

# Thaksin Shinawatra and Thailand's New Conflict

Written by Ukrist Pathmanand

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UKRIST PATHMANAND, FEB 28 2014

### Thailand's Recurring Political Conflicts

Thai society has long been known for its relative tolerance, most notably when it comes to socio-political differences. This is in part due to the presence of Buddhism as the national religion and the lack of distinct political ideologies in the majority of Thais. Moreover, the perceived lack of development over the years means that Communist and leftist ideologies have not become a major political force, as has been the case elsewhere in Southeast Asia.

Despite a culture of tolerance and mild socio-political differences, Thailand has been troubled by recurring political conflicts over the last hundred years: the 1932 revolution saw the country moving from an absolute monarchy to a constitutional democracy; democratic governments have been repeatedly toppled by military coup d'états in 1947 and 1957; and others ended up in bloodbaths, such as the October 1973 uprising and the "Black May" in 1992. Despite violence and bloodshed, all of these conflicts were resolved by compromise and a general election.

Ideological conflict in the Thai society can be traced back to the conflict between the state and the Communist Party of Thailand and its allies, which began at the end of the World War II. The conflict was marked by a series of confrontations, use of firearms, losses and injuries. This first and most monumental conflict in the Thai society was finally eased thanks to the internal conflict between the leftists themselves and their supporting intellectuals, and a peaceful disarmament measure by the state.

Another conflict that underlines deeper and wider religious and ethnic differences is the problem in the southernmost provinces on the Malaysian border. This conflict has been deeply rooted since the time of British Colonialism. Though it had lessened in violence under compromise negotiations between the Thailand and separatist movement during 1970s-1980s,[1] it came to light once again during the year 2003 when ousted former Prime Minister Thaksin Shinawatra was in power, and has only intensified ever since. Despite spending over 80 billion baht in attempt to solve the problem, with approximately 60,000 soldiers stationed in the area to prevent violence, the number of deaths totals over 3000.[2]

As the problems in the deep south continue to haunt the country, Thailand has plunged into a new conflict that stretches deeper and wider into society. The conflict between the anti-Thaksin group and supporters of the ousted premier is not ideological, social or ethnic – and yet it has hit the country harder than any other preceding conflicts.

### Thaksin Shinawatra's Supporters

Supporters of Thaksin Shinawatra – often known as the "Red Shirts" in popular media – have varied in composition over the two different periods. When Thaksin was in power (2001-2006), the key composition of his support group was his family, the politicians of his Thai Rak Thai party, large business conglomerates such as telecommunication companies, finance, and real estate businesses whose rise from the collapse during the 1997 economic crisis relied on help and support from Thaksin and his government.

Thaksin's family gained unusual wealth during a short period. Pasuk and Baker suggest that Thaksin played 'Money Politics' in Thailand, using money and influence to get rid of his competitors.[3] Shortly before the 2006 coup d'état

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against him, he sold the Shin Corporation to Singapore's Temasek Holdings in a 72 billion baht (US\$ 1.7 Billion). Aside from his hefty financial power, Thaksin secured his political power through his CEO-management style with Thaksin himself serving as the country's chief executive, centralizing the Thai public administration system. Top bureaucrats at both national and local level had had meetings with him both at the Prime Minister's office in Bangkok and by frequent teleconferences. They kept Thaksin's order as top priority. Key administrative posts such as permanent secretary in ministries with economic influence such as Ministry of Commerce, Ministry of Finance, Ministry of Transport and the Office of National Economic and Social Development Board were reshuffled.

Thaksin is the first civil prime minister who exercised control over the military forces by appointing thirty of his classmates<sup>[4]</sup> from cadet school to key military posts<sup>[5]</sup> while transferring the then-Army Chief, Gen. Surayud Chulanont to the post of Supreme Commander (which is generally regarded as an inactive military position). This is thought to spring from a conflict in policy regarding relations with Myanmar, where Thaksin was pro-Junta, but Surayud was not.<sup>[6]</sup> Thaksin also has several friends and loyal supporters in the Royal Thai Police, who he put into key positions in the board of the Government Lottery Office to facilitate the non-budget expenses of his government. Some of his former police subordinates were promoted into special posts overseeing problems in the deep south or into the intelligence unit which had a huge secret budget.<sup>[7]</sup>

## **Thaksin Shinawatra's Popularity**

Aside from his control over influential businesses, military and the police, Thaksin's political power is legitimized by his popularity, as evidenced by his outright victory in three general elections, in 2001, 2005, 2006. The elections in 2007 and 2011 were won by politicians widely regarded as his proxies: in 2007 through Samak Sudaravej of the People's Power Party (who called himself Thaksin's nominee), and in 2011, through the Pheu Thai Party and his sister, Yingluck Shinawatra (who Thaksin described as his "clone").<sup>[8]</sup> His popularity largely derives from his populist policies, such as the 30-baht health scheme, schemes to assist citizens purchase their first car and home, schemes to ensure that children have access to technology, such as tablets, to support their education,<sup>[9]</sup> and a scheme providing credit cards to farmers.<sup>[10]</sup>

After the 2006 coup d'état, the composition of Thaksin's support groups changed, as some business groups and state officers distanced themselves from the ousted prime minister, feeling they had been influenced and taken advantage of. Politicians, military leaders and the police continued to serve as his key force in controlling and mobilizing the masses by actively working The United Front For Democracy against Dictatorship (UDD). The UDD, who were politically allied with Thaksin, had functions in finance, orientation, think tank, and propaganda campaigns nationwide. It rose to become the primary organization that worked directly with the masses. More new politicians and local business people emerged while former members of the Communist Party of Thailand helped with mobilizing the masses at the grassroots level, grooming mass leaders within the community through schools in red villages.<sup>[11]</sup> Community radios were established alongside the use of propaganda and firearms.

## **The Anti-Thaksin Group**

The anti-Thaksin group is centered around its political rival – the Democratic Party. However, the group also includes people who dislike Thaksin for several reasons; from the Sondhi Limthongkul-leader of the People's Alliance for Democracy (PAD), former founder of Palang Dharma party Maj Gen Chamlong Srimuang as well as the elites and business groups who are dissatisfied with Thaksin, including leaders of non-government development organizations and human rights groups who oppose the policy and administration of Thaksin and his cohorts.

The clash between the two groups spans economic, political and ideological conflicts. The turning point of the conflict can be traced back to the 1997 economic crisis during which Thaksin Shinawatra, as deputy prime minister, was believed to have exploited his access to state information regarding the devaluation of Thai baht<sup>[12]</sup> to the benefit of his own telecommunication business, which was perceived to have suffered relatively little in the crisis. His victory during the 2001 election was followed by his imposing measures and barriers to his business rivals, including an attempt to take over Prachai Leophai-ratana's Thai Petrochemical Industry (TPI) (the now-bankrupted largest petrochemical company in Southeast Asia), and preventing Charoen Sirivadhanabhakdi's Thai Beverage company,

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considered the largest alcohol business in Thailand, from launching its initial public offering in the Thai Stock Exchange.[13]

The economic crisis created a monumental economic conflict between the between the Thaksin camp, who benefited from the economic crisis, and his rivals, through the huge losses of Siam Cement Pcl. following the devaluation of baht. Both SCG and the Siam Commercial Bank form the financial backbone of the Crown Property Bureau. According to a study by Porphan Ouyyanont, both companies failed to pay dividends between the year 1997-2002,[14] and another study by E Ellis states that the Crown Property Bureau lost 75% of its income during the crisis and needed to resort to loans to fund the rural expenses.[15]

Aside from the economic competition, both conflicting groups strive for acceptance by the people. Thaksin and his proxy parties' victory in five elections since 2001 is a testament of his being the most popular civilian prime minister to date. The anti-Thaksin, Democratic Party has suffered from repeated losses in elections.

### Violence and Intolerance

This new political conflict has been ongoing for over 10 years, but the signs of violence first erupted during the rally of the UDD from April 2009 to May 2010, using firearms such as AGA guns, grenades, and M79 grenade launchers. An unidentifiable force known publicly as the "men in black" came into the picture, fighting mostly against the military, resulting in a total of over 100 deaths of civilians and over 1000 military officers injured. And a new wave of conflicts erupted in November 2013 when the lower house, with Pheu Thai MPs comprising the majority, passed the amnesty bill that would benefit Thaksin's return.

The passing of this controversial amnesty bill led to a new congregation of both the anti-Thaksin camp and his supporters, with the conflict manifesting itself in new forms, from using the masses to pressure the powers-that-be, to advertisements and mass mobilization. One certain difference, however, is the fact that this new conflict of division stretches far deeper into the village and family levels, spreading throughout the country with each side claiming its rights and legitimacy in overthrowing the other, refusing to follow the rule of law and denying the rights of the other, leaving the country with little chance to see the proverbial light at the end of the tunnel.

[1] Thanet Aphornsuvan, "Nation-State and the Muslim Identity in the Southern Unrest and Violence" In *Understanding Conflict and Approching Peace in Southern Thailand*, ed. Imtiyaz Yusuf and Lars Peter Schmidt, Bangkok: Konrad Adenauer Stiftung, 2006, pp.92-127; Patrick Jory, ed., *Ghost of the Past in Southern Thailand*, Singapore : National University of Singapore, 2013; Duncan McCargo, *Tearing Apart the Land : Islam and Legitimacy in Southern Thailand*, New York : Cornell University Press, 2008, Introduction

[2] Ukrist Pathmanand, "Thaksin's Achilles' Heel : The Failure of Hawkish Approaches in the Thai South"*Critical Asian Studies*, 38:1 2006, 073-093

[3] Pasuk Phongpaichit and Chris Baker, *Thaksin*, second edition (Chiang Mai: Silkworm Books, 2009), 195-196 , 289-290

[4] Thaksin was a member of Class 10 in pre-cadet school. Gen. Sonthi Boonyaratklin who was considered responsible for the 2006 coup was of Class 7. It was new political conflict among many factions within pre cadet school, but highly intensified since Thaksin was Prime Minister: see Duncan McCargo and Ukrist Pathmanand, *The Thaksinization of Thailand* (Copenhagen : Institute of Asian Studies, 2005) Chapter 4

[5] McCargo ibid, pp. 140-150 Kevin Hewison, " A Book, The King and The 2006 Coup"*Journal of Contemporary Asia* 38:1 (2008) pp. 192-205

[6] McCargo and Ukrist, p. 150.

[7] McCargo and Ukrist, pp 230-233.

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[8] Thailand: Thaksin Picks Sister for Prime Minister Race - TIME  
<http://content.time.com/time/world/article/0,8599,2072553,00.html#ixzz2tqWZUE25>

[9] <http://www.thaigov.go.th/en/news-room/item/71389-one-tablet-pc-per-child-education-for-all.html> (access 20 February 2014)

[10] <http://www.bangkokpost.com/learning/learning-from-news/239306/agricultural-policy-platforms> (access 20 February 2014)

[11] Apichat Satitniramai, Yukti Mukdawijitra and Niti Pawakapan, *Re-examining the Political Landscape of Thailand*, Thai Health Promotion Foundation, 2013.

[12] Thaksin Shinawatra served as deputy prime minister during Gen Chavalit Yongchaiyut's government in mid-1996-1997.

[13] The persons accused of obstructing the listing of Thai Beverage in the Thai Stock Exchange are Thaksin's close aides; Dr Thanong Pitaya who was the finance minister and chairman of SET, and Anant Asavabhikhin, Chairman of Land and House Pcl and director of SET. Quote from The Nation 10 January 2006 and Ukrist Pathmanand, "A Different Coup E tat?" *Journal of Contemporary Asia* 38 : 1 2008, 134-135

[14] Porphan Ouyyanont (2008) "The Crown Property Bureau in Thailand and the Crisis of 1997" *Journal Of Contemporary Asia* 38: 1 :,175-176.

[15] Ellis, E (2003) "Royal Rehap : Thailand's Crown Property Bureau Gets a Corporate Makeover", *Fortune*, 10 July, [http : //www.ericellis.com/cpb.htm](http://www.ericellis.com/cpb.htm) (downloaded 30 April 2007).

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