

The coup d'état: a step backwards for Thailand and Southeast Asia

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On the evening of Tuesday September 19, benefiting from the absence of Prime Minister Thaksin Shinawatra at the United Nations General Assembly, soldiers led by general Sonthi Boonyaratklin organized a military putsch in Thailand. The junta now in power claimed it had acted to save Thailand from the threat that Thaksin represented for the democracy and stability of the country - the reign of Thaksin will remain in memory as a period of generalized nepotism and corruption. The latter is also accused of sowing national discord and last but not least of having seriously lacked respect for his highness Bumiphol, king of the Thais.

Contents

- [Fragility of democracy in](#)
- [The irresistible rise of \(...\)](#)
- [Prime Minister or company](#)
- [A dubious political situation](#)

Few voices were raised in the country to denounce the coup; it is not moreover the latter that troubles the Thai political class most but the reproaches of the international political community (although these were muffled enough). To believe Anand Panayarachun, appointed Prime Minister after the military putsch of 1991, "a coup d'état has a different significance in the Thai context. It is not like a military coup in Africa or Latin America...". [1] It is true that the putsch was carried out without a shot being fired. And if we believe the local press, no less than 83.9% of the population approved of the insurrection. In a country little inclined to quarrels, many Thais think that the putsch will allow alleviation of a political crisis from which nobody here could really see the exit. For sure, today the partisans of Thaksin are being discreet and his principal electorate, the poor peasants, do not have the institutional relays enabling them to make their discontent felt.

There are also many who think that a democratic transition carried out under the guidance of the military is preferable to a situation of continuous demonstrations which has already lasted for nearly a year. The military are moreover stressing that they do not wish to hold power for more than a fortnight to allow them to select an honest interim minister who is above all suspicion. It was in exactly the same terms that the military justified the coup of 1991 that put an end to 3 years of an elected government. They promised to "clean up" the political system by prosecuting the politicians who had grown rich in an "excessive way". The new written constitution made it possible to choose a Prime Minister separately from the Parliament, i.e. a soldier could be selected.

The new Prime Minister appointed by the current junta, Surayud Chulanont, is in fact civilian only in the sense that he retired from the army in 2003. Very much a man of the inner circle, he served under the orders of Prem Tinsulanonda, the King's main adviser and has himself directly commanded the head of the military junta, Sonthi. Among his feats of arms, he directed the armed corps that opened fire on demonstrators during the demonstrations of 1992, although he has always

stated that he did not give the order to fire.

Thus, in the name of democracy and the fight against corruption, the putschists overthrew a government that had twice been democratically elected. The first measures taken by the junta were to impose martial law, removing the 1997 constitution whose article 65 states clearly that citizens have the duty to oppose any attempt to overthrow a democratically elected government. Freedom of the press was suspended, the media being responsible for any article, comments, and intervention of listeners hostile to the coup. Gatherings of more than five people are prohibited and trade union and political organizations have been told to cease their militant activities, the junta "directly dealing with" the claims of peasants and workers.

No doubt the difference lies in the fact that the coup has, on the following day, received the support of the king, which smothered doubts and scruples, the king being presented as an emanation of the will of the Thai people.

Fragility of democracy in Southeast Asia

The coup d'état in Thailand is bad news for the inhabitants of Thailand but also for the whole of the area. The presence of the generals in power is unfortunately not the prerogative of Thailand

Indonesia is led by a former general who won the last elections. The president of the Philippines, Gloria Arroyo, who has survived two coup attempts, relies on the army to apply her state of emergency. Pakistan is led by a putschist, Pervez Musharraf, who has since received a democratic anointment from the United States, because it was a little awkward that a dictator should take part in the "war on terror". Burma has been led for decades by a bloodthirsty military who are not satisfied with plundering the country, but shamelessly massacre peoples whose survivors will be reduced to slavery. In different historical and political contexts, the army is omnipresent where power and money are concentrated in Laos, Kampuchea, Vietnam and China. The dictators in power can only be comforted by the Thai putsch, and those who dream of using force to attain power will be encouraged.

The putsch returns Thailand to the black years that had been thought to be over. The country, which had not experienced a military coup since 1991, was presented by the international media as a model of democracy in a continent where democracy remains the exception. The bloody repression of 1992 which followed the last coup had opened a new era during which Thailand had engaged in a democratic transition with in particular the drawing up of a new constitution whose basic objectives were to finish with the spiral of recurring coups and authoritarianism as well as putting an end to the corruption which had been an endemic evil in Thai politics.

The bloody repression of 1992 had also led to a reflection on the role and place of the military within society. That had amongst other things led the high command of the army to accept a "depoliticization", at least in appearance, a commitment not to intervene in political debate, the role of the military in the various governments being limited to the direction of the ministry for the army. Sonthi himself affirmed a few weeks before the putsch that the army did not have the legitimacy to intervene in the political crisis in progress.

Reality was however quite different. The army agreed "to be erased" only insofar as in return the civil regime did not introduce any reform calling into question its privileges. However since his election, Thaksin upset this status quo and tried to reorganize the bureaucracy to his profit. As an experienced participant in Thai politics, he understood well that his longevity in power depended, in particular, on his capacity to control the army. The latter remains very linked to the palace.

It is moreover a financial and industrial power. To control the army without being opposed to it frontally, he chose to demolish the networks systematically established by Prem Tinsulanonda, himself a former general, ex-prime minister and subsequently first adviser of the king, by replacing them with his own networks. Thus between 2002 and 2003, Thaksin named to key positions of the army more than 35 of his relatives and friends, the majority coming from "class 10", from which he himself had emerged. Unlike "class 5" which carried out the coup d'état of 1991, this generation is not bound by a common ideology. The bond that links them is strictly speaking clientelism and racketeering. Moreover, the majority of its new chiefs do not have experience of high command nor the legitimacy to ensure it. Thus, significant fractures were created within the institution between pro and anti-Thaksin elements. The latter ensured the loyalty of the supreme army head by systematically nominating one of his cronies. He was moreover so convinced of his position that he claimed: "the leaders of the armed forces are very disciplined. They support the government firmly, in particular me". [2]

His brutal repressive policy in the south of Thailand also strongly contributed to relégitimising the interventionist role of the army in political debate. The three Moslem provinces, with Malay majorities, have been the theatre of murder and massacres almost daily for three years now. This violence has been endemic since their incorporation against their will into Thailand shortly after the Second World War. Thais of Malay origin, victims of discrimination, claim a broad autonomy. The resurgence of violence since January 2004 has claimed many victims (more than 1,700 to date). The response of the Thaksin government was to decree a state of emergency and to give full powers to the army, going as far as proposing a law which authorized the payment of a bonus to any soldier killing a "terrorist" or anyone suspected of terrorism (a law which was fortunately not passed). This policy contributed to maintaining the exorbitant power of the army and the police force throughout the country.

The violence in the south had another unexpected consequence for Thaksin. Summoned by the opposition and the king to resolve the crisis, Thaksin last year nominated as head of the army a Moslem general in chief (a first in the history of the Thai army where all the posts with responsibilities are allotted to Buddhists) of whom we would hear again - Sonthi Boonyaratklin.

The irresistible rise of Thaksin

Before being a politician, Thaksin was initially a businessman who primarily owed his wealth to licences and concessions that he obtained from the military and the various governments in the 1990s. The instability of the political and economic situation convinced him of the importance of having a Prime Minister understanding the problems of contractors but also of the need, if he wants to control power, of founding his own party. The economic crisis of 1997 precipitated things. As in all crises, many firms were eliminated while those which survived were strengthened. The latter were essentially in service industries less exposed to international competition and profiting from the protection of a state that sells operating licences only to national companies. The new party Thai Rak Thai founded by Thaksin includes these large families who were convinced by the crisis of the need for reinforcing the links between business and politics.

Between 1998 and his first election in 2001, Thaksin progressively refined a project, working out a political platform taking up multiple and sometimes socially contradictory demands - those of small and medium enterprises, the peasantry but also taking into account the difficulties and needs of the industrial working class. It was undoubtedly the first time in Thai history that a party contested elections with electoral proposals.

After the crisis of 1997 many small and medium-sized Thai companies became either bankrupt or insolvent. The IMF, which supervised the post-crisis policy, did not seek to prevent these mass bankruptcies, the latter having allowed a “regeneration” of the economy through the buying up of these companies at low prices by foreign capital. In the three years that followed the crisis, more capital entered Thailand, mainly to buy up Thai companies, than in the 11 preceding years of economic upturn. As a consequence, the widespread idea that the policy of the then Prime Minister, the democrat Chuan Leekpai, was an abdication before the dictates of the IMF and that the latter was incapable of protecting domestic capital.

Thaksin had the intelligence to present himself as the saviour of the small and medium companies. He developed a nationalist discourse resting on the unpopularity of the economic reforms imposed by the IMF. He elaborated a platform for exit from the crisis, proposing a development of small and medium companies based on the marriage of traditional qualifications and a high level of technological development.

To ensure the support of industry is not however sufficient. Thailand remains a profoundly rural country, the peasantry representing nearly 50% of the active population in 2006. Well before the crisis of 1997, the peasant world was already in the grip of deep crisis. Although Thailand has become one of the principal rice exporters, nearly 40% of the peasantry still live below the poverty line relating to the beginning of 1990s. The demands of the rural world are always taken into account far behind those of the urban middle class and the middle-class which is concentrated in Bangkok.

Thaksin did not hesitate to directly support some of the demands of peasant associations which emerged in the 1990s, and mainly fulfilled his promises in the year which followed his coming to power: quasi-exemption from payment for health, (all medical care is accessible for a sum of 30 baths or around 0.64 euros), an allowance of a million baths (21,275 euros) for the development of each village, a moratorium of several years for indebted peasants.

The direction of his policy towards the poor fits very clearly into a classic populist tradition: to reduce the poverty of the peasants in order to obtain a social support and a political stability necessary to the good functioning of business. He did not hesitate moreover to integrate into his team “Octobrists”, former Communist militants of the 1970s. He would achieve his goal and secured intense support among the peasants and the poor particularly in north and the northeast of the country. That enabled him to be again largely elected in 2005 obtaining 377 of the 500 seats in Parliament, making the TRT the first party to obtain an absolute majority in 73 years and Thaksin the first politician to be elected twice in succession in the entire history of Thailand.

His policy in relation to small and medium-sized companies had less success. In the year which followed his election Thaksin launched a program of micro-credit supported by the creation of a bank for small and medium companies and the project “one district, one product” offering alternative sources of credit for small community companies. But all his measures proved insufficient to compensate for the Malthusian policy of reduction of credit carried by the banks since the crisis.

In addition, even if Thaksin made himself the defender of small and medium companies against foreign capital, he was absolutely not hostile to globalisation, but rather wishes to negotiate it to his profit. He supported the initiative of a bilateral free trade agreement with China and tried to do the same with the United States.

Prime Minister or company head?

During these two terms, Thaksin's businesses did well. The five years of power were largely used to grow rich and enrich his friends so much that a university study has highlighted that on the Bangkok Stock Market, the shares of companies considered as close to the government had increased more than the average, speculators anticipating that they were going to win all the public contracts.

It was in this context of nepotism, corruption and scandal that Thaksin decided in early 2006 to sell his industrial empire "Shin Corp" to the telecommunication holding of Temasek, controlled by the Singaporean State. The sale in itself proved to be a particularly juicy business for Thaksin's family. Estimated at 73 billion bahts (1.55 billion euros), Shin Corp includes several TV chains, Thailand's biggest mobile telephony company, and a satellite TV operator. By means of a fictitious company created clandestinely in a tax haven and a financial arrangement making his children owners of all the companies, Thaksin managed to circumvent Thai taxation so as not to pay a single baht in tax! His adversaries seized this opportunity to denounce one scandal too many against Thai interests

Since January mass gatherings of tens of thousands of intellectuals, urban middle class, and members of the Democrat party demonstrated against Thaksin and his policy. The king himself denounced the troublemakers. The elections of April gave a comfortable majority to the TRT (16 million votes against 10 million abstentions) and plunged Thailand into a period without precedent: Parliament could not be convened because some of the seats were not filled. The crisis culminated with a highly unusual televised intervention from the king asking for the invalidation of the elections of April 2 and the convocation of new elections. Initially envisaged on October 15, those were deferred to the beginning of November. The coup d'état thus took place when the Inhabitants of Thailand could settle the crisis by the way of the ballot boxes. But this prospect was unacceptable, whether Thaksin won the elections or not, because it would demonstrate that the people could resolve the crisis without the intervention of the army and the palace.

The majority of political commentators saw Thaksin as the likely victor in the elections envisaged. It was to risk seeming him return to power again with the legitimacy of the ballot boxes. His great popularity among poor peasants and his recent ambition to create export-oriented industries in the countryside would have enabled him to directly compete with the king, champion of rural development and guarantor of an established nature and tradition.

A defeat at the polls for Thaksin was no more acceptable because it would have been the result of several months of peaceful and democratic demonstrations, which would have been interpreted as a victory for street mobilizations, an intolerable situation for a monarch and army who have never seen the manifestations of democracy in a good light.

A dubious political situation

If the coup d'état marks a crushing blow to the process of democratisation started in the 1990s, the situation is nonetheless neither fixed, nor given. The lessons of history encourage the generals to prudence. The first measures of the new government appointed by the junta are very symbolic in this respect. To do better than Thaksin, the government decided on total exemption from payment for health care. The new Prime Minister made his first visit to the northeast of the country, where the popularity of Thaksin was strongest. He met former Communist militants there so that they could relay to the population his desire to maintain existing social measures. The new Prime Minister understands that this is a strong demand of the rural and workers' world. The abandonment of these measures could lead to mobilizations that the putschists want to avoid at all costs. Contrary to the

largely spread and conveyed images, social struggles do exist in Thailand, antagonisms between capital and labour have not disappeared.

The advances of the 1990s took place mainly thanks to the resistance of workers after the coup d'état of 1991. Since the 1980s, struggles multiplied on questions of wages and working conditions. Campaigns were carried out against privatisation and for the application of the existing industrial legislation and its improvement. But the social struggles did not lead to the reinforcement of the trade unions, or the rebuilding of left parties making it possible for workers to act independently at elections. In reaction to these struggles, the elites on the contrary accentuated the marginalisation of the participation of the workers in the parliamentary game, by introducing a clause into the constitution of 1997 which limits the right to contest legislative and senatorial elections to university graduates.

If, as in the 1970s, workers and students are able to coordinate with each other and surmount these obstacles, they will be able to resist the coup d'état and to put an end to the exclusion of workers from the political sphere. It is also up to them to work out a true program of social transformation and mobilize to implement it. A real democratisation of Thailand depends on it.

NOTES

[1] "Newsweek", September 25, 2006

[2] "New Straits Times", July 10, 2003.

P.S.

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