

Protesters against Privatization under the Slogan: 'Selling Water & Electricity Means Killing Thai People'

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On Friday 30th January, at 3 p.m., the State Enterprise Labour Relations Confederation led by its general secretary, Somsak Kosaisook, together with many people's organizations, students and members of the general public, numbering nearly 2,000, staged a rally against privatization in front of the Rama V statue. The Confederation members passed out informational leaflets calling on the government to repeal the sell-out law and voiced their opposition to privatization from a truck with loudspeaker. At the rally were union leaders from the various state-owned enterprises in Thailand. For example, a representative of the EGAT Labour Union gave a speech against the government's policy on privatization and stated that the people had the right to know the facts about privatization and needed to become informed about how privatization would impact their lives.

Mr. Somsak Kosaisuk, the General Secretary of the State Enterprise Labour Confederation of Thailand, explained that the people had gathered together to demand of PM Thaksin Shinawatra that the government cancel the Capital of State Enterprise Act, due to come into effect on 31 July, 2003. They called upon the government to replace the act with a new bill that would encourage state enterprise capacity development. They further called upon the government to amend the 11 Economic Reform Acts which address such issues as: land occupation, alien businesses, and land ownership by foreigners - issues which have seen no progress despite previous promises by the government. The government's failure to follow through with promises and its lack of responsiveness to the needs of the people has contributed to the popular belief that the government never does anything it promises. Therefore, citing their rights as citizens, the people called upon the government to follow through with the promises it has made to the country. Believing that the most important thing in a democratic society is that the government, politicians, and governors be honest and answer to the people, on this day, the people asked why the government has broken its promises.

Dr. Weng Tojirakarn, a member of the Thai Democracy Confederation, explained what was behind the government's failure, despite campaign promises, to amend the 11 Economic Reform Acts signed on 23 May 2003. "Today, we asked for the Premier's promise on amendment of the 11 Acts; it is a sell-out law. During Dr. Thaksin's campaign, he promised to amend the economic laws in the interest of the nation. And today he has to take responsible of what he promised. Formerly, he said that the Capital of the State Act would be abolished. Now, in a complete reversal, we see that his government is speeding up corporatization. We have to prove that we are up to combating the government's tricks."

The government claims that EGAT (Electricity Generating Authority of Thailand) must be sold to solve the following problems:

1. Privatization is necessary to offset Profit Loss. The government claims that EGAT has recently suffered huge profit losses and that to rescue the industry it is necessary to sell EGAT in the stock market in March 2004.

This is a lie. On 25 January 2004, there was a public hearing on trading EGAT in the Bangkok stock market at which the EGAT governor stated that EGAT has seen profit gains every year. In 2003, EGAT supplied the government with 30,000 million baht in revenue.

2. Privatization will enable a 400,000 million baht Loan . The government has claimed that it needs the revenue gained by selling the state enterprise to use as collateral to obtain a 400,000 million baht loan.

This is a lie. With EGAT showing annual profits of 30,000 million baht, why doesn't the government invest this income? Then there will be no need of a loan.

3. Privatization will solve corruption. The government claims that EGAT is riddled with corruption and the only way to solve this problem is by privatizing the industry.

This is a lie. The problem of corruption is most prevalent among the executive management and politicians who stand to gain the most from privatization. Privatization will not solve the problem of corruption, privatization will exacerbate it.

Mr. Sirichai Mai-ngarm, the president of the EGAT Labour Union, explained how in every country where water and electricity have been privatized the people have experienced decreases in quality and service and increases in cost. After privatization, the profits are only handed to the foreign investors and flow out to their own countries. The recent blackout in the USA, which deprived over 50 million people of electricity and even water, was attributed to the privatization of electricity plants in North America. This is just one example of the huge problems privatization causes. The union resists privatization not out of self-interest, although public service employees are certainly hurt by privatization, but in the belief that that the Thai people deserve high quality, low cost public services. Mr. Sirichai asked the Thai people to come together to resist the privatization of electricity and water to keep state owned enterprises as national assets for our next generations.

He continued that EGAT provides a basic service that is necessary for society to function. Therefore, the government should maintain EGAT as a public service for the people's benefit. Electricity and water supply have been public utilities since King Rama V royally initiated them as a service for the people. During over thirty-five years of performance, the enterprise has done very well. It has succeeded because the people have sacrificed, giving up land and fishing in certain areas to make way for the construction of the dams and transmission plants that generate power for EGAT. The Thai people are owners of EGAT because it was built with their tax money and they have contributed to its success.

Now, the government has scheduled EGAT to be registered as a holding firm on Bangkok's stock exchange by claiming that people will share the ownership. But in reality, when the stock is sold on the market, the only people who will be able to access shares are the politicians and foreign investors; not the people. The push for privatization seeks only profit without considering the needs of the country's citizens to have secure, safe and affordable energy. Privatization of EGAT is theft of the people's property and will cause huge problems in the quality and cost of water and electricity in Thailand in the future.

In a document reporting the progress of the amendment of 1999 bankruptcy act; Dr. Chianchuang Kalayanamitr, a member of the Anti-Sell Out Law Committee, explained of one of the economic reform laws, 'On 6 February 2003, 136,000 signatures were collected calling for the act to be amended (popular draft) and to be loaded as our urgent agenda. At this time it is very important that the people watch out for what the government is doing and contact their senators and members of parliament to vote for the popular draft. Also, we condemn any senators or members of parliament who oppose this draft because they do not truly represent the people under the Constitution.

If any members of parliament or senators do not vote in favor of the people, we will encourage the people never to vote for them again, since they will have abrogated their responsibility to vote in the best interest of the people.