the ocean . . . You have to think carefully how to solve this problem . . . Thank you for doing your duties well.³¹

Shortly after the King's intervention the Constitutional Court went into continuous session, to emerge on May 8th with the ruling—by a

³¹ *The Nation* (Bangkok), 27 April 2006.

majority of eight to six—that the Election Commission’s holding of the April 2nd election was unconstitutional and therefore null and void. A new election will be held later this year, after the June celebrations of King Bhumibol’s sixty years on the throne. In the ensuing interregnum, however, the TRT ‘caretaker’ cabinet remains in office. On May 20th, Thaksin returned to Government House, declaring that he was ending his ‘leave of absence’.

The hopes of the post-92 reform movement, the insecurities of white- and blue-collar workers in the wake of the 1997 crash, and the neediness of the rural poor were hijacked by Thaksin into a crony-capitalist project of corruption, repression and privatization. The confrontation of the ‘two democracies’ in Bangkok during the mass mobilizations of February–April 2006 obscured the possibility of shared class interests between the two, or of a political alternative other than Thaksin’s TRT or King Bhumibol’s self-sufficient economy and ‘monarchical network’. But the economic interests of Thaksin and other elite groups are entangled and the fundamentals of the ‘Thaksin regime’ remain in place.

How best should this regime be targeted? One priority must be the fight for a thorough-going reform and development policy for the countryside that will raise the current miserable living standards without creating widespread indebtedness, and will guarantee a real improvement in rural healthcare. But the immediate task should be to remove the linchpin of the corrupt and criminalized system, who should face the due process of law for the crimes alleged against him—the scores of extra-judicial killings that have been sanctioned in the cities and the South, and the Shin Corporation’s tax-free privatization of national assets. The malfunctioning constitutional bodies, set up as checks and balances, need to be thoroughly investigated and, if necessary, purged of crony members, as a prerequisite to the establishment of the rule of law—as urgent in the South as elsewhere. Finally, the ambiguities of the 1997 Constitution need to be revisited, and its concentration of executive powers in the hands of a presidential prime minister revised. These would be the minimum legal-political requirements for transcending Thaksin’s globalized electocracy.