

**Implications of Rapid Economic Growth
For Thailand's Political Structure
By Mr. Anand Panyarachun
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Outsiders looking to Thailand are usually impressed by its economic performance. In the last three decades Thailand has chalked up economic growth rates that have averaged in excess of 7 per cent per annum. From an economy once consisting mainly of poor farmers, a largely Chinese trading class and a few wealthy individuals in Bangkok, we now have a more diversified economy and a more complex social structure to match. Those whose last visit to Thailand was in the late 1950s, will see vast changes in the material fabric of Thai life today.

If you probe deeper and consider the way Thais think about their own society and the world around them, there is less change to discern. You will, however, sense considerable anxiety, because Thais have increasingly to square their very rapid economic changes with the much slower changes in their beliefs and assumptions about their society and the world.

Furthermore, different groups of people have benefited from economic growth at different rates, leading to considerable shifts in the focus of economic and financial power. Again, people's assumptions about the functioning of the social system need to be adjusted.

It is in the political sphere that many of the anomalies that arise from rapid economic growth come to a head. Unlike in the economic sphere, we of this generation have not been left with a healthy legacy from our forefathers. The Absolutist State of the early Ratanakosin era gave way to benevolent and enlightened absolutism of Rama IV and Rama V. In their pursuit of modernism these benevolent autocrats created a Western-style bureaucracy. It was a necessary component of their drive for modernization, but in the end the bureaucracy turned against its masters and in 1932 took over the helm of the state, supposedly in the name of the people. Between 1932 and 1973, the civilian and military bureaucracies jointly held undisputed control of the country's economy and polity.

The long dominance of the bureaucracy over the political life of the country has been detrimental to the development of rational political structures. The Absolutist State acted paternalistically to raise the welfare of the masses as part of its ideology. During the era of bureaucratic dominance, a similar emphasis on paternalism continued. Instead of its being part and parcel of a monarchist ideology, which emphasizes the loyalty to and the obligations of the King, in the post-1932 world, the State--an abstract entity--was to be supreme and the fount of paternalism. Ordinary people competed to obtain a share of the paternalistic

largesse, but they did not have any say on how the State was run, still less on who was to run it. These prerogatives belonged firmly and squarely to the bureaucracy, particularly its military wing.

In this atmosphere, it is not surprising that the development of political parties did not progress very far. For one thing, their lives were often cut short by the frequent coups, but even when they re-emerged during the infrequent democratic interludes, they were short of policies, platforms and ideology. They had little money and lacked good organization. Because they could not aspire to capture State power, they continued to look at the State as the fount of patronage and encouraged their voters to believe the same, by promising that they, rather than their rivals, would be better at extracting that patronage from the State.

During this era, participation in affairs of State was not so much unthinkable as futile. A culture of dependence on the largesse of an almost alien State took hold among the non-bureaucratic sections of the population, not least among the businessmen who wanted to move ahead.

However, since businessmen were the spearheads of Thai economic growth, their relationship with the State evolved more rapidly and harmoniously than other sections of the population. From being mere clients of the bureaucratic elite (primarily the military), businessmen soon forged an alliance with them, and began to use State power to ensure monopolistic control for themselves and protection for their industries.

The increased pressure of business interests among the bureaucracy soon led to the erosion of the solid core of organizational unity that characterized the military. After 1973, the total dominance of the military over the Thai polity in the previous four decades could no longer be sustained. Extra-bureaucratic influences began to exert more pressure on the levers of the State. Political parties, however weak and disorganized, had now become permanent fixtures of government, becoming among other things conduits of power for provincial business interests.

Meanwhile, on the economic front, radical changes took place in the international economy in the aftermath of the oil crisis of 1973. Being an export-driven economy, the need to adjust to the more demanding international environment forced the Thai government to liberalize its economy, strongly led by its economic managers, commonly termed the "technocrats".

The continued growth of the economy also led to a massive expansion of the business sector, creating in its train a sizable middle class that no longer needed to depend on government employment.

There was also a discernible shift in the middle classes' approach to politics. Although many businesses continued to cut deals with politicians on behalf of their own interests, there are now increasing numbers who disdain such deals and whose conscience and professional management have led them to oppose such practices. Instead, these individuals seek to promote more their class interest, to

use an expression now somewhat out of fashion. The growth in numbers and prestige of trade associations such as the Federation of Thai Industries, the Board of Trade and so on is testimony to a different outlook among businessmen. These organizations have become lobbyists for large-scale legal and regulatory reforms.

Associated with this has been the growing internationalization of the Thai economy, which demands that Thai businesses and other actors in the economy, not least the government itself, increasingly conform to standards that are set abroad. These overseas standards have to be met partly because of the competition in the marketplace. However, we should not overlook direct pressures through such multilateral mechanisms as the GATT or the unilateral coercion of the infamous Section 301 of the U.S. trade law.

In their attempts to come to terms with the Thai State, the progressive sections of the business community are finding that they are ill-served by the political parties, whose evolution has been far less rapid than that of the business world. Their attempt to penetrate to the corridors of power via the political parties have until recently been largely unsuccessful, mainly because traditional political leaders remained suspicious of these businessmen, although the events of 1991/1992 have changed that somewhat.

Generally, however, political parties still prefer to deal only with businessmen who have stuck to the timeworn tradition of seeking special favours for themselves in exchange for contributions to the parties or to party members. The reason for this preference is clear. Parties need enormous sums to finance election campaigns, which have become more and more expensive over the last two decades.

Money-politics has a long historical root. I have alluded to the political culture in which most Thais, particularly rural Thais, look to the State as an alien power. In this respect the State is a bit like the spirits and goblins that are such an important part of Thai beliefs. To be sure, the State, like these extra-terrestrial beings, has to be placated, but special favours can also be asked of it. In both cases, there are procedures for obtaining favours, and there are selected individuals who mediate between the requestor and the alien power. In the old days the mediators between the State and the individual were the village headmen and the kamnans. Now, the local Member of Parliament is increasingly assuming that role.

While this view of the Alien State, acting as a patron, is steeped in tradition, money-politics is a cancerous outgrowth of the tradition. This cancer is on its way to reaching catastrophic proportions, as it is affecting the economy on which our political system has been feeding. There are now whole areas of business where kickbacks are routine. It has been said that Thai industry rests not on "know-how" but on "know-who".

Another impediment to the development of clean government in Thailand is the over-developed sense of gratitude ingrained in the Thai character. If you do me a good turn or do me a personal favour, I and my family, shall forever remain indebted to you. Payment in kind -- votes promised and delivered -- is a rule rather

than an exception, particularly in the rural areas.

Money-culture is also a worrisome feature of our society. So long as wealth, irrespective of how it is derived, is viewed with awe and respect and tends to be synonymous with power and authority, potential candidates and members of parliament are directly or indirectly encouraged to go out of their way to amass fortunes.

Wealth commands following and status and is often sought after unscrupulously. Men and women of integrity and honesty consequently find electoral process and politics incompatible with their moral ethics and show reluctance to be involved.

Corruption is indeed a fact of life in Thailand today, but it is a fact of life which is widely abhorred. Thus the military has found in corruption among our elected politicians the best excuse for coups d'état since the demise of the Communist threat. It is of course an excuse, but the excuse has worked because there is a deep thread of public disaffection with electoral politics and its associated corruption.

There is thus a new label, a new justification for attacking government institutions, including democratic ones. The watchword is "corruption".

The metaphor of corruption as cancer suggests that the root cause of corruption arises from deep within the society, and that its cure will be daunting, perhaps even unattainable. The current electoral law does not have sufficient safeguards to deter the influence of money-politics, and the system of multiple-member constituencies may actually encourage it. Political parties continue to be a euphemism for clans, and have only very recently begun to attract well-educated and experienced individuals to go through the electoral process.

Under-lying these problems is the vast social and economic gap between urban and rural Thailand, which generates a set of attitudes on both sides that do not make for good and responsible citizenship. Rural Thailand looks to Bangkok as the eternal fountain of wealth which is to be tapped by their members of parliament, and opts to elect those candidates whose main qualifications are their ability to deliver the goods to their home constituencies. Urban Thailand tends to look down on these representatives who place parochial interests over and above greater needs of the country. Consequently, while Bangkokians have taken to the streets to fight (and die) for democracy, they have tended to be quickly disillusioned by the results of the democratic elections for which they fought. The lack-luster performances of a large majority of members of parliament have given rise to this disenchantment.

There is, let there be no doubt about it, a strong current in Thailand, as in Japan and Italy, in favour of "clean hands" in politics. The central question which awaits an answer is "Who will bell the cat?". We do not have the institution of the magistracy that has been such a powerful instrument in the current revolution in Italy, nor is our prosecutor's office as potent as the Japanese one.

Consequently, many among us have always had a hankering for “knights on white horses” to release us from the thrall of corruption, notwithstanding the fact that many of these “knights” were themselves notably less than paragons of honesty and integrity.

Do we then have no grounds for hope at all? I believe we have, but the first condition for hope and for solution is to stop searching for the “quick fix”. Despite a long tradition of coups and general political instability, I believe that Thai history has been marked by slow, continuous evolutionary change rather than by radical moves in political structure or ideology. I therefore expect future changes to be more in that tradition -- a muddling through, rather than a sudden dawn of enlightenment.

If we put ourselves in that frame of mind, then I believe there are some grounds for hope. Thailand has been singularly fortunate among the developing countries for being a relatively homogeneous country, ethnically and religiously, and with an enlightened and highly revered monarchy as the focal institution for the nation as a whole. Because there are no over-riding ethnic, religious or ideological differences among the various sections of the population, pragmatism is allowed a full play in our approach to political and economic problems.

It is because of these reasons that the wounds inflicted by the events of May 1992 are being quickly healed.

Since then, the institution of the parliament has emerged considerably strengthened. It appears that the current government will last through its normal term. In any case, there is every reason to expect that the current constitutional system will not again be aborted by another coup d'état. If so, then a few more successive elections will ensure a firmer foundation for the full development of political parties and system in Thailand. The balance of political forces will hopefully shift from a patronage-based political system toward a more issue-oriented one. If this happens, politics will begin to attract a different and, I dare to hope, a better kind of politician into the fray.

Finally, the long period of economic growth that Thailand has been enjoying will begin to yield political dividends. Thais are now living in urban areas in larger numbers than ever before. We all know that this rapid urbanization is exacting a high social toll, but in the urban constituencies, with higher educational content, will be a force for improvement. There is an urgent need, however, to raise the overall level of education.

These are the sorts of things I see occurring “naturally” in the normal course of events. That does not mean that we cannot give history a little nudge. I have already identified the underlying cause of the Thai political malaise to be the vast social and income gaps, between the rural and urban populations. Attacking this problem is to me an essential ingredient in any attempt to improve the political climate of the country.

A two-pronged approach appears to me to be necessary. At the individual level, improving the rural population's access to a higher level of education is an essential first step. While more than 90 per cent of children now attend primary school, attendance at the secondary level is still low. For the children of today's farmers to improve their lot in a more competitive world of the future, a longer period of schooling seems to be a necessary first step.

Expanding educational opportunities without a vibrant economy in rural Thailand will lead to its rapid de-population-witness what is happening now. The individual rural family's access to education must also be complemented by its access to more rural jobs and information.

It is imperative that the industrialization now taking place in Bangkok and its environs be spread more evenly around the country. If and when this takes place, we can see an emergence of a rural middle class that can make better and more effective use of their greater autonomy in managing local affairs and issues. Decentralization of authority and the national budget to the provincial level would also accelerate the efficacy of democracy at grass roots.

Success of democracy is also predicated upon well-informed public. The right to be informed and un-encumbered access to information is a necessary pre-condition for active public participation in decision-making processes. This trend is becoming increasingly evident in present - day Thailand.

All in all, therefore, despite a history in which political development lags well behind the growth of the country's economy, I am cautiously optimistic that, with proper management, politics in Thailand will become more participatory and cleaner--and above all, more transparent and meaningful.

When one looks at Thai history, one can see that the Thai nation has weathered many storms over the past 700 years. Because of our resolve and fine sense of balance, we have managed each time to overcome these crises and survived as a national entity. True, we may be agonizingly slow in coming to a solution, but in the end we always muddle our way through. I have no reason to believe that history will not repeat itself!