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Abstract

This thesis is a study of the crisis-ridden social transition of the Thai state (1997-2010) by analysing the interrelations of social forces in the Thai historical bloc. The thesis argues that the recent political conflict in Thailand that reached its peak in 2010 transcended the conflict between the Thaksin government and its social antagonists, or merely the conflict between the Yellow and the Red Shirt forces. Rather, the organic crisis of the Thai state in the recent decade should be seen as social reflections of the unfinished process of social transition. Furthermore, this transition contains features of ‘crises’, ‘restructuring’, ‘transition’ and ‘other crises’ within the transition. The thesis employs a Gramscian account as a major theoretical framework because it stresses the importance of history, provides tools to analyse configurations of social forces, and offers a combined focus of political, social, and ideological matters.

This thesis finds that the street fights and violent government repression in May 2010 was only the tip of the iceberg and the incidents of 2010 themselves did not represent a genuine picture of Thailand’s organic crisis. The crisis, this thesis argues, was not caused only by the Thaksin government and its allies. The Thaksin social force should be seen as a part of a broader social transition in which it acted as a ‘social catalyst’ that brought social change to the Thai state in terms of both political economy and socio-ideological elements. Therefore, the crisis of the Thai historical bloc resulted from the clash between the two distinct ‘social relations’—old and new—and the clash is still ongoing. In addition, this thesis has revealed the ‘three’ underlying crisis-ridden characters of the Thai state including social inequality, overwhelming roles of royalism-nationalism, and the harsh application of lese majesty laws.
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Declaration

I hereby declare the work presented in this thesis to be my own and none of the work has been submitted for any academic degree or award.

All sources of quoted information have been acknowledged by mean of reference. I declare that my thesis consists of 87,541 words.

Watcharabon Buddharaksa
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1. Research Overview

1.1 Research Rationale

The thesis analyses the violent conflict between the so-called ‘Yellow Shirts’ and the ‘Red Shirts’ in 2010. Prior to this clash, the political economy of Thailand had already experienced a crisis-ridden process of socio-economic restructuring. It is argued here that the violent struggle of 2010 brought the unresolved nature of this process of restructuring into the open as a direct confrontation between the conservative social forces (Yellow Shirts) and the more progressive social forces (Red Shirts). This definition of the two contesting forces is somewhat vague concerning the Red Shirts. Indeed, whilst it is much easier to determine the conservative character of the Yellow Shirts social forces, it is much more difficult to determine with any degree of certainty the social forces of the Red Shirts. They are progressive in that they are clearly struggling for a new Thai political economy. Yet the Red Shirt movement comprises a coalition of many different interests from liberal capitalist forces to the subaltern. Their coherence as a social force to a large extent has to do with their opposition to the established interest. The Red Shirt movement only came to the fore in the aftermath of the economic crisis of 1997 and developed into a recognisable movement only since 2006. Its emergence as a movement of opposition was triggered by the military coup of 2006 that removed the Thaksin government from office and re-established the political dominance of conservative interests.

The struggle between the Yellow Shirts and the Red Shirts manifests a sharpening of the crisis of the Thai state, which came about as a consequence of the economic crisis of 1997. It is argued that the events of 2010 are a consequence of this crisis. In a most immediate sense, the violent struggles of 2010 were in response to the coup d’état of 2006. This thesis holds that the Thaksin government, which was first elected to office in 2001, amounted to a modernising political force that by and large represented the socio-economic interests of what would later emerge as the Red Shirt movement. It is further argued that Thaksin’s government manifested a concerted political effort of socio-economic restructuring in response to the economic crisis of 1997. It thus represented a break from the socio-economic interests that had governed Thailand until that crisis. That is, the crisis of 1997 manifests not just an economic crisis. Rather, it represents a
structural crisis of the whole political economy. It brought about a crisis-ridden process of restructuring, which to this day is fundamentally unfinished. It is therefore argued that the Thaksin government did not resolve the crisis-ridden process of restructuring. Rather it was part of this process of restructuring. The clashes of 2010 are therefore seen as a manifestation of the unresolved crisis-ridden process of resolving, one way or another, the structural crisis that beset the Thai political economy in 1997.

The thesis takes the crisis of 1997 as its starting point. Its repercussions for the domestic relations in Thailand were fundamental, and my thesis examines on the manner in which it not only challenged the established social relations but, also disrupted the status quo of the Thai social relations, leading to the long drawn own struggle between the social forces, culminating in the confrontation between the Yellow forces and the Red forces. That is to say, the economic crisis which was global in character manifested itself in the form of a political crisis of the Thai state. My analysis of the Thai social relations post-1997 will argue that the political crisis is the consequence of two interlinked phenomenon – firstly the crisis of 1997 undermined the old governing regime, at the same as which, secondly, it did not lead to the emergence of new regime capable of integrating Thai society on the basis of a new political consensus. Indeed, the crisis of 1997 led to a still fundamentally undecided process of restructuring by means of a bitter and times violent struggle between the social forces. My thesis analyses this process of restructuring and in this context I analyse the Thaksin governments (2001 - 2006) as a political force of restructuring the Thai political economy beyond its traditional balance of social forces towards a new constellation of socio-economic interests. The thesis will thus analyse the removal from office of the Thaksin government by a military coup in September 2006 as a political reaction against this attempt at reform by the forces of the old regime that had lost its political force as a consequence of the economic crisis of 1997. It will be held that the crisis of 2006 amounts to a 'crisis within transition'. It removed the government of reform, brought the old interests back to power, and led to the formation of the Red Shirts, which established themselves as a reaction to the coup d’état of 2006. In the conclusion it is therefore argued that the clashes of 2010 manifest the still unresolved crisis of transition from what is conceived of here as the old Thai historical bloc that

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1 Indeed, contemporary Thailand is paralysed by political conflict and political violence as evidenced by the continued mass demonstrations and violent clashes since December 2013.
was in place until 1997 towards an as yet undefined new historical bloc\textsuperscript{2}. The struggles between the Yellow Shirts and the Red Shirts amount, it is argued here, to a struggle of hegemony to create a new historical bloc. That is, the events of 2010 are analysed as a manifestation of the still ‘unfinished business’ of the restructuring process that the crisis of 1997 brought about.

The ‘crisis-ridden’ character of the Thai political economy is not just a matter of economics or politics. Rather, and as will be shown below, it amounts to a structural crisis of the whole political economy. The approach that this thesis takes is based on Gramscian political theory. In distinction to more traditional accounts of political and economic analysis, a Gramscian analysis does not privilege one aspect of society over another as the unit of analysis. Rather, it looks at the whole as a configuration of a balance of social forces. Analysing Thai political economy through a Gramscian perspective offers a comprehensive, historically based, and critical account of the events of 2010. It is the conviction of this thesis that a Gramscian account of Thai political economy is entirely ‘original’ in its theoretical approach and analytical perspective.

Gramscian political theory has hardly, if ever, been applied to the analysis Thai political economy. This is surprising since Gramscian political theory focuses its analyses of the state as a configuration of social forces. It conceives of the social forces as changing coalitions of interests, that is, the interests of identifiable social groups, and argues the balance between the social forces is decisive for the understanding of social compromise and social strife. In the context of Thailand this Gramscian focus on the balance of social forces as the explanatory foundation for the understanding of periods of historical stability (historical bloc) and violent restructuring (struggle for hegemony) is in my view best place to analyse the turmoil of Thai society.

Indeed, and as will be explained in detail in chapter two, conventional accounts of Thai political economy, analyse the various elements or aspects of the Thai political economy in isolation from each other, and thus fail to offer a comprehensive account of the crisis-ridden process of restructuring the Thai political economy. For example, and in the case of Thailand, the political economy approach derives political developments from

\textsuperscript{2} It should be noted here that the term ‘bloc’ was used by Gramsci in two major ways; first, as a ‘historical bloc’, when he means the concrete totality formed by the articulation of the material base and the politico-ideological superstructure; second, as a ‘social bloc’ or an alliance of social classes under a given regime (Coutinho, 2013: 97 n.12). In this work, I will refer to ‘bloc’ in both senses interchangeably throughout the thesis.
economic forces, the ideological explanation offered by Cultural Studies emphasises the importance of religion and the monarchy as means of social cohesion, and political science and institutional theory focus on the strength of political processes in regulating socio-economic forces.

In distinction, this thesis argues that the troubled political landscape of Thailand cannot be reduced to the dominance of either economic, social, ideological, or political elements. Rather, these elements are all part of the explanation, that is, the crisis-ridden development of Thailand in post-1997 is not only a matter of economics or politics, or indeed culture. Rather, it is a matter of economics, culture and politics. These aspects are not distinct units of analysis. Instead, it is held that the precise nature of their interrelationship reflects a certain balance of social forces. It is this balance that establishes the historically specific configurations of socio-economic and political integration, which the thesis analyses in terms of the Gramscian concept of a ‘historical bloc’. The Gramscian account, which will be explored in chapter three, thus stresses the importance of history to the understanding of a crisis-ridden structure of social relations, which comprise a configuration of social forces. From a Gramscian perspective, then, the crisis of 1997 is a crisis of an historical bloc, and the developments since 1997 form part of the still unresolved restructuring of a new historical bloc. Therefore, this thesis argues that the violent clashes of 2010, and indeed since, manifest the fundamentally ‘unfinished’ and indeed uncertain character of the crisis-ridden transition. The analysis is concluded by arguing that the crisis of 2010 is a manifestation of the unfinished character of transition— as the old is dying and the new cannot be born.

This research analyses the politics of social transition in Thailand by first examining the old historical bloc that was fatally affected by the crisis of 1997 in chapter four. It then explores the crisis, transition, and crisis within transition to make sense of the events of 2010 in chapters five to eight. Chapters two and three develop the theoretical account of the analysis.

1.2 Contemporary Thai Political Economy in Theoretical Perspective

The Thai political economy, including the period between 1997 and 2010, has traditionally been examined in four broad approaches—Political Economy, Political Science, Cultural Studies, and Social Movement Theory. Although each of these
approaches contributes important insights to the understanding of Thai political economy, they do not deal with the complications of the crisis-ridden process of restructuring and transition. As will be argued below, each of these approaches picks up on a particular element and analyses it in isolation. They thus do not examine the interrelations between the various factors and processes that comprise the political landscape of Thailand since 1997.

The Political Economy approach to the study of Thailand’s troublesome restructuring process mainly focuses on the economic consequences of political uncertainty. For example, Bhanupong (2009) argues that the coup of 2006 was detrimental to the stability of the economic structure and that it thus weakened the Thai economy to compete globally. In Bhanupong’s account the 2006 military coup thus had a negative impact on the economic conditions of the country, which lost global competitiveness. Similarly, Aekapol (2012) analyses the economic impact of the socio-political turmoil in 2010 and argues that the struggles of the Reds Shirts contributed to a decrease in GDP growth of 1-2%. He concludes that many urban workers were made unemployed as a direct consequence of the Red Shirt protests. These works are paradigmatic examples of the kind of political economy research undertaken—it sets out to analyse the impact of the military coup and the Red Shirt protests on the Thai economy. Apichat (2007, 2013) also suggests that the weakness of Thai political institutions on the economy is not limited to the period 2006 to 2010. In his view, the economic crisis of 1997 was, in part, caused by a weak state that for him was characterised by a decline in the power of regulatory bodies and institutions, including particularly the Bank of Thailand, to provide firm governance.

While the political economy approach focuses on the economic consequences of the socio-political rupture, Political Science studies the strength of the democratic institutions and analyses elections as the principal means of democratic representation. Here the general election of 2005 is of particular analytical interest in that it returned an existing civilian government to power for the first time in the history of modern Thailand (Nelson, 2008). The popular mandate of the re-elected Thaksin government notwithstanding, the new government only lasted for one year until it was removed by a military coup in 2006. The analysis of the election made clear that the rural electorate that had hitherto not been politically active in the democratic processes, had in fact participated in the election with an enhanced level of political consciousness and activity (Bowie, 2008). For Bowie (2008) and also Sinpeng and Kuhonta (2012) who analysed the
general election in 2011, the Thai electorate, country and town, had become politically active to a degree that had been unknown only a few years earlier.

The approach also looks at constitutional matters to understand the changing political landscape. Tamada (2012) examines the impact on the political process of the new constitution of 1997, which had been brought in the wake of the economic crisis. He argues the new constitution opened up the political system to challenges from new political parties, programmes, and political processes in distinction to the old-styled patronage politics that had dominated Thai politics before 1997. In this context, Thaksin’s Thai Rak Thai party (TRT) emerged as an entirely new configuration of political forces. The TRT incorporates a number of local political factions into a winning coalition. In comparison with the other Thai political parties it thus represents an entirely new political party formation, which burst upon the landscape with almost immediate political success (Chambers and Croissant, 2010). There is no doubt that the new constitution of 1997, which opened up the political system, had a catalysing effect leading to the election of the Thaksin government in 2001 and 2005. Nevertheless, the argument that a change in the constitution led to a change in political party formation and government does not explain the wider context that frames this development in terms of the socio-economic interests, political ideologies, and coalition of social forces that established the ‘newness’ of the TRT.

The third approach that will be analysed is Cultural Studies. Traditionally, the study in this area focuses on Buddhism as a force of ideological-cultural cohesion in Thai politics. However, political conflicts in recent years focus much more strongly on the role of the monarchy as a factor of social cohesion in the old Thai historical bloc and as an ideological force in the Yellow Shirt movement. Despite the harsh application of the Thai lèse majesté laws, which make it very difficult to scrutinise the monarchy, several works have been published to examine its role in a critical manner. Handley’s (2006) book is, to some extent, the pioneer of the attempt to discuss the roles of the King of Thailand. However, his account offers a critical biography of King Bhumibol rather than a study of the significance of the monarchy for Thai political economy. In distinction Ji (2007) argues in his book, which was banned by application of the lèse majesté law, that the coup in 2006 asserted the interests of the rich and benefited especially the high-ranking military and the monarchy at the expense of ordinary citizens. His argument thus denounced the monarch, undermining its ideological appeal as the manifestation of some overarching Thai national interest. Alongside Unaldi (2012) and Ockey (2005),
these works analyse the monarchy as an obstruction to democracy (Unaldi, 2012; Ockey, 2005).

In this context, the most distinct study on the monarchy in contemporary Thailand is the analysis of the monarchy as a ‘network monarchy’ (McCargo, 2005). This notion stipulates that in order to grasp the political practices of the Thai monarchy, it should be seen as a network of persons related to the King rather than the King himself. The network monarchy includes the privy councilors, the close network of high-ranking bureaucrats, and the military establishment. This area of study brings out many useful insights that establish the monarchy as a factor of conservative socio-ideological cohesion. As such the monarchy is seen to have contributed to the political tensions in Thailand as it and its network provide a socio-ideological base for the Yellow Shirt movement. The analysis in this thesis of the conflict of 2010 as a contest between the social forces in a crisis of transition incorporates this literature on the ideological significance of the monarchy into a wider argument about the crisis-ridden nature of the Thai restructuring process in which the old seems unable to die and in which the new social forces appear unable to resolve the crisis in their interests.

The final perspective in the analysis of contemporary Thailand is Social Movement Theory. In this perspective the politics of the Yellow Shirts and the Red Shirts is understood as a manifestation of underlying socio-economic interests. Ammar and Somchai (2012) focus their study on the socio-economic background of the Yellow Shirts and the Red Shirts. They argue that there is no substantial difference in the socio-economic backgrounds of their supporters. Their argument is based on a socio-economic survey that they conducted in 2011, which documents the profile of the activists according to age, gender, economic well-being, occupation, and region. In distinction to their work, Hewison (2012) argues that economic inequality is a decisive matter for the support of both the Yellow Shirts and Red Shirts. He thus argues that the alignment of the social forces constitutes an antagonism between the social classes, with the Yellow Shirts representing mainly the wealthy and the Red Shirts the poor and disenfranchised (Hewison, 2012).
In distinction to these analyses of the economic basis of the contesting social forces, Salisa (2012) examines the meaning of the blood sacrificing ritual of the Red Shirt demonstrators in 2010. For Salisa this ritual has to do with establishment of political identity during the earlier stages of the protest in 2010. She argues that this ritual amounts to a challenge to the dominant state ideology centred on the monarchy. She thus sees the blood-sacrifice of the Reds Shirts as manifesting an alternative political ideology from that of the ruling ideology. Cohen (2012), too, views it as a manifestation of opposition to the old regime. Other studies in this area are offered by Dressel (2010) and Chairat (2012). Dressel employs a historical-institutional approach to study the construction and transformation of political legitimacy in Thailand. He argues that the political conflict in Thailand lies in the field of tension and conflict between the traditional sources of legitimacy, the King and his networks, and the new constitution that established democratically based forms of legitimacy, which go beyond the old system of patronage by establishing social desires as the foundation of a new democratic politics. Chairat (2012), too, concentrates his political analysis on the politics of desire. He argues that the recent conflict in Thailand should be seen as a tension between the old politics of desire of the old social elites constituted by the notions of consensus, reconciliation, normalcy, national unity and status, and the new politics of desire of the Red Shirt movement based on the notions of transgression, disagreement, and disintegration. The Social Movement perspective deals in a direct manner with the two contesting social forces of the Yellow Shirts and Red Shirts. The shortcoming of this approach is its ‘ahistorical’ conception of the emergence of these forces. The fact that the forces are engaged in battle over the restructuring of the Thai political economy requires an analysis of the trajectory of the Thai political economy as the conceptual frame in which the forces of the Yellow Shirts and Red Shirts operate.

In conclusion, the four analytical accounts that are conventionally employed to examine the crisis-ridden character of the Thai political economy in the late 2000s contribute insightfully to the understanding of a variety of aspects such as the economic consequences of the political uncertainties and manifest social crisis, the question of the quality of Thai democracy, the significance of the ideological functions of the Thai monarchy, and the movements of the Yellow Shirts and Red Shirts as contesting social

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3 This ritual was employed as a symbolic struggle against the Abhisit government that succeeded the military government and amounts to a self-sacrificial act deployed by the Red Shirt protesters.
forces. This thesis does not reject the findings of these approaches. Rather, it utilises their findings in a framework of analysis that argues, firstly, that these fields of analysis do not exist in isolation from each other. Rather they exist through each other as elements of the crisis-ridden process of transition. Secondly, it is held that at the very least, the analysis of the social forces entails the analysis of the historical context that connects them. By history, this thesis means the sphere of human actions that contains social class struggle, alliances, and the balance of class forces.

Without the attempt to historicise social relations, it is impossible to understand the crisis of the Thai historical bloc, which in the absence of such historical context would have to be analysed in separation from the social relations on which it is founded and which thus informs the character of its crisis-ridden process of restructuring. The thesis argues that the crisis of 2010 has to be seen in the context of the crisis of the old historical bloc, which was brought about by the economic crisis of 1997. Since then the Thai political economy has experienced a crisis-ridden process of restructuring that remains fundamentally unresolved and manifests itself in the form of violent clashes between the forces of restoration and progress. This thesis analyses the crisis and restructuring in Thai political economy since the 1997 economic crisis as a process of transition from the old historical bloc towards a new, as yet uncertain historical bloc. The violent clashes of 2010 are a manifestation of a struggle between the social forces to achieve the requisite hegemony for the creation of an historical bloc. The Gramscian analytical framework of this thesis establishes an ‘original contribution’ to the contemporary analysis and understanding of Thai political economy.

For the Gramscian framework, historical context is fundamental to the analysis of the balance and conflict between the social forces that comprise a distinct political economy. Gramscianism conceives of history as the sphere of human actions. It thus does not approach the social, political, economic, and ideological manifestations of society as discreet elements. Rather, it grasps all these elements together as distinct expressions of a whole political economy. Finally, the Gramscian perspective develops the concept of hegemony and its related notions of war of position and passive revolution as explanatory tools for the analysis of specific configurations of power between the ruling and the ruled, which achieve a distinctive balance of class power within an historical bloc.
1.3 Overview of the Core Chapters: History, Crisis, Transition, and Crisis within Transition

Chapters two and three introduce the theoretical framework of the thesis. Chapter two presents and assesses the conventional accounts of the study of Thai politics in greater depth and detail, and chapter three introduces and expounds the Gramscian approach that this thesis employs. The remaining chapters analyse the trajectory of Thai political economy from the crisis of 1997 to the analysis of violent clashes in 2010. Throughout the presentation of these chapters, the four main themes of the argument will be developed—that is *history, crisis, transition, and crisis within transition*. The *history* of the old historical bloc will be explored in chapter four. The *crisis* of the Thai state in 1997 is analysed in chapter five. Chapter six explores the crisis-ridden *transition* of the Thai historical bloc during the Thaksin government. Chapter seven and eight examine the *crisis within transition* from the military coup of 2006 to the uprising of the Red Shirts in 2010.

Chapter four establishes the features of the old historical bloc that governed Thailand until its rupture in 1997. It provides the historical background to the thesis. The chapter considers the American influence in Thai political economy during the Cold War as crucial for the development of modern Thailand, which goes back to the American-led economic development plan that was first developed and implemented in 1961. It transformed the Thai mode of production from largely agricultural production into a capitalist economy. Between 1960 and the 1990s the social forces that most benefited from this development were the big domestic industrial capital groups, the banking and financial sector that was largely controlled by citizens of Chinese origin, the military dominated state enterprises, and monarchical capital (such as the Siam Cement Group). The development of the Thai political economy also led to the emergence of a new middle class and, importantly, to the creation of an urban working class which was created by the transformation of a rural agricultural labour-force into an urban industrial labour-force. During this period of capitalist transformation, the traditional peasantry had, however, been ignored by the forces of capitalist industrialisation. The productivity of the peasantry improved very little. The peasantry remained under the patronage of authoritarian government as part of the monarchy's developmental project. Industrial development thus paved the way for the ‘*polarisation*’ of society into distinct social groups, comprising the capitalist class relations between capital and labour and also between city and countryside. The pattern of
industrialisation led to uneven development in which the differentiation between the rural and urban living conditions increased hugely. These features of the Thai political economy are crucial because they eventually led to increased social tensions and conflicts. The historical bloc that was formed as a consequence of industrialisation includes the ‘royalist-nationalist’ ideology. Indeed in the late 1950s, the Sarit government revitalised the monarchy from the period of abandonment after the overthrow of the absolute monarchy in 1932. From the late 1950s, the revitalised royalism established a royal nationalism based on the King and his network as a ‘factor of cohesion’ that tied social groups together.

Chapter five analyses the economic crisis of 1997, which led to the rupture of the old historical bloc. Holloway (1992) once stated that the concept of ‘crisis’ is not only economic, but it presents itself as such. The crisis expresses the ‘structural instability’ of capitalist social relations, the instability of the basic relation between capital and labour on which capitalist society is founded (Holloway, 1992: 159). This thesis therefore develops the understanding of the economic crisis of 1997 as a crisis of capitalist social relations in Thailand. It was a crisis of all economic, political, and socio-ideological forces together. It is thus held that the crisis of 1997 is fundamental for the understanding of the crisis-ridden restructuring processes and the struggles between the social forces in Thailand in the post-1997 period. In fact, the crisis demolished much of the financial-banking capital that was largely owned by citizens of Chinese descent. It also adversely affected the capital that was operated by the Thai army and the monarchy. That is, the crisis affected the main social forces of the then historical bloc. Furthermore, the crisis showed that the Thai state did not have the power to protect and safeguard the economic interests that were governed through the state. The crisis also affected the working class in the form of unemployment. The earlier migration from the countryside to the urban centres reversed as many unemployed workers left the cities. Unemployment also affected the middle class, especially in the urban areas as banks and offices closed down. For the sake of securing the economic interests and arresting the economic downturn, there was thus a call for a strong state as a means of crisis-resolution.

Chapters six and seven explore the political consequences of the crisis and the crisis ridden transition from the initially strong Thaksin government to the military coup of 2006, and the emergence of the Yellow Shirt and Red Shirt movements as irreconcilable social forces of contestation. Chapter six analyses the politics of the first Thaksin
government from 2001 to 2005. It argues that Thaksin’s government had taken the leading role in Thai politics as a ‘catalyst of social change’ beyond the old historical bloc. In other words, this thesis considers the Thaksin/TRT government as a coalition of various social forces for change. The Thaksin coalition included an alliance between capitalists, salaried middle classes, labour, and peasantry, forming a broad configuration of power. The Thaksin government asserted itself as a powerful political actor that attempted to restructure the Thai historical bloc. However, it should be noted that the Thaksin-led coalition of social forces did not include the ‘old’ ruling social groups of the royalists and military forces, which had dominated modern Thai politics for decades. These excluded social forces eventually organised the reaction against the Thaksin coalition, a development that was aided by realignments of some forces that had originally sided with the Thaksin government, which for them did not meet their political and economic interests. These forces transformed later into the Yellow Shirt movement, which is analysed in chapter seven.

Chapter seven focuses on the crisis within transition of the Thai state by critically examining the attempt by the old social forces to ‘balance’ what appeared for a time as a Thaksin-led hegemony. From late 2005, the old social forces reformed themselves as the ‘People’s Alliance for Democracy’ (PAD) or the so-called ‘Yellow Shirts movement’. This chapter considers the emergence of the opposition to the TRT/Thaksin hegemony as a manifestation of the crisis-ridden restructuring of the Thai state. It will be argued that the emergence of the Yellow Shirts brought to the fore and exploited to its advantage a number of contradictions that existed in the broad coalition of social forces that provided the social base for the TRT party. Most noteworthy was the growing conflict of capitalist groups from the Thaksin coalition in late 2005. Furthermore, and as will be shown, it was not only the forces that lost out during the Thaksin government that realigned with the old regime in the form of the Yellow Shirt movement. Sections of the middle class and the working class that had benefitted from the Thaksin government also decided to rally against TRT by joining the Yellow Shirt movement. These developments weakened the Thaksin government at its core. As the Yellow Shirt forces gathered momentum, supported by the old social elites such as the Democrat party and the army, a condition was created akin to Gramsci’s notion of a ‘passive revolution’, which eventually led to the military coup in September 2006. The formation of the ‘United Front for Democracy against Dictatorship’ (UDD) or the so-called ‘Red Shirts movement’ is a direct consequence of the military coup. The Red Shirt forces comprise a coalition
consisting mainly of elements drawn from the middle class, large sections of the urban working class, and rural peasants. The Red Shirts are analysed as a subaltern social group in both economic and ideological senses.

Chapter eight analyses the violence of 2010 as a manifestation of the ongoing, crisis-ridden restructuring of the Thai political economy. It expressed a stalemate in the battle between the social forces in that 'the old is dying' at the same time as which the 'new cannot be born'. Chapter nine concludes the thesis and summaries the findings in analytical form.

2. RESEARCH DESIGN AND METHODOLOGY

2.1 Research Aims

This research aims to examine the political and social transition of the Thai state between the 1997 economic crisis and the government crackdown on the Red Shirts movement in 2010 by focusing on interrelations among social forces as protagonists of social change. Furthermore, the thesis also aims to unravel the underlying interconnections among each social force that constitute the formation, crisis, and transition of the Thai historical bloc.

2.2 Central Research Questions

How can we grasp the complexities of the politics of transition of the Thai state over the last decade in Thailand? And how can we construct an understanding of the antagonistic relationships among social forces, their material connections, socio-ideological cohesion, and their contributions towards the crisis and the transition of the Thai historical bloc?

2.3 Methods of Inquiry

Regarding the methodology of this research, the Gramscian approach does not rely on the scientific mode of inquiry such as the observation of human behaviour, nor is it based on statistical and mathematical analyses. Rather, this critical approach to social and political phenomena employs some ideas of the 'interpretive approach' by focusing on critique and unravelling the complexities of the politics of social transition in contemporary Thai politics. The methodologies that this research will adopt are related to ontological anti-foundationalism and epistemological interpretivism (Furlong and Marsh, 2010: 200; Hay, 2002: 61-65). Therefore, this research needs to employ
'qualitative methods', including content analysis focusing on documentary research as the major method of inquiry (Vromen, 2010; Burnham et al., 2008).

2.4 Unit of Analysis

As mentioned earlier in the first section, this thesis is a study of the social transition of the Thai state by looking through various social forces as protagonists of social change. Therefore, the unit of analysis of this study is the various social forces in the Thai state. Gramsci’s notion of social class consists of two main classes including the dominant class or the ruling class, and the subaltern, subordinate, or the dominated class. However, it is worth noting here that Gramsci rarely uses the term ‘class’ in his prison notebooks. Rather, he prefers to use the terms ‘social group’ and ‘social force’ when he mentions each social and political agency in order to avoid prison censorship (Nemeth, 1980: 86; Pozzolini, 1970: 67–75). However, it should be noted here that even Gramsci himself uses the term social force and social group interchangeably without distinction in his prison notebooks. Indeed, there is a little difference between these two terms as this thesis employs the term ‘social group’ in regarding to represent distinct interest of a given social actor. Whilst the term ‘social force’ will be used in a more flexible manner as a combination and coalition of class interests of several social actors.

For the case of Thailand, the ruling/dominant social forces include the monarchy and its network, the military, and the capitalists. The hegemonic power of each social force in this class is varied depending on the changing political structure through different periods of time. In addition, in order to grasp the complexity of the politics of transition of the Thai state, this research also focuses on the analysis of the politics of what Gramsci called ‘subaltern’ or dominated social forces, which include the middle class, the labourers/working class, and the peasantry. The theoretical discussion of the Gramscian notion of social forces will be provided in chapter three.

2.5 Period of Study

The period of study is mainly focused on the period between the late 1990s, which is the pre-1997 economic crisis stage, and the bloodshed of the government oppression of the Red Shirt movement in 2010.
1. Introduction

This chapter explores traditional accounts of Thai political economy. The chapter argues that conventional approaches are unable to deal with all ‘four’ features—history, crisis, transition, and crisis within transition—of contemporary Thai political economy. This chapter will critically examine existing works on Thai politics in relation to the overall picture of contemporary Thailand by offering below analysis of ‘four traditional categories’—Political Economy, Political Science, Cultural Studies, and Social Movements.

The first category, Political Economy, normally considers economic matters in its different aspects separately from social structure. Looking through several theoretical approaches—such as modernisation theory, political economy, and economic Marxism—the studies in this category deal with some features of contemporary Thai political economy such as the explanation of the transition of Thai society through modernisation theory, nevertheless, they fail to cope with the history and crisis of the state. The second category deals with Political Science through several theoretical positions such as Behaviouralism and Institutionalism. Behaviouralist approaches explain a given social action of any social actor, but do not consider relationships among social actors. Meanwhile, the institutionalist framework only concentrates on the roles of various legal-political institutions and their engagement in the democratisation process of Thailand. Both Behaviouralism and Institutionalism are unable to provide the proper theoretical space to deal with the aspect of crisis and transition of the state.

The third category is Cultural Studies. Studies in this category show the roles of culture (Thainess), religion (Buddhism), and ideology (the cohesive function of the monarchy) in Thai politics.¹ Studies in this category deal with two main features of Thai politics—history and crisis. Some existing works provide the notion of hegemonic apparatus and its social practices, such as the application of the royalist-nationalist ideology, that tie social forces in the Thai historical bloc. Likewise, some works could

¹Thainess, Buddhism, and the monarchy are the three most distinct features of modern Thai society that have been shaped by the dominant discourse of the ‘three pillars’—the nation, religion, and the monarchy. The construction of the hegemonic ideology in Thai politics will be discussed in chapter four.
offer the perception of the crisis of the country in terms of the crisis of hegemony. However, this category fails to connect to economic elements of the Thai state; therefore, it is insufficient to cope with the aspect of the transition of the state. The last category is Social Movements, which mainly analyse the demonstrations of the Yellow and Red Shirts in their various aspects. Studies in this category concentrate on the ‘non-state social actors’ from both the conservative Yellows and the liberal Reds camps through different theoretical perspectives. They are able to deal with the aspect of crisis of Thai politics; however, most of these studies could not offer an understanding of the transition of the state because they perceive the crisis in Thailand from 2006 to 2010 without considering history and the social relations among social classes that constituted the Thai historical bloc prior to that period.

2. Political Economy

The first category of traditional accounts of Thai politics is Political Economy. This category includes two major theoretical stances; modernisation and political economy. Existing works in this category contribute some crucial understandings of Thai political economy, especially the relationship between economic activities and political consequences and vice versa. These works provide a picture of economic development in relation to some social groups. However, the inefficiencies of these conventional approaches lie in the failure to grasp the crisis of the state, including all economic, political, and ideological elements, apart from the economic crisis. They also fail to provide an account of the relationship between social actors in Thailand’s political economy. Therefore, these approaches could not cope with the crisis, restructuring, and transition of the Thai state over the recent decade.

2.1 Modernisation

The first traditional theory in this category is modernisation. This approach has a central belief that social change is a linear process involving the transformation of traditional, agrarian societies into modern, industrial societies (Rush, 1992: 223). In addition, the approach has the basic idea, based on Rostow (1960), that addressing ‘economic growth’ is a process to bring a given society to the stage of modern or industrialised society. This idea of economy-led development has flourished in the study of Thai political economy since the late 1950s.
During the age of the Cold War, scholars generally tied their work to aspects of anti-communism, national security and development. Throughout the period from the 1950s to the 1960s, funding and aid from the US government in order to support the anti-communist project and democratic enhancement in Thailand was largely donated to the Thai armed forces and the Thai government (Sharp, 1950; Darling, 1962; Darling, 1963; and Girling, 1969). Nevertheless, along with the politics of security in the Cold War period, the matters of economic growth and economic development were the central concerns of the modernisation approach. Many works in this category concentrate their studies on the sources of income and income per capita in developing countries (Long, 1966), foreign direct investment (FDI), and patterns of investment from international capital in Thailand.

These were major features that could be found in the state of knowledge in Thai studies between the 1950s and 1960s (Yoder, 1957; Hough, 1969). On the contrary, while some studies of Thai political economy in this approach in the 1950s and 1960s focused on economic growth and the pattern of increasing wealth in developing and developed countries, research in the following decades was centred on the consequences and difficulties of development in terms of different aspects (Bell and Resnick, 1970; Limqueco, 1970), including the problem of patron-client relationships in Thailand, which was a major obstacle to becoming a modernised country (Rubin, 1973; Neher, 1975); the loose characteristic of the Thai social structure and the concept of tradition (Embree, 1950; Rhum, 1996); centralisation of political power in the bureaucratic organisations in Thailand (Ramsay, 1976; Evers, 1966; Riggs, 1966); the problem of poverty as a consequence of Thailand’s industrialisation in the 1950s (Warr, 2002) and the problem of urbanisation, which emerged from Western development (Ayal, 1992).

Studies in this category between the 1950s and the 1970s did contribute some useful understandings of Thai political studies; firstly, they opened up the linkage between economy and politics. Economic development through American security aid from the late 1950s opened up a new political landscape in Thailand that created a chance to understand later political actors in Thailand since the age of US-led economic development. Secondly, this modernisation approach also pointed out the related problems derived from enhancing modern economic development in Thailand between the 1960s and 1970s. This is a basis for further study on Thai political economy to consider when conducting research in this area. However, in order to grasp the complexities of the politics of social transition in the post-1997 era, the modernisation approach fails to cope with interconnections among social forces in Thailand. Moreover,
in this concept of history, there is no room for political and ideological crises, which are the two crucial features of Thai political economy over the past decade.

2.2 Political Economy

Since the 1980s, the political economy approach, including various schools of thought, has become another important theoretical perspective in the study of Thai political economy. Contrary to the modernisation approach discussed above, which draws heavy attention to the economy as an independent variable in the development of political systems in Third World countries, the political economy approach concentrates on the relationship between politics and the economy in a more complex manner compared to the determinist modernisation theory. One aspect of Thai politics, which the political economist attempts to grasp, is the problem of land and land reform in Thailand. Ramsay (1982) studies the landlord–tenant conflict that was a hardship for peasants and a major cause for protest in Thailand during the 1970s. He investigates the linkage between tenancy and political conflict and hypothesizes that tenancy was the main economic condition underlying farmers’ protests in Bangkok at that time.

Additionally, the study of capitalism and capitalist modes of production was one of several aspects that political economists paid attention to. Witthayakorn (1983) attempts to analyse the specificities of the capitalist transformation process in the central region of Thailand during the 1960s and 1980s. He aims to find out how the integration of this social formation took place and has determined the emergence of the new social class in Thailand. He employs the concept of the social relation of production and class contradiction as his main framework.

However, from the late 1980s the focus of study in the field of political economy towards Thai politics had turned to the relationship between the process of industrialisation and its consequences on Thai politics. Girling (1986) studies the viability of small-holder businesses in Thailand during the 1970s and 1980s, whilst Hewison (1988) focuses his research on the development of industrialisation in Thailand from the early 1800s to the 1940s. Hewison provides a critique of dependency theory and a semi-Marxist perspective, which he sees as neglecting domestic class relations during the early stages of industrial development in Thailand. He argues, in contrast to the dependency school, which focuses on external factors, that the internal or domestic industrialists played important roles in Thai politics. In addition, Hewison (1986) studies the linkage between the farmers’ protest and small industries such as sugar industries in Thailand. He focuses on sugar industries as a ‘fraction’ of the capitalist
class in the Thai countryside, as an example of operations of domestic capital in the rural areas of Thailand. Correspondingly, Ramsay (1987) also focuses his study on the political economy of sugar industries in Thailand as he sees that sugar farmers are unlike other farmers in Thailand because they are extremely well organised and have strongly influenced Thai politics during the 1980s. These existing works did indeed contribute some vital knowledge on the development of industrialisation policies in Thailand during the period between the 1970s and 1980s as causes of many social phenomena and processes. These works provide a picture of capitalist social groups in Thailand in the pre-1997 economic crisis era that is important to the study of the history of class struggle in Thailand that is offered in chapter four of this thesis.

Furthermore, some newer studies in this area were conducted from the late 1980s, such as Cohen and Pearson (1998) who employ anthropological ideas in their study on political economy to deal with the relations between community, state, and capital. They argue that the changing political economy at the national level influenced the relationships of the rural community in general. This is similar to Anek (1988), who offers the Corporatist model, which at that time was quite a new pattern of business participation in politics and policy-making in Thailand, and which focused on the relationship between the government and business groups. Anek’s work is crucial as he pioneered by offering the landscape of social relations between elite business groups and the state in terms of policy determination in Thailand in the 1980s.

However, more recently, some political economists paid attention to the political economy under the Thaksin/Thai Rak Thai government in Thailand in the 2000s. For instance, Glassman (2004) studies the economic nationalism of the Thaksin government and argues that economic nationalism of the Thai Rak Thai party was not only an economic policy but also a scale politics which attempted to gain massive support from the Thai people, while Pasuk (2004) compares Thailand’s political economy under the Thaksin government with Malaysia and Singapore. Nevertheless, as the Thaksin government is a crucial part of this research, more emphasis has been placed upon studies of the Thaksin government in chapters six and seven of this thesis.

Another important framework in the political economy category — although one that is not a strongly favoured theoretical perspective on the part of Thai scholars — is Marxist political economy. It was Bell (1978) who was one of the initial authors who employed the Marxist approach to study Thai political economy. He clarifies the nature and history of US imperialism and the manner in which it transformed Thai society through a series of cycles of struggle. He argues that the return of military rule in 1976 was
necessitated by the inability to control the growing intensity of the class struggle, which posed increasingly serious challenges to the existing social order. Correspondingly, the study of Ji (1995) points this out in his study employing the Marxist idea of class struggle to offer the history of labour struggles in Thailand since the mid 19th century to early the 1990s. Ji Ungpakorn is the most prominent Marxist scholar in modern Thailand and his controversial book *A Coup for the Rich*, banned in 2007, led to his exile in the UK because he argues against the lèse majesté law and holds that the coup d’état in 2006 against the Thaksin government was a coup for the rich and political elites authorised by the monarchy and that it was a coup against the interests of the poor or ordinary people.

One of the vital features of the Marxist approach is that it provides a dialectical relationship between bourgeoisie and labour as a basis of capitalist accumulation. Hewison (1981) concentrates on the study of the roles and importance of the Thai bourgeoisie by focusing on the social groups who base their accumulation on the Thai banking and finance industries—one of the crucial capitalist forces in Thailand since the 1960s. Hewison offers knowledge of the complicated web of business and familial interconnections of the Thai financial bourgeoisie from the early 1930s to the 1980s which is also crucial for this thesis as a basis for the analysis of the formation of the modern Thai historical bloc since the late 1950s. Likewise, the study of Brown (1997) examines the consistency of organised labour and its political roles by suggesting an alternative theoretical perspective on Thai labour and offers the history of the role of the working class in expanding the political space in Thailand. He argues that labour relations in Thailand have been a microcosm of wider struggles over the representative form of politics. Moreover, Brown (2004) and Brown and Hewison (2005) pay their attention to the aspect of labour politics during the Thaksin era. They aim to consider the ways in which the Thaksin government attempted to achieve two contradictory tasks, including maintaining the political subordination of labour and also mobilizing workers and their organizations behind the restructuring of Thailand’s economic and political regime of capital accumulation.

These existing literatures, especially the recent works from the year of 1997, did make important contributions to the understanding of the relationship between Thai labour and the state in modern Thai politics which is also beneficial for this study of the politics of social forces. Most Thai Marxist scholars follow classical Marxism, which typically concentrates more on class/class struggle, bourgeois–labour relations, the capitalist mode of production, and capital accumulation. However, the ideological and cultural
practices of social groups in Thailand, which are also crucial, have been ignored in these existing studies.

As shown above there are several traditional approaches that deal with the development of Thailand’s economy and politics from the 1950s to the 2000s. For the recent political conflicts from post-2006 coup to the crisis in 2010 there a few main works on which scholars tend to rely, for example, the study of Bhanupong (2009) who focuses his study on the Thai economy in the post-2006 coup period and argues that the recent coup in Thailand destroyed the democratic underpinning of the stability of economic structure and subverted the strength of Thailand’s economy by losing an opportunity to compete in the world market economy. This study is important as the evidence to prove that the highly regarded military coup in 2006 had, in fact, negative impacts on the country in terms of economic stability and competition at the world scale. Likewise, Aekapol (2012) also attempts to grasp the recent crisis in 2010 by concentrating on the economic impact of the Red Shirt movement upon the Thai economy. He argues that the demonstrations of the Red Shirts between April and May 2010 contributed to a decrease in GDP growth by 1-2% and many urban workers were made unemployed because of the Red Shirt uprising. In addition, Apichat (2007, 2013) argues in his attempts to grasp the Thai state between 1997 and 2006 that the degree of state weakness and strength are important variables in understanding the political economy of Thailand. He found that the decline of the technocratic macroeconomic agencies, such as the Bank of Thailand, was a strong cause of economic crisis in 1997.

In sum, existing studies in the category of Political Economy through applying the political economy approach bring out an understanding of the relationship between economic and political elements of Thai political economy. The approach also emphasises some crucial notions that are central to understanding contemporary Thai political economy, such as the concept of the domestic and international capital relationship, industrialisation and rural industries, the labour and capital relationship, capital accumulation, social fractions of Thai capital, and their influence on policy making in Thailand from the 1970s to the 1990s. Studies in the political economy approach transcended the determinist character of the modernisation approach that focuses only on producing economic growth in order to develop social and political affairs or the so-called trickle-down effect in social development. Additionally, political economy can deal with the interrelationship between labour and the political-economic practices of the Thai political economy.
However, in order to grasp the politics of social transition of the Thai state from the 1997 economic crisis to the crisis in 2010 this thesis argues that the employed theoretical lens should handle the features of social class struggles, the crisis of the state, and the transition of the capitalist state altogether. Existing works in this category did contribute to some extent towards these three mentioned features of the Thai state. Political economy frameworks, in various schools of thought, are sufficient to cope with the aspect of crisis in capitalist society as they consider the relations of production along with other social problems such as poverty and income distribution that might be causes of the crisis of the Thai state. In addition, studies in this approach could also deal with the transition of the state. However, these works have limitations because they do not take the elements of ‘ideology’ and ‘hegemonic project’ into account. Development of the Thai state over the recent decade cannot deny that the ideological clash between the conservative-royalist and the other ideologies was crucial in shaping the struggles of the Yellow and the Red Shirt movements. Dismissing the ideological struggles in the politics of social forces means that we cannot perceive the genuine picture of the transition of the Thai state.

3. Political Science

The second category of traditional accounts of Thai political economy includes Behaviouralism and Institutionalism. These two approaches deal with the development of Thai democracy through different unit of analyses. While the Behaviouralist framework deals with voting behaviour and related problems, the Institutionalist approach concerns the politics of political parties and bureaucratic system as part of democratic development in Thailand. Studies in these conventional approaches can provide the picture of some crucial social actors in Thai politics; civil society, politicians, and bureaucrats. However, what the approaches do not cope with is the configuration of social power among each political institution.

3.1 Behaviouralism

Behaviouralism has been a mainstream paradigm in American political science since the late 1950s and 1960s (Burnham et al., 2008: 19; Sanders, 2010). This approach concentrates on a single major question—why do people behave the way they do? And the most distinct aspect of the Behaviouralist framework in comparison with other theoretical perspectives is that it only focuses on ‘observable’ political behaviours, whether it is at the level of the individual or the collective social actor. This approach
assumes that any observed behaviours should be available for empirical testing (Sanders, 2010: 23). In addition, Behaviouralism pays the most attention to the so-called ‘predictive science of the political’ (Hay, 2002: 11). This positivist character of Behaviouralism does not consider the underlying social relations of each unit of analysis and ignores historical features in the context of the studied actor. Rather, it only focuses on social and political action of the studied actor in a specific moment. Behaviouralism has been used to study political behaviour in Thailand as a result of American influence in Thai political science since the late 1950s. Although this approach claims that it considers the level of analysis at both individual and social aggregation, it is argued here that the approach is mainly employed to analyse an individual’s political decision especially in terms of his or her decision on how to vote in elections.

Democracy itself does not entirely equal the holding of elections. However, as one of the major tools to achieve democracy, elections and its related problems such as vote buying have been studied by the Behaviouralist school in Thai politics for decades. Early works in this field of research can be traced back to the 1950s, such as the works of Pickerell and Moore (1957) who attempted to study the general elections under the nationalist Phibun era of the 1950s. However, Neher (1970) attempts to study the general election under the 1968 constitution and the military regime under an authoritarian atmosphere.

Meanwhile Nicro (1993) presents an analysis of the electoral experience of Khon Kaen province, in the Northeast region, the poorest region, and the region widely assumed as the easiest vote-buying site of Thailand. He considers that elections during three historical periods involved (1) the election under the bureaucratic polity, (2) the 1975 and 1976 Constitutions, and (3) the election in 1980. Nicro concludes that the pattern of vote-election in the Northeast region of Thailand changed from the 1979 election in that there was a fall in terms of the number of long-term local people as Member of Parliaments (MPs) and a concomitant rise of the political tycoon and cooperation between local business men.

Up to the 1990s, Murray (1996) concentrates on the 1995 general election, which he argues was a step backward for Thailand’s democracy. He also provides the historical background of Thai politics under the Chuan government (1993–1995) and an analysis of the 1995 election through various factors, including political parties, issues of policy, political and social campaigns, vote buying, and the results of that election. Correspondingly, Callahan and McCargo (1997) also study the 1995 general election and argue that the bureaucratic polity model of Riggs (1966)—as the bureaucrat plays a central role in policy making of the country—has been challenged owing to the rise of
civil society and local provincial power, which have come to be strongly influenced by the rise of local business elites. They suggest that vote buying in Thailand cannot be seen as an isolated activity but must be placed in the context of political order, and that up to that time, money was not the only dominant factor for people’s decisions, rather that the outcome and charisma of the candidate were also contributing factors. These traditional studies of elections as the crucial political process show a high level of influence on Behaviouralism in Thai political studies. These works claim to show causal relationships between the studied factors and the pattern of voting in elections in Thai politics through different historical settings. However, these works do not deal with other elements of political economy of Thailand.

In short, this approach contributes some understanding to the development of Thai political studies in terms of employing mathematical and statistical tools to quantify people’s political behaviour in a special relationship with the study of voting during elections and vote buying. The major concern of this perspective is to examine the individual’s social/political action, in particular their voting behaviour. Studies of Thai political economy through the Behaviouralist position have a narrow vision of a single issue of study because they neither consider the relationship between the studied social action of a given social actor and other social groups, class or social structure that constitute that actor. Therefore, existing works in this category even if they are able to explain some patterns of social action do not provide a space for the broader interaction with social structure.

3.2 Institutionalism

Institutionalist frameworks offer another dominant concept that is widely accepted by many Thai scholars. Institutionalism has been the dominant theoretical perspective towards Thai politics since the 1960s. Although the Institutionalist tradition nowadays can be distinguished between new and old Institutionalism, the dominant Institutionalist approach in Thai political science over the recent decades was the ‘old’ or ‘traditional’ Institutionalism rather than new Institutionalism (Rhodes, 1995; Lowndes, 2002). Traditional Institutionalism can be described as a notion covering the rules, procedures, and formal organisations of government as factors constituting people’s political behaviour (Rhodes, 1997: 68 cited in Lowndes, 2002: 92). In this section, some existing studies of Thai political economy will be examined through the traditional Institutionalism including aspects of bureaucracy, political parties, and democratisation.
Bureaucracy and bureaucratic administration was a major area of interest for Thai scholars for several decades because they once played a central role in the politics of decision-making under military rule. One of the earlier works in this area is Shor (1960) who studies the structure of the Thai bureaucracy, which manifests the cultural uniqueness of Thai society. He attempts to grasp the point of authority as a relationship structured in Thailand’s bureaucratic polity by focusing mainly on personal cliques and groupings. However, Krannich and Krannich (1979) seek to study the problem of bureaucracy by concentrating their study on anonymous letters as a form of intra-organisation political communication. They argue that the anonymous letters take place from jealousy, envy, and vindictive power relations, and conclude that this kind of political communication was an important dimension of bureaucratic political behaviour that prevents the organisation from becoming highly rational, competent, and apolitical.

Furthermore, even the study of Thai bureaucracy as part of democratic development has declined in its popularity, but the recent work of Painter (2005) provides some important knowledge as he focuses on the major bureaucratic reformation of the Thaksin government in 2002. He argues that the reason for that reform was to centralise the effective day-to-day power over strategic arms of the bureaucracy so as to harness its resources to the ends of his party and its support. The first facet of an institutional approach is the study of Thai politics through formal organisations like the bureaucracy. These institutionalist works via the study of bureaucracy as part of Thai democratic development did contribute basic notions that the bureaucrats in Thailand, both civil and military, are still important in Thai politics and should not be overlooked in analysis of the politics of social transition because following the 2006 coup they offered support to the conservative Yellow Shirts social force.

Alongside the approach to bureaucracy, the study of Thai political economy in the area of political parties is another important research area within the Institutionalist framework. Early works in this area include the study of Wilson and Phillips (1958) who draw their attention to the difficulties of putting together a stable and permanent national party organization. They argue that there are various factors contributing to the stability and permanence of a political party, including first, money; second, very slow growth of local electoral bodies; and third, weakness of the party itself. In addition, Darling (1971) argues that the roles of the political party in Western and non-Western societies are different. While Western society performs interest aggregation by amalgamating large coalitions among diverse organised and semi-organised social groups seeking to control formal government activities, non-Western societies, especially Thailand, have formed their political parties from the obstacles of powerful
traditional forces, the large Thai peasant class, and domination of the national economy. More recent works in this field of study include Ockey (2004), who argues that it is important to examine continuities of political parties in Thailand by focusing on the relationship between parties and their class factions. He finds that change has come in policy platforms, coalition building, and patronage, and that important continuities exist in electoral networks and vote buying. In addition, Chambers (2008) seeks to address the question of the relationship between Thai political parties, factions, and coalition durability during the period 1979 to 2001. He suggests that while political parties in Thailand are less cohesive, informal institutions within parties have considerable importance for Thai political parties. Existing works in this group do offer a picture of the different nature of Western and Thai political parties. As a very crucial aspect of parliamentary democracy, Thai political parties failed to institutionalise themselves as part of civil society. Thai political parties normally have a short lifespan, are newly established for each general election and do not have a clear ideological platform in their policy and social activity. These existing works point out the weakness of party politics in Thailand which is helpful in understanding the reasons why TRT attempted to overcome this matter in 1998.

The problem of democratisation and democratic consolidation is another dominant aspect of the study of Thai politics through the traditional Institutionalist framework. The major contribution of works in this category is the study of the improvement of formal political institutions in order to enhance the quality of parliamentary democracy. Neher (1995: 201-202) studies the democratisation process in Thailand and offers a brief historical background of Thai politics since the 1932 revolution critiquing the highly centralised political parties in which he sees the real problem of democratic development in Thailand. He focuses on the factors that are engaged in the building of democracy in Thailand, such as the leadership of political leaders, the middle class, education system, state, king, and media. In addition, Englehart (2003) and Lynch (2004), attempt to argue that external factors such as global capital and international forces could shape the democratisation process in Thailand, along with domestic factors.

Additionally, later work in this approach has focused on the aspect of democratic quality rather than focusing on the factor of engaging democracy. For instance, in the study of Ganesan (2006) which focuses on democracy and political transparency in Thailand he argues that it has been subverted since 2001. He sees that the Thaksin government was the obstacle to democratic development in Thailand; although they came to power by democratic means, the democratic consolidation has been held in discontinuation (Fredman, 2006). Further, the author hypothesizes that there has been a structural
weakening of Thailand’s democracy under the TRT government since 2001. However, Case (2007) concentrates his study on Thailand’s democratic quality and attempts to assess Thai democratic quality by measuring the form of electoral mandate, policy responsiveness and accountability, limits on civil liberties, gross violations, and human rights.

In order to explain causes and consequences of the crisis in 2010, some recent studies have paid attention to the 1997 constitution as part of the political institutions that paved the way to the crisis. Hicken (2006) and Tamada (2012) argue that the 1997 constitution created the new system in which political parties began making campaign pledges and creating the politics of public policy instead of the old-style patronage politics. The 1997 constitution had created the chance to have a strong executive and this led to the coalitions of political cliques. The TRT as a combination of local politician factions was unique amongst other parties as evidenced by their political success. Their management style along with the benefit of the 1997 constitution enhanced TRT’s power and was a cause of other conflicts after that (Chambers and Croissant, 2010). This thesis shares the emphasis on the importance of the constitution as a regulatory factor that empowered the Thaksin government in the post-1997 period. Nevertheless, this conventional approach does not provide understanding of the dialectical relationship between the constitution and social forces in a wider sense.

In sum, the Institutionalist framework has dominated the study of Thai politics for several decades. It contributes some way towards a deep understanding of Thai political economy in its various aspects; however, most of these mainly focus on legal-political institutions, for example, the Thai bureaucracy and political parties. The existing studies showed the importance of political institutions in Thai politics as it is a basis of democratic development. Existing works in this category provide understanding of the Thai historical bloc in terms of identifying the roles of vital social actors—both bureaucrats and political parties—in Thai politics.

The works in this category, firstly, are similar to the Behaviouralist position mentioned above in terms of their unawareness of history or the social relations that shaped the social-political context of their object of study. Secondly, studies in this area have a narrow unit of analysis that focuses on any single actor in a specific time of study. Thirdly, the Institutionalist approach could not deal with the crisis of the state. Even if it could grasp some causes of the crises of the Thai state such as the weakness and

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2The relationship between the 1997 constitution and the consequences upon social forces in Thailand will be discussed in chapter five.
corruption of bureaucrats or inabilities to protect people’s interests through political parties, it has little to no room for enabling the crucial analysis of the political and ideological crisis of the state. As most works in this area failed to historicise the issue of their study and provide no room for a whole crisis of the state it should therefore be seen that works in these two approaches could not offer a dialectical picture of social transition in Thailand. The next section will analyse another category of the study of Thai politics—Cultural Studies.

4. Cultural Studies

The third conventional account of Thai politics is Cultural Studies—including two distinct approaches; the Religious and Cultural approach and the Ideological approach. This category of existing studies offers different perspectives on Thai political economy in comparison with the other approaches mentioned above. This account provides theoretical spaces for ideological and cultural elements in political analysis. As will be shown in chapter four, the ‘royalist-nationalist’ ideology has been constructed by the ruling social classes through the ‘three pillars’ of the Thai nation; nation, religion, and monarchy. This political ideology has been employed as a major tool in various hegemonic projects since the late 1950s. This account, the importance of Buddhism, culture, and ideological functions of the monarchy have been offered. Nevertheless, the limitations of these approaches lay in the abandonment of political economy and they could not deal with social forces in the Thai historical bloc.

4.1 Religious and Cultural Approach

Studies in the religious and cultural approach mainly deal with ideological and cultural functions of Buddhism as a crucial mode of thought in Thailand. Buddhism and Buddhist perception of the world have been employed by the Thai social elites as forms of social and political regulation for decades. The Thai ruling classes had constructed a Thai historical bloc—a set of social relations that fused both ideology and economic terrains—with a combination of Buddhism, nationalist projects, and royalist hegemonic projects (Saichol, 2005). These elements all contributed to the emergence of the dominant ‘royalist-nationalist’ ideology and its maintenance as a factor of social cohesion for Thai social forces for decades, although one that was eventually contested by the conflict in Thailand in the post-2006 coup period. Former studies in this category contribute to the politics of Buddhism and nationalist projects and the section below will deal with studies of monarchy and its ideological cohesive function.
Religion, more specifically Buddhism, has been playing very important roles in Thai politics for a long time. It is one of the invented tripods of the country, involving the nation, the religion, and the king.² Within the Buddhist conception of the world, the religious leader—the Buddhist monk—has been spiritual and moral leader for Thai people alongside the leadership provided by centralised state bureaucrats. For that reason, the relationship between religion and political behaviour in Thai politics is another approach which has been employed to study some aspects of Thai studies. This group of studies of Thai politics attempts to explain the role of religion as a legitimised tool in order to determine social and political roles of political elites and political leaders.

One important study in this category is the study of Sombun (1979) who examines the roles of the Sangha (Buddhist monk) in the Thai state during the 1970s, particularly in the period between 1973 and 1976. He argues that the Sangha at that time played very crucial roles in order to construct political legitimacy for the Thai political/military elites and had been employed to assist the military government in social control over the Thai people (Sombun, 1979: 364). Correspondingly, the work of McCargo (2004) confirms the argument of Sombun that religion has a vital role in legitimising the political power of political leaders. McCargo argues that the Thai state has manipulated Buddhism in order to ‘subordinate’ their citizens by employing an officially sanctioned form of religion to provide a source of legitimacy to their political premier (McCargo, 2004: 167).

In addition, existing studies in the religion approach to Thai politics have been distinct from other dominant approaches because rather than focusing on economic and political factors, it provides space for matters of ideology, belief, and cultural systems in Thai society. Some studies have paid attention to the Buddhist doctrine spreading roles of two major Buddhist fractions in Thailand—Santi Asoke and Dhamakaya (Taylor, 1990; Mackenzie, 2007). They argue that both Santi Asoke and Dhamakaya as are the two dominant Buddhist services for the Thai middle class. The Thai middle class in Bangkok as a result of the changing of modern socio-economic development in Thailand is the main target of these two dominant Buddhist organisations. The hegemonisation process of Santi Asoke and Dhamakaya created the middle class as a political subject whose main mode of being ‘passive, moderate, and compromise’ characterises its social and political life. The studies of Santi Asoke and Dhamakaya as religious institutions playing important roles establishing a passive conception of the world are helpful in

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²This myth was created by the King Rama VI in the 1920s in order to unite the countries and against imperialist powers.
order to understand part of the conflicts during the recent crisis of the Thai state from late 2005. These works point out one of the many crucial deep rooted problems in Thailand that form the basis for political conflicts over the recent decade; that is that the ‘perception of the world’ of Thai people closely coheres to the elements of being loyal to the monarchy, making compromises, being passive to the ruling power, and holding nationalist beliefs. These deep-rooted elements have been hegemonised over Thai social groups through a number of strategies; however, Buddhism is one of the leading tools building these conceptions amongst the Thai people. These elements will be contentious among debates on Thailand’s crisis and it will be discussed in more detail in the core chapters of this study.

Although the existing works in the religion approach did contribute towards understanding of the relationship between the roles of Buddhism and hegemonic projects of producing the mainstream conception of the world for Thai people, they still have some limitations in their studies. These works consider religion (Buddhism) as a crucial ideological apparatus in Thai politics. The strength of this notion is to open up broader perspectives beyond major focuses on individual’s political behaviour, as Behaviouralism provides, and legal political institutions—as Institutionalism and the Modernisation approach offer. Even though it takes ideology into account this approach cannot deal with political and economic dimensions of the Thai historical bloc. In addition, these existing literatures cannot grasp the aspect of ‘transition’ of the Thai state because they only consider ideological elements without interactions with various social groups. However, as is argued earlier in this thesis, the crisis of the Thai state over the recent decade is complex and it is composed of several elements related in dialectical ways. As studies in this category ignored the importance of economic and political matters, they could not see the whole picture of the politics of the transition of the Thai state.

Along with the studies on Buddhism and its ideological functions, cultural studies in relation to state power and cultural monitoring are major topics in this area of study. There are several studies concerning various cultural issues in Thai politics such as a study that seeks to compare Thai-Chinese white-collar workers in their work culture (Deyo, 1975). This work argues that Chinese workers are normally more hard-working than Thai labour. More recently, the study of Lysa (2000) focuses on the politics of culture in 1980s and the 1990s Thailand looking through the Sinlapa Watthanatham, a prominent longstanding cultural academic magazine in Thailand. This study argues that the existence of the Sinlapa Watthanatham has been offering space and materials for comment and reflects on the production of popular history in Thailand. The making of
Thainess through the mainstream historical narrative is significant to understanding the conflicts between the Yellow and the Red shirt forces during the post-2006 military coup. This work is helpful as it points out that 'Thainess' in Thai people’s perception has been constructed by someone, that it did not naturally emerge and also that it is able to be contested.

In addition, some other authors also focus on the politics of culture from several aspects such as Jonsson (2001) who focuses his study on aspects of minority culture dynamics and national integration in Thailand. His work shows the attempt of the Thai state to construct the sense of loyalty to the monarchy and enforce order and hierarchy amongst the Thai marginal upland peoples in the northern area of Thailand through the leading roles of school teachers and social activities such as sport fun fairs. These cultural practices of the Thai state applied to the marginal hill tribes helped to maintain the significance of the ‘royalist-nationalist’ ideology of the Thai state and construct a single-irresistible dominant ideology shared by Thai people in all regions of the country. In order to preserve this hegemonic ideological perception, the Thai elites chose to employ state power to monitor the matters of Thai culture by establishing the Ministry of Culture in 2002. The study of Connors (2005) is prominent in this area as it examines this aspect of monitoring culture by the Thai Ministry of Culture in the first term in power of the Thaksin government. Connors argues that the Thai state—working through the Ministry of Culture—has been producing national identity through a number of state apparatuses in order to protect and maintain the hegemonic royalist-nationalist ideology of the Thai state. Insights from Connors and other studies in this area are significant as they help us to see the basis of ideological struggle of social forces in Thailand, that tie to questions of being loyal to the monarchy and being Thai, after the 2006 military coup.

4.2 Ideological Approach: Thai Monarchy and its Ideological Functions

Another crucial framework in this traditional category is the Ideological approach. The most prominent area of study in recent years has been research on the ideological functions of the Thai monarchy. Under the harsh circumstances of the lèse majesté laws, study on the Thai monarchy, its existence, and its political and ideological practices has been difficult. Therefore, this area of academic study has been absent from critical research in Thai academia for a long time. However, the crisis in 2006 and 2010 has urged scholars to critically examine more in this area.
ideological sacredness of the monarchy and the practicing of the ideological cohesive role of the king.

The first aspect is the study of the making of the ideological sacredness of the monarchy. The divinity and sacredness of the monarchy is not automatically emergent in nature. Rather, it is an outcome of the ruling class created to preserve their own class interests. The Thai monarchy had been sidelined and without any real power in politics after the 1932 revolution. It was a revitalisation of the monarchical power by the Sarit military government in 1958 that brought the monarchy back to the pool of power (Thak, 2007; Kershaw, 2001). Significant about existing studies in this area is that they are able to explain that the building of the monarchy’s sacredness in Thai politics is derived from several state and hegemonic projects. In the study of Fong (2009) on the sacred nationalism of the Thai monarchy, he argues that the holy power of the present King Bhumibol does not naturally happen, but was built by the royalists through many primordial rituals that were revitalised by the Sarit government along with the promotion of the King as the moral leader of the nation (Thongchai, 2008).

In addition to the study of the sacralising of the Thai monarchy, Jackson (2009, 2010) argues that the status of the King Bhumibol is like a ‘god-king’ and it is called ‘an actual deity’ as it has been supported by a popular religious culture that has been significantly impacted by new media technologies. He argues that the Thai elites were successful in harmonising different religious doctrines of Buddhism and Brahma to serve the royalist interests. In the early Bangkok era (from the late 1780s), the king of Siam had never been seen as an actual deity; it is only under the reign of the present king since the 1960s that the Thai social elites employed developed mass media to sacralise the king and maintain its ‘god-king’ hegemony. These works did provide a very significant contribution to the field of Thai ideological studies as they can show that the holy power of the monarchy is, indeed, created by the elites. It means that this form of social power is also contested and overcome.

The second aspect of this approach is the study of the practicing of the ideological cohesive role of the king. As already mentioned, criticisms of the political roles of the Thai monarchy have never been widely advanced because the dominant royalist-nationalist hegemony still works very effectively. It was not until the second term in office of the Thaksin government that debates on the Thai monarchy were opened up. The study of Ji (2007) argues in his banned book on the political practices of the Thai
monarchy that the coup in 2006 was not conducted in a good manner in order to oust the corrupted Thaksin government from power as most of the middle class believe. Rather, he argues that it was a coup conducted for the rich that was operated by the army in order to secure the profit of the high-ranked military and the monarchy.

However, the most powerful theoretical proposition regarding the cohesive role of the monarchy in contemporary Thailand is the notion of ‘network monarchy’ offered by McCargo (2005). This framework proposes that in order to grasp ideological and political roles of the Thai monarchy, it should be seen as a ‘network of persons’ related to the king rather than the king himself. The network of monarchy includes the privy councilors, the close high-ranked bureaucrats, and some military officials. In addition, some prominent studies by Ockey (2005), Chanida (2007), Unaldi (2012), Nattapol (2013) have examined the ideological roles of the monarchy in order to create political stability in Thai politics from various points of view. These existing literatures are helpful to portray the picture of Thai politics over recent years. These works confirm that the Thai monarchy is not operating above politics, in the manner that the conservative social groups normally claim. Rather, it is an active political agency that acted as a cohesive force in Thai politics in many times, especially after the crises of the state in 1973, 1976, 1992, and 2006.

In conclusion, existing literatures in this category provide some crucial ideas on the study of political ideology, religion, and cultural practices in Thai politics. This is helpful in order to understand ideological elements that constituted the dominant ‘royalist-nationalist’ ideology that constraint people’s conception of the world. In addition, the serious studies on the monarchy and its politico-ideological practices in Thailand have been increasing as it has been shaped by political uncertainties in recent years. Framing the monarchy as part of the social forces in Thailand’s political economy that are connected to other forces in the period of transition is crucial and this thesis will incorporate the monarchy into the account—which is the missing aspect of the existing works—along with other social groups in relation to the study of crisis and restructuring of the Thai historical bloc.

5. Social Movements

The last category of literatures on Thai political economy is Social Movements. Existing works in this group are most influenced by the New Social Movement (NSM) approach while recent studies are more vibrant and look at several non-state social forces from
different perspectives. The NSM approach was initiated in US political studies during the 1960s and 1970s (Della Porta and Diani, 2006) emerging as a reflection of the failure of formal political institutions such as parliaments and governments in solving and grasping the complexities of social and political problems. The NSM and the traditional Group approach—interest group and pressure group—shared a philosophical root of pluralism, which sees politics as an ‘open space’ of a variety of social actors. Pluralism claims that the state should only act as an arbitrator of interest among various social and political actors (Dunleavy and O'Leary, 1987: 13–71). Therefore, existing studies in this category have the same premise and mainly look at the ‘non-state’ social actors in relation to various problems of Thai political economy.

There are a number of studies on social movements in Western countries and Latin American countries over the last few decades; however, employing the NSM approach to the study of Thai politics is relatively new for Thai scholars until the 1990s. The pioneer work in this field of research in Thailand is the study of Prapas (1998) which employed the NSM framework to study the emergence of and reason for protesters called the ‘Assembly of the Poor’ who rallied against the Chuan government between 1997 and 1998 (see also Missingham, 2002). This work argues that the formal political institutions in Thailand had failed to solve popular grievances. Bureaucratic red-tape and political bribery were two major obstacles to solving people’s problems. Therefore, the Assembly of the Poor needed to protest the government and demonstrated their troubles to the public in order to gain broader support from the public. Correspondingly, there are a number of works following Prapas’s initiated attempt to explain Thai politics from the perspective of the NSM approach (Prapas, 2009).

The NSM approach insists on the roles of non-state actors in political affairs as its major concern. The most fashionable usage of the NSM approach is the study of the environmental movements in rural Thailand against many state projects, for instance, the case of the people’s movement in order to control the watershed in Chiang Mai (Pinkaew, 2000); the roles of Buddhist monks in teaching people to be aware of the environment in Thailand (Darlington, 1998); and the movement against the Nam Choan dam project of the villagers and environmentalists in Kanchanaburi, central Thailand (Rigg, 1991). Moreover, the NSM had been used to open up the politics of the marginalised, such as the politics of race, gender, and identity in Thailand. For example, the study of Callahan (1995) uses the feminist notion of oppositional consciousness to understand the characteristics of the Thai state’s political strategy during the Dark May protest in Bangkok in 1992, while Tomalin (2006) focuses his study on the roles of Bhikkuni (female Buddhist monks) in empowering women in Thai society. The Bhikkuni
movement challenges social attitudes about male stream oppression over other genders in Thai politics.

In addition, the NSM approach is not only interested in the specific topics of political and social grievances, such as environmental, race, and identity movements, but also focuses on the reformulation of the notion of civil society (Nelson, 2007; Pasuk et al., 2002; Nualnoi et al., 2004, and Seksan, 2005). The works using the NSM based their focus on political activities in the realm of non-state inter-relationships. They believed in the importance of ordinary people in articulating their own benefits rather than in the top-down order of the state. The approach also attempts to challenge mainstream political science, that is, the Institutionalist notion of the formal institution in facilitating social and political interests of the people (Kengkij and Hewison, 2009). In addition, the more recent and important study of Kanokrat (2012) also employs the NSM approach to analyse the roles and politics of network building of the former student activists in the 1970s or the so-called ‘Octobrists’ social forces in contemporary Thailand. These works did contribute towards understanding the complexities of Thai politics as they can point out the failure of formal political channels and relationships among other ‘non-state’ actors.

However, the more recent studies in the Non-State Actor category mostly focus on the politics of the Yellow Shirts and the Red Shirts movements from different perspectives. The examinations of the politics of both the Yellows and the Reds are a major debate in contemporary Thai political economy and have been approached by various theoretical perspectives with different focuses. The first group of work frames the politics of the Yellows and the Reds as the appearance of underlying socio-economic matters. Ammar and Somchai (2012) focus their study on the socio-economic background that constituted the emergence of the Yellows and the Reds. The conclusion of Ammar and Somchai is interesting as they argue that there is no substantial difference in socio-economic backgrounds of people who support the two social forces. They conducted a socio-economic survey in combination with statistical analysis based on age, gender, economic well-being, occupational status, and region as criteria.

However, this work could not offer the reason behind the movements and their relationship to other social groups as part of the Thai state. On the contrary, another conclusion that differs from Ammar and Somchai is that ‘economic inequality’ really matters and is important to the emergence of the antagonism between the Yellows and the Reds as a class war (Hewison, 2012).
However, the second group of work in this area is the most active amongst studies on the politics of the Yellows and the Reds and employs post-modernist theoretical tools to grasp both social forces. In order to deal with the blood sacrificing ritual of the Red Shirt demonstrators in 2010, Salisa (2012) focuses her analysis on the political identity of the Red Shirts movement through the blood-sacrificing rituals performed by protestors in an early stage of the rally in 2010. She argues that this ritual had challenged the dominant state ideology that centred on the monarchy. Blood-sacrificing of the Reds demonstrators expressed an alternative political ideology affirming the need for emancipation from the ruling class ideology.

Moreover, the blood sacrificing also constitutes a reflective move to counter the main regime in Thai society (Cohen, 2012). Accordingly, the work of Taylor (2011) follows a similar pattern of analysis to Salisa and Cohen. He focuses his study on the conflict in Thai politics by looking at the cultural meaning and political implications of the arson of the Central World shopping centre in May 2010. The destruction of the biggest department store in the country should be seen, he argues, as a tactic by the elite regime to reaffirm its moral justification over the Reds as rural people who are alienated from the area.

Further, a study of Dressel (2010) employs a historical-institutional approach to study the construction and transformation of political legitimacy in Thailand. This work argues that the political conflict in Thailand lies in the tension and conflict between the traditional sources of legitimacy, the king and his networks, and the constitutionalist basis of legitimacy. Likewise, Chairat (2012) concentrates his political analysis on the politics of desire amongst both the old and the new social groups by using the notions of Deleuze and the post-structuralist approach. He argues that the recent conflict in Thailand should be seen as a tension between the old politics of desire of the old social elites constituted by the notions of consensus, reconciliation, normalcy, unity, and integration and the new politics of desire of the Red Shirts movement which is based on the notions of transgression, disagreement, and disintegration. In addition, the notion of the politics of desire also reveals the severe complex of conflicting and overlapping claims to representation, capitalism, and class mobility (Sopranzetti, 2012). In sum, the research in this area of study deals with different perspectives on the Yellows and the Reds movements. However, these works frame the Yellow and the Red Shirts in an absolute sense, without its history in some approaches, and could not provide the relationship between each other in relation to the transformation of the Thai state in a broader sense.
In conclusion, a study of Thai political economy via the perspective of NSM is relatively new compared to the other dominant approaches mentioned earlier. However, this approach is increasingly popular in Thai studies since the 1990s onwards. It contributes an alternative way of seeing political problems in Thailand’s political economy. The NSM approach transcends the formal-legal function of Institutionalism and transcends Behaviouralism and the Modernisation approach by looking at the groups of social and political actors and their interaction outside the sphere of parliamentary politics. Furthermore, the approach also considers the marginal aspect of some social groups, such as the identity problem of race and gender issues. Nevertheless, even though the existing literatures in this category could deal with the non-state social forces in politics, they ignore historical features that constrain each social actor. These works could also grasp the matters of ideology and politics in their political analysis, but they fail to deal with the crisis and transition of the state. Therefore, the studies from the perspective of Social Movements still have some missing features that could dialectically deal with the elements of the history of class struggle that constitute social structure, the crisis of the historical bloc, and the transition of the state.

6. CONCLUSION

This chapter has critically explored the current state of knowledge on Thai political economy through four traditional categories; Political Economy, Political Science, Cultural Studies, and Social Movements. Each group of study did contribute different elements towards an understanding of Thai political economy. However, this chapter found that there are ‘three’ missing features from these conventional categories that made them insufficient to cope with the politics of social transition of the Thai state. Firstly, the traditional approaches consider social, economic, political, and ideological elements of Thai political economy separately. To grasp the complexity of contemporary Thai politics, all these features should be taken into account altogether. Secondly, most existing works could not cope with the crisis and transition of the Thai state because they do not provide historical features—human interactions that constitute social change—in their political analysis. History as a sphere of human interaction, and social class struggles, should be provided in order to cope with the crisis and transition of the Thai state. Lastly, most existing works did not analyse the configuration of social power among social forces. Grasping dialectical relationships among social actors could crucially portray the picture of crisis and transition of the Thai state. In order to overcome these failures of traditional approaches, a Gramscian
approach is offered here which contains all these features as a major framework for this study and this approach will be discussed in the next chapter.
CHAPTER 3
GRAMSCIANISM: HEGEMONY, CRISIS OF HISTORICAL BLOC, AND SOCIAL TRANSITION

1. INTRODUCTION

As shown in the previous chapter, traditional accounts of Thai political economy analyse the various aspects of Thai political economy in isolation from each other. This chapter therefore offers a Gramscian framework that will overcome the insufficiencies of dominant approaches. As was argued in the first chapter, the troubled political landscape of Thailand cannot be reduced to the dominance either of economic, social, ideological, or political elements. Rather, these elements are all part of an explanation that enables understanding of the crisis-ridden development of the Thai historical bloc in the post-1997 period. A Gramscian account provides ‘three’ distinct features in this study: a combined focus on social, economic, political, and ideological elements; an account emphasising the significance of history—human interactions that constitute social change; and analysis of the configuration of social power.

The first and second features of the Gramscian approach can be seen in the first two sections of the chapter while the third feature will be in the third section. The first section begins with the very important ‘way to see the world’—which Gramsci usually terms as the ‘conception of the world’—by offering the Gramscian notion of the critique of economism. This section shows the epistemological position of the theoretical framework as based in the argument against positivism in political analysis. Following the discussion of the critique of economic determinism, the Gramscian notion of the ‘structure and superstructure relationship model’ and the concept of the ‘integral state’ are analysed. This section offers the point of departure for political analysis throughout this thesis, which based on the idea that the crisis of the Thai state could not be reduced to any isolated social element but rather that various elements all contribute to social transition.

In addition, this section argues that there is no possibility of an automatic social transition without human practices. This led to the second section—Man as the maker of history—as this thesis will offer Gramsci’s notions of social forces as the crucial agency of social transition. In addition, the notions of ‘balance of class forces’—war of position and passive revolution—and the analysis of relations of forces are also provided. The third section deals with the central idea of Gramsci, which is the concepts that address the ‘configuration of social power’. Hegemony is a major power configuration that each
social class struggles to attain in order to build its own historical bloc. Along with the concept of hegemony and historical bloc, this section further provides the concept of the organiser of the historical bloc or the intellectuals. Then, in the fourth section the Gramscian notion of the crisis of authority will be examined, in other words, crisis of hegemony/historical bloc. Finally, the last section demonstrates how each Gramscian concept will be employed in the following chapters.

2. CONCEPTION OF THE WORLD: GRAMSCIAN CRITIQUE OF ECONOMISM

In order to grasp the four features of contemporary Thai political economy, which are history, crisis, transition, and crisis within transition, this section is the point of departure by dealing with ‘history’ of Thai political economy. This thesis conceives of history as the human-led process by which through the class struggle people attempt to achieve hegemony in any specific time and space. The section below offers the concept of the critique of economism in order to construct a perspective that the history of human society cannot be automatically transformed by any single factor and that it is rather ‘human practice’ that creates change in a given historical bloc.

2.1 Critique of Economism

Among the various social and political thoughts of Antonio Gramsci, his critique of economism is one of the most crucial ideas of his contribution to both Marxism and explanations of ‘social change’. Critique of economism is the starting point of this theoretical chapter as a theoretical tool to open up the following Gramscian theories in a proposal to resolve the problem of economism. This section will discuss the question of what is economism. The section then provides Gramsci’s resolution to economism, which is the concept of hegemony. Nevertheless, in order to understand Gramsci’s hegemony it is important at this stage to ground the analysis in a theoretical basis by considering the concept of the base and superstructure relationship, the concept of the integral state, and the combination between two terrains in superstructure, which are civil society and political society. This grounding section leads to an understanding of Gramsci’s concept of hegemony and historical bloc, which will be discussed in the section below.
Economism was, in fact, first developed by Lenin (Bottomore, 1991: 168; Cammett, 1967: 205). He defined economism as a separate trend in the social democratic movement with a vulgarisation of Marxism, which downgraded the conscious element in social life. Lenin's main argument against economism was found in *What is to be done?* And while he mainly used the term economism in the context of practical politics, economism also has a theoretical significance, as elaborated in Gramsci (Bottomore, 1991: 168–169). For Gramsci, economism has been used in various terms such as finalism, fatalistic, mechanistic, automatism, and determinism, almost without distinction (see Gramsci, 1971: 410, 412, Q11§52; Kolakowski, 1978: 231; Bocock, 1986: 40–46). The term economism can be defined as an interpretation of Marxism holding that political developments are the expressions of only ‘economic development’ (Simon, 1999: 14).

Gramsci created the idea of ‘anti-economism’ in order to oppose and critique the deterministic character of some Marxists (Sassoon, 1987: 187; Bellamy, 1987: 121; Merrington, 1978), for example, the theoreticians of the Second International such as Kautsky and Bernstein, who had a passive perspective, which can be argued to be a ‘wait and see’ position, in other words, theoretical perspectives about social change/social transition of this kind of Marxism awaited the automatic evolution of the situation (Sassoon, 1987: 188). This kind of mechanical determinism tends to promote a ‘passive attitude’ towards social agents to wait for the inevitable economic collapse (Simon, 1999: 15; Callinicos, 2007: 111–115; Dimikratos, 1986: 466–474). Rather than to wait and see that things and situations have changed automatically, Gramsci proposes the more comprehensive and dialectical theoretical perspective by allowing a place for other elements, e.g., history, ideology, and roles of the human being (as the concept of intellectuals) in the analysis of social change/social transition (Boggs, 1984: 24, 27; on Gramsci and logic of dialectic see Finocchiaro, 2005).

After his imprisonment in 1926, Gramsci wrote a number of studies in his 33 notebooks (on the Prison Notebooks see Ruccio, 2006; Francese, 2009). His ideas against economism or ‘mechanistic determinism’ and his effort to unravel the political language of everyday ideology were presented in several places throughout the notebooks (Boggs, 1984: 28). For example,

Mechanical historical materialism does not allow for the possibility of error, but assumes that every political act is determined, immediately, by the structure, and therefore as a real and permanent (in
the sense of achieved) modification of the structure.
(Gramsci, 1971: 408, Q7§24)

Gramsci shows that the determinist Marxists made a theoretical error in the explanation of social change/social transition because they absolutely concentrate on the economic base and neglect the other elements in their consideration of social transformation. Gramsci argues in the passage below that instead of the creation of an automatically general rule for explanation of social reality, the more important task is to identify the ‘deep relations of forces’ (will be discussed in the next section) within society.

It is from these considerations that one must start in order to establish what is meant by “regularity”, “law”, “automatism” in historical facts. It is not a question of “discovering” a metaphysical law of “determinism”, or even of establishing a “general” law of causality. It is a question of bringing out how in historical evolution relatively permanent forces are constituted which operate with a certain regularity and automatism (Gramsci, 1971: 412, Q11§52)

Therefore, in order to construct a more comprehensive framework for explaining the world of social relations, Gramsci proposes to combat economism by offering the concept of hegemony which relies more on the complex relations of social, cultural, political, and economic elements in its explanation of social transition (Bertramsen et al., 1991: 19-25; Coutinho, 2013: 61-66). The passage below illustrates Gramsci’s position against economism.

It is therefore necessary to combat economism not only in the theory of historiography, but also and especially in the theory and practice of politics. In this field, the struggle can and must be carried on by developing the concept of hegemony (Gramsci, 1971: 165, Q13§18)

As stated above, Gramsci proposes the concept of hegemony for solving the mechanical explanation of social change held by some Marxists of the Second International. However, before examining the concept of hegemony which will be discussed below, there are several crucial Gramscian concepts to consider for understanding Gramsci’s hegemony, including superstructure and its relationship to base which will be analysed in this section. After that, the following sections will focus on Gramsci’s ideas of subaltern social classes, social forces, relations of forces, and passive revolution. These
concepts are needed as the grounding ideas for fulfilling the main theoretical framework of this thesis.

2.2 Gramsci’s Solution: Structure and Superstructure Relationship

Gramsci’s idea of rejecting economism is based on the need to reformulate Marxist theory and the problem of relations between structure and superstructure. In order to analyse the balance of class forces at all levels, we can only culminate in the sphere of hegemony and ethico-political relations (Gramsci, 1971: 167,408, Q13§23*, Q7§24; Merrington, 1977: 139). However, to understand the sphere of hegemony, it is necessary to consider the concept of superstructure in Gramsci, which is the terrain of two important elements in superstructure, civil and political society.

One of Gramsci’s theoretical distinctions is that he was one of the first Marxists who weighted the importance of ideological factors, which emerge in the superstructure, in the analysis of social transformation. Marx, in his *Preface to A Critique of Political Economy*, presents the materialist conception of history by arguing that the mode of production of material life conditions social, political, and intellectual life processes in general. It is not the consciousness of men that determines their being, but, on the contrary, their social being that determines their consciousness (Marx, 2000[1859]: 425). Moreover, he argues that the opinion of an individual is not based on what he thinks of himself, so we cannot judge such a period of transformation by its own consciousness; on the contrary, this consciousness must be explained instead from the contradictions of material life, from the existing conflict between the social productive forces, and the relations of production (Marx, 2000[1859]: 426, 427). For Marx, with the change of the economic foundations the entire immense superstructure is more or less rapidly transformed (Marx, 2000[1859]: 426).

Gramsci’s conceptions of the relations between structure and superstructure is different from Marx’s. Bobbio (1979) points out that in Marx the structure is primary and superstructure is secondary and subordinate, while in Gramsci, the opposite is true because he was aware of the complexity of the superstructure (Bobbio, 1979: 33–34). Gramsci concentrates on the important roles of ideology as a factor of driving social transformation. For Gramsci, not only material conditions—he did not deny the importance of the economy—in the structure determine human conditions, but
ideological elements in the superstructure are also significant to social change/social transition.

2.3 The Integral State: The State = Civil Society + Political Society

2.3.1 Civil Society in Hegel and Marx

One of the most original ideas of Gramsci is the elaboration of Hegel’s and Marx’s conceptions of civil society. For Hegel, civil society includes not only the sphere of economic relations and the formation of classes, but also the administration of justice as well as the organisation of the police force and that of the corporations. In Hegel’s trichotomic system, civil society constitutes the intermediate stage between the family and the state, and therefore, does not include all the relations and pre-state institutions.

In short, civil society, for Hegel, is the sphere of economic relations together with their external regulations according to the principles of the liberal state, and it is at the same time a bourgeois society and bourgeois state (Bobbio, 1979: 28–29; Femia, 1981: 26). This is similar to Marx’s conception of civil society, which is the set of institutions that transmit a monolithic bourgeois ideology (Jones, 2006: 32). As Marx states, the form of intercourse determined by the existing productive forces at all previous historical stages, and in its turn determining these, is civil society. Civil society embraces the whole material intercourse of individuals within a definite stage of development of productive forces. It embraces the whole commercial and industrial life of a given stage, and insofar, transcends the State and the nation, though, on the other hand, it must assert itself in its foreign relations as a nationality, and inwardly must organise itself as a State (Marx and Engels, 1974: 57).

2.3.2 Civil Society and Political Society in Gramsci

Gramsci elaborates the conception of civil society of Hegel and Marx by focusing more on the terrain of ‘superstructure’ rather than the economic base or structure. For Gramsci, civil society is the terrain upon which social classes compete for social and political leadership and consent or hegemony over other social classes (Thomas, 2009: 137). Gramsci argues that civil society has become a very complex structure and one resistant to the catastrophic incursions of the immediate economic element (crises, depressions, etc.). The superstructure of civil society is like the ‘trench-systems’ of modern
warfare (Gramsci, 1971: 235, Q13§24). In Gramsci, his idea of superstructure is not only the sphere of civil society, but also the sphere of ‘political society’ or ‘state’ (Femia, 1981: 26–29). The state in this sense is a narrow sense by which Gramsci means a superstructure sphere of ‘domination’. In this terrain a dominant class oppresses the subaltern class through coercion rather than consent (Forgacs, 1988: 429). However, in Gramsci’s political thought he also provides the conception of the state in a broader sense in what he called the ‘integral state’ and which will be analysed below.

Civil society and political society are not clearly separate, rather, they are each composed basically of social relationships which are ‘force/coercive’ in the case of political society and ‘consent’ in civil society (Simon, 1999: 81–82) as Gramsci states that civil society is the ensemble of organisms commonly called ‘private’ and that of ‘political society’ or ‘the state.’ These two levels correspond on the one hand to the function of ‘hegemony’, which the dominant group exercises throughout society and on the other hand to that of ‘direct domination’ or command exercised through the state and ‘juridical’ government (Gramsci, 1971: 12, Q12§1*).

### 2.3.3 The Integral State (Force+Consent)

Gramsci’s outstanding idea on superstructure is that he offered the conception of the integral state. As he states:

> We are still on the terrain of the identification of State and government-an identification which is precisely a representation of the economic-corporate form, in other words of the confusion between civil society and political society. For it should be remarked that the general notion of State includes elements which need to be referred back to the notion of civil society (in the sense that one might say that State = political society + civil society, in other words hegemony protected by the armour of coercion) (Gramsci, 1971: 262–263, Q6§88) (emphasis added)

Gramsci sees the state in the ‘integral sense’ that combined two superstructure terrains of civil and political society. In this sense, the state is a balanced and self-compensating equation between ‘force and consent’ (Greaves, 2009: 163). In Gramsci’s view, these two societies are related to each other and have never been detached as he argues that in actual reality civil society and the State are one and the same (Gramsci, 1971: 160,
The term integral state is used by Gramsci to oppose the state in the ordinary sense which focuses on coercive apparatuses, as he sometimes refers to the state as government (Fontana, 2006: 32–35). Simon (1999) notes that Gramsci’s integral state is to suggest that the social relationships of civil society are ‘relations of power’ just as much as the coercive relations of the state. He argues that Gramsci gives a far-reaching modification of the classical Marxist theory of the nature of power by arguing that a hegemonic class exercises power over subordinate classes in civil society in addition to the state power that it exercises through its predominance in political society. For Gramsci, power is diffused through civil society as well as being embodied in the coercive apparatuses of the political society or the state (Simon, 1999: 83–84).

Gramsci’s conception of the integral state, like his other concepts, is derived from the philosophy rooted in the idea of Machiavelli’s Centaur—half animal and half human—to which Gramsci compares his concepts as dual perspectives, such as the level of force and of consent; authority and hegemony; violence and civilisation of the individual moment and of the universal moment; of agitation and of propaganda; of tactic and of strategy (Gramsci, 1971: 170, Q13§14; Joseph, 2002: 22; Hoffman, 1984: Ch.3). Therefore, the significance of the concept of the integral state is to confirm that in order to analyse a given social transformation, we should consider both the aspect of ‘force’ or coercion in political society and the aspect of ‘consent’ or hegemony in civil society at the same time. This is the outstanding idea of Gramsci that provides a comprehensive idea of the state in political analysis.

In short, this section analysed the Gramscian concept of the critique of economism in order to reject the ‘mechanistic explanation’ that is based on economic and material element but neglects other crucial factors and was held by some Marxists, especially Marxist thinkers of the Second International (Adamson, 1980: 112-120). Gramsci himself, in order to overcome economistic determinism, weighs more of his political analysis towards the superstructure. However, what is important is that Gramsci himself did not abandon the significance of political economy in his political analysis (Texier, 1979: 60; on Gramsci and critical economy see Kratke, 2011). Furthermore, in his conception of superstructure, he offers the two crucial terrains of political struggle—civil and political society—as the concepts of the integral state that are important as the point of departure in his analysis of social transition and as the grounding idea to grasp his conception of hegemony. The next section will deal with the concept of social forces as the agency of social change.
3. Man as the Maker of History: Social Forces as Protagonist of Change

It has been shown above that the way to conceive of ‘history’ in a Gramscian sense is that it means the anti-deterministic character of social change. In addition, it is a manner in which social relations in a given society are considered from both the ‘coercive and consent’ aspects of power through the integral state. This section will deal with the concepts of social forces/social classes/social groups and political strategies i.e. war of position and passive revolutions. These concepts are significant to understanding the social and political roles of ‘man’ as the history maker or the ‘agency of social transition’ in the form of ‘social forces’ in the Thai historical bloc.

3.1 Social Forces

Although Gramsci’s prison writings address various topics, the main aim of Gramsci is to discuss the problem of capitalist society and how to solve it. Gramsci’s unit of analysis in his political ideas in order to explain the capitalist society has been defined in various terms such as social forces, dominant class, subaltern, subordinate, or instrumental (Hoare and Nowell Smith, 1971: xiv; Landy, 1994: 21-26). In Gramsci’s writings, he usually refers to ‘social forces’ in a similar way to ‘social groups’ or ‘social classes’ and he uses them interchangeably (Green, 2002; 2012). Gramsci’s focus on the relation of each social force as political agencies in the politics of social transition is the central theme of this section. The purpose of this section is to examine Gramsci’s concept of social groups/social forces, the balance of class forces as strategies of war of position and passive revolution, and the analysis of situation. These Gramscian concepts are crucial because they provide spaces to see ‘fractions’ of class and their social contributions to the social transition of the Thai historical bloc.

3.1.1 Defining Social Forces

One of Gramsci’s major concerns in his political thought is the social relations of social groups and classes. He concentrates on this social relation rather than on individual behaviour. Gramsci’s concept of social classes consists of two main classes including the ‘dominant social class’ or the ruling class, and the ‘subaltern’, subordinate, or the dominated class. It is worth noting that Gramsci rarely uses the term ‘classes’ in his prison notebooks. More often, he prefers to use the term ‘social groups’ when he refers to
each social and political agency in order to avoid prison censorship\(^1\) (Nemeth, 1980: 86; Pozzolini, 1970: 67–75).

### 3.1.2 The Ruling Social Classes

In Gramsci’s thought, the dominant class is a group of people who can become a ‘state’ (Gramsci, 1971: 53, Q25§5), that is, the group of people who can maintain their force and consent over an entire set of socially dominated groups. Gramsci argues that the ruling class or the dominant class wishes not only to lead other groups or classes but also to dominate people. They want a new force independent of every compromise and condition to become the arbiter of the nation (Gramsci, 1971: 105, Q15§59).

In Gramsci’s historical context, the emergence of the ruling and the subaltern social groups/classes in Italy in the early nineteenth century was the result of capitalist economic development in Northern Italy and the effects of World War I (Gramsci, 1977: 135–141). The ruling class, in other words, the ‘proprted class’ in Gramsci’s idea is not the entire group of people within one class. Rather, the dominant class in Gramsci’s thought—considered in the terms of Poulantzas’ concept of class fractions (1973: 77–85)—consists of ‘three major’ fractions of the ruling class including the capitalist, the landlord, and the rural capitalist.

The capitalist class owns the means of production and exchange and possess the instruments of production (Donaldson, 2008: 5–6) and the source of their wealth is ‘profit’. The landowner class or the landlord holds ownership over land; therefore, the source of their wealth derives from rent. Donaldson (2008: 6) argues that both the capitalist and the landlord sometimes are in conflict with each other such as conflicts over tariffs. Relationships between these two ruling social classes were further strengthened by the emergence of the third propertied class, the rural capitalist or the petty bourgeoisie. Gramsci points out that this new class was different from the old landowner due to it receiving its profit less in the form of land rent and more in the form of surplus value. Investing in large tracts of land, rural capitalists relied on specialised equipment, scientific technique, fertilisers and wage labour to boost output per hectare, opening the way for the further penetration of finance capital into the countryside.

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\(^1\) See this thesis’s position on the difference between ‘social group’ and ‘social force’ in page 13 of chapter 1.
(Gramsci, 1978 cited in Donaldson, 2008: 6). Moreover, the interesting aspect of the rural or petty bourgeoisie is that they could join together through other social groups such as the national bureaucracy, state services, or the armed forces. They play an important role in influencing the peasantry to support the ruling classes in rural areas (Misra, 1991: 185).

### 3.1.3 The Subaltern Social Classes

Nevertheless, the more important social groups to which Gramsci pays attention in his political analysis are the ‘subaltern’ or ‘subordinate’ social groups/classes. Gramsci’s notion of the subaltern social group and the ruling group is similar to other Gramscian concepts that are unsystematic, scattered and diffused throughout his prison notebooks (Green, 2002: 2). Marcus Green (2002; 2012)—who is the pioneer in the field of Gramscian subaltern studies—explains that the Gramscian concept of the subaltern is rarely systematically presented in English because most Gramsci scholars usually refer to Gramsci’s selection from prison notebooks (1971) which contains few essays concerning the subaltern (Green, 2002: 1; 2012). Green argues that the most systematic concern with the subaltern in Gramsci’s prison notebooks was presented in notebook 25 in which he identifies *slaves, religious groups, women, people in different races, peasants, and proletariat* as subaltern social groups (Green, 2002: 2; Bellini et al., 2010: 15).

In Gramsci’s *Some Aspects of the Southern Question* (1926), his last writings prior to his sentencing by Mussolini’s fascist regime, he outlined some preliminary ideas about the subaltern social groups before later proposing this again in his prison writings. In *Some Aspects of the Southern Question*, Gramsci stipulates, throughout this short paper, that the subaltern social groups are to include ‘peasant and proletariat’ in a broader sense, including, e.g., metalworker, joiner, building worker, priest, and intellectuals (Gramsci, 1978: 441–462). In addition, Donaldson notes that the subaltern social classes in Gramsci’s thought were the ‘propertyless’ and the ‘common people’ who were constituted by their subjugation to the laws of capitalism, by their exclusion from the exercise of power and by their purposelessness (Donaldson, 2008: 8).

In short, the term subaltern/subordinate not only means the ‘oppressed social groups’ but also the groups which through their ‘lack of autonomy’ are subjected to the influence or hegemony of other social groups, and do not possess one’s own hegemonic position (Sassoon, 1982a: 16). Moreover, the subaltern social groups, for Gramsci, have no
history of their own in the sense that official historical documents do not notice them, or submerge them in the ‘master-narrative’ of the conquerors. From Gramsci's perspective, the subaltern cannot be considered separately from the totality of social relations at any specific historical conjuncture (San Juan, 2009: 4). This means that the subaltern should always relate to other social groups in any given political society.

For Gramsci, in any society any number of social groups could be the subaltern/subordinate classes, but the only two groups of people who should play the key role in the transformation of the state are the only two social forces who are essentially national and bearers of the future—the proletariat and the peasantry (Gramsci, 1978: 462). Following Gramsci, the proletariat or the worker is a person who is totally without property in terms of the means of production, is condemned to have no property, and is never likely to anyway. They are forced to become traders in their only property—their ‘labour power’ (Gramsci, 1977: 98-102; Marx, 1992: 98-104, 309-314). Workers/labourers are those employed in factories such as manual workers, clerical workers and technicians, as well as servants, coachmen, tram-drivers, railwaymen, waiters, road-sweepers, private employees, clerks, intellectual workers, farmhands, hodmen, cab-drivers and others, who together make up the whole ‘working class’ (Gramsci, 1977: 103-108; Donaldson, 2008: 15). The intrinsic power of the working class is that it is indispensable and irreplaceable and the most important factor of production. That the working class is the only source of surplus value means that it is the only class essentially and permanently revolutionary, the only class capable of reorganising production and therefore all the social relations that depend on the relations of production (Marx, 1992; Donaldson, 2008: 15).

Another key subaltern social force in Gramsci’s thought is the peasant. In fact, the peasantry itself can divided in to three types of peasant. Firstly, the rich peasants who owns their own land and gain benefit from ground rent and share cropping. Secondly, the middle peasants who generally produce for the market who make up the small holders who mainly consume what they produce, share-croppers, tenant farmers and sub-tenant farmers, husbandmen and herdsmen. Lastly, the poor peasant endures poverty and prolonged labour with much suffering and exists in a chronic state of malnutrition (Gramsci, 1978: 441-462; Donaldson, 2008: 10). In short, for Gramsci, the worker and the peasant need to be allied in order to challenge the hegemony of the ruling classes and establish their own historical bloc. Later, in his prison notebooks, Gramsci argues that the history of subaltern social classes is intertwined with civil society, and thereby,
with the history of the state and group of the state (Gramsci, 1971: 52, Q25§5). Moreover, he argues that the subaltern groups are always subject to the activity of ruling groups, even when they rebel and rise up (Gramsci, 1971: 55, Q25§2). This means that in order to analyse the subaltern social groups in the Gramscian sense, it is necessary to pay attention to the 'integral state' (as discussed above) both in the terrain of civil and political society altogether.

3. 2 Balance of Class Forces: War of Position and Passive Revolution

3.2.1 War of Position

In the social and political struggles of each social group a variety of strategies are utilised in order to acquire their goals. The importance of Gramsci’s idea appeared in the note on Political Struggle and Military War in which he describes how each social force to assert itself into the class struggle provides the crucial political strategy for each social group or the so-called the ‘war of position’ (on the study of metaphoric usage of ‘war’ in Gramsci see Egan, 2013). Gramsci argues that there are three types of war including war of movement (manoeuvre), war of position, and underground warfare (Gramsci, 1971: 229, Q1§134). The first two types of war are the only important ideas upon which analysis needs to focus at this stage. War of movement, according to Gramsci, is a kind of strategy that is appropriate where the state and civil society are less developed so that political power is more fragile, and mass trade unions, pressure groups and party organisations are not yet developed (Sassoon, 1982a: 16). This is not a suitable strategy for each social force being deployed as a major tool to gain a hegemonic position over other groups within society. While this war of movement in the sense of a violent struggle may still occur in order to take control of state power employing only war of movement is not sufficient nor can it be sustained to gain hegemony.

Hence, Gramsci offers an alternative perspective that the subaltern/subordinate group should employ in order to gain the hegemonic position, that is, the ‘war of position’ (Buci-Glucksman, 1980: 250–253; Jessop, 1990: 210). The war of position is a political strategy on the cultural front, metaphorically related to the military term. This strategy requires steady penetration and subversion of the complex and multiple mechanisms of ideological diffusion. The point of the struggle is to conquer one after another, all the agencies of civil society, for instance, the schools, the universities, the church, the mass media, and the trade unions. (Gramsci, 1971: 235, 342, Q13§24, Q11§12; Femia, 1981:
Moreover, Femia (1981) argues that the Gramscian notion of the war of position is the abandonment of the hallowed Bolshevik model. Gramsci placed much emphasis on distinction between the two types of social situations (see section below) as the organic and conjunctural dimensions of social change. Gramsci sees that the organic type of situation in social reality refers to the shift in the ‘balance’ of social and cultural forces, which corresponds to the war of position. Nonetheless, the conjunctural situation refers to the realm of contingency, to the momentary period of crisis in which political forces contend for the state power that is the arena of political combat and military confrontation; therefore, this is equivalent to the war of movement (Femia, 1981: 53).

3.2.2 Passive Revolution

Furthermore, Gramsci offers another concept that is helpful in explaining the relationship between the dominant/ruling social groups and the subalterne/subordinate forces, which is the conception of ‘passive revolution’. Gramsci was inspired by the concept of passive revolution from Vincenzo Cuoco (Hoare and Nowell Smith, 1971: 59 n.11). According to Gramsci, he develops the concept of passive revolution in order to take into account the phenomenon whereby a dominant class maintains its power by promoting its adversary’s weakness (Sassoon, 1982b: 130). In addition, he uses this concept of passive revolution in order to indicate the constant reorganisation of state power and its relationship to the dominated classes to preserve dominant class hegemony and to exclude the masses from exerting influence over political and economic activities (Carnoy, 1984: 76).

Passive revolution (in another formulation, ‘revolution-restoration’) is an attempt to promote change that is not based on a positive, concrete hegemony, and can be a technique or a programme for the bourgeoisie (Sassoon, 1987: 205). Passive revolution is a revolution without mass participation or a ‘revolution from above’, involving elite-engineered social and political reform while lacking a national popular base (Morton, 2010: 317, 2011; Thomas, 2006, 2013). Moreover, passive revolution can be a technique of statecraft which an emergent bourgeois class may deploy by drawing in subaltern social classes while establishing a new state on the basis of the institution of capitalism (Morton, 2010: 318; Sassoon, 1982b: 133; Buci-Glucksmann, 1979: 211–216; Schecter, 2007: 40–41).
The importance of Gramsci’s concept of passive revolution is that this concept is crucial in order to explain how the bourgeoisie or the ruling class survives in capitalist society even though there are political and economic crises. As Carnoy (1984) points out, the bourgeoisie attempts to employ a passive revolution strategy whenever its hegemony cannot deal with the need to expand the forces of production. Moreover, passive revolution is helpful to make explicit the difference between reformist and revolutionary politics, where Gramsci argues that ‘reformism’ is a version of the passive revolution (Carnoy, 1984: 77). The concept of passive revolution could be useful for this thesis as a theoretical tool to grasp the roles of the Thai ruling social groups during the period of study of the research.

This subsection on the ‘balance of class forces’ aims to argue that the dominant and the subaltern social classes are always antagonists and always attempt to ‘balance’ their class forces in order to establish and maintain their hegemonic position through various levels, moments, and strategies (Poulantzas, 2008: 166-171). War of position is a major strategy that the subaltern social groups possess and apply in their social and political movements. The ultimate target of this war of position is not the concrete spatial terrain in the military sense; rather, it is the ‘politics of superstructure’ that is going to conquer the ideological struggle in the sphere of civil society through various institutions. Class alliances among various social forces and fractions within classes could take place through this war of position strategy. Nevertheless, at the same time, the dominant/ruling class always maintains its power through the so-called tactic of ‘passive revolution’ in order to decrease, obstruct, or disunify the strength of the subaltern. This is the crucial attempt to prevent the subaltern social forces from challenging the power of the ruling class. In order to take advantage of the balance of social class, Simon (1999: 57) argues that in the political transition to socialism or a fairer society, the working class must have the character of ‘an anti-passive revolution’ on the basis of an extension of class struggles and build up a national-popular base so as to mobilise wider sections or groups of people in their political movement.

3.3 Gramsci’s Analysis of Relations of Force

In order to analyse social and political situations, Gramsci wrote in his note *Analysis of Situations. Relations of Force* that there are two types of situations that need to be distinguished. The first type is what Gramsci called ‘conjunctural phenomena’ which
appear as occasional, immediate, and almost accidental (Gramsci, 1971: 177, Q13§17). The term conjuncture is what Lenin used to call the current situation or the balance of political forces existing at the present moment (Simon, 1999: 43). The second type is organic movement or ‘organic situation’; this is relatively permanent and a crisis occurs sometimes lasting for decades (Gramsci, 1971: 177–178, Q13§17). Gramsci argues that a common error in historical-political analysis consists in an inability to identify the correct relation between what is organic and what is conjunctural. He concludes that the distinction between organic movements and conjunctural or occasional ones must be applied to all types of situations and not only with regressive development, but also to those in which there is progressive development (Gramsci, 1971: 178, Q13§17; Martin, 1993: 122–131).

As shown above, Gramsci defines two important kinds of situations that need to be analysed. This leads to the other important idea in the same note on Analysis of Situations. Relations of Force, which is the analysis of ‘relation of forces’, which Mouffe (1979) sees as one of the key texts for an understanding of the Gramscian concept of hegemony (Mouffe, 1979: 180). Gramsci categorises the relation of forces into two broad moments, which are 1) fundamental moment, consisting of the relation of social force, and 2) subsequent moments, comprising the most important relation of political force and politico-military force (Gramsci, 1971: 180–185, Q13§17; Adamson, 1980: 159–161; Joseph, 2002: 35–36; Morera, 1990: 150–151).

Regarding the fundamental moment, the relation of social force, Gramsci holds that this relation of social force is closely linked to the structure, objectives, and independent human will. This is the level of development of the ‘material forces of production’ which provides a basis for the emergence of various social classes and each one of which represents a function and has a specific position within production itself (Gramsci, 1971: 180–181, Q13§17). Following the subsequent moments, Gramsci argues that this includes the relation of political force and relation of military force. The political force is the most important moment that should be considered in order to understand the concept of hegemony (which will be discussed in the next section). Gramsci distinguishes this political moment into ‘three’ vital levels; the first level, the primitive economic level in which consciousness of a group’s own professional interests are expressed but not as yet their interests as a social class (Mouffe, 1979: 180; Gramsci, 1971: 181, Q13§17); the second level, the political economic moment in which the consciousness of class interests
is expressed, but only at an economic level; and the third and most important level of hegemony, which as Gramsci explains is that:

...in which one becomes aware that one's own corporate interests, in their present and future development, transcend the corporate limits of the purely economic class, and can and must become the interests of other subordinate groups too (Gramsci, 1971: 181, Q13§17)

For Gramsci, this is where the specifically political moment is situated and is characterised by an ideological struggle, which attempts to forge unity between economic, political intellectual, and moral unity and poses all the questions around which the struggle rages not on a corporate level but on a universal plane, and thus creates the hegemony of a fundamental social group over a series of subordinate groups (Gramsci, 1971: 181–182, Q13§17; Mouffe, 1979: 180). In addition, the last moment—military force—is, according to Gramsci, the decisive moment. There are two different levels of relations of military force that are purely military and politico-military. Gramsci sees that this type of relation of force is a relation involved in a State's military oppression of a nation seeking to gain its national independence, in which, according to Gramsci, the combination between purely military and politico-military is required in order to receive national independence (Gramsci, 1971: 183, Q13§17; Howson, 2006: 18-22).

The important point of this Gramscian notion of the relation of forces is, as Simon argues, that the subaltern/subordinate class needs to transcend and overcome the economic-corporate phase and succeed in combining the interests of other classes and social forces with its own interests in order to be a hegemonic one (Simon, 1999: 36, emphasis added). In short, these of Gramsci’s arguments on the analysis of relations of force, as shown above, are the crucial point to create a framework to analyse social and political interactions of social forces in Thai political economy. The section below will deal with the concept of hegemony and historical bloc as two central concepts of the configuration of social power.

4. CONFIGURATION OF SOCIAL POWER: HEGEMONY AND HISTORICAL BLOC

As was explained in the first chapter, this thesis is a study of the politics of social transition in Thailand analysing social forces as protagonists of social change. Two
sections above have examined the paths to social transition in the non-deterministic sense and provide analysis of the concept of agency behind change in the form of social forces/social groups/social classes. In this section, discussion will focus on two of the central concepts of Gramsci’s writing—hegemony and historical bloc. These two important notions will be helpful in order to consider the configuration of social power between the dominant and the subaltern social groups in Thai political economy.

4.1 Hegemony

Hegemony has become the most notable theoretical and political term of Antonio Gramsci. Gramsci and Hegemony become synonymous and many books have been written on this subject (Joseph, 2002: 19; Thomas, 2013). This concept is the centre of several of Gramsci’s ideas in order to understand the ‘relations of social classes’ in modern capitalist society. As mentioned above, in order to grasp Gramsci’s conception of hegemony, it is necessary to struggle with some of Gramsci’s basic theories that are all connected and related to the concept of hegemony. This section will begin with the definition of the term hegemony and the various ways in which Gramsci employed the concept. Lastly, the section moves on to discuss Gramsci’s idea of historical bloc, which is closely linked to the concept of hegemony and is vital to understand contemporary Thai politics, which will be discussed later.

4.1.1 Hegemony before Gramsci

The concept of hegemony, in fact, is not an original idea that emerged in Gramsci’s thoughts. Rather, hegemony has been ascribed a number of meanings and used in various ways throughout different periods and historical circumstances. Fontana (2006: 24–27) argues that the concept of hegemony can be traced back to the ancient Greek period. Hegemony, in ancient Greece, generally means the pre-eminence or supremacy that a state, social group or even an individual may exercise over others. Later, hegemony has been known as ‘gegemoniya’, one of the most central political slogans in the Russian Social Democratic movement from the late 1890s to 1917. The idea first emerged in Plekhanov and Axelrod in the late 1880s where the concept concentrated on the necessity for the Russian working class to wage a political struggle against Tsarism (Anderson, 1976–77: 15; Anderson, 1979: 79; Bates, 1975: 352; Laclau and Mouffè, 2001: ch.1; Ransome, 1992: 133; Joseph, 2002: Ch.2; Hoffman, 1984: 52).
In addition, Lenin—as Gramsci always credits him as the great theoretician of the philosophy of praxis (Haug, 2000:2)—used the term ‘gegemoniya’ in various writings when discussing how the proletariat should assume a leading or hegemonic role in the bourgeois democratic struggle against Tsarist absolutism (Femia, 1981: 25 Fontana, 2006: 26). However, Hoffman (1984) argues that Lenin's concept of hegemony was central in ‘What is to be Done?’ in which he emphasises the role of party and posits that the proletariat must be the leader in the struggle of the whole people for a fully democratic revolution. Hoffman concludes that, for Lenin, the concept of hegemony implied the organised and disciplined proletarian leadership of a broadly based movement extending to all classes and strata so that the vanguard party acts as a tribune of the people (Hoffman, 1984: 52). In short, hegemony in the sense of the Russian Social Democratic movement and in Lenin has a purely instrumental, strategic significance, but there is no room for the cultural and ideological aspects in their concept of hegemony.

4.1.2 Gramsci's Hegemony

As mentioned above, the concept of hegemony is not an entirely new concept, however it was used in various senses before Gramsci. Nevertheless, there is at least an aspect that makes Gramsci's concept of hegemony distinct to his predecessor. That is the injection of cultural, moral, and intellectual emphasis in his perspective (Hoffman, 1984: 55). Gramsci’s hegemony is the developed form of the previous usage in the Russian Social Democratic movement. Although the concept of hegemony in Gramsci had been the most developed in his prison notebooks, Boothman (2008), Muffe (1979: 178), Clark (1977: 225), and Santucci (2010: 103–104) argue that there has been an attempt to provide a basic idea of the concept in his pre-prison writings at Ordine Nuovo (1919–1920) and more clearly stated in Some Aspects of the Southern Questions (1926) where Gramsci states that:

The Turin communists posed concretely the question of the ‘hegemony of the proletariat’: i.e. of the social basis of the proletarian dictatorship and the worker’s state. The proletariat can become the leading (dirigente) and the dominant class to the extent that it succeeds in creating a system of alliances which allows it to mobilise the majority of the working population against capitalism and the bourgeois state. In Italy, in the real class relations which exist there, this means to the
extent that it succeeds in gaining the consent of the broad peasant masses. (Gramsci, 1978: 443;)

Hegemony in this sense (pre-prison) is a political alliance, but later, in his prison notebooks, hegemony becomes a complete ‘fusion of economic, political, intellectual, and moral objectives’ which will be brought about by one fundamental group and groups allied to it through the intermediary of ideology (Mouffe, 1979: 178–181). Furthermore, in his prison notebooks, Gramsci discusses various topics on the concept of hegemony. The following passage shows a quite straightforward definition of hegemony:

What we can do, for the moment, is to fix two major superstructural ‘levels’: the one that can be called ‘civil society’, that is the ensemble of organisms commonly called ‘private’, and that of ‘political society’ or ‘the state’. These two levels correspond on the one hand to the function of ‘hegemony’ which the dominant group exercises throughout society and on the other hand to that of ‘direct domination’ or command exercised through the state and ‘juridical’ government. The functions in question are precisely organisational and connective. The intellectuals are the dominant group’s ‘deputies’ exercising the subaltern functions of social hegemony and political government (Gramsci, 1971: 12, Q12§1*).

As mentioned in this passage, Gramsci shows that hegemony is not an isolated concept, but it is a concept that is always related to other concepts. As explained earlier in this chapter in the analysis of the relationship between civil and political society, hegemony will emerge in the terrain of superstructure because of the leading roles of intellectuals (Gramsci’s concept of intellectual will be provided in the historical bloc section below). Intellectuals as an organiser of hegemony and historical bloc will play vital roles to articulate each social force and combine the collective will of each force as unity in a given period.

It is worth noting that, in fact, Gramsci himself never provides a systematic meaning of the term hegemony; however, in order to provide the most general meaning of Gramsci’s hegemony, it is necessary to follow Gwyn A. Williams (1960) who argues that hegemony seems to mean a socio-political situation, in his terminology a ‘moment’ in which the philosophy and practice of a society fuse and are in equilibrium, an order in which a certain way of life and thought is dominant, in which one concept of reality is diffused throughout society in all its institutional and private manifestations, informing
with its spirit all taste, morality, customs, religious belief, and political principles, and all social relations, particularly in their intellectual and moral connotation (Williams, 1960: 587).

Following the general definition of hegemony summarised by Williams, Gramsci’s concept of hegemony has two crucial aspects worth considering, that is, firstly, the unity between philosophy and practice, and second, Gramsci’s notion of common sense. Concentrating on the first important aspect of hegemony is that it is based on what Gramsci called ‘the philosophy of praxis’—the combination of philosophy and practice of the concept—as stated in the following passage:

Critical understanding of self takes place therefore through a struggle of political ‘hegemonies’ and of opposing directions, first in the ethical field and then in that of politics proper, in order to arrive at the working out at a higher level of one’s own conception of reality. Consciousness of being part of a particular hegemonic force (that is to say, political consciousness) is the first stage towards a further progressive self-consciousness in which theory and practice will finally be one. Thus the unity of theory and practice is not just a matter of mechanical fact, but a part of historical period (Gramsci, 1971: 333, Q11§12).

Gramsci means philosophy is identical with history and politics (Nemeth, 1980: 83–86). This aspect of hegemony shows that the ultimate aim in Gramsci’s philosophy of praxis is to combine philosophy—including the sphere of history and politics, in other words, the sphere of human actions and social relations—and practical political activities (Loftus, 2013: 183; Haug, 2000; Joseph, 2002: 27). Gramsci’s hegemony provides the picture of the combination between ideas, ideology, thought, and consciousness on one hand, and materials and practical movement on the other.

Secondly, another crucial aspect of hegemony is the Gramscian notion of the critique of common sense. According to Gramsci, ‘common sense’ is the ‘philosophy of non-philosophers’, or in other words, the ‘conception of the world’ that is uncritically absorbed by the various social and cultural environments in which the moral individuality of the average man is developed (Gramsci, 1971: 419, Q11§13). In analysing ways of thinking and acting, Gramsci uses a variety of terms, but many of these are equivalent, for example, ‘philosophy’, ‘ideology’, ‘conception of the world’, ‘mode of thought and action’, and ‘world view’. All of these terms refer to the general way of thinking and acting which
determines the specificity of a social class, social group, or historical formation (Robinson, 2005: 473; see more discussion on Gramsci's common sense in Liguori, 2009; on Gramsci's conception of the world see Wainwright, 2013).

Common sense is the conception of the world that is established by the ruling class in order to secure the ‘class interests’ and control subaltern’s worldviews (Bocock, 1986: 46; Green, 2006: 284-300). This process of building common sense operates through the functions of intellect in the sphere of civil society. The vital point is, according to Gramsci, that in order to become autonomous and be able to change the existing social relations, the subaltern/subordinate groups need to ‘develop a new conception of the world’ that is not dependent on ruling class ideology (Robinson, 2005: 473). To overcome hegemonic common sense, the subaltern needs to replace it with what Gramsci called ‘good sense’ or a new conception of the world raised by the autonomy of subaltern classes in order to raise the intellectual level of the people (Gramsci, 1971: 340, Q11§12; Greaves, 2009: 172; Green, 2006).

In conclusion, although there are a number of ways to identify Gramsci’s hegemony, this thesis argues that there are two major important senses of Gramsci’s hegemony that will be usefully employed to analyse Thai politics. Firstly, Gramsci uses the concept of hegemony in the sense denoted as consensual and ideological, as opposed to coercive/force, as the basis of all political systems (Bellamy and Schecter, 1993: 112; Femia, 1981: 24; Anderson, 1979: 79). Secondly, it is in the sense of ‘intellectual and moral leadership’ which concentrates on aspects of cultural and educative tasks (on Gramsci and critical education in various views see Borg et al., 2002) of the party and ultimately the revolutionary state in the formation of coherent moral awareness and political will amongst the proletariat in order to ‘overcome’ the economic-corporate level of people’s consciousness (Bellamy and Schecter, 1993: 112; Femia, 1981: 24; Adamson, 1980: 171).

### 4.2 Historical Bloc

Along with the concept of hegemony, Gramsci’s notion of historical bloc is closely related to the concept of hegemony (Landy, 1994: 49). It is very crucial to understand social transition in the Gramscian sense. The term historical bloc can be defined so as to describe the complex way in which classes and fractions of class are related in society.
and in the complicated relationship between economic, political, and cultural aspects of reality (Sassoon, 1982a: 14; Joseph, 2002: 31–32). According to Gramsci:

> Structures and superstructures form an “historical bloc”. That is to say the complex, contradictory and discordant ensemble of the superstructures is the reflection of the ensemble of the social relations of production. From this, one can conclude: that only a totalitarian system of ideologies gives a rational reflection of the contradiction of the structure and represents the existence of the objective conditions for the revolutionising of praxis; the conception of historical bloc in which precisely material forces are the content and ideologies are the form, though this distinction between form and content has purely didactic value, since the material forces would be inconceivable historically without form and the ideologies would be individual fancies without the material forces (Gramsci, 1971: 366, 377, Q10§12, Q7§21).

Gramsci’s idea of historical bloc provides the comprehensive understanding of the complex relation among the political, social, cultural and economic elements. This concept of historical bloc is the evidence to show that Gramsci himself was a Marxist who never neglected the matter of the structure or material forces of production, even though his major concentration was on the cultural and ideological elements of the superstructure.

In addition, Sassoon (1987) argues that historical bloc is the site joining together two levels of analysis, the first, theoretical, in which the concept helps to describe the relationship between two areas of abstract reality—base and superstructure—in order to concretise in the description of the linkage of these two areas in real society. The second use of the concept, Sassoon argues, is the crucial part of the analysis of the concrete social formation. Gramsci’s conception of historical bloc shows the way in which various social classes and fractions of class are related in a situation in which implicitly one mode of production is dominant but articulated with other modes of production. Furthermore, it must be emphasised whether the way in which a given historical bloc is articulated is organically related to the ability of a new, progressive class to construct an alternative historical bloc (Gidwani and Paudel, 2013: 275; Short, 2013). In short, historical bloc describes the configuration of power in which different social forces relate to each other in a particular time frame (Sassoon, 1987: 121; Joll,
The next section will provide another crucial idea; Gramsci's concept of intellectuals as the organiser of the historical bloc.

4.3 Gramsci's Conception of the Intellectuals

It could be argued that Gramsci was really the first Marxist to confront the problem of intellectuals directly, as a theoretical issue (Boggs, 1984: 220). Intellectuals from Gramsci’s perspective are different from the common definition, which usually refers to a person possessing or supposed to possess superior powers of intellect (Crehan, 2002: 131). Rather, Gramsci sees intellectuals both in individuals and the ensemble of the system of relations (Crehan, 2002: 133). Sassoon (1982a: 14) provides the general meaning of Gramsci’s uses of the term intellectuals to indicate all those people who have an organisational or ideological-cultural role in society, e.g. school teachers, factory technicians and managers, civil servants, social workers, university professors, and journalists.

For Gramsci, intellectuals have a responsibility in society to ‘produce knowledge’ and/or to instil that knowledge into others. Gramsci states that ‘all men are intellectuals, one could therefore say: but not all men have in society the function of intellectuals’ (Gramsci, 1971: 9, Q12§3). This is important because the point Gramsci is concerned with is the ‘function of intellectuals’ as he stated that:

The most widespread error of method seems to me that of having looked for this criterion of distinction in the intrinsic nature of intellectual activities, rather than in the ensemble of the system of relations these activities have their place within the general complex of social relations (Gramsci, 1971: 8, Q12§1*).

Generally, intellectuals in Gramsci play the role to ‘transform’ the incoherent and fragmentary ‘feelings’ of those who live in a particular class position into a coherent and reasoned account of the world as it appears from that position. Intellectuals also have the job of producing knowledge, but knowledge must be based on a genuine understanding of the conditions of life experienced by the popular element (Crehan, 2002: 130–131). In addition, another important function of the intellectual is to be an organiser of the mass of men in both the terrain of production in order to gain the confidence of investors in a given business and customers in the product (Gramsci, 1971: 5, Q12§1*), and the terrain of superstructure in order to exercise ‘consent’ of the
great masses of the population to the general direction (Gramsci, 1971: 12, Q12§1*) towards the aim of building their own historical bloc and challenging the dominant hegemony of the ruling class. Further, intellectuals in Gramsci are the social actor who combine theory and practice (Landy, 1994: 30).

The crucial aspect worth noting here is that in Gramsci’s thought there is a link between the emergence of intellectuals and the socio-economic base. He advances this idea in *Some Aspects of the Southern Question* (1926) by distinguishing three social levels including, *firstly*, the ‘great amorphous, disintegrated mass of the peasantry’ who do not produce their own intellectuals because the mass is incapable of giving a centralised expression to their aspirations and needs. *Secondly*, the intellectual of the petty and medium rural bourgeoisie and *thirdly* the big landowners and great intellectuals (Gramsci, 1978[1926]: 454–455). This leads to the conclusion by Crehan (2002: 137) that there is a close link between economic realities and intellectuals, which is that the rise of the new social classes is associated with the emergence of new types of intellectuals.

Regarding aspects of different types of intellectuals in Gramsci’s thought, it can be seen that Gramsci himself distinguishes intellectuals into two different types, organic and traditional. Sassoon (1987: 138) argues that there are two elements that define certain groups of intellectuals as organic. The first is to consider that they belong as a category to the same historical time as a new class that creates and elaborates them. Secondly, these intellectuals give this class ‘homogeneity’ and awareness of its own function not only in the economic, but also in the social and political field. Furthermore, Crehan (2002) argues that Gramsci uses the term ‘organic’ to describe any relationship he saw as fundamental and structural, not merely fortuitous. Therefore, following Crehan, ‘organic intellectual’ in Gramsci are those with fundamental, structural ties to particular classes (Crehan, 2002: 137). In addition, organic intellectuals are those specialists who functioned more or less directly in the interests of a specific class. For the capitalist class, these included political economists and industrial technicians whose concrete tasks were of sufficient rank in the economic division of labour to permit them an ‘organisational role’ over others. Gramsci designates the status of organic intellectuals as *cultural leaders* in that they are in the peculiar position to promote the *collective needs* of a class (Martin, 1998: 74; Boggs, 1984: 220–227).
On the contrary, another strain of Gramsci’s thought on the intellectual is the ‘traditional intellectual’, which is the intellectual that no longer functioned ‘organically’ as an existing class and granted them a certain ‘autonomy’ by which they could present themselves as being above class interests. This category of intellectuals included ecclesiastics and academics whose distance from the technical functions of an economic group permitted them a seemingly ‘cosmopolitan’ status over and above social movements. However, their status as bearers of ‘universal’ rather than ‘particular’ interests belied their actual tendency to complicity with sections of the ruling class (Martin, 1998: 74).

To sum up, this section provides two central concepts in Gramscian political thought, that is, the conceptions of hegemony and historical bloc. Preliminary concepts which were analysed earlier, such as the concept of the critique of economism, ideas of the relation between structure and superstructure, and social forces and relations of forces are all important for understanding the concept of hegemony and historical bloc. This chapter argues that historical bloc—the combination between the structure and superstructure—is the main aim for the dominant social groups to construct in a given historical period. In order to achieve that historical bloc, each social group under leading roles of their political agency, the intellectuals, need to challenge the dominant ideology, in other words, the existing common sense, by building hegemony and uniting the fragile interests of each social group into the ‘collective will’ of a given social group (on Gramsci and the concept of will see Coutinho, 2000, 2013).

5. THE ROUGH TRANSITION: CRISIS OF AUTHORITY AND UNFINISHED SOCIAL TRANSFORMATION

History of social class struggles in a given political society could normally lead to the clash between the dominant and subaltern social forces. Class antagonism always exists in a capitalist society and if it last for a long period then it shows the character of structural instability of that society and leads to a crisis. This section addresses another main feature of contemporary Thai political economy—*history, crisis, and transition*—that is the crisis of hegemony/crisis of authority.
5.1 Crisis of Hegemony

One of the most significant political concepts of Gramsci is that he sees the relationship of each social force in reality from a ‘dialectical perspective’. Hegemony of the dominant social class and current historical bloc do not always last forever. Nevertheless, hegemony and historical bloc could be in a situation called ‘crisis’—challenged from other subaltern social groups—and the replacement of hegemonic position could take place at any chance. Gramsci himself uses the term ‘crisis’ interchangeably among organic crisis, crisis of hegemony, crisis of historical bloc, and crisis of authority (Salamini, 1981: 59). Gramsci provides a general idea about the crisis of authority as shown in the passage below:

In every country the process is different, although the content is the same. And the content is the crisis of the ruling class’s hegemony, which occurs either because the ruling class has failed in some major political undertaking for which it has requested, or forcibly extracted, the consent of the broad masses (war, for example), or because huge masses (especially of peasants and petit-bourgeois intellectuals) have passed suddenly from a state of political passivity to a certain activity, and put forward demands which taken together, albeit not organically formulated, add up to a revolution. A ‘crisis of authority’ is spoken of: this is precisely the crisis of hegemony, or general crisis of the state (Gramsci, 1971: 210, Q13§23*).

Following Gramsci, the crisis of authority could take place in two ways. Firstly, the ruling class can lose the consensus of their power over other social groups, and secondly, rather than from a weak dominant class the subaltern/subordinate social groups can overcome political passivity and begin to articulate their own demands to the ruling class (Reed, 2012). In addition, Salamini (1981: 59) argues that organic crisis in Gramsci occurs as a result of contradictions which accumulate over time within a specific historical bloc, offsetting the institutionalised equilibrium of forces.

Moreover, Gramsci offers an important idea that is beneficial for understanding contemporary Thai politics in the passage below:

The ‘crisis of authority’– if the ruling class has lost its consensus, i.e. is no longer ‘leading’ but only ‘dominant’, exercising coercive force alone, this means precisely that the great masses have become detached from their traditional
ideologies, and no longer believe what they used to believe previously, etc. The crisis precisely in the fact that *the old is dying and the new cannot be born*; in this interregnum a great variety of morbid symptoms appear. (Gramsci, 1971: 275–276, Q3§34, emphasis added).

The *crisis of authority*, in other words the crisis of hegemony and historical bloc, occurs when the common sense that dominated the subaltern is no longer working. It is a situation in which the subaltern social forces under the leading and organising roles of the intellectuals of each social force could challenge the existing conception of the world. Nonetheless, as Gramsci writes *‘the old is dying and the new cannot be born’*; the situation of hegemonic crisis is a circumstance of the society in which confusion occurs because there is no obvious hegemonic position among social forces during the time of crisis.

5. 2 Hegemony, Historical Bloc, and Crisis of Authority: Dialectical Relations

The importance of Gramsci’s political ideas is that all concepts are related and significant to understanding each other. As is mentioned above in this chapter, Gramsci’s concept of hegemony is a central idea of his political thought. As Morton (2007: 97) argues, the existence of hegemony is necessary for the emergence of a historical bloc. In addition, hegemony is inextricably tied to the notion of historical bloc (Landy, 1994: 49). The concept of historical bloc as discussed earlier is the dialectical relationship between base and superstructure at a particular historical moment. Moreover, it is a theoretical tool to grasp the complex way in which social classes and fractions of class are related in society and the complicated relationship between economic, political, and cultural aspects of reality (Sassoon, 1982a: 14; Joseph, 2002: 31–32).

Hegemony is a moment of power (see discussion on relations of force in section two) that each social class/group/force aims to achieve. Hegemony is significant to both the dominant social class and the subaltern in order to construct their own historical bloc, in other words, the *‘hegemonic bloc’*. The formation of the hegemonic bloc—the historical bloc of the dominant social class—has to build upon the conquering of both economic base and ideological superstructure. Following Gramsci, the intellectuals would play the crucial roles in order to organise and gain consent from various social groups. The leadership of the ruling class in its hegemonic bloc is established and maintained by
both state and hegemonic apparatuses in the terrain of ideological superstructure. Moreover, social relations of production in the structure should be controlled at the same time. While the dominant social groups are in a hegemonic position, they will use the strategy of so-called ‘passive revolution’ or the politics of reform to obstruct and prevent any insurgencies from other social groups. Conversely, the hegemonic bloc’s stability at each historical moment could be contested through the power of other social classes. In order to balance the dominant power, the subaltern should, following Gramsci, employ the strategic movement of the so-called ‘war of position’ to conquer the sphere of superstructure over various subordinate social groups.

As mentioned earlier in this chapter, Gramsci himself sees social reality in a dialectical way and is against the deterministic idea of social transition. Therefore, the hegemonic bloc of the ruling class may feasibly be destroyed and replaced by an alternative hegemonic bloc of the ‘new dominant social class’. The clash between the hegemonic group and the challengers paves the way to the condition referred to as the ‘crisis of historical bloc’ or the ‘crisis of hegemony’ which could take place due to two major reasons; either the ruling class loses the consensus behind their power over other social groups or the subaltern/subordinate social groups overcome their political passivity and begin to articulate their own demands to the ruling class. The crisis of historical bloc opens up chances for each social force to challenge and balance their class power/class interests with the hegemonic class and attempt to construct an alternative hegemonic bloc. It is argued here that these relationship between hegemony, historical bloc (hegemonic bloc), and crisis of authority is crucial to understand in order to portray the configuration of social power among social groups in the Thai historical bloc. The last section below will explain the way in which all these Gramscian political theories are to be employed towards contemporary Thai political economy.

6. CONCLUSION: EMPLOYING GRAMSCIAN THEORIES TOWARDS CONTEMPORARY THAI POLITICS

In order to cope with the question of ‘how to apply’ these Gramscian theories towards contemporary Thai politics, this section will begin with Gramsci’s notion of the ‘critique of economism’ as a general perspective to frame the social transformation in Thailand, especially over the recent decade. Under Gramsci’s non-deterministic framework of social change, it is argued here that political conflicts that emerged from late 2005 in
Thailand were not an automatic social transition. Rather, they had been constituted by the interconnections among social forces. Following Gramsci’s solutions to the problem of economism or economic determinism— theories based on economic matters that neglect the importance of other elements—the concept of ‘relationship between structure and superstructure’ is employed here because it is helpful for the analysis of social transition in Thailand in order to provide theoretical spaces for other factors in the sphere of superstructure, e.g. ideology, philosophy, and culture. However, it should be noted that political economy is still important along with other factors in the analysis of Thai political economy. The thesis will analyse the importance of political economy in its constitution of social groups in all chapters alongside consideration of ideological-cultural struggles.

In addition, one of Gramsci’s many significant ideas is the concept of the ‘integral state’—civil society + political society. The idea of the integral state offers the combination between ‘force and consent’ and ‘authority and hegemony’. This idea offers a more comprehensive framework than some traditional frameworks in order to provide room for an integrated analysis of the apparatuses of hegemony and coercion. Regarding the aspect of ‘agencies’ of social and political change, this study will employ Gramsci’s views of social forces in which he sees each social groups/classes as fractions of broader social classes. The significance of this idea is to provide a non-static view in order to perceive the relationship among each social actor. Gramsci’s notions of ‘dominant and subalter’ groups will be applied to categorise and conceive of class fractions in Thai political economy. Then, each social force or fractions need to ‘gain its own interests’; therefore, this thesis brings Gramsci’s ideas of ‘relation of forces’ (which includes other related strategic concepts such as the concept of ‘war of position’ and ‘passive revolution’) to create a framework to explain the relationship and power configuration of several social forces in Thai political economy. War of position will be employed as a strategy for subaltern social groups in order to win consent over other groups of people; on the contrary, passive revolution is a political strategy that the dominant or ruling class uses as a method to exclude people from politics. These Gramscian concepts will be used in all chapters throughout this thesis.

Among the basic ideas, as shown earlier, the central theme of this perspective is the conception of ‘hegemony and historical bloc’. The main aim of each social force is to construct its own historical bloc—in order to secure its own class interest in both political economy and ideological-cultural senses—which combines the conquest of
economic matters in structure and ideological sphere in superstructure at a specific time in history. In order to achieve this goal, intellectuals (as individuals, groups, parties, institutions) of each social force will play the leading roles to build hegemony by constructing their own ‘common sense’ or ‘collective will’ over other social groups. In addition, as Gramsci sees social relations dialectically, a given hegemony and historical bloc led by any ruling social groups could inevitably be contested by other competing social forces. The concept of the crisis of hegemony provided in the last section—in which the old is dying and the new cannot be born—will lead to the conclusion of this study in chapter eight. In short, all these Gramscian concepts provide pathways to analyse power relations of each social actor in contemporary Thailand and are helpful to open up the more comprehensive perspective which concentrates on the complex relationship of political, economic, ideological, and cultural factors in political analysis.
CHAPTER 4
THE ‘OLD’ HISTORICAL BLOC: POLITICAL ECONOMY AND
IDEOLOGICAL FEATURES

1. INTRODUCTION

This research argues that Thailand’s political crisis over the recent decade should be
historicised by considering various historical features of the modern political and
economic development of the Thai state since the late 1950s. The ‘old historical bloc’, in
other words, the Thai state, from the late 1950s to the 1997 crisis was constructed in
terms of political economy by the powerful authoritarian ‘Sarit government’ along with
the ideological cohesive role of the ‘royalist-nationalist’ ideology. This chapter is divided
into two parts; part one addresses the changing conditions of the political economy of the
Thai state since the post-1932 revolution. In addition, it also provides the general
picture and economic nature of four major social classes in the old historical bloc as a
basis for understanding the politics of social transition in the following chapters. Part
two provides analysis of the hegemonic ideology of ‘royalism-nationalism’ that was
constructed during the Phibun and Sarit eras of the 1940s and the 1950s. This ideology
configures the ‘mode of thought’ of social forces and coheres all social forces as a
historical bloc. This ideology limited the social relations of each social force within the
‘economic-corporate’ phase because they never contested the governing regime but rather
economic interests.

PART ONE—POLITICAL ECONOMY AND SOCIAL FORCES IN THE ‘OLD’ HISTORICAL
BLOC

2. CHANGING IN STRUCTURAL CONDITIONS OF THE ‘OLD’ HISTORICAL BLOC

The crisis-ridden transition of the Thai state between 2006 and 2010 has been, to some
extent, an inheritance of the history of the old historical bloc. Changing structural
conditions of Thailand’s political economy since the 1932 revolution led to the

1The absolutist regime of King Prachadhipok (Rama VII) was overthrown by the People’s Party
(Khana Ratsadon), a combined group of young blood civilians and military, on 24 June 1932.
The revolution was the crucial point of departure for the new era in modern Thai politics which
was entirely different from the ancient regime as the supreme power no longer belonged to the
absolute monarchy, but rested with ordinary people (Batson, 1985; Nakarin, 1992; Charnvit,
2001; Nattapol, 2008, 2010, 2013). However, Thailand did not transform itself to become a
emergence of various social forces in the Thai state. However, modernisation projects of the Thai state, especially a great leap from 1957, led to two major features of the Thai historical bloc; the reinforcement of the bureaucratic state and socio-economic disparities. These two main characters of the Thai historical bloc collapsed and were restructured in the post-1997 economic crisis. This section will deal with changing conditions of political economy that constituted social forces in the old historical bloc from the 1932 revolution to the pre-1997 economic crisis. The section posits itself as a platform to grasp social relations among social forces in the next section.

### 2.1 Nationalist Political Economy: 1932-1957

Siam, from 1932 to 1957, had been regulated by the radical right nationalist projects led by Field Marshal Plaek Phibunsongkram (Phibun). In terms of political economy, Phibun’s government, through the period of World War II, employed ‘economic nationalism’ as a major framework and proposed the national agenda of ‘made by Thai, used by Thai and with Thai labour’ to Thai society to strengthen national unity (Pasuk and Baker, 1997: 118-120; Schmidt, 1993). During this period, the rightist government established a huge number of state enterprises—as part of their nationalist projects—in order to compete with rising Chinese and Western merchants from the early 1900s. A number of state factories emerged during the Phibun era to compete with foreign capital such as cigarettes, matches, lighters, glass, beer, textiles, paper, rubber products, and sugar (Hewison, 1988: 69, 71).

The anti-Chinese policy of the Phibun government limited Chinese entrepreneurs from competing in various key business sectors by preserving jobs for Siamese/Thai. They accommodated themselves to survive this political-economic circumstance by forming their business alliances with the military top men. These alliances laid the foundation for ‘business-bureaucrat’ relationships that existed throughout the economic development of the Thai state and this pattern of relationship would later dominate the old historical bloc in the post-1960s period.

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*This subject will be dealt with in chapters five and six.

*Siam had been governed by an absolute monarchy for more than seven hundred years within three periods—the Sukhothai, Ayudhaya, and Bangkok eras. For historical background on ancient Siamese politics see Kullada, 2004; Chaiyan, 1994.
In terms of social relations of the Siamese/Thai state in this era, the monarchy and royal family were not a dominant social group in the country. King Rama VIII (the present king at that time) and King Rama IX in his earlier stage had been removed from their social, political, and ideological functions by the fascist Phibun regime through various means, for instance, the freezing of many ancient royal rituals and the promotion of himself as an absolute leader whom the people should depend on.

Therefore, under the rightist authoritarian circumstances between 1932 and 1957, the ruling social classes that govern the Thai historical bloc had been the authoritarian military faction led by Field Marshall Plaek and some military cliques. However, regarding the subaltern social groups, the peasantry were the major social force in terms of mass even though agricultural economic activity began declining in national economic importance. Vice versa, the number labourers who worked in state-owned industries was rising (Warr, 1993: 62). What is interesting in this era is that the capitalists, especially the Chinese capitalists, were suppressed under the nationalist political economy of Phibun’s government. It was not until the post-1957 period that the Chinese capitalists had successfully established themselves as a major capitalist social group and dominated the Thai state along with the rising bureaucrats as the middle class.

2.2 Americanism and Modernisation: 1957 - the 1990s

The crucial milestone that marked a significant change in modern Thai political economy emerged after the 1957 military coup against the rightist Phibun government led by Field Marshal Sarit Thanarat. In a period of five years, Sarit established the so-called ‘Sarit regime’ that can be described as the rule of despotism. Massive transformations in politics, economics, and social development had taken place in Thailand’s historical bloc in this era under the stream of Americanism and international organisations e.g. the World Bank. Field Marshall Sarit once gave a speech in which he stated that ‘we should not follow the Western democracy. We are Thai, so we should have a Thai style Democracy’ (Connors, 2007: 34-52; Thak, 2007: 102). The authoritarian

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1 The country changed its name from Siam to Thailand by the enforcement of the Statist Act no. 1 in 1939.
2 The ‘Thai-style’ democracy of Sarit was entirely contrary to the universal known democracy, it was, actually, despotism and combined with paternalism. This combination of two features is called by Thak (2007) as a ‘despotic paternalism’, which was the social relationship that centralise of all power to the leader, provided some concrete economic benefit to nation’s people and claim that the government took care of people like a ‘father-son’ relationship (Thak, 2007: 111-145).
Saritism was secured by exercising ‘force’ through a number of state apparatus’ centralised around Sarit by the ‘Article 17’ of the 1959 temporary Constitution which provided absolute power to the Prime Minister. Under Article 17, Sarit could operate everything without permission from parliament. A consequence of the usage of Article 17 was the elimination of political opposition by labelling them as communists and decisively punishing them (Kobkua, 2003: 54–58).

In addition, along with maintaining force, Saritism also created a paternalistic character of the Sarit government via various hegemonic projects such as the decreasing in fares of electricity and water, providing free transportation, and lowering prices in various markets by the government in order to reduce the cost of living for Thai people. Moreover, one of the most admired policies was a social policy that maintained order. Saritism had banished beggars, prostitutes, tri-cycle taxis, hooligans, and local godfathers to build, what they called, a ‘well-ordered’ society (Thak, 2007: 111-145). With a number of hegemonic projects combined with the absolute power provided by the 1959 Constitution, Sarit successfully established a new historical bloc that differed from the pre-1957 social relations. This new bloc had two main features, as shown below; creation of the bureaucratic state and American-led economic development.

### 2.2.1 Creation of the Bureaucratic State

The authoritarian Sarit regime constructed one of the major social forces in the old historical bloc—the bureaucrat—in both civilian and military spheres. The dominant role of bureaucrats and technocrats in Thai politics is known as the so-called ‘bureaucratic polity’. Riggs (1966: 11) argues that Thai politics up to the 1960s was a system that was neither ‘traditional’ nor ‘modern’ in its character. Rather, it was limited to the roles of ‘bureaucracy’ with no outside social forces capable of establishing the parameters of bureaucratic prerogative and action. In Riggs's view, the bureaucrats dominated political activities rather than other social forces (Hewison, 1997: 4). In the old historical bloc, the high-ranked bureaucrats made choices on allocation and distribution in public policy. They controlled political decisions by forming a so-called ‘government party’ and by gaining appointments to the upper house of parliament.

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6 Charter for the Administration of the Kingdom 1959.
7 The term ‘bureaucratic polity’ was initiated by Riggs (1966) who invented it as a model to describe Thai society during the period of his study, the 1950s–60s. This model is fundamentally based on the Western theories of society and politics and specifically on modernisation theory (Hewison, 1997: 3).
The Thai bureaucracy, with both military and civilian components, had controlled the state and its apparatuses and the Chinese and Sino-Thai business leaders were obliged to seek the ‘patronage’ of this elite to protect and further their business interests (Arghiros, 2001: 17; Girling, 1981: 139).

The domination of the bureaucrats both in military and civil administration shaped some characteristics of social relations in Thailand’s historical bloc that lasted for decades. Firstly, bureaucrats, as the centre of political and economic power, were targeted by businessmen at both local and national levels in order to gain any support for their businesses. This ‘patron-client’ relationship had dominated Thai society for a long time. Secondly, bureaucrat social forces had been the crucial state apparatus for the military government in order to support each coup d’état. Thirdly, the centralised power of the bureaucrats without public inspection had brought Thailand to the stage of high corruption (Pasuk and Sangsidth, 1995). Lastly, it should be seen that the bureaucrats had been employed to reinforce the hegemonic role of the Thai monarchy in various ways. In Thai language, bureaucracy means ‘Kha Rat Cha Karn’ which can be translated as the ‘servant of the king’, not of the ordinary people. Bureaucrat social forces, in other roles, exist as social agencies that maintain the ‘royalist-nationalist’ ideology.

2.2.2 American-Led Economic Development

Apart from authoritarian politics and the creation of the bureaucratic state of Saritism, the Thai historical bloc from the late 1950s was also significant in terms of political economy as American hegemony massively transformed social relations of the Thai state. From the early 1950s, Thailand was chosen by the US as a military base in Southeast Asia to be a strategic site against the communist movement during the time of the Cold War (Baker and Pasuk, 2009: Ch.6; Girling, 1981: 232-240). Thailand under the military regime of the Phibun and Sarit governments received a huge amount of American aid, both military and economic. Military aid sharply increased from US$20 million in the 1950s to around US$250 million in the early 1970s (Fineman, 1997). US

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* However, this patron-client relation between the bureaucrats and business had been challenged and transformed in the period of Thaksinism between 2001 and 2006. The Thaksin government attempted to bypass the ‘old’ patron-client relationship by setting up the Thai Rak Thai government as a new ‘patron’ and directly secure interests of social groups or the ‘client’ bypassing the ‘old’ bureaucratic social forces. This issue will be discussed and analysed in chapter six.

*This is helpful for discussions of the emergence of the Yellow Shirts movement in chapter seven as it can be understood why the middle class i.e. the bureaucrats, mainly tend to support the conservative Yellow Shirts and the Democrat party.
military bases in Thailand had boosted the Thai economy in the form of both legal and illegal senses. There was a rising number of foreign tourists especially Americans many of whom spent their vacations in bars, nightclubs, brothels, and massage parlours (Baker and Pasuk, 2009: 149). The coming of the US military base stimulated Thailand to develop more in terms of major infrastructure including roads, highway, airports, and harbours for the sake of private enterprise developments (Girling, 1981: 81).

As mentioned before, the coup d’état of 1957 was a decisive turning point in modern Thai politics. It opened up a chance for American hegemony to regulate Thailand in various aspects. In the sense of political economy, the country had been turned towards the stream of modern industrialisation and free market economy (Thak, 2007; Somboon, 2012: 22-51). The years 1957 and 1958 were crucial as Sarit’s government welcomed the World Bank mission to Thailand after the coup in September 1957. This visit brought the recommendation of setting up a new coordinating agency for national planning. In 1959, the NEDB (National Economic Development Board) was set up to provide tight centralised national planning. Eventually, from 1961, planning became an established feature of the modern Thai political economy (Somsak, 1993: 139-145). The first five-year plan (1961-66) was launched as a result of the newly established NEDB in 1961. This first plan essentially stimulated the national economy with the clearly stated aim of maximising economic growth. The fostering of the manufacturing sector was central to this plan. There were heavy investments in infrastructure, particularly transport, power generation, and agricultural irrigation (Ayal, 1962).

There is no doubt that the development in infrastructure especially road construction brought increasingly more areas of the country into the market economy for rice and new export crops such as maize and kenaf (Dixon, 1999: 82). Whilst the second plan (1967-71) was a considerable technical improvement over the first plan, there was more concentration on regional and agricultural sectors than the previous plan. However, during the period of this second plan economic growth began to slow down in response to world conditions. Thailand remained dependent on a narrow range of primary exports with uncertain prices. The economic slowdown was compensated by the increased aid from the US because of the strategic reason to operate in Vietnam through the military bases in Thailand.
The first two five-year plans urged Thailand to facilitate a free market economy through improvement in several important features including industrial promotion, the population control policy and development in education (Dixon, 1999: 88). Industrial promotion was operated by the Board of Investment (BOI) via many campaigns such as tax holidays, tax concessions, and infrastructural investment. As a result of the industrial promotion, in the 1960s there was a sharp increase in the manufacturing sector. Nevertheless, in the period of the first two plans, the Thai industrial economy was under the ‘Import Substitution Industrial’ (ISI) scheme. That is the expansion and diversification of production resulted in the substitution of finished goods for the import of raw materials, components, and machinery (Somsak, 1993; Somboon, 2012: 12-15).

In addition, the population control policy and the improvement in basic and higher education were also necessary to economic development. The Sarit government, following their predecessor Phibun, had set the target to increase the population in order to accelerate economic growth. This transformation of population took place as a result of the improvement in the effectiveness of the national network of medical clinics and hospitals (Dixon, 1999: 88-89). Further, education was another important factor in economic development. During the 1960s, there had been an emphasis on primary and secondary schools. By the 1970s a number of universities were founded. Newly established universities provided higher education in order to prepare skilled labour for manufacturing processes and Science and Technology were identified as the highest priority subjects to be developed (Von der Mehden, 1970: 328-329).

From the 1970s until the period of the third (1971-76) and the fourth (1977-81) economic development plans, the Thai economy turned to emphasise the development of the ‘Export-Oriented Industrialisation’ (EOI) sector (Dixon, 1999: 94). Thailand’s economy was affected by the general slowdown of the world economy and the instability of the US dollar. Nevertheless, the devaluation of US dollar boosted the already extremely buoyant Thai export sector. Between 1972 and 1974, Thailand experienced an export boom led by the rice sector. The rate of export growth increased from 10.7% in 1971 to approximately 34.9% between 1972 and 1974. Moreover, GDP similarly

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10 For example, the two major open institutions Ramkhamhang and Sukhothai Open University and provincial universities in strategic provinces involved Chiang Mai University in the north, Khon Kaen University in the northeast and Prince of Songkla University in the south.

11 More detail is provided in the next chapter.
accelerated from 5.4% in the 1950s to approximately 8.5% in the pre-1997 period (see table 4.1 below).

Table 4.1: Main Economic Indicators of Thailand from 1950 to 1999

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Growth rate of real</td>
<td>5.4</td>
<td>8.0</td>
<td>7.1</td>
<td>7.3</td>
<td>8.5</td>
<td>-2.4</td>
</tr>
<tr>
<td>GDP</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Savings/GDP ratio</td>
<td>11.5</td>
<td>20.6</td>
<td>21.8</td>
<td>25.1</td>
<td>34.1</td>
<td>31.0</td>
</tr>
<tr>
<td>Investment/GDP ratio</td>
<td>13.6</td>
<td>20.8</td>
<td>23.8</td>
<td>28.6</td>
<td>40.7</td>
<td>24.3</td>
</tr>
<tr>
<td>Inflation rate</td>
<td>5.1</td>
<td>2.2</td>
<td>8.0</td>
<td>5.8</td>
<td>5.11</td>
<td>4.7</td>
</tr>
</tbody>
</table>

Source: Jansen, 2001: 344.

The changing conditions of political economy from the late 1950s tremendously changed the Thai state in various ways. However, the old historical bloc inherited two features from this period; rising social disparities and changes in social classes. Firstly, the issues of poverty and social disparity are two vital consequences of modernisation of the Thai state since the 1960s (Schmidt, 2002: 94). This is despite the country’s economic development contributing significantly to reduced poverty as a GNP per capita—which roughly tripled from US$ 625 in 1975 to US$ 1,831 in the late 1990s. Furthermore, from 1962 to 1992, the Thai population under the poverty line declined from 57% to 23.2%, then 11.4% in 1996. Nevertheless, inequality worsened as the country’s Gini coefficient index increased from 0.414 in 1962/63 to be 0.525 in 1994 (see table 4 below; Doner, 1999: 38). This led Thailand to become one of the most inequitable countries in the world in terms of income distribution and most poor inhabitants are from rural areas (Glassman, 2004: 152; Warr, 2002; Medhi, 2002). The table 4.2 below shows some crucial indicators of poverty and economic inequalities.

Knowledge on this social inequality of the old historical bloc is important as a platform to understand the rise of the Red Shirts social forces in the post-2006 military coup which is analysed in chapter seven.
Secondly, alteration in political economy since the 1960s contributed to the emergence of several new social groups in the Thai historical bloc; the new middle class and new local influences.\(^{13}\) Infrastructural improvements since the late 1950s, including higher education expansion and especially road development, offered opportunities for domestic and foreign investors to establish industrial sites in suburbs and some leading rural provinces. Many local businessmen gained advantage from land-selling and continued to accumulate wealth in their various local businesses (Nishizaki, 2006). A new Thai middle class emerged alongside the reduction in the number of state bureaucrats in the 1980s, but increased in new careers such as professionals, technicians, executives, and managers in commercial companies (Baker and Pasuk, 2009: 207-208; Pasuk and Sungsidh, 1994: 83-84).

In addition to the emergence of a new middle class, Thailand since the 1960s also has a number of local influences or ‘Jao Pho’.

\(^{13}\) By this term this thesis means a person or group of people in rural areas in Thailand that gain superior social status in his/her own areas because of wealth and sometimes illegal activities.

\(^{14}\) In the Western sense the terms means ‘God father’ or ‘Mafia’.
They constitute the system of 'patron-client' social relations towards Thai local society and even in the present this social relation still exists in rural provinces in Thailand.\textsuperscript{15}

Nonetheless, the importance of noting the role of ‘Jao Pho’ relates to the issue that Thaksinism attempted to change the old social relations between Jao Pho and their local clients while it was in power. To do so, Thaksin’s government tried to subordinate the old rural Jao Phos and their networks through the creation of new hegemonic projects that circumvented the old Jao Pho and became the new patrons with hegemonies over social groups in rural areas. This matter is crucial as the emergence of the Yellow Shirts forces in late 2005 was partly due to the support of some rural Jao Pho and state bureaucrats who had been impaired by Thaksin’s hegemonic project. The section below will offer more detail on social forces/social classes and their relations towards each other in the old historical bloc.

\textbf{3. Social Forces in the ‘Old’ Historical Bloc}

The section above discussed the changing political economy conditions of the old historical bloc since the 1932 revolution. The American-led modernisation projects had constituted the emergence of social forces and shaped the social relations in the bloc since the 1960s.\textsuperscript{16} The old historical bloc contained ‘four’ major social forces; the capitalists, labour, the middle class, and the peasantry. The ruling social forces were formerly the military (belonging to the middle class in terms of relations of production) and the monarchy between the 1960s and 1970s. However, from the 1980s onwards even the military still retain significant roles in Thai politics although they are no longer a ruling class especially since the 1990s. Rather, the capitalists—including the monarchy—became the dominant social groups since the 1980s. The new ruling class, the capitalists, have since the 1980s configured new social relations as they posit themselves as the ‘middleman’ between the old ruling class, the bureaucrats, and politicians. Meanwhile the subaltern social forces, labour and the peasantry, in the old historical bloc were concerned with the conditions of living and have not been polarised.

\textsuperscript{15}On rural influences and Thai local politics see McVey, 2000.
\textsuperscript{16} Along with political economy, the ruling class also maintains the ideological terrain of the Thai historical bloc by establishing the dominant ‘royalist-nationalist’ ideology as a crucial cohesive factor of the historical bloc. This will be dealt with in part two of this chapter below.
by the conflicts between Yellows and Reds. This pattern of social relations configured the Thai historical bloc until the rupture in 1997.\textsuperscript{17}

3.1 The Ruling Social Classes\textsuperscript{18}

This section focuses analysis upon the ruling social groups in the old historical bloc including the formerly dominant group, the Bureaucrats, which is the middle class at the present time, and the current dominant social group, the capitalists. A general picture of social groups including their economic nature and positions towards the support of the Yellow and the Red Shirts will be also offered in this section.

3.1.1 The Bureaucrat as a Former Dominant Social Force

The Thai bureaucrats dominated the politics of decision-making in the Thai state since the overthrow of the absolute monarchy in 1932. The revolution itself did not emerge through an uprising of the people; rather it was an uprising of factions of social elites such as bureaucrats in both civilian and military spheres (Ockey, 2004 b: 143). The bureaucrat social groups expanded as a result of capitalist development in the late 1950s and the emergence of crucial ‘technocrats’ and ‘think-tanks’ such as the Thailand Development Research Institute (TDRI), the National Economic and Social Development Board (NESDB), and the Bank of Thailand (BOT). As figure 4.1 will show below, bureaucrats as the former ruling elite were important and held the decision-making power and resources to run the country even though they constituted a small proportion of the population (Ockey, 2004 b: 144). Table 4.3 below shows the great expansion of the former dominant social groups since the revolution of 1932 up to the era of the military regime. It shows that the bureaucrats grew sharply by more than 100\% since the crucial year of 1957 compared to the change after the post-1932 regime.

\textsuperscript{17}This will be addressed in the next chapter.

\textsuperscript{18}From a Gramscian perspective, social groups/social forces are interchangeably used instead of the word ‘class’. By distinguishing between the dominant and the subaltern social forces, Gramsci as himself a Marxist sees this difference in terms of the ownership of means of production. However, within each social class, as Gramsci and later Poulantzas elaborated, is contained a number of ‘class fractions’ which all have a variety of dialectical relationships—as class alliance and class antagonism at the same time—among factions within and beyond classes. Furthermore, the economic nature of the capitalist class in Thailand is, therefore, a similar view to the Marxist perspective in which a class exploited and accumulated the surplus value from other subaltern social groups through a number of methods (Marx, 1976).
Table 4.3: Expansion of the Thai Bureaucracy, 1933-1979

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Ministries</th>
<th>No. of Departments</th>
<th>No. of Divisions</th>
<th>Ministries Increase since 1933</th>
<th>Percentage Increase since 1933</th>
<th>Sections</th>
</tr>
</thead>
<tbody>
<tr>
<td>1933</td>
<td>7</td>
<td>145</td>
<td>143</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1941</td>
<td>10</td>
<td>49</td>
<td>317</td>
<td>43%</td>
<td>9%</td>
<td>122%</td>
</tr>
<tr>
<td>1957</td>
<td>12</td>
<td>90</td>
<td>550</td>
<td>71%</td>
<td>100%</td>
<td>285%</td>
</tr>
<tr>
<td>1969</td>
<td>12</td>
<td>113</td>
<td>827</td>
<td>71%</td>
<td>151%</td>
<td>478%</td>
</tr>
<tr>
<td>1979</td>
<td>13</td>
<td>131</td>
<td>1264</td>
<td>86%</td>
<td>191%</td>
<td>784%</td>
</tr>
</tbody>
</table>


The regime in which the bureaucracy holds the central role in the state administration was described in the important work of Riggs (1966) as the Bureaucratic Polity. In this regime, political economy became only a matter of competition between bureaucratic cliques for the benefit of the military government rather than free competition between social forces (Wilson, 1962; Painter, 2006: 28). From the 1960s, the administrative civil service was organised into important ministries including Interior, Finance, Agriculture, Communications, Education, and the Office of the Prime Minister. The bureaucrats provide crucial roles in basic government functions including economic planning (mainly by the NESDB and TDRI), allocation of resources, agricultural services, development of infrastructure, education and health promotion (Girling, 1981: 135). The bureaucrat social groups as the major middle class performed the central role of administration from the 1960s until the early 1990s when other social forces such as the capitalists and other civil society groups were rising and balanced the dominant roles of the bureaucrats.

In short, the economic nature of the Thai bureaucrats is different from other social forces. Their requirements differ from the capitalists as they require the strong state to secure their investment/production to make profit and also differ from the working class/labour as they struggle over wages, health-care schemes, improvements in living conditions, and other social securities. Rather, the bureaucrat social groups in Thailand gain superior social status and greater economic benefits than the workers. They have a special health-care scheme which also covers their parents and family members. They also have a number of benefits such as the waiving of tuition fees for the education of their children. Therefore, the bureaucrats in Thailand do not demand any specific social securities because they already receive better service than the workers. Nevertheless, what they require is a clean/non-corrupted administration and economic growth in general. After the 1997 crisis, the Thaksin government implemented a number of projects that were targeted at rural people, in particular the peasantry. The bureaucrat
as the middle class could sense the feeling of being overlooked by the state. Therefore, in order to secure their own interests, most of the bureaucrats were inclined to support the movement of the Yellow Shirts.

3.1.2 The Capitalists as a Dominant Social Group

Based on the study of Hewison (1989) and Akira (1996), the Import Substitution Industrialization (ISI) scheme launched under the guidance of the first Five-year plan\(^\text{19}\) established the expansion of domestic capital which can be categorised into several main groups including banking capital, industrial capital, provincial-local capital and agro capital. However, it should be noted here that this thesis does not aim to focus on the politics of economic accumulation in each capitalist group specifically. Rather, this research principally aims to critically review some 'crucial actors' in each social force as the leading groups who contribute to various aspects of the politics of transition of the Thai state.

3.1.2.1 Pattern of Relationships: Bureaucrat, Capitalist, Politician

Before the analysis provided in the sub-sections below, figure 4.1 illustrates the political economic relationships among the dominant social forces in the old historical bloc. The figure shows that the former dominant social groups in Thailand (excluding the monarchy in this figure) were bureaucrats and politicians. The capitalist involvement in politics during this period appeared in two main strategies; 'clientage' and 'agency'. Under the clientage strategy, business groups are not involved in politics directly, but rely on political figures to provide protection and to influence policy on their behalf. However, another method is where the capitalist assigns their representatives to work on their behalf in politics by serving as MPs or as officers of a political party (Thanee and Pasuk, 2008: 253–254). These patterns of relationships between the capitalist and bureaucracy dominated Thai political economy for more than five decades and were transformed after the 1997 economic crisis led by the Thaksin government.

Figure 4.1: Relationships among dominant social forces in Thailand since the late 1950s

![Diagram showing relationships among social forces in Thailand since the late 1950s]

Source: Khan, 2000: 103.

1) Banking Capital

The first capitalist social group to be mentioned here—which formed and expanded as a result of the ISI scheme since the late 1950s—is Banking capital. The banking capitalist factions are crucial to the development of Thai capitalists as a whole and also to the growth of other capitalists as well (Apichat, 2013). Hewison (1988) argues that Banking capital formed the credit system for capital in general. They acted as a source of credit by releasing inactive capital from circulation and transforming it into active capital in production. Thailand’s banking-financial sector dramatically expanded since the early 1960s and is largely owned and controlled by domestic capitalists, who mainly are Sino-Thai (Chinese-Thai) (Hewison, 1988: 82; Jomo and Folk, 2003). This is the result of the industrial promotion policies of the post-1957 Saritist period. The ISI strategy resulted in the dramatic increase in state investment in the private sector, private investment in import-substitution industries, increases in imports of intermediate and capital goods, and increasing exports of diversified agricultural products. All these improvements led to a rapid expansion of the banking business after the 1960s (Akira, 1996: 245).

Banking capital in Thailand emerged and was regulated prior to 1962 under the Banking Act of 1945. The law empowered the Bank of Thailand to act as a central bank and to regulate the banking industry. In addition, it set the condition that banks must be limited liability companies. By the 1950s, the 1945 Act was ineffective and led to the new ‘Commercial Banking Act of 1962’ (Hewison, 1989: 187). The new Act had the objectives of offering more protection to depositors and promoting public confidence in the banking system; to promote the growth of commercial banking on a sound banking basis and with a high standard of efficiency as well as making banks play a major role in
economic development; and providing the necessary tools for maintaining monetary stability (Hewison, 1989: 189). Since the 1960s four major banks emerged that still dominate the contemporary Thai financial sector including the Siam Commercial Bank (SCB) of the royal family, the Bangkok Bank of the Sophonpanich family, the Thai Farmers Bank of the Lamsam family, and the Bank of Ayudhya of the Ratanarak family (Hewison, 1988: 83; Kraisak, 1984: 141). Apart from these four major banks, there was restructuring after the 1997 economic crisis because many banks faced bankruptcy while some survived the crisis. The Banking capitalists had lost their dominant role in Thai capitalism in the post-1997 era as the new and aggressive Telecommunication capital has since then gained this powerful role.

2) Industrial Capital

Modern capitalist development in Thailand after the late 1950s led to the emergence of a number of domestic industrial groups/domestic industrial capitalists who gained benefits under government industrial promotion policies. Several general characteristics of the Thai industrial group can be summarised; firstly, the industrial capitalists usually form a 'group of companies' rather than a single business. Secondly, most owners and leaders of the industrialist groups were ethnically Chinese. Thirdly, most of the industrial groups are owned and operated by a single family (Akira, 1996: 224). Moreover, Akira also observes that the industrial groups in Thailand after the late 1950s contain four major patterns of development. First, most of the founders of industrial groups formerly belonged to a merchant class. Second, most commercial business groups moved into manufacturing industries in the late 1950s and early 1960s. Third, the industrialist groups' investment in manufacturing depended majorly on financial and technological support of foreign capital in general, and Japanese in particular. Fourth, most domestic industrialists enjoyed oligopolistic status in selected industries. Their oligopoly resulted from the rapid expansion of their business and production under the various privileges granted by the government (Akira, 1996: 225-231). Further, it should be noted that along with government promotion of industrial policies, the major reason that entailed the expansion of the industrial capital is the cheapness of Thai labour (Brown, 2004).
3) Provincial/Local Capitals

Another important social faction in the capitalist class is the provincial/local capitalist based in provincial businesses. This social group became increasingly rich and powerful from the 1980s. There are four main sources of wealth that the local capitalists benefit from including, *firstly*, local merchants gain benefit by acting as an intermediary between agro-capitalists and cultivators in the cash-crop buying process (this is part of the problem of the indebtedness of the rural peasant and will be analysed later in this thesis); *secondly*, from investing and trading in highly profitable businesses such as distribution of local whisky, agencies for the sale of pick-ups and motorcycles, hotels, and speculation in land; *thirdly*, since the early 1960s, there have been voluminous projects on roads, water works, dams, and public building construction in the Thai countryside.

Therefore, in this way the local/provincial capitalists gain concessions in construction work and supply materials from the government (on the study of construction capitalists see Noppanan, 2006); *lastly*, from semi-legal and illegal businesses such as logging, smuggling, gambling, gun-running, and drug-trading (Pasuk and Baker, 1997: 29-30). The local capitalists have also been taking advantage of their wealth in the sphere of social and political life in rural Thailand. They gained a privileged status as influential figures (like the mafia and referred to as ‘Jao Pho’ in Thai) that built and maintained a patron-client relationship to Thai rural people.

In short, since the promotion of the ISI strategy in the late 1950s, there has been dramatic expansion of capitalist social groups in Thailand. Industrialist capital and local capital gained benefits from loans and funding through Banking capital in expanding their businesses. Banking capital itself also enjoyed an oligopoly of a few Sino-Thai families. These capitalist social forces, later, suffered tremendous effects from the 1997 Asian economic crisis and were forced to restructure themselves in order to survive. This led to chances for new players in Thai politics in the aftermath of the crisis.

4) Agro-Capital

The agricultural sector of the Thai economy was one of the largest contributors to Thai economic growth in the period prior to 1957. However, after the modernisation project of Saritism, agriculture was diversified through an ‘export-orientation’ policy. The expansion of agri-business or the agro-capitalists benefited from the shift in
development strategy of the Thai government from ISI towards Export-orientated growth in the early 1970s (Hewison, 1986: 7). The government offered a channel of funding in order to boost the national export sector by creating a special bank. The Bank of Agriculture and Agricultural Co-operatives (BAAC), established in 1966, was created to provide loans to agricultural businesses, agriculturalists, and peasants. From the period between the 1960s and 1980s, some commercial crops were introduced and became crucial in terms of export value such as kenaf, sugar, maize, and tapioca (Akira, 1996: 266-267). However, the agro-capitalists accumulated their wealth from agro-industry rather than export of various crops. The agro-industry was promoted in the fifth Five-year plan (1982-1986) for two major reasons; firstly, in order to increase the income of people living in the countryside and second, to further increase exports (Hewison, 1989: 134).

Along with the expansion in agro-business since the early 1970s, there were a number of capitalist groups that emerged and accumulated wealth in this period. For example, the Charoen Pokphand Group (the CP group) dominated the agro-businesses in exports of various products including shrimp, poultry, and feed milling, the Metro Group dominated the market for fertilizer, the Betagro Group in feed milling and poultry, and the Mah Boon Krong Group in silo storage and food retailing (Goss and Burch, 2001: 980). These outstanding capitalist groups have operated until the present, especially the CP Group who had a close relationship with the Thaksin government. The CP also held a Ministerial position in the first cabinet of the Thaksin government, along with other capitalist factions, in order to secure their class interests.

3.2 Subaltern Social Classes

Thailand’s industrial promotion via the ISI scheme from the late 1950s massively changed the social relations of production in the country. Government industrial promotion policies not only stimulated the expansion of the ruling social class, but also subaltern social groups; labour and the peasantry.

3.2.1 Labour

When considering the term labour/working class, it is here taken to mean the social groups who do not own the means of production, who are exploited by the capitalist/employer, and who need to sell their own labour-power; both their mental and
physical capabilities existing in the physical form and living personality of a human being whenever he produces a use-value of any kind in exchange for a wage (Marx, 1976: 270). Therefore, the worker in this meaning includes both labourers in any industrialist firm and white-collar workers.

It should be noted that the situation of labour as a social force in the pre-democratic period until the 1950s was constrained under the absolute monarchy regime and the pre-mature democracy after the 1932 revolution. The real expansion of the working class emerged since the late 1950s and, in the first stage, only centred on Bangkok. In terms of the security of workers’ interests, there was no legal coverage of this matter under the authoritarian regimes of the Sarit and Thanom governments. It was not until 1975 that Thailand introduced the first legal protection of labour interests (Schmidt, 2003: 162-164). The 1975 Labour Relations Act (LRA), for the first time, allowed workers to inhabit a collective sphere and form labour organisations. At the time, workers were also permitted by the authoritarian military government to have representation through trade unions, labour federations, and labour congress in a tripartite system in which the workers, employers, and the government were equal partners in cooperation over solving industrial conflicts (Brown, 2007: 818).

However, this law provided limited rights to the working class for dealing with political issues. The Thai working class had only limited rights, mainly in economic matters (Brown, 2004: 96-97). However, some radical workers along with the student forces demonstrated against the dictatorship of the military regime between October 1973 and 1976. This resulted in the victory of the ‘rightists’ and increasing constraints upon workers (Hewison and Brown, 1994: 501; Bowie, 1997).

In the 1980s, organised labour in Thailand still faced the difficulty of being a collective and demanded the guarantee of their interests. During this period the country shifted its industrial strategy from ISI to Export-orientated growth. This change led to a substantial expansion of the urban industrial segment of the working class. However, what is interesting for the Thai case is, as Brown (2007) argues, that during that period business, civilian, and military bureaucratic elites set targets to ensure that labour conflicts would be contained and managed within the parameters of the new formal modes of participation and representation. Thai labour organisations received threats, beatings, and the strategic murder of a few union officials and activists in order to render the working class fragile and too weak to demonstrate (Brown, 2007: 819).
In the 1990s, Thai democracy was consolidating through the stream of globalisation and the expansion of civil society, NGOs, and the media (Brown, 1997: 176). Female workers have increased and began to occupy central places in a developing network of local labour groups, NGOs, academics, and other civil society groups. Even though the country has developed and democracy has strengthened within Thai political culture, labour still engaged in long term campaigns seeking to improve workplaces, health, safety, reform of labour legislation, extension of a social security system, problems related to migrant labour, and the placing of limits on sub-contracting and the use of other forms of flexible employment (Brown, 2007: 821).

3.2.2 The Peasants

The last subaltern social group to be considered here is the peasant social forces. The peasant, in the conceptualization held in this work, are not only the rural farmers or gardeners who employ agricultural means of subsistence, but also include the informal workers who work in general services without legal contracts in both urban and rural areas. However, most of the peasants are based in rural areas. As table 4.4 below shows, there were more than 80% of the population living in rural areas since the 1960s and that figure significantly declined since 2000. In addition, informal workers are majorly based in the agricultural sector. As table 4.5 below indicates, they constitute more than 60% of informal employment in the agricultural sector while around 30% belong to non-agricultural sector.

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>87.5</td>
<td>86.8</td>
<td>83.0</td>
<td>81.3</td>
<td>68.3</td>
</tr>
</tbody>
</table>

Source: Bryant and Gray, 2005: 3.

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Therefore, the informal workers, in both agricultural and non-agricultural sectors, are not included in the national social security system. The lack of social welfare systems provided to all social groups by the state is the main reason for the support of peasants towards Thaksinism as the Thaksin government offered a cheap 30-Baht Health Care scheme, a new invention that could reduce the social gap, to all social classes while they were in power.
Table 4.5: Percentage of Informal Employment of Agricultural and Non-Agricultural Sectors in Thailand

<table>
<thead>
<tr>
<th>Year</th>
<th>Agricultural Sector</th>
<th>Non-Agricultural Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>61.8%</td>
<td>62.5%</td>
</tr>
<tr>
<td>2012</td>
<td>62.5%</td>
<td>37.5%</td>
</tr>
</tbody>
</table>


It could be said that the peasantry are the one of the major social forces in the Thai state in terms of numbers as the total labour force of Thailand in 2011 was 38.98 million and 15.53 million were still working in agricultural sectors (see the table 4.6 below). This data is helpful in pointing out the reasons why Thaksinism greatly concentrated on the peasant social groups while the Thaksin government was in power because the peasant are their main political stronghold.

Table 4.6: Comparison of the Number of Employed Persons by Industry (Unit: Million)

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Labour Force</td>
<td>38.98</td>
<td>39.21</td>
</tr>
<tr>
<td>Agriculture</td>
<td>15.53</td>
<td>14.87</td>
</tr>
<tr>
<td>Non-Agriculture</td>
<td>23.45</td>
<td>24.34</td>
</tr>
</tbody>
</table>


Those considered here as peasant social groups shared similar socio-economic difficulties as a result of the uneven process of industrial development from the late 1950s. The peasants, or what is sometimes called the ‘rural poor’ of Thailand, have faced three main basic problems including the difficulties of indebtedness, lack of health coverage, and landlessness. Firstly, the problem of indebtedness of the rural peasant has been a long standing issue for several decades. This crucial problem of the rural poor is a result of various causes. However, Turton (1992) argues that the major reason that led to the debt crisis of the peasants is the low market price of fruits and cash crops. Most rural peasants plant their crops in a primitive way that is dependent on seasonal

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21 Appeared as the government spending on a number of projects to the rural social groups between 2001 and 2006. This will be discussed in the chapter six below.
weather. This led to cycles of low and uncertain productivity and the rural peasant lost their money after selling their goods. In addition, the price of crops is depressed by several reasons such as by intermediate merchant staking advantage of peasants, changing to the quota and grading systems, and fees for storage, transport and other costs (Turton, 1992: 78).

Second, the lack of a universal health care system led to increasing health costs for the rural poor. Health crises including chronic and debilitating sickness are frequently precipitating factors related to the intensification of work and declining levels of consumption (Turton, 1992: 78). Without a reliable health care scheme these place a massive cost on the rural poor along with other routine expenditures such as education fees, fines, and other compulsory contributions. This lack of health care security, to some extent, brings the rural poor into a cycle of indebtedness. The data based on the national registration of the poor by the Thaksin government in 2005 shows that there were more than five million people confronted by the indebtedness cycle.

Lastly, the most important problem that the rural poor has confronted and struggled with for a long time is the matter of landlessness (Haberkorn, 2011). In Thailand, there has not been proper distribution of land. Most of the rural poor do not own land and are by necessity tenant farmers who pay high rent each year. Based on statistics from the Agricultural Land Reform Office, it is estimated that 39.42% of people were tenants in Chiang Mai in 1976 (Anan, 1992: 99). Until the present day, the problem of the landlessness of rural peasants has not yet been systematically resolved. Based on the data from the Agricultural Land Reform Office it shows that there were more than two million people suffering from the problem of landlessness (Agricultural Land Reform Office, 2013).

The rural peasants in Thailand have been considered as poor in the absolute sense for several decades. However, the modernisation projects initiated under Sarit’s government in the late 1950s led to improvements in terms of poverty in the absolute sense. However, relative poverty when compared to the rich capitalist class, has been enlarging each year. Moreover, the crucial recent study of Walker (2012) argues that the largest group in contemporary rural Thailand is not the absolute poor social group; rather it is the ‘middle-income peasant’ which comprises 80% of the population in central Thailand, 70% in southern and northern, and 60% in northeastern Thailand (Walker, 2012: 43). Middle-income peasant households are diverse and involve a combination of subsistence and cash-crop agriculture with various sources of off-farm income. At the
top level rural middle-income peasants make profit from cash cropping and own their enterprises such as shopkeeping, crop trading, and money lending (Walker, 2012: 44).

In short, four major social forces have emerged and possess different class interests. Political economy in any period is the politics of struggle to achieve a particular classes’ own benefit. However, what is interesting and makes the case study of Thai political economy unique is that the subaltern and dominant social classes in Thai historical bloc never struggled against each other in terms of different modes of thought or political ideology. The old historical bloc was successfully tied to these social forces together with what has been referred to here as the ‘royalist-nationalist’ political ideology. Within this hegemonic conception of the world, social forces never fight each other regarding aspects of political belief as their class relations were limited to only the economic-corporate phase (see chapter three). It was not until the massive change following the post-2006 coup d’état that social relations between the ruling and ruled were transformed—from economic-corporate to hegemony—and each social force raised awareness to question the broader picture of social structure that governed them. These matters will be explored in the core chapters below.

**PART TWO—IDEOLOGICAL HEGEMONY: ‘ROYALISM-NATIONALISM’ AS A COHESIVE FACTOR**

Part one of this chapter illustrated the picture of development in Thailand’s political economy since the early 1990s to 1997 and the emergence of four major social groups in relation to their class interests. However, the constitution of the so-called historical bloc was not established purely in terms of political economy, but also ideological-cultural politics. The dominant social classes have been employing the ‘royalist-nationalist’ hegemonic ideology as a cohesive factor that ties up several social groups in Thailand in the same ‘mode of thought’ along with harsh applications of the lèse majesté law. The picture of the ‘old’ historical bloc of Thailand will be completed after both economy and ideology have been analysed together.
4. ‘ROYALISM-NATIONALISM’ AS A COHESIVE FACTOR

The old historical bloc of Thailand—from the 1960s to 1997—established the ‘royalist-nationalist’ ideology as a cohesive factor that determines class configurations. Social forces in Thai political economy regardless of whether they belong to the superior or inferior social groups had been tied to a similar political ideology that centred on the king and nationalist projects. The royalist-nationalist hegemonic ideology is comprised of ‘three’ major ‘common senses’—monarchy as a sacred institution, as a popular institution for all, and as a democratic monarchy—which operated in terrains of both ‘force and consent’ through the monarchy’s network. The network, as McCargo (2005) described, is ‘the network of the monarchy’ or in the Gramscian sense it is the intellectuals’ network. In this section, the revitalisation of monarchical power and the three major ideological/cultural common senses that dominated and configured social relations for Thai social forces will be analysed.

4.1 The Thai monarchy and its Ideological Centre in the Thai Historical Bloc

The central ideology which dominated the Thai historical bloc following the 1932 revolution was ‘nationalism’ under the period of Field Marshall Phibun through his many hegemonic projects such as the Statism acts (see part one of this chapter). It was not until the landmark military coup overthrew the Phibun government in 1957 that Thailand under Field Marshall Sarit employed other ideologies. These are ‘paternalism’ combined with military ‘despotism’ and form the central ideologies controlling the ‘mode of thought’ of Thai society. Nevertheless, the most distinctive ideology that attention should be paid to when considering modern Thai politics is the ‘royal power’ of the monarchy that some academics label as ‘royal hegemony’ (Chanida, 2007; Kasian; 2006). Hewison (2008: 191) argues that ideological, social, and cultural aspects of Thailand are unique from other countries. For some Thais, their ideological worldview revolves around the ninth king, Bhumibol, of the Chakri dynasty. The royal power and ideological hegemony of King Bhumibol, it is argued here, is not derived from nature. Rather, it was invented by the social elites in order to secure their own class interests. The invention of royal hegemony was first established by Field Marshall Sarit in the early 1960s. Furthermore, the King’s power was firmly rooted after his intervention in the 1973 student uprising. After that event, the combination of ‘royalism’ and ‘nationalism’ was successfully established.
4.1.1 Revitalisation of the Monarchical Power

The Thai monarchy gladly welcomed the military coup in 1957. They struggled and struggled to regain their political power and hegemonic position from the Phibun government that had suppressed them in many ways. The 1957 coup offered a good opportunity for the monarchy to ally with the military rather than exist in opposition to it as had been the case for two decades previously. In fact, this occurred because Sarit and the monarchy shared mutual interests. On the one hand, in order to revitalise the importance of monarchy, Sarit could gain a high degree of political legitimacy and reputation from the Thai people as leader of the government that protected and promoted the significance of the king. On the other hand, the monarchy itself could secure the throne and regain some ancient monarchical power after it had been ignored for several decades (Thak, 2007: 181-222; Thongchai, 2008: 19-22; Morell and Chai-anan, 1981: 64-69).

It can therefore be seen that the Sarit government was the first actor who paved the way for the monarchy to return to the centre of Thai national culture and ideology (Handley, 2006: 156; Thak, 2007; Morrell and Chai-anan, 1981). The military government restored the sacredness of the king and the monarchy as political institutions by offering him the restoration of some crucial royal ancient rituals, increasing the King's budget, and promoting the Thai monarchy to the world by establishing many years of royal touring with visits to many countries around the world during the early 1960s (Thak, 2007: 81-110). Moreover, the Sarit government also protected the Thai monarchy by maintainance of force through the tough application of "the lèse majesté law". This law is a very important state apparatus in order to protect the King, the monarchy, and the royal family from any charge or criticism and has been used until today (Streckfuss, 1995, 2010). It is argued here that the power of the Thai monarchy did not emerge from nature and therefore that it needs to be created by human actions through many social means. In this sense Gramsci sees that there are 'intellectuals' in each social group who work for the monarchy in order to maintain its hegemonic project.

4.1.2 Networks of Monarchy as Gramsci’s Intellectuals

Duncan McCargo (2005) argues that the Thai king needs a 'proxy' who manages his network in order to secure and reproduce his power (McCargo, 2005: 505). This coincides with what Gramsci called the roles of ‘intellectuals’ who have the job of
producing knowledge and who exercise ‘consent’ of the great masses of the population towards the general direction (Gramsci, 1971: 12; see chapter three). In order to create, maintain, and reproduce the power of the monarchy, this thesis argues, the king needs to gain benefit from some social intellectuals. There are three major characteristics of Thailand’s network monarchy that have dominated Thai politics since the 1980s. First, the monarch functions as the chief source of political decisions during times of political crisis because the monarchy in Thailand has been the primary source of national legitimacy since the revitalisation of monarchical power in the late 1950s, as mentioned earlier. Second, the king acted as a commentator on national issues, giving suggestions to set Thailand’s national agenda, in particular through his annual birthday speeches and other occasions. Third, King Bhumibol actively participates in political and social developments by working through his proxies, in particular privy councillors, trusted military figures, and the lead proxy, former army commander and Prime Minister Prem Tinsulanond (Chambers, 2013; Chanida, 2007). This network of the King’s proxies unofficially determines the nature of coalition governments, and monitored the process of high-ranked military and civil bureaucrats annual promotions. At the centre, network governance of this kind was based on placing the right people in the right jobs and Prem was the key person in the network (McCargo, 2005: 501; Thanapol, 2006b). The next section will examine what the intellectual network of the monarchy has so far done over the past few decades in order to ‘produce and maintain’ the hegemonic royalism-nationalism over Thai political society.

5. Producing Common Senses

Hegemonic status of the Thai king has been produced over the sphere of the superstructure both in civil and political society. Over four decades, the monarchy and its proxies have constructed at least three major ‘common senses/conception of the world’ over Thai society including the king as sacredness, popularity, and democratic king. According to Gramsci, ‘common sense’ is the conception of the world that is uncritically absorbed by the various social and cultural environments in which the moral individuality of the average man is developed (Gramsci, 1971: 419). Common sense is the conception of the world that is established by the ruling class in order to secure its class interests and control subaltern worldviews (Bocock, 1986: 46). This process of building common sense operates through the functions of intellectuals in the sphere of civil society and political society as is shown below.
5.1 Being Sacred

The first common sense that was created in order to serve the monarchy and royalist interests is ‘the king as the sacred institution’. This was an attempt to renew the ancient belief, the so-called ‘Devaraja’ or the ‘god king’/‘the king as god’, and apply it to modern politics (Jackson, 2010). The creation of the common sense that the king/monarchy is sacred operates through both ‘consent and force’ (via hegemonic and state apparatuses).

5.1.1 Hegemonic Apparatuses

In the Gramscian sense, hegemonic apparatus will be employed in order to gain consent over civil society along with the coercive apparatus that will be used in the sphere of political society. The combination between civil and political society is the significance of Gramsci’s notion of the integral state, as shown in the previous chapter. The Thai monarchy invented some hegemonic projects in order to construct this common sense via many royal rituals and other means. Among several attempts, the invention of ‘royal birthday celebrations’ is a major annual festival for the country. The King and Queen’s birthdays are official holidays in Thailand. On those occasions there are celebrations in all areas of Thailand and Thai people look forward to hearing the King’s annual speech on the day before his birthday in order to listen to his criticism of the government’s administration and hear other suggestions for Thai people.

Moreover, the royalists produced the King’s birthday as the national ‘fathers day’ and the Queen’s birthday as the national ‘mothers day’. This birthday ritual reinforces the cultivated idea that the monarchs are the parents of all Thais (Thongchai, 2008: 21). Apart from royal birthdays, the monarchy takes advantage of the sense of the king as a sacred institution through other means such as the reinvention of the ancient royal fertility rites in which the king participates in a ploughing ceremony. This is to hegemonise most rural Thai people who work in the agricultural sector. They also invented the King’s role as titular head of the armed forces, increasing the number of royal guards in the palace. In addition, they increased the number of meetings with private business and industry, and with foreign dignitaries and agencies. The monarchy widened its network of contacts and information sources via many royal rituals (Handley, 2006: 143-145).

In addition, another important hegemonic tool that the monarchy and its allies employed to create a common worldview of the sacral king is the integration of
Buddhism, business, and sacredness of the monarchy. As Jackson (2010: 33) argues, in Thailand political and religious forms of power have never been clearly separated. For example, King Bhumibol has been attached to the divinity of ‘Sadet Phor Ror Har’ (Royal Father of the Fifth King) of King Chulalongkorn (King Rama V). King Chulalongkorn has been promoted as the king who preserved Siam’s independence in the face of French and British imperialism, and established the country on a self-determined course to modernity and economic development (Jackson, 2010: 46). King Bhumibol is commonly linked symbolically with the worship of King Chulalongkorn via many ways such as the production of Buddhist amulets together with images of King Bhumibol and King Chulalongkorn. Most Thai people believe in the divinity and extraordinary magic of the amulet. To combine both kings with the amulet is the crucial way to sacralise the monarchy (Jackson, 2009; Jackson, 2010). Along with these hegemonic apparatuses, the network of monarchy also employs many state apparatuses in order to coerce the sacredness of the monarchy, as is shown below.

5.1.2 State Apparatuses

Following Gramsci’s notion of the integral state, in order to build up the common sense that the king/monarchy is a sacred social force, state apparatuses were employed along with hegemonic apparatuses as shown above. Major state apparatuses that the dominant social force employs are constitutional protection and the lèse majesté law. The power of the Thai monarchy had been limited since Thailand first enacted the first Constitution in 1932. However, this changed as a result of the struggle between the royalists and the People’s party between 1932 and 1957, the Thai Constitution of 1947 and especially after the coup in 1957 that restored privilege to the king. From 1947, the king was allowed to have and select the Privy Councillors. The power to control the Crown’s Property Bureau, which was abandoned by Field Marshall Phibun, was also restored. In addition, all Constitutions after 1947 protected the monarchy from any criticism. For example, in Section 8, Chapter II of the Constitution of Thailand 2007 it is stated that:

Section 8. The King shall be enthroned in a position of revered worship and shall not be violated. No person shall expose the King to any sort of accusation or action.

In addition, along with protection from the Constitution, the king was also protected from the lèse majesté law that is situated in Article 112 of the Thai criminal code. This article states:
Article 112: Whoever defames, insults or threatens the King, Queen, the Heir-apparent or the Regent, shall be punished with imprisonment of three to fifteen years.

Streckfuss (1995), an expert on Thai lèse majesté, argues that the law of lèse majesté in Thailand was first a part of the Print Act in the late 1890s. The sentencing under this law provided for more than three years imprisonment. Nevertheless, he argues that the penalty of the lèse majesté law was increased in 1908 to up to seven years imprisonment. In addition, after the revision of the criminal code in 1957, lèse majesté became not merely a crime against the reputation of the royals, but a ‘national security’ offence. Even nowadays the sentence for the lèse majesté law has been raised to up to fifteen years imprisonment.

In fact, the lèse majesté law is rarely used to penalise persons who accuse or insult the monarchy. Rather, it has been used as a tool to discredit the opposition in politics. Streckfuss (2010: 107) suggested that charges under the lèse majesté law have been increasing. From 1992 to 2004 there were fewer than on average five cases per year. However, during the period of the crisis of authority between 2005 and 2008 the average sharply increased to more than 60 cases annually (more details in chapter eight). Moreover, it was at its peak in 2007 when there were 126 cases in one year. The issue of the sacredness of the monarchy and the King and their apparatuses will be considered in more details in chapters seven and eight. In short, the conception of the world which represented the king as a sacred institution has been constructed through many means via both hegemonic and state apparatuses. These attempts were used to secure the hegemonic role of the Thai monarchy over Thai political society.

5.2 Being Popular

The Thai monarchy was neglected in Thailand before the re-establishment of power after 1957. In order to gain support from the monarchy, the Sarit government re-invented the importance of the monarchy as is mentioned earlier. The king/monarchy needs to be popular for Thai people in Sarit’s view. The more people beloved of the king, the more praise to the Sarit government.

The royal travels of King Bhumibol and Queen Sirikit took place, as Thak (2007) stated, because of the poor social character of Sarit; he therefore turned to the king for help to promote the country abroad (Thak, 2007: 206). The king first started his royal world
tour by visiting neighbouring countries including the Republic of Vietnam, Indonesia, and Burma in late 1959. These visits gained the king strong reputation in both the international and the Thai press. The King’s performance received a very favourable domestic reaction and Thai people were happy that the Sarit government had offered support to the throne. A year later, the king and the queen visited Western countries between mid-June 1960 and mid-January 1961. These trips involved fourteen countries from the United States, England, West Germany, Portugal, Spain, Switzerland, Denmark, Norway, Sweden, Italy, Belgium, France, Luxembourg, and the Netherlands. Moreover, in 1963 they continued the royal visits to Malaya, Pakistan, Australia, New Zealand, Japan, and the Philippines (Thak, 2007: 207). These royal world tours left an impression of the king and the country. These were the first attempts to build up the conception that the monarchy was popular in Thai society.

Further, the most popularity enhancing tool of King Bhumibol is his operation of the ‘royal development projects’ or the royal projects under the budget of the government and his own money on some projects. The royal projects were initiated in the early 1950s and up to the present there have been more than 3,000 projects launched under the King’s initiative (Chanida, 2007: 4). The King’s royal projects are various and covered all areas of peoples’ lives such as the projects on rural development of roads, irrigation, agriculture, medicine, and education. In addition, all royal affairs involving the king, the queen, and the royal family involved are broadcast by every TV channel under the ‘royal affairs news’ section every day at 8 pm. Thai people have watched the hard-working images of the king and his royal family every day for decades through every public television channel. This is not surprising and is why most Thai people love the king and his family and never doubt them in any aspect. However, these social relations were changed by Thaksinism and could be seen, by the royalists, as an attempt to challenge the King’s hegemony (this will be discussed in chapter seven).

In addition, another example of the construction of the king as a popular figure is the reception by Thai people of the notion of ‘sufficiency economy philosophy’ (SEP). After the economic collapse in 1997, there was a chance for the king to reinforce his hegemonic status over Thai society by launching his idea of SEP. This philosophy, the King argues, should be employed by Thai people in times of economic crisis and beyond—this will be shown in the next chapter on the role of SEP in the time of 1997 economic crisis. The King’s idea is an attempt to propose a new path for Thai society, economy, and culture by strengthening the ‘moral fibre’ of the nation. The King’s SEP is based on Buddhist
philosophical and moral principles which stimulated Thai people to create the conditions for the sufficiency economy in which people should live a moderate, self-dependent life without greed, uncontrolled cravings and overexploitation (Isager and Ivarsson, 2010: 223). The King’s SEP has been promoted throughout the country via a number of state agencies and private sectors. The SEP was placed as the main theme of the Tenth economic and social development plan of Thailand. Without any scrutinising of the applicability of the concept, the SEP was constructed as one among various other important hegemonic tools to gain spontaneous support from Thai people (Walker, 2010). The conception of the king as being popular and his image as a genius in many fields was constructed to hegemonise Thai people in order to secure this imbalanced social relationship between the dominant and subaltern social classes over the long run.

5.3 Being Democratic

The last standard conception of the world held by Thai people that was created is that the monarchy is ‘above politics’ and would not themselves play any role in political affairs. As Thongchai (2008: 22) argues, this is wrong because the monarchy is like everyone else in a political society. They always engage with politics in various ways for their own interests. Additionally, it is argued here that King Bhumibol actively intervened in politics on various occasions; however, the most clearly seen was the event of the student uprising in October 1973 and the massive demonstrations in May 1992 (Callahan, 1998; Yoshifumi, 2008). The King’s interventions in times of crisis and the reinventing of the role of King Rama VII—who was overthrown from his absolutist rule in 1932—were two major attempts in order to build this common sense.

On 14 October 1973, after a day of violent repression, King Bhumibol appeared in a nationwide television broadcast and made a royal speech denouncing the aggressive repression by state officials. The king asked everyone to think of the country and be united. After his broadcast the situation was controlled and ultimately Field Marshall Thanom and his allies, Field Marshall Prapas and Colonel Narong resigned from official positions and took refuge abroad. The King, as soon as possible, appointed his ally, Professor Sanya Thammasak, a lawyer, to be mandated as Prime Minister on the same day (Zimmerman, 1974: 512-514; Prajak, 2005). The King’s appearance and the utilisation of his calibre in order to control the crisis can be seen as an affirmation of the King’s power over Thai society. This was the major confirmation of his royal power since the revitalisation of the monarchy by Field Marshal Sarit in the 1960s.
In addition, another crucial event confirming the perspective of Thai people over their monarchy as the leader of democracy was the events of May 1992. The formation of the military-backed government in early 1992 was the starting point for another major protest in Thai political history along with the events of 14 October 1973 and 6 October 1976 (Morrell and Chai-anan, 1981; Thanes, 2008). Thai people, almost all of whom were the middle class who lived in Bangkok, demonstrated against General Sujinda Kraprayoon, the non-elected Prime Minister, at Rajadamnern road between 17 and 19 May 1992. The Sujinda government employed violent repression for a few days and the situation became worse. At this moment, King Bhumibol intervened in the political crisis, once again, by calling General Sujinda and Major-General Chamlong Srimuang, leader of the protestors to meet him at the Royal palace and broadcasted the meeting nationwide (Rosi, 1995:1050-1054; Suchit, 1993). The demonstration was resolved after the King took action. General Sujinda resigned from his position and Mr. Anand Panyarachoon was appointed by the King to be Prime Minister for the second time. The King’s action confirms that he still plays a hegemonic role in Thai politics and ties social forces up in times of crisis.

Moreover, rather than intervening in times of crisis, the Thai monarchy constructed this common sense by means of the reinvention of the discourse of King Prachadhipok (King Rama VII) as the 'founding father of Thai democracy' (Thongchai, 2008: 23). Thai people nowadays have had their worldview shaped to include that King Prachadhipok was the real founder and the giver of Thai democracy rather than the great struggle of the People’s Party. The government funded the King Prachadhipok Institute (KPI) for research in politics and public affairs along with the KPI museum that reproduced this common sense to Thai society. The discourse of King Prachadhipok gives credit to the Siam absolute monarchy for delivering democracy towards Thai people, rather than the fight of ordinary men (Thongchai, 2008: 23). Nevertheless, this belief also benefited King Bhumibol as the key person who enabled Thai democracy to survive political crises many times.

In short, the ideological aspect of the existing Thai historical bloc is centred on 'the monarchy', i.e. 'King Bhumibol'. Thai society had been constructed by the King’s network of intellectuals in order to build up ‘three major common senses’ including the king as being sacred, being popular, and being democratic. These common senses were constituted through 'nationalism' and 'royal paternalism', which is the view of the king as the father of the nation rather than ‘liberalism’ or any other political ideologies. The
king became the centre of the ideological dimension in all areas of peoples’ lives following the revitalisation of the monarchy by the Sarit government in the late 1950s and this was more firmly rooted after his intervention in the events of the 1973 student uprising. The King’s power and these common senses/conceptions of the world seem to be extremely strong and should be predicted to last over the very long run. However, the emergence of the Red Shirts movement in 2009–2010 illustrated that these existing standard perceptions have now been challenged. Debates and discussions about the monarchy even under the protection of the ‘lèse majesté law’ in Thailand are, in fact, increasing (Ivarsson and Isager, 2010). The challenges of the Red Shirt social force will be considered in both chapters seven and eight.

6. CONCLUSION

As mentioned in previous chapters this thesis deals with the four major features—history, crisis, transition, and crisis within transition—of the Thai historical bloc. This chapter has provided the overall picture of the Thai state to the reader as a basis for political analysis in the following core chapters. The chapter placed itself as a historical chapter that examines the changing conditions of political economy of Thailand since the 1932 revolution to the pre-1997 crisis period. As shown in Part One, the social relations of production have dramatically changed through the different political regimes of the nationalist-militarist regime in the 1940s-1950s and modern industrialisation since the late 1950s. In response to the changing political economy, major social forces—the capitalists, labour, the middle class, and the peasants—have their own class movements in order to secure their own interests.

Nevertheless, as analysed in Part Two, these main social groups of the Thai state have never contested each other in relation to the question of the unfair/undemocratic regime on a political basis as they were all tied together as a social bloc by the hegemonic ‘royalist-nationalist’ political ideology. Social forces in the old historical bloc fought against each other in limited aspects of what Gramsci called the ‘economic-corporate phase’—they were only concerned with economic matters in their struggle rather than politico-ideological stances. Social relations between the ruling and the ruled social classes were transformed after Thaksinism was usurped by the army in 2006. The unthinkable aspects of the regime of government have been questioned by the subaltern social forces—led by the Red Shirts social force—which eventually led to another crisis of the Thai historical bloc which will be discussed in chapters seven and eight.
CHAPTER 5


1. INTRODUCTION

John Holloway (1992) once stated that the concept of ‘crisis’ is not only economic, but presents itself as such. Crisis expresses the ‘structural instability’ of capitalist social relations; the instability of the basic relation between capital and labour on which society is based (Holloway, 1992: 159). The severe economic crisis of 1997, therefore, was not only an economic collapse that took place isolated from other elements. Rather, it was also a crisis of capitalist social relations in Thai society. It was a crisis of all economic, political, and socio-ideological elements. This chapter aims to paint a picture of the eruption of the old historical bloc in 1997. In the previous chapter it was shown that the modern Thai historical bloc was configured by the process of uneven and exclusionary economic development and royalist-nationalist ideology. Configurations of power among social groups in Thailand were shaped by these two crucial elements since the late 1950s. Nevertheless, the crisis of the state in 1997 affected these relations of social power. This paved the way for some new political actors to, eventually, transform existing social relations in the post-crisis period.

The crisis of the Thai historical bloc in 1997 severely affected social forces in many ways. In terms of economic devastation1 the crisis demolished a number of Sino-Thai financial-banking capitalists—who had dominated Thailand’s economy for decades—and other banks funded by the Thai army and the monarchy. The crisis also hindered numerous investments by both domestic and international industrial capitalists. Likewise, for the subaltern social classes, a huge number of labourers and the middle class were immediately rendered unemployed and part of these groups returned to the rural agricultural sector. During the time of crisis, the Thai social forces—the capitalists, the middle class, the peasants, and labour in both urban and rural areas—had strongly demanded a ‘new, innovative, and strong state’ in order to secure and

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1 The crisis of 1997 did not only affect the political economy of Thailand, but also ideological elements. The so-called royalism-nationalism that had been constructed since the late 1950s (see the previous chapter) had been strengthened by the monarchy through the King’s royal initiative notion of ‘Self-Sufficiency Economy’ (SEP). The monarchy played a cohesive role in binding social forces together by the time of crisis via this SEP and it had been significant for several years until the rise of Thaksinism in 2001. There will be more discussion on the SEP in chapter eight of the thesis.
guarantee their class interests as soon as possible.\textsuperscript{2} Then, the Thai Rak Thai (TRT) party,\textsuperscript{3} as the alternative, innovative and very strong social group, would later take crucial action in order to restructure the configurations of power, that were disrupted by the 1997 crisis, among social groups in Thai historical bloc. Therefore, as a critical point of departure to understand the crisis of the Thai state in 2010, this thesis argues, it is necessary to understand the 1997 crisis and its consequences upon social forces. This chapter offers itself as a connection to perceive the ‘crisis-ridden’ transition of the Thai historical bloc.

2. ECONOMIC BOOM: EXPORT-LED GROWTH AND FINANCIAL LIBERALISATION

2.1 Thailand in the 1980s

Thailand in the period between the 1980s and 1997 faced the changing political environment as the Cold War ended and the Thai army learned to accommodate the spread of neoliberal globalisation. Under the administrations of the Prem and Chartichai governments, Thailand shifted its direction towards more foreign trade under the Chartichai government’s slogan of ‘changing the war for trade’ (Pasuk and Baker, 1997). With the rising stream of neoliberal hegemony, Thailand enjoyed economic growth without noticing the coming of crisis in 1997. In the 1980s, the country had opened up to the processes of globalisation and adopted neoliberal economic practices. The World Bank (WB) urged Thailand to liberalise its financial system as the next stage in making the economy more efficient and more accessible to foreign capital (Baker and Pasuk, 2009: 253). This period was known as the ‘economic boom’ period. The Thai economy was considerably transformed from the earlier decades and attached itself closely to the strategies of the Washington Consensus including export-orientated industrialisation (EOI), foreign direct investment (FDI), and financial liberalisation as three main sources of its economic boom.

\textsuperscript{2} On the concept of the strong state and free economy see Bonefeld, 2010, 2012a, 2012b.
\textsuperscript{3} The TRT party and its restructuring programmes of the Thai state will be discussed in the next chapter.
2.2 Explaining the Boom: Export-Led Growth and Foreign Direct Investment

Until the economic crisis erupted in July 1997, Thailand's economy had enjoyed four decades of exceptionally economic growth. The period from 1987 to 1997 was one of the great economic booms as Thailand achieved some of the highest growth rates in the world (Hewison, 1999a: 7). However, it should be noted here that the decade of boom in Thailand was not driven by improvements in the quality of the labour force (Warr, 1998: 50). Rather, it derived from two major sources; firstly, it was fuelled by the shift in economic strategy of the Thai government from import-substitution industrialisation (ISI) towards the wider strategies of export-led growth or the EOI and FDI. Second, economic growth in the boom decade of Thailand was not based on the real economy that relies on intensive skilled labour, rather, it was due to financial liberalisation implemented in the early 1990s.

2.2.1 Export-Led Growth

From the 1950s, the major strategy of the Thai state to stimulate economic growth was ISI (Somboon, 2010: 64-72; Akira, 1989; Ingram, 2009). However, EOI, which was encouraged from the late 1970s, remained crucial for the Thai economy in the 1980s and beyond. From 1985 to 1990, total exports from Thailand multiplied three times. The sharp rise was led by local firms in labour-intensive manufacture (Pasuk and Baker, 1998: 31). The country successfully transformed itself from an agrarian-based economy—which heavily depended on rice and land-intensive production—to an export-led economy that combined agriculture, agro-industry, manufacturing, and services. This is confirmed by data in figure 5.1 and table 5.1 below that show that the agricultural sector significantly declined in its contribution to economic growth from 40% of GDP in the 1960s to only 10% in 1985 while non-agriculture increased from 25.3% of GDP in the period between 1957 and 1973 to reach 45.5% on the eve of economic crisis in 1997 and rose further to 53.2% in 2002-2003.
Figure 5.1: Percentage Contributions to GDP of Agriculture and Manufacturing Sectors in Thailand from 1960 to 1995

Source: Hewison, 2000: 197

Table 5.1: Economic Growth by Sectors and Percentage Share of GDP

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<tbody>
<tr>
<td>Agriculture</td>
<td>5.0</td>
<td>3.7</td>
<td>3.1</td>
<td>2.1</td>
<td>4.9</td>
</tr>
<tr>
<td>Non-agriculture</td>
<td>9.6</td>
<td>7.4</td>
<td>11.8</td>
<td>0.7</td>
<td>7.6</td>
</tr>
<tr>
<td>Industry</td>
<td>9.7</td>
<td>7.1</td>
<td>12.3</td>
<td>2.0</td>
<td>8.6</td>
</tr>
<tr>
<td>Service</td>
<td>8.3</td>
<td>3.7</td>
<td>8.3</td>
<td>-1.7</td>
<td>4.4</td>
</tr>
<tr>
<td>Total</td>
<td>7.8</td>
<td>4.7</td>
<td>9.2</td>
<td>-0.1</td>
<td>6.1</td>
</tr>
</tbody>
</table>

Source: Somboon, 2012: 142.

Thailand had become one of the world’s few new producers of a broad range of fish and agricultural products and the top or close to the top exporter of rice, rubber, cassava, shrimp, canned fruits, processed tuna, sugar cane, soy, and frozen chicken. Thai exports also diversified considerably. Manufactured products such as electrical products (computers, parts, and integrated circuits), jewellery, footwear, vehicles and parts, and textiles were major export products (Doner, 2009: 26, 32; Juree, 1986: 180-181). Table 5.2 below shows the export performance of Thailand since 1970.
Table 5.2: Net Export Performance of the Thai Economy

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<tbody>
<tr>
<td>Agriculture</td>
<td>3.34</td>
<td>3.79</td>
<td>3.97</td>
<td>2.84</td>
<td>1.96</td>
<td>1.66</td>
</tr>
<tr>
<td>Tobacco</td>
<td>-1.32</td>
<td>0.51</td>
<td>1.11</td>
<td>0.20</td>
<td>0.26</td>
<td>-0.04</td>
</tr>
<tr>
<td>Textiles</td>
<td>10.25</td>
<td>0.54</td>
<td>0.88</td>
<td>1.42</td>
<td>1.41</td>
<td>1.25</td>
</tr>
<tr>
<td>Wood products</td>
<td>0.27</td>
<td>-0.08</td>
<td>-0.66</td>
<td>-0.46</td>
<td>-1.20</td>
<td>-1.05</td>
</tr>
<tr>
<td>Furniture</td>
<td>0.00</td>
<td>0.33</td>
<td>0.82</td>
<td>1.40</td>
<td>1.46</td>
<td>1.47</td>
</tr>
<tr>
<td>Paper</td>
<td>-1.33</td>
<td>-1.08</td>
<td>-1.12</td>
<td>-0.58</td>
<td>-0.60</td>
<td>-0.47</td>
</tr>
<tr>
<td>Printing</td>
<td>-0.89</td>
<td>-0.57</td>
<td>-0.45</td>
<td>-0.33</td>
<td>-0.34</td>
<td>-0.02</td>
</tr>
<tr>
<td>Rubber</td>
<td>-1.05</td>
<td>-0.58</td>
<td>-0.16</td>
<td>0.33</td>
<td>0.28</td>
<td>0.26</td>
</tr>
<tr>
<td>Chemicals</td>
<td>-2.74</td>
<td>-2.49</td>
<td>-2.23</td>
<td>-1.57</td>
<td>-1.23</td>
<td>-1.01</td>
</tr>
<tr>
<td>Petroleum</td>
<td>-1.35</td>
<td>-1.55</td>
<td>-1.81</td>
<td>-1.23</td>
<td>-1.14</td>
<td>-1.00</td>
</tr>
<tr>
<td>Non-metal products</td>
<td>1.06</td>
<td>1.19</td>
<td>1.09</td>
<td>-0.03</td>
<td>-0.99</td>
<td>-0.50</td>
</tr>
<tr>
<td>Metal products</td>
<td>-1.89</td>
<td>-1.70</td>
<td>-1.80</td>
<td>-1.84</td>
<td>-2.23</td>
<td>-1.99</td>
</tr>
<tr>
<td>Machinery</td>
<td>-2.08</td>
<td>-1.65</td>
<td>-1.62</td>
<td>-1.16</td>
<td>-1.09</td>
<td>-0.77</td>
</tr>
<tr>
<td>Electrical machinery</td>
<td>-1.59</td>
<td>-1.06</td>
<td>-0.99</td>
<td>-0.64</td>
<td>-0.69</td>
<td>-0.53</td>
</tr>
<tr>
<td>Transport equipment</td>
<td>-1.38</td>
<td>-1.15</td>
<td>-0.92</td>
<td>-0.64</td>
<td>-0.74</td>
<td>0.78</td>
</tr>
<tr>
<td>Other manufacturing</td>
<td>-0.72</td>
<td>-0.55</td>
<td>-0.71</td>
<td>0.07</td>
<td>0.58</td>
<td>-0.70</td>
</tr>
</tbody>
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As the Thai state could not resist neoliberal hegemony it considerably based the country’s economic activities on EOI. As table 5.3 below shows, a decade before the crisis 37.9% of Thailand’s GDP was contributed by export of goods and services and this trend is further increasing in the post-crisis era, reaching 64.6% of GDP between 1997 and 2006.

Table 5.3: Percentage of Share of Export of Goods and Services to GDP, Various Countries

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<tr>
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<tbody>
<tr>
<td>Indonesia</td>
<td>26.3</td>
<td>35.6</td>
<td>9.3</td>
<td>30.9</td>
</tr>
<tr>
<td>Republic of Korea</td>
<td>27.2</td>
<td>39.9</td>
<td>12.6</td>
<td>43.2</td>
</tr>
<tr>
<td>Malaysia</td>
<td>83.2</td>
<td>114.9</td>
<td>31.8</td>
<td>117.0</td>
</tr>
<tr>
<td>Philippines</td>
<td>32.6</td>
<td>50.2</td>
<td>17.6</td>
<td>46.4</td>
</tr>
<tr>
<td><strong>Thailand</strong></td>
<td><strong>37.9</strong></td>
<td><strong>64.6</strong></td>
<td><strong>26.7</strong></td>
<td><strong>73.7</strong></td>
</tr>
</tbody>
</table>

Source: Somchai and Chalongphob, 2009: 3.

2.2.2 Foreign Direct Investment

Apart from EOI, the pre-1997 Thai state also employed FDI as a strategy to attract capital inflows from other countries. Following the hegemonic neoliberal policies mentioned above, the Thai government created an environment that welcomed foreign capital to invest in Thailand. The ‘FDI-led industrialisation’ in Thailand succeeded in attracting FDI from Japan, Taiwan, and South Korea pushed by the rising costs and
currency appreciations after the ‘1985 Plaza Accord’ (Bello, 1999: 36; Hewison, 1989: 142-167; Connors, 2004: 171). Thailand was considered as having been at the right place at the right time to benefit from a regional relocation of production in East and Southeast Asia (Doner, 2009: 36; Dixon, 1999 a: 124-125; Sheng, 2009: 145). Foreign funds did not come automatically into the country. Rather, foreign capital was convinced by at least three main policies of the Thai government: first, the policy of government deregulation or the removal of any restrictions on the inflow and outflow of capital; second, maintenance of high domestic interest rates relative to the US and other world financial centres in order to attract speculative capital; and third, fixing the exchange rate between the baht and the dollar to abolish or decrease any risk for foreign investors (Bello, 1999: 37; Felker, 2009).

The Thai state as a neoliberal state has played the role of facilitator for private investors since that period. Then, from 1980 to 1994, Thailand had a massive increase in net FDI rising from approximately US$1,800 million to US$14,000 million (Doner, 2009: 124; Niksch, 1989: 165-166). Figure 5.2 below illustrated the sharp leap in net FDI in Thailand in the late 1980s. In addition, table 5.4 shows sources of capital invested in Thailand through the FDI encouragement strategy from 1981 to 1991.

Figure 5.2: Net Private Foreign Direct Investment in Thailand, 1971 to 1991

Table 5. 4: Foreign Direct Investment into Thailand (net flows), 1980 to 1991 (millions of US dollars)

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</tr>
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<tbody>
<tr>
<td>Northeast Asia</td>
<td>103</td>
<td>159</td>
<td>188</td>
<td>831</td>
<td>1,160</td>
<td>1,683</td>
<td>1,179</td>
</tr>
<tr>
<td>ASEAN</td>
<td>14</td>
<td>14</td>
<td>21</td>
<td>65</td>
<td>109</td>
<td>252</td>
<td>253</td>
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<tr>
<td>Europe</td>
<td>45</td>
<td>30</td>
<td>67</td>
<td>111</td>
<td>196</td>
<td>198</td>
<td>196</td>
</tr>
<tr>
<td>North America</td>
<td>84</td>
<td>51</td>
<td>71</td>
<td>128</td>
<td>209</td>
<td>232</td>
<td>237</td>
</tr>
<tr>
<td>Other</td>
<td>22</td>
<td>9</td>
<td>5</td>
<td>4</td>
<td>97</td>
<td>77</td>
<td>130</td>
</tr>
<tr>
<td>Total</td>
<td>268</td>
<td>263</td>
<td>352</td>
<td>1,139</td>
<td>1,771</td>
<td>2,442</td>
<td>1,995</td>
</tr>
</tbody>
</table>

Source: Warr, 1993: 70

Along with EOI and FDI, the Thai state from the late 1980s took another crucial step that made Thailand more readily open to the world economy; the financial liberalisation led by the Chartichai and Chuan governments in the 1990s. This move enable freer flows of capital in and out of Thailand and contributed to the ‘bubble economy’ that eventually exploded in July 1997.

2.3 Explaining the Boom: Financial Liberalisation in the 1990s

Financial liberalisation in the 1990s during the Chartichai Chunahawan and Chuan Leekpai elected governments opened up the chance for the free flow of foreign capital. Financial opening became a way to bridge the gap by mobilising foreign and local funds. There was also hope that financial liberalisation would increase competitive pressure on Thai firms and help Thailand become a regional ‘financial hub’. The result was a series of neoliberal measures, including interest rate deregulation, liberalisation of foreign exchange controls, and financial institutional deregulation (Doner, 2009: 118; Hussey, 1993; Pasuk and Baker, 1997).

Prior to 1990, Thailand’s monetary policies were strict control of capital through some important measures such as interest rate ceilings, direct capital controls, controls on the foreign exchange positions of commercial banks, and withholding tax on foreign borrowing. However, in May 1990 Thailand employed the IMF’s policy in order to remove controls on foreign exchange for current account transactions and followed in 1991 when several restrictions were lifted (Bhanupong and Warr, 2000: 102-105). In March 1993, the Chuan government established the so-called ‘Bangkok International Banking Facility’ (BIBF) to promote investors from around the world to invest and
trade in Thailand. The aim of the Bank of Thailand (BOT) in creating the BIBF was to establish Thailand as the financial centre of the region and employ BIBF to facilitate international banking business (Alba et al, 2001: 125). Under the BIBF programme, Thai banks and representatives of foreign banks were allowed to act as mediators of foreign international currency transactions. The BIBF’s activities can be defined as three types: out-out, out-in, and in-out. The out-out activities concern lending abroad by borrowing abroad. Out-in activities concern lending in the domestic market by borrowing abroad. In-out activities involve lending abroad by borrowing from the domestic market. The most successful activities were the out-in (see table 5.5 below). Initially, the minimum amount of lending was US$500,000, and subsequently, it increased to US$2 million (Nattapong and Sraroot, 1999: 2; Zhang, 2003: 128-133; Ammar, 1997).

Table 5.5: BIBF Credits ( billions of Baht)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Out-In</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thai banks</td>
<td>197.0</td>
<td>456.6</td>
<td>680.5</td>
<td>807.6</td>
<td>1,411.4</td>
<td>767.0</td>
<td>487.1</td>
<td>387.0</td>
</tr>
<tr>
<td>Foreign banks with</td>
<td>126.7</td>
<td>189.8</td>
<td>254.6</td>
<td>330.0</td>
<td>514.1</td>
<td>213.5</td>
<td>100.1</td>
<td>62.2</td>
</tr>
<tr>
<td>full branches</td>
<td>50.8</td>
<td>102.2</td>
<td>152.4</td>
<td>222.8</td>
<td>690.4</td>
<td>431.9</td>
<td>304.2</td>
<td>253.1</td>
</tr>
<tr>
<td>Other BIBF units</td>
<td>19.6</td>
<td>164.6</td>
<td>273.6</td>
<td>254.8</td>
<td>206.9</td>
<td>121.6</td>
<td>82.8</td>
<td>71.7</td>
</tr>
<tr>
<td>Out-Out</td>
<td>3.8</td>
<td>100.8</td>
<td>517.0</td>
<td>482.6</td>
<td>471.1</td>
<td>148.5</td>
<td>63.7</td>
<td>44.1</td>
</tr>
<tr>
<td>Thai banks</td>
<td>2.6</td>
<td>11.6</td>
<td>10.8</td>
<td>16.3</td>
<td>35.4</td>
<td>29.0</td>
<td>20.1</td>
<td>15.1</td>
</tr>
<tr>
<td>Foreign banks with</td>
<td>0.3</td>
<td>2.0</td>
<td>4.8</td>
<td>9.4</td>
<td>264.3</td>
<td>89.1</td>
<td>33.5</td>
<td>23.3</td>
</tr>
<tr>
<td>full branches</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other BIBF units</td>
<td>0.9</td>
<td>87.2</td>
<td>501.4</td>
<td>456.9</td>
<td>171.4</td>
<td>30.4</td>
<td>10.1</td>
<td>5.8</td>
</tr>
<tr>
<td>Total</td>
<td>200.8</td>
<td>557.5</td>
<td>1,197.6</td>
<td>1,290.2</td>
<td>1,882.4</td>
<td>915.5</td>
<td>550.8</td>
<td>431.1</td>
</tr>
<tr>
<td>Thai banks</td>
<td>129.3</td>
<td>201.4</td>
<td>265.4</td>
<td>346.4</td>
<td>549.4</td>
<td>242.5</td>
<td>120.2</td>
<td>77.3</td>
</tr>
<tr>
<td>Foreign banks with</td>
<td>51.1</td>
<td>104.2</td>
<td>157.2</td>
<td>232.2</td>
<td>954.8</td>
<td>521.1</td>
<td>337.7</td>
<td>276.3</td>
</tr>
<tr>
<td>full branches</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other BIBF units</td>
<td>20.4</td>
<td>251.8</td>
<td>775.0</td>
<td>711.7</td>
<td>378.2</td>
<td>152.0</td>
<td>92.9</td>
<td>77.5</td>
</tr>
</tbody>
</table>

Source: Sheng, 2009: 139.
Financial liberalisation through the BIBF programme opened up the capital market and stimulated massive foreign investment in the Thai economy. As figure 5.3 above shows, the net flows of private capital into Thailand significantly increased after launching the BIBF in 1993 as the country leapt from US$10,000 million to more than US$ 20,000 million in 1995. The financial liberalisation of both the entry and exit of foreign capital was very much easier than ever (Warr, 2005: 14). This inflow of foreign funds loosened trust-based links between lenders and borrowers that had been so successful in mobilising and investing Thai savings. It also posed regulatory challenges for which Thailand was unaware, because the amount of debt but more importantly to the matter that many of the loans were ‘short-term’ and unhedged against currency instability. These funds went to non-capital intensive sectors with long-term returns and into non-productive activities, especially real estate and property sectors. The result was a combination of speculative booms in the real estate and stock markets, declining in competitiveness due to rising inflation and currency values, and rising current account deficits due to a fall in export growth from 15% to 0% by 1996 (Doner, 2009: 118). In short, the financial liberalisation policy of the Thai state in the 1990s was one of the major causes of the 1997 economic crisis because it was an opportunity for currency speculators to attack and gain benefit from the expected floatation of the baht currency (Suchitra, 1998; Overholt, 1999; Thitinan, 2001).

In short, the great decade of economic boom between 1987 and 1997 was constructed through neoliberal economic strategies of export-led growth, foreign direct investment, and financial liberalisation. These measures demanded that the Thai state act as a
facilitator and open broad spaces for the private sector to contribute to national wealth. In the mid-1990s, the boom affected all social classes as the economic elite recognised investment confidence from foreign capital and a chance to transform the country into a Newly Industrialised Country (NIC). The labour/working and the middle classes benefited from growing opportunities in employment and reductions in poverty levels (in the absolute sense). However, the boom was a myth as the growth did not contribute to the real economy and enhance labour productivity and domestic production (Connors, 2004: 169). Speculation for short-term profit and the weak state eventually led the Thai historical bloc into crisis.

2.4 Onset of the Crisis

The appearance of Thailand as a country with 10% economic growth and a rising star that could join as a new member of the Newly Industrialised Countries (NICs) was only a myth or illusion that never occurred (Warr, 2000). Thailand could not sustain its economic development through the real production sector nor improve skilled labour. Economic development under the guise of neoliberal economic projects led to the resultant massive private external debt, slowdown in exports, and, eventually, to the crisis of 1997 or the so-called ‘Tom Yam Goong crisis’.

The result of the neoliberal policies implemented under the Chartichai and Chuan governments in the 1990s paved the way for Thailand to face the crisis. Financial liberalisation in the 1990s encouraged large capital inflows that led to rapid growth in the country’s outstanding external debt. The total external debt increased from US$28.8 billion in 1990, 33.8% of GDP, to US$94.3 billion at the end of 1996. Most of these debts were created by the private sector and the critical aspect of debt was short-term (Sheng, 2009: 141). Further, there was overinvestment due to wrong speculation by investors in many sectors, especially real estate and some basic industries, causing enormous excess supply. The excess supply of housing, more specifically, in Bangkok and the suburban areas, was expected to exceed 300,000 units and the rental rate of office space in Bangkok dropped to more than 50% at the end of 1998 (Nattapong and Srawoot, 1999: 2-3). Due to excess supply, most investors were unable to repay both foreign and domestic debts, which eventually led to the non-performing loans (NPLs) and caused many problems for Thai financial institutions (Cheung and Liao, 2005).
Only in 1997 did the proportion of NPLs to total loans of commercial banks between June and December 1997 sharply increase from 8.4% to 20.1%. In early March 1997, ten financial institutions that faced the NPLs problem were ordered to recapitalise within 45 days or face intervention. However, in June 1997, the BOT decided to temporarily close down 16 bankrupt financial companies and subsequently 42 more companies on 5 August 1997 (Nattapong and Srawoot, 1999: 4). From this result of the private sector’s debt it can be concluded that apart from the misplaced speculation of the private sector, there was no effective overall debt management mechanism of the Thai state and the BOT (Chalongphob, 1998: 1). The result of the large capital inflows created in Thailand the problem of high current account deficits. The current account deficits significantly increased from 0.7% of GDP in 1987 to 8.5% of GDP in 1990 and continued to be high in the range of between 5% and 8% until 1996. Nattapong and Srawoot (1999: 7) explain that the rapid economic growth and high current account deficit indicated the imbalance between aggregate demand and supply. The excess extension of demand due to the surge of investment financed by foreign borrowing is acceptable only if the investor paid off especially in terms of foreign currency earnings. Nevertheless, most external funds were used in many unproductive activities as mentioned above.

Table 5.6: Ratio of Debt to GDP

<table>
<thead>
<tr>
<th>Year</th>
<th>Long-term</th>
<th>Short-term</th>
<th>Total debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>21.77</td>
<td>11.99</td>
<td>33.75</td>
</tr>
<tr>
<td>1991</td>
<td>22.52</td>
<td>15.57</td>
<td>38.09</td>
</tr>
<tr>
<td>1992</td>
<td>21.46</td>
<td>17.12</td>
<td>38.58</td>
</tr>
<tr>
<td>1993</td>
<td>21.43</td>
<td>18.62</td>
<td>40.06</td>
</tr>
<tr>
<td>1994</td>
<td>22.28</td>
<td>23.03</td>
<td>45.30</td>
</tr>
<tr>
<td>1995</td>
<td>21.93</td>
<td>27.45</td>
<td>49.38</td>
</tr>
<tr>
<td>1996</td>
<td>27.32</td>
<td>23.61</td>
<td>50.94</td>
</tr>
</tbody>
</table>


Furthermore, another vital problem that Thailand faced in the pre-1997 crisis period was the export slowdown that occurred in 1996. However, the export slowdown itself was not a direct cause of the crisis in 1997. Rather, it was a trigger that affected investor confidence and raised expectations of a devaluation of the baht (Warr, 2005: 22). In 1996 export growth declined from over 20% per year in previous year. The slowdown accelerated for Thailand’s export destinations but was greatest in exports to Japan, NAFTA, and China. Table 5.7 below shows that the slowdown was mainly in the
labour-intensive industries. Many economists attempted to explain the causes of the export slowdown which included many reasons such as trade liberalisation, increasing competition in international markets from China, reduced demand from importing countries, and most importantly increases in real wages. Prior to modern economic development in the 1950s, Thailand had sufficient supply of unskilled rural labourers and elasticity to shift from the agricultural to the industrial sector.

However, in the mid-1990s, the real wages in the Thai economy increased because of both supply and demand sides. On the supply side, Thailand in the mid-1990s differed from the previous decades. Cheap unskilled rural labour was no longer elastic as it had been. This is because some rural labourers in agricultural industries needed to leave their jobs in some seasons in order to harvest their crops in the countryside areas. This led to the problem of seasonal labour shortages. On the demand side, there were some important changes such as non-tradables, especially in the service sector, that were more labour-intensive than tradables. As non-tradable prices increased compared to tradable prices, wages rose relative to the consumer price index, which finally led to the increase in the cost of production. This led to the end of the era of cheap labour and the competitiveness of Thailand’s labour intensive export industries declined sharply (Warr, 2005: 24).
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Table 5.7: Sources of Export Slowdown in 1996

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total exports (million baht)</td>
<td>1,137,602</td>
<td>1,406,310</td>
<td>1,401,392</td>
</tr>
<tr>
<td>Growth rate (%)</td>
<td>20.9</td>
<td>23.6</td>
<td>-0.35</td>
</tr>
<tr>
<td>Growth rate by commodity (%)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Computer and parts</td>
<td>44.9</td>
<td>38.7</td>
<td>31.3</td>
</tr>
<tr>
<td>2. Garments</td>
<td>12.4</td>
<td>1.3</td>
<td>-21.9</td>
</tr>
<tr>
<td>3. Rubber</td>
<td>43.3</td>
<td>46.5</td>
<td>1.4</td>
</tr>
<tr>
<td>4. Integrated circuits</td>
<td>27.5</td>
<td>28.4</td>
<td>3.4</td>
</tr>
<tr>
<td>5. Gems and jewellery</td>
<td>8.3</td>
<td>11.5</td>
<td>8.4</td>
</tr>
<tr>
<td>6. Rice</td>
<td>18.9</td>
<td>24.1</td>
<td>8.4</td>
</tr>
<tr>
<td>7. Sugar</td>
<td>41.2</td>
<td>67.2</td>
<td>11.7</td>
</tr>
<tr>
<td>8. Frozen shrimps</td>
<td>29.9</td>
<td>2.3</td>
<td>-17.8</td>
</tr>
<tr>
<td>9. Television and parts</td>
<td>26.2</td>
<td>12.7</td>
<td>14.1</td>
</tr>
<tr>
<td>10. Shoes and parts</td>
<td>40.5</td>
<td>37.0</td>
<td>-40.9</td>
</tr>
<tr>
<td>11. Canned seafood</td>
<td>24.7</td>
<td>4.1</td>
<td>-0.3</td>
</tr>
<tr>
<td>12. Air conditioner and parts</td>
<td>62.1</td>
<td>49.6</td>
<td>33.6</td>
</tr>
<tr>
<td>13. Plastic products</td>
<td>-29.1</td>
<td>102.2</td>
<td>51.4</td>
</tr>
<tr>
<td>14. Tapioca products</td>
<td>-13.6</td>
<td>-2.8</td>
<td>16.7</td>
</tr>
<tr>
<td>15. Textiles</td>
<td>4.5</td>
<td>22.1</td>
<td>-4.4</td>
</tr>
<tr>
<td>Above 15 commodities value (million baht)</td>
<td>611,536</td>
<td>765,734</td>
<td>740,683</td>
</tr>
<tr>
<td>Growth rate (%)</td>
<td>20.7</td>
<td>25.2</td>
<td>-3.27</td>
</tr>
<tr>
<td>Share in total exports (%)</td>
<td>53.8</td>
<td>54.4</td>
<td>52.9</td>
</tr>
</tbody>
</table>


As shown above, the pathway to the crisis illustrates the vulnerability of the structure of the Thai economy. The huge foreign debt which accumulated between 1993 and 1996, the high current account deficit for two consecutive years, excess supply in real estate and other sectors, massive NPLs of many financial institutions, the unusually strong baht, and the slowdown of exports led to the instability of the Thai economy. All these problems paved the way for attacks by the international hedge funds as they expected the Thai government to eventually devalue the baht.

The baht attacks occurred first in February and then in May 1997. The BOT decided to defend the baht rather than float it. They utilised foreign reserves to counter the attackers by buying in both the spot and forward market (Nattapong and Sravoot, 1999: 7). In May 1997 alone Thailand’s foreign reserves declined by as much as US$4 billion, and eventually by as much as US$ 23.4 billion before July 1997. Following the attack in May, the financial situation in Thailand worsened. Capital outflows sharply rose and foreign reserves continued to dwindle. At the end of May, the minimum lending rate and minimum overdraft rate shifted steadily as liquidity was drained from the system (Sheng, 2009: 147-148). The situation disintegrated as the high interest rate slowed down the economy, NPLs increased, and rumours about financial difficulties spread. Eventually, the BOT announced a float of the currency. The rate immediately
changed from 25 baht per US dollar to 30 baht and reached 55 baht in January 1998 (see figure 5.4 below).

Figure 5.4: Exchange Rate between Baht and US$

In short, neoliberal economic development in Thailand since the late 1980s paved the way for the crisis in 1997. Thailand transformed itself from a rising star and the next expected NIC to be the first among other Asian countries to face economic collapse. The next section examines the Thai state’s response to the crisis and the roles of the IMF and its bailout packages.

3. IMF AND THE RESTRUCTURING PROGRAMMES

Amidst the crisis in 1997 the Thai state was bankrupted and social forces were all hit by the economic downturn. The crisis of the old historical bloc this time was not only occurring because of the misplaced economic policies of the Thai state, but also the unsound politics of Thailand—high rates of corruption, normalisation of patron-client systems, overwhelming roles of nationalism and royalism with lack of inclusive politics for ordinary people—that itself indirectly contributed to the crisis. Illustrating the character of the weak state, shortly after the crisis the Thai government requested a bailout package from the IMF to intervene and rescue Thailand from the severe economic downturn. This section explores the roles of the IMF during the time of crisis and its restructuring programmes. The failed IMF strategies galvanized social forces, mostly the business groups and the labour unions, to employ neo-nationalist project against the IMF and the Democrat party as the party that loyally followed the plans of the IMF.
3.1 The First Phase of the IMF Programme

After the clash of the financial sector and massive loss in foreign reserves of the BOT, the Thai government requested the IMF’s assistance (Chalongphob, 1999). On 20 August 1997, Thailand engaged in a 3-year Stand-By Arrangement with the IMF. The crisis led to the Thai government receiving a rescue package worth US$17.2 billion from the IMF. The IMF-restructuring programme (in collaboration with the World Bank and the Asian Development Bank) in the first stage attempted to restore market confidence by employing tight fiscal and monetary policies (Fisher, 2004; Flatters, 2000: 265). The primary aim of monetary policies was to stabilise the baht via a high interest rate policy (Sharma, 1998). More specifically, the aim of stabilising the baht was to reduce the current account deficit to about 5% of GDP by the end of 1997 and to 3% in 1998. A balanced budget strategy was also suggested by the IMF through the combination of spending cuts at an amount of 3% of GDP and tax increases, primarily on value-added tax, from 7% to 10% (TDRI, 1998: 15-16).

From the IMF’s perspective, this was a crucial measure to implement in order to stabilise the fluctuating currency while budget cuts were also necessary to make room in the budget for the interest costs of financial restructuring (Fisher, 2004). In addition, along with the budget cuts and increases in interest rates, management of the massive NPLs was also forced by the IMF. The Thai government, under the guidance of the IMF, established two institutions to handle the NPLs—the Financial Sector Restructuring Authority (FRA) and the Asset Management Corporation (AMC). The FRA’s task was to review the rehabilitation proposal of 58 suspended financial institutions; to assist creditors and depositors of the suspended companies; and to administer the liquidation of companies whose proposals were rejected by the FRA. The AMC was established to bid for the purchase of the impaired assets of finance companies that the FRA deemed no longer viable. The AMC became the last measure for defective assets, as its main mission was to buy the bad assets and then manage, restructure, and sell them (Sharma, 2003: 103).

However, the rescue programme suggested by the IMF in the first stage could not rebuild market and investor confidence. The ‘tight’ monetary policy was criticised from various sectors. Critics argue that the IMF’s monetary and fiscal policies were not something new but typical of the programme developed earlier for Latin American countries burdened with external imbalances associated with massive public sector debt,
hyperinflation, and low rates of private savings (Sharma, 2003: 104). However, the causes of the Thai crisis, as shown above, were different from the Latin American countries. Thailand’s financial crisis emerged mainly from a huge build up of short-term private debt, rather than wasteful government spending and lack of monetary control as in Latin America (Pasuk and Baker, 2001; Hewison, 2006: 97). The monetary policy of the IMF reduced credit for the private sector and raised interest rates, which reduced output. The tight fiscal policy reduced incomes and lowered total demand, whereas the weak export capabilities at that moment led to the decrease in both output and demand in the Thai economy. In short, instead of restoring market confidence, the result of the first phase of the IMF bailout failed to stimulate the real productive economy.

3.2 The Second Phase

The Chavalit government lost its legitimacy to hold political authority since their announced to float the baht on 2 July 1997 (Hewison, 1998). Under the short lived Chavalit era during time of crisis the baht decreased its value to 41 baht per US$ on 31 October 1997 (it was 26.5 baht per US$ in July 1997). The weak Chavalit government could not deal with the high demands of social forces in the Thai historical bloc to efficiently solve the economic downturn. Then on 3 November 1997, Chavalit Yongchaiyut announced his resignation from premier authority (Raquiza, 2012: 47). This led to a chance for Chuan Leekpai, the Democrat Party leader, to return to the premiership and he formed the coalition government taking office on 15 November 1997 with a slight majority of 208 seats from 393 seats in parliament.

The Democrat-led government directed the Thai state to the pathway of neoliberalism under the close guidance of the IMF in order to restore market confidence. The government signed the first and second letter of intent on 14 August and 25 November 1997 correspondingly. The primary aim was to signal to the market that the Chuan government was distinct from the previous deficient Chavalit administration. The first letter of intent states the objective of strictly implementing the IMF’s restructuring programme in the Thai economy over the coming three years (Thailand Letter of Intent, 14 August 1997), while the second letter noted that the new economic team was determined to take a number of additional measures to strengthen the policy package and reinforce public confidence. The Thai government planned to reach a 1% surplus in the 1997/98 budgetary year. This goal could be achieved by increasing taxes, cutting
the funding of state enterprises, raising utility prices, and lowering real wages in the public sector. These policies affected various social classes in the country which later would lead to the rising demand from social forces for a strong and alternative government who could run the country contrary to the IMF direction. In addition, on the aspect of financial restructuring, the government announced its aim to move ahead as quickly as possible with the restructuring of the 58 suspended financial institutions (Thailand Letter of Intent, 25 November 1997). With these commitments, Thailand became a good cooperative partner of the IMF and soon the IMF’s star pupil (Sharma, 2003: 107). Nevertheless, it seemed that the IMF programme was not applicable and they underestimated the depth of the economic recession. Even though the Thai government strictly followed the IMF-suggested fiscal and monetary policies, the quick restoration of the market economy did not materialise. In fact, market confidence, instead of bouncing back, continued to decline. The baht continued to devalue and hit an all-time low of 56 baht per US$ in mid-January 1998.

Not surprisingly, by the first quarter of 1998, the public support for the Chuan government’s IMF strategies began to deteriorate. The private sector broadly attacked the IMF programme which wastefully focused on fiscal discipline, external stability, and financial restructuring, but paid no attention to the real economy. Moreover, some had criticised the IMF programme in a nationalist discourse that criticised the Thai state as behaving like a semi-colonised state under an imperialist project created by the IMF to devastate Thailand’s local firms (Kamol, 1998; Narong, 2003). This nationalist ideology at the time of crisis was powerful because social forces especially the labour class later would protest against the IMF to protect some state enterprises from privatisation. Later in 1998 after the TRT party had been formed, this nationalist position against the IMF emerged to become one of primary policies of TRT in the election campaign in the early 2000s.

From June to August 1998, the Thai government accepted that the IMF’s tight monetary and fiscal policies were misplaced. Then, in summer 1998, the Thai government changed its strategies to recover the Thai economy through the promotion of more relaxed fiscal policy. They extended the ongoing reform of the financial sector, strengthened corporate governance, reformed state enterprises in preparation for privatisation, and relaxed the macroeconomic policy especially on the revenue side (Sharma, 2003: 111). By the end of October 1998, the Thai government had signed the fifth letter of intent and stated its commitment to implementing some eleven basic
economic laws concerning bankruptcy, foreclosure, property rights, and restrictions on foreign investors. These laws can be grouped into three categories; proposition for liberalising the Alien Business law into a new and more liberal Foreign investment law; a bill to facilitate the privatisation of state enterprises; and the amendments to the bankruptcy and foreclosure laws and procedures (Sharma, 2003: 112). This commitment later showed that it was a wrong decision of the Chuan government as social forces later criticised this decision and paved the way for other political forces to replace it in parliament. Neo-nationalism emerged in Thailand after the Thai government signed the fifth letter of intent in order to rally against these semi-colonial laws and defend the importance of local community in the stream of globalisation (this issue will be discussed in the next chapter). Two years later, Thaksin Shinawatra and his Thai Rak Thai party picked up this aspect and promoted it as an alternative policy to prevent the Thai economy from future crisis.

In 1999 the Thai government offered several new spending or fiscal stimulus initiatives. In March 1999 the government announced many major social spending programmes funded from external loans provided by the Asian Development Bank, the IMF, the WB, and Japan. The Miyazawa plan supported by the Japanese government was implemented in order to create jobs and encourage reverse migration from urban to rural areas. The government allocated 51 billion baht in order to provide direct and indirect employment that was more concentrated in the countryside. Direct employment initiatives included a 68 province-wide job-creation project, whilst indirect employment included vocational education (Sauwalak and Chedtha, 2000). By mid-1999 most indicators showed that the Thai economy had recovered. After seven consecutive quarters of economic recession, the economy began to expand in the first quarter of 1999. Manufacturing played the leading role in economic recovery with growth of around 15% in 1999. Export volumes also turned positive and expanded by 6% in 1999. Even though there were many critics of the IMF’s programme, Thailand’s national reserve was gradually rebuilt. External vulnerability was concretely lowered with decreases in foreign debt while the current account surplus remained comfortable (Sharma, 1998). The crisis in 1997 and the several years in its aftermath affected social forces in various ways in both political economy and cultural-ideological aspects that will be analysed in the following section.
4. SOCIAL FORCES IN THE TIME OF CRISIS

The year of 1997 not only appeared as an economic crisis, but also as a crisis of the old historical bloc. The existing historical bloc had been ruptured. Social forces were no longer relying on the ‘old’ configuration of power. In other words, the established social relations were scattered and social forces needed an alternative configuration of power to transcend the crisis of the state. This section analyses socio-economic impacts on social forces at the time of crisis. The crisis urged social forces to seek an alternative political force to establish new social relations that could extricate them from the crisis and ensure for them various forms of class interests.

4.1 The Capitalist

The 1997 economic crisis had immense impacts upon several social forces of the Thai historical bloc. However, among social groups in Thailand, the capitalist social forces were most harshly hit by the crisis in terms of profit lost and bankruptcy. As mentioned in the earlier section, at the time of the crisis the Thai state strictly obeyed economic restructuring programmes of the IMF. Their strategies attempted to increase deregulation of the Thai state in order to attract foreign investment and convince transnational capitalist groups to enter and boost the Thai economy (Dixon, 1999 b: 450). This can be seen in the Thai government’s decision to allow the revision of eleven laws that related to foreign capital and ownership of land in Thailand. The crisis in 1997 paved the way to the wider opening of the Thai economy. As shown in figure 5.5 below, the net FDI in Thailand markedly shifted from an average of US$2 million in the 1990s to reach US$8 million in 1998.
4.1.1 Banking/Financial Capital

In the past, banking capital dominated the Thai economy as it played a central role in channeling savings to other economic firms. The banking capitalists enhanced these savings to gain profit on investments. The banking capitalists in Thailand used to rely on their own investment through state agencies and their own insiders and ignored modern financial analysis and risk management (Ammar, 2005: 79). This was one of the crucial causes that contributed to the crisis in 1997 as many financial institutions and banks comfortably offered loans to the private sector. The crisis affected the dominant banking and finance sectors. After the crisis, there were seven commercial banks and 70 financial institutions under the financial rehabilitation programme of the Thai government through the Financial Institution Development Fund of the Bank of Thailand. This eventually led to the elimination of 56 financial institutions. Moreover, the oligopolistic structure of banking capital that was dominated by a few Sino-Thai families was transformed to the new structure in which foreign capital expanded its share in many commercial banks (Natenapa, 2006, 2008).

After the crisis, the Bangkok Metropolitan Bank (BMB), First Bangkok City, Siam City and BBC were nationalised. The Tejapaibul family stake in BMB was lost, and the family was found to owe the bank 4.42 billion baht. There were three banks (Thai Dhanu, Laemthong, and Bank of Asia) that needed to sell majority stakes to interests in Singapore, Kuwait, Hong Kong and the Netherlands. The Ratanarak family sold 25 percent of its Siam City Cement to Swiss investors in order to support its holdings in
the Bank of Ayudhya. In addition, the Siam Commercial Bank, a conservative bank owned by the Crown Property Bureau (CPB) also went to 49% foreign ownership. The CPB made assurances that it would maintain its holdings and keep the bank in Thai hands (Porphant, 2008). However, Thailand’s biggest commercial banks such as the Bangkok and Thai Farmers were able to gain new capital quickly although this meant moving to 49% foreign ownership. Both banks have long possessed strong international connections, especially with US investment banks. The shareholdings of the powerful Lamsam (Thai Farmers Bank) and Sophonpanich (Bangkok Bank) families had already been diluted during the 1980s, but these families have been able to maintain management control (Hewison, 1999 b: 32-33).

In short, banking and financial capital in Thailand has long been in the hands of Chinese merchants from a few families, but the crisis disrupted this and ended the era of family-run banking capital. The crisis opened up a new era of banking capital in Thailand as banks are no longer in the hands of Chinese families and face more competitive pressures from foreign capital as the country shifted towards FDI and welcomed foreign capital in the post-crisis era (Ukrist and Rattapong, 2006; Akira, 2002).

### 4.1.2 Industrial and Local Capital

Industrial capital was similar to the other capitalist factions in terms of the damage it received from the crisis. Based on the study of Natenapa (2006: 41-100) the capitalist factions who were able to survive the crisis were not closed-family businesses, rather it was the ‘specialised’ and ‘modern’ businesses that could control the situation and possessed established practices of good debt management. Crucial industrial capitalist groups who successfully survived from the crisis include the Charoen Phokphan Group (CP), the Siam Cement Group (SCG) of the CPB, the automotive capital e.g. the Thai Summit, and the Shin Corporation of Thaksin Shinawatra. Along with some survivors from the crisis, the Thai Summit capital and the CP group joined other capitalist factions and other social forces to form the Thai Rak Thai party and eventually successfully established the alternative Thaksin government in 2001 in order to secure their class interests and guarantee that the new and strong government could prevent the occurrence of future crises. In addition, it could be said that provincial/local capitalist factions were less affected by the crisis than the national capitalists. They confronted greater competition from many new multinational corporations that
penetrated the rural areas of the country, for example, the dramatic increase in local supermarkets such as Tesco and Carrefour (Pasuk, 2006: 26). This is significant for the landscape of social power in Thailand’s historical bloc because some local capitalists changed their patterns of relationship with politicians and political parties in the post-1997 crisis period. They attempted to themselves participate as prominent political players in order to secure their interests with the TRT party rather than secretly supporting politicians as was the case before the crisis.⁴

4.2 Labour

The capitalist social groups suffered due to the economic crash in terms of benefits lost and bankruptcy, as shown above. However, the antagonist social forces to the capitalists are the labour/worker social forces. It was defined in the last chapter that this work considers labour as a social force to be the groups of people who do not own any means of production; therefore, this worker/labourer includes both blue and white collar workers. At the time of crisis, the most obvious trouble that affected labour as a class was the problem of unemployment.

Table 5.8: Employment by Sectors (Number and Percentage of Total Employment), February 1994–1998 (dry season)

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>12,621,038</td>
<td>11,811,629</td>
<td>12,093,552</td>
<td>11,895,015</td>
<td>11,626,797</td>
<td>-268,218</td>
</tr>
<tr>
<td>% of total employment</td>
<td>44.38</td>
<td>40.81</td>
<td>40.33</td>
<td>39.42</td>
<td>39.61</td>
<td>-2.25</td>
</tr>
<tr>
<td>Industry</td>
<td>4,511,991</td>
<td>1,888,533</td>
<td>5,016,052</td>
<td>5,046,384</td>
<td>4,974,658</td>
<td>-71,726</td>
</tr>
<tr>
<td>% of total employment</td>
<td>15.87</td>
<td>16.89</td>
<td>16.73</td>
<td>16.73</td>
<td>16.95</td>
<td>-1.42</td>
</tr>
<tr>
<td>Construction</td>
<td>2,283,630</td>
<td>2,637,677</td>
<td>3,113,754</td>
<td>2,977,500</td>
<td>2,035,383</td>
<td>-942,117</td>
</tr>
<tr>
<td>% of total employment</td>
<td>8.03</td>
<td>9.11</td>
<td>10.38</td>
<td>9.87</td>
<td>6.93</td>
<td>-31.64</td>
</tr>
<tr>
<td>Commerce</td>
<td>2,627,836</td>
<td>3,994,460</td>
<td>4,123,594</td>
<td>4,204,441</td>
<td>4,386,573</td>
<td>182,132</td>
</tr>
<tr>
<td>% of total employment</td>
<td>12.76</td>
<td>13.80</td>
<td>13.75</td>
<td>13.94</td>
<td>14.94</td>
<td>4.33</td>
</tr>
<tr>
<td>Finance and Real Estate</td>
<td>325,906</td>
<td>263,941</td>
<td>311,972</td>
<td>381,901</td>
<td>344,736</td>
<td>-37,165</td>
</tr>
<tr>
<td>% of total employment</td>
<td>1.15</td>
<td>0.91</td>
<td>1.04</td>
<td>1.27</td>
<td>1.17</td>
<td>-0.73</td>
</tr>
<tr>
<td>Services</td>
<td>5,067,066</td>
<td>5,350,227</td>
<td>5,327,715</td>
<td>5,666,196</td>
<td>5,987,379</td>
<td>321,183</td>
</tr>
<tr>
<td>% of total employment</td>
<td>17.82</td>
<td>18.48</td>
<td>17.77</td>
<td>18.78</td>
<td>20.40</td>
<td>5.67</td>
</tr>
<tr>
<td>Total employment</td>
<td>28,437,467</td>
<td>28,946,467</td>
<td>29,986,639</td>
<td>30,171,437</td>
<td>29,355,526</td>
<td>-815,911</td>
</tr>
</tbody>
</table>


⁴In the next chapter, this thesis will discuss more on the roles of several capitalist fractions that formed the TRT party and its transformative politics in the early 2000s in Thailand.
Table 5.9: Employment by Sectors (Number and Percentage of Total Employment), August 1994–1998 (wet season)

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>17,960,352</td>
<td>16,929,344</td>
<td>16,127,108</td>
<td>16,691,282</td>
<td>16,471,792</td>
<td>-219,489</td>
</tr>
<tr>
<td>% of total employment</td>
<td>55.96</td>
<td>51.97</td>
<td>50.03</td>
<td>50.33</td>
<td>51.25</td>
<td>-1.31</td>
</tr>
<tr>
<td>% of total employment</td>
<td>12.16</td>
<td>13.58</td>
<td>13.59</td>
<td>13.08</td>
<td>13.16</td>
<td>-2.49</td>
</tr>
<tr>
<td>Construction</td>
<td>1,698,057</td>
<td>1,846,030</td>
<td>2,171,980</td>
<td>2,020,778</td>
<td>1,279,623</td>
<td>-741,155</td>
</tr>
<tr>
<td>% of total employment</td>
<td>5.29</td>
<td>5.67</td>
<td>6.74</td>
<td>6.09</td>
<td>3.98</td>
<td>-3.68</td>
</tr>
<tr>
<td>Commerce</td>
<td>3,297,350</td>
<td>3,810,013</td>
<td>4,049,295</td>
<td>4,194,379</td>
<td>4,117,238</td>
<td>-77,142</td>
</tr>
<tr>
<td>% of total employment</td>
<td>10.27</td>
<td>11.70</td>
<td>12.56</td>
<td>12.65</td>
<td>12.81</td>
<td>-1.84</td>
</tr>
<tr>
<td>Finance and Real Estate</td>
<td>320,290</td>
<td>284,560</td>
<td>292,228</td>
<td>406,745</td>
<td>346,364</td>
<td>-60,381</td>
</tr>
<tr>
<td>% of total employment</td>
<td>1.00</td>
<td>0.87</td>
<td>0.91</td>
<td>1.23</td>
<td>1.08</td>
<td>-0.14</td>
</tr>
<tr>
<td>Services</td>
<td>4,917,466</td>
<td>5,282,396</td>
<td>5,210,406</td>
<td>5,510,285</td>
<td>5,692,264</td>
<td>181,978</td>
</tr>
<tr>
<td>% of total employment</td>
<td>15.32</td>
<td>16.22</td>
<td>16.17</td>
<td>16.62</td>
<td>17.71</td>
<td>3.30</td>
</tr>
</tbody>
</table>


In the labour market, the 1997 crisis created problems for labour in three main aspects; unemployment, higher cost of living, and decline in social services. Unemployment had been increasing since the beginning of the crisis. Many economic firms had to lay off workers in order to reduce their cost of production as shown in tables 5.8 and 5.9 above. The data shows that the sector most severely affected by unemployment was construction as the employment rate decreased by 36.68% from 1997 to 1998. Likewise, white collar workers in financial and real estate sectors also lost their jobs at a rate of 9-14% from 1997 to 1998. In terms of the total number of unemployed persons, a survey by the Thailand Development Research Institute (TDRI) in early 1998 concluded that unemployment had climbed from 1.78 million persons in February 1997 to 2.74 million persons. In addition, there was an increase in the number of returned labour from abroad. Massive numbers of Thai labourers working overseas especially in Brunei and Taiwan were sent back to Thailand (TDRI, 1998: 12). Moreover, another social problem derived from the crisis was a large-scale reversal in migration. For the previous forty years of modern economic development in Thailand since the 1950s, rural labourers moved to find jobs in the capital city and other major provinces. However, in the post-crisis period, this situation reversed. Unemployed and laid-off workers returned home to the countryside (TDRI, 1998: 14).
 Apart from the difficulties in the labour market, the higher cost of living and the decrease in social services were also critical dynamics. The baht devaluation in 1997 and 1998 affected both the real economic and social sectors. Many ordinary people who were food buyers were affected by the sharp increase in food prices. For the people who were laid off and many who had reduced working hours, it had an impact upon the loss of their normal income. The table 5.10 above shows that income per capita of Thai people significantly declined and affected mostly those working in Bangkok (-17.44% from 1997 to 1998) and Eastern Seaboard Industrial sites in the east of Thailand (-23.75% from 1997 to 1998). The decrease in income per capita also faced inflation that was also sharply rising and decreases in real purchasing power.

Moreover, social services in Thailand were directly affected by the crisis. There were a number of government budget cuts (see table 5.11 below). Under IMF loan conditionalities Thailand was required to reduce public spending on many projects. Reportedly the 1998 budget had to be revised several times to accommodate the IMF conditions and more than 18% of the first submitted budget, accounting for 182,000 million baht, was cut from the budget bill (TDRI, 1998: 16). In terms of health care services, the Ministry of Public Health’s budget also suffered a 11.4% cut from the 1997 budget. The insufficiency of public health services became more critical, as public hospitals were facing problems of operating above capacity with a lower budget, higher costs of imported medical supplies, and an increasing number of patients who could no longer afford private hospitals. The problem of public health care services was really crucial and represented a chance for the Thai Rak Thai party to promote the issue and

<table>
<thead>
<tr>
<th>Region</th>
<th>Wages of private employee</th>
<th>Business profit</th>
<th>Farm profit</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangkok Metropolitan Region</td>
<td>6.197</td>
<td>5.573</td>
<td>-10.07</td>
<td>10.757</td>
</tr>
</tbody>
</table>

launch its campaign to gain the vote in 2001. The ‘30-baht health care policy’ was announced to address this problem.\(^5\)

Table 5.11: Government Expenditure, 1997–1999 (million baht)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>83,964.3</td>
<td>62,475.7</td>
<td>-25.6</td>
<td>61,375.6</td>
<td>-1.8</td>
<td>67,068.1</td>
<td>9.3</td>
</tr>
<tr>
<td>Industry and Mining</td>
<td>3,005.5</td>
<td>2,989.5</td>
<td>-0.5</td>
<td>3,206.4</td>
<td>7.3</td>
<td>3,659.0</td>
<td>14.1</td>
</tr>
<tr>
<td>Communications and Transport</td>
<td>95,939.5</td>
<td>80,470.7</td>
<td>-16.1</td>
<td>64,890.4</td>
<td>-19.4</td>
<td>60,165.6</td>
<td>-7.3</td>
</tr>
<tr>
<td>Commerce and Tourism</td>
<td>6,935.5</td>
<td>6,374.9</td>
<td>-8.1</td>
<td>4,783.2</td>
<td>-25.0</td>
<td>5,490.9</td>
<td>14.8</td>
</tr>
<tr>
<td>Science, Technology and Environment</td>
<td>19,514.5</td>
<td>14,203.1</td>
<td>-27.2</td>
<td>12,624.1</td>
<td>-11.1</td>
<td>15,227.0</td>
<td>20.6</td>
</tr>
<tr>
<td>Education</td>
<td>216,278.5</td>
<td>208,274.8</td>
<td>-3.7</td>
<td>208,616.3</td>
<td>0.2</td>
<td>222,416.1</td>
<td>6.6</td>
</tr>
<tr>
<td>Public Health</td>
<td>75,023.0</td>
<td>66,455.2</td>
<td>-11.4</td>
<td>62,467.4</td>
<td>-6.0</td>
<td>65,754.0</td>
<td>5.2</td>
</tr>
<tr>
<td>Social Services</td>
<td>158,696.4</td>
<td>103,082.2</td>
<td>-35.0</td>
<td>98,501.5</td>
<td>-4.4</td>
<td>92,904.6</td>
<td>-5.6</td>
</tr>
<tr>
<td>Defense</td>
<td>119,429.3</td>
<td>92,565.6</td>
<td>-22.5</td>
<td>89,349.7</td>
<td>-3.5</td>
<td>88,690.5</td>
<td>-0.7</td>
</tr>
<tr>
<td>Internal Security</td>
<td>44,278.1</td>
<td>43,875.2</td>
<td>-0.9</td>
<td>44,554.6</td>
<td>1.5</td>
<td>50,006.3</td>
<td>12.2</td>
</tr>
<tr>
<td>General Administration</td>
<td>114,139.0</td>
<td>104,811.2</td>
<td>-8.2</td>
<td>99,459.4</td>
<td>-5.1</td>
<td>109,531.3</td>
<td>10.2</td>
</tr>
<tr>
<td>Debt Servicing</td>
<td>46,790.4</td>
<td>44,421.9</td>
<td>-5.1</td>
<td>75,201.6</td>
<td>69.3</td>
<td>79,006.6</td>
<td>5.1</td>
</tr>
<tr>
<td>Total</td>
<td>984,000.0</td>
<td>830,000.0</td>
<td>-15.7</td>
<td>825,000.0</td>
<td>-6.6</td>
<td>860,000.0</td>
<td>4.2</td>
</tr>
</tbody>
</table>

Source: Sauwalak, 2002: 5.

Furthermore, in 1998 another social problems for the labouring class—and also the middle class and the peasants—affected by the crisis was the issue of education and scholarships. In 1998, the Ministry of Education was subject to a 10.7% budget reduction, which was nearly 17,000 million baht (TDRI, 1998: 16), as part of the cuts in social services of 35% in 1998. The decline in the educational budget increased the salience of the problem of human development in Thailand. It is evident that the number of students that dropped out from schools and universities sharply increased over the time since the crisis (Isra, 2005: 157; Nicaise, 2000). This situation led children to look for a job to support their families in financial difficulties with more than 0.35 million doing so in 1998 (Sauwalak, 2002: 21). The crisis also affected schools in both public and private institutions. Private schools across the country recorded more than 900 million baht in overdue tuition fees in the second semester of 1997. In addition,

\(^5\) Details on this will be provided in the next chapter.
concerning tertiary or higher education, the government scholarship, which is a very crucial means to develop human resources in the government and public sector, declined in the year after the crisis. Even the ongoing scholarships were affected by a reduction of 10% in monthly allowances and other expenses (TDRI, 1998: 16). Although the labour class faced severe troubles due to the economic crisis, the year of 1997 offered them a chance to benefit as the new 1997 constitution was legitimised later in that year.

4.3 The Middle Class

The other social force to consider in this section is the middle class. The Thai middle class is composed of several social factions; however, in this work it excludes the ‘white-collar workers’—as they are placed in the labour social force—and the ‘small/self-employed traders’—as they are placed in the provincial capitalists, a faction of capitalist forces. Therefore, the major middle class social groups in Thailand remain as ‘the bureaucrats’ or the state officials in both civil and military offices. The middle class social forces in Thailand were affected by the same troubles as labour and the peasant social groups in terms of the decrease in income and higher cost of living (Sauwalak and Chedtha, 2000). However, what makes the middle class social groups in Thailand distinct from other forces is their concern with ‘good governance’—the concept introduced to developing countries by the World Bank—of the state. The middle class forces see Thai politics as the vicious circles of corrupt politicians and believe that part of the crisis of the Thai historical bloc in 1997 was caused by the lack of good governance in the administration of the Thai state. Therefore, the crisis in 1997 raised awareness of the Thai middle class forces to defend their rights and political participation in the new 1997 constitution in order to construct good governance in Thai politics.

The bureaucrat social force as the middle class was one of the least affected groups by the economic crisis in terms of economic interest. Most were not confronted with severe unemployment due to the job security in their posts. However, the middle class, like other social forces, demanded for an alternative administration that would enable the country to survive. In addition, the new constitution that was enforced several months after the crisis in 1997 provided some conditions that benefitted the middle class by securing their involvement in parliamentary politics (however, excluding the worker/labour). The creation of the party-list electoral system and specification of at
least a bachelors degree for any candidate to be a Member of Parliament or the Senate benefited those who had higher education and social status. These conditions of the 1997 constitution gave advantages to the middle class to get involved in parliament while excluding the broader population of the country. In the next chapter, this thesis will discuss the roles of the middle class forces in the process of constitution drafting in 1997 and the reformation of the bureaucratic bodies of the Thai state by the Thaksin government; another crucial part of the transformation of the Thai historical bloc that paved the way to another crisis in 2006.

### 4.4 The Peasants

The last major social force to consider in this section is the peasant social group—this includes factions of rural people such as farmers, gardeners, cash-croppers, and all agriculturalists who either own or rent some means of production from the landlord. However, what they share in common is that these social forces do not earn regular wages or salaries like the workers or labourers, rather their income derives mainly from selling their agricultural products and related services in the village or in their own community.

Compared to other social forces, it should be noted here that the peasant social forces were the least affected by the crisis of 1997 in terms of money lost in the economic downturn. However, if the peasant social forces are considered as one of the major groups in terms of total number, it should be said that there were more than 11 million people who suffered from the crisis in this social group. As shown in table 8 above, the labourers/workers in construction sites in Bangkok and other urban cities were forced into unemployment as construction companies went bankrupt. These labourers were mostly rural people who relocated to work in Bangkok in order to seek a better life in terms of money. At the time of crisis these people returned home to the countryside while waiting for the economy to improve from the crisis. The returnee labourers in the rural areas were mostly involved in their family agricultural activities for subsistence reasons. However, the problem of massive labour return to the countryside was that local resources were further stretched and there was greater competition for local jobs (Sukaesinee et al., 2004: 51-52). Apart from these local troubles, the peasant social forces also confronted similar problems to the middle class and labour social forces such as the
problems of increased expenditures, higher prices for food and consumer goods, debt accumulation, and loss of social welfare due to government austerity programmes.

Nevertheless, this research sees that what is important to most of the peasant social classes at the time of crisis is the ideological rule by the proposed idea of the king in terms of the ‘sufficiency economy philosophy’ (SEP).6 Amidst the crisis and severe social and economic devastation, the King’s SEP convinced the peasants and other social forces to keep being happy with the agrarian myth of the ‘sufficient ethic’ and do everything by moderate means (Dayley, 2011: 348). However, the sufficient ethic that was hegemonised by the King of Thailand at the time of crisis was contested by the new political forces or Thaksinism. Contrary to the SEP, Thaksinism in the early 2000s expanded financial credit to multi-level sectors and urged social forces to spend and consume in order to boost the Thai economy in the post-crisis period. The peasant social forces were one of the major policy targets of the TRT and a number of social policies would later be launched to benefit the poor and, at the same time, directly challenge the King’s sufficiency ethic.

5. CONCLUSION

This chapter posits itself as a part of the broader picture that needs to be understood in order to grasp the crisis-ridden transition of the Thai historical bloc that culminated with the clashes and mass demonstrations of 2010. The previous chapter showed the first theme of the argument which is the ‘history of the old historical bloc’ as it was constructed through the exclusionary capitalist development that resulted in severe social gaps and the royalist-nationalist political ideology that cohered social forces in the bloc altogether. This chapter has shown the second feature of the argument of this thesis, which is the ‘crisis of the old historical bloc’. The economic crisis in 1997 severely affected social forces in different levels and aspects. The crisis also ruptured the ‘social configurations’ of power that had been maintained for decades and opened up the ‘chance to restructure’ social relations in Thailand during the post-crisis era.

6The SEP is a notion offered by King Bhumibol at the time of the 1997 economic crisis that offers suggestions to social forces in the Thai state on how to survive the crisis. The idea—based on Buddhist beliefs—suggests that Thai people should live and consume in a moderate way and exercise a self-sufficient ethic in their own lives. This matter will be discussed more in chapter eight.
The chapter has examined the pathway to the crisis in 1997 and responses to the crisis of the Thai state, in particular the request to the IMF to come and solve economic problems in Thailand. The role of the IMF in the time of crisis led to the strengthening of social forces in their nationalist projects against the strict and imperialistic character of the IMF programmes. The Thai state under IMF guidance from 1997 urged social groups in Thailand to demand a ‘strong state’ to emerge and run the country. This demand was listed and structured in the new and so-called ‘people’ constitution of 1997 in order to establish a strong executive and highly stable administration. This eventually paved the way for the coming agency of social transformation, the TRT party in the late 1990s. The next chapter will discuss another theme of the argument, which is the ‘transition of the historical bloc’ from the old social relations to the alternative historical bloc. However, it should be noted here that transition was not as smooth as the TRT party would imagine, but rather was a ‘crisis-ridden’ transition that led to ‘another crisis’ within the transition and this will be shown in chapter seven.
CHAPTER 6

THE OLD HISTORICAL BLOC IN TRANSIT: THAKSINISM AND NEW SOCIAL RELATIONS

1. INTRODUCTION

In this chapter, another feature of the contemporary Thai historical bloc will be analysed—‘transition’ of the state between 1997 and 2006. This period of time has been considered to be significant and crucial in modern Thailand’s political history, and it will be argued that this period offered an opportunity for the Thaksin/Thai Rak Thai (TRT) government to play an active cohesive role in the Thai historical bloc. During the time of uncertainty social forces were confused and pursued a strong power to reconfigure social relations in both political economy and social-ideological terms. TRT cohered these discontented social forces together through both ‘force and consent’ via a number of state and hegemonic projects. In the first section, the structural condition of the making of the 1997 constitution and the construction of the strong state through the authority provided by the new constitution will be analysed. The main features of the so-called people’s constitution will also be examined, as it is a presupposition of the strong TRT government in the early 2000s.

The second section deals with the rise of Thaksinism/Thaksin regime. Political pathways of Thaksin Shinawatra, his TRT party, and the composition of capitalist factions and other social forces are also the subject of this section. Then the last and core section of the chapter will turn to the politics of social transition of the Thai historical bloc led by the TRT as a factor of cohesion. As part of the four main features of this study—history, crisis, transition, and crisis within transition—this chapter posits itself as a point of departure to understand the crisis-ridden social transition of the Thai state. The transformative projects led by the Thaksin regime were not completed and this paved the way for ‘another crisis’ in 2006 and led to the crisis of the state in 2010.

2. THE 1997 PEOPLE’S CONSTITUTION, CREATING THE STRONG STATE, AND THE PRE-THAKSIN ERA

The crisis in 1997 was not only an economic crisis, but also a crisis of the Thai historical bloc—including social, political, and ideological elements. This chapter deals with political consequences of the crisis as it brought the Thai historical bloc into the ‘transition period’. Years before the crisis took place, social forces in Thailand during
the early 1990s demanded the end of ‘money politics’ and called for political reform that might enable the country to achieve true democracy. Political reform movements of the middle class social groups in Thailand throughout the 1990s coincided with the crisis in 1997, which consequently led to the emergence of the process of drafting the new constitution, with the hope of creating a strong state. The new 1997 constitution directly affected Thai social forces in various ways. It secured rights for all social groups and, at the same time, shaped a new configuration of power based on a strong executive body. This section examines the making of the 1997 ‘people’s’ constitution and its crucial features that configured power relations in Thailand over the following years.

2.1 Demanding a Strong State: Political Reform and the Making of the 1997 Constitution

The military coup in 1991 and the rise to political power of the army in 1992 led to critical middle class demonstrations in May 1992 (later known as the Black May of 1992) (Sujit, 1993: 218–219; Callahan, 1998; Yoshifumi, 2008: Ch.1). After that incident, the military stepped away from politics and political authority returned to a civilian government under the Chuan Leekpai premiership. It appeared as if Thai politics was in a ‘normal’ situation. However, social groups in Thailand experienced many defects of Thai democracy and felt that it was time to solve the existing problems of the country. Yoshifumi (2008: 119) argues that a number of problems in Thai politics that should be resolved include corruption among politicians and bureaucrats, violation of election rules, political parties dominated by a small number of funding providers, centralised government administration, and weak enforcement of the rule of law. Therefore, Thai society required political reform in order to achieve true democracy and to cure a number of flaws in Thai politics.

The political reform campaign was gradually established in May 1994 during the first Chuan government. Mr Chalard Vorachart, a political activist, began his hunger strike

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1 This means the type of politics in which money seems to be a decisive factor in gaining power through vote-buying. Politicians once elected as a Member of Parliament attempt to regain their money by engaging in various forms of corruption. However, the dominant perception that believes that subaltern groups could easily have their vote bought therefore causing a defect in Thai democracy has been contested. Subaltern social forces have their own rural constitution (Walker, 2008, 2012; Jakkrit, 2012) that regulates their social and political life and not only the poor contributes to defect in Thai democracy (Prajak, 2009).
in front of the parliament and demanded to amend the current constitution to open up the chance for only elected persons to have the right to hold administrative office (Prawase, 2002: 22). In fact, the political climate of the Thai historical bloc in the post-Black May of 1992 period was exposed to the notion of political reform, for example through Amorn Chandarasomboon’s paper, published in 1993, entitled ‘Constitutionalism’² (Amorn, 1996).

Nonetheless, Chalard’s hunger strike was crucial because his action brought public attention to the issue of political reform and gained popular support from various social groups who felt frustrated with the existent political situation in Thailand. The Chuan government responded with a political campaign established by the Democracy Development Committee (DDC) on 9 June 1994 hoping to end Chalard’s hunger strike and consider how to reform and amend the constitution. However, the DDC could not do much because they lacked support from the Members of Parliament. Then, the Chuan government dissolved parliament in May 1995 due to the problem of irregularities in the government’s accelerated land reform programme (King, 1997: 136).

The general election that took place on 2 July 1995 resulted in the victory of the Chart Thai (the Thai nation) party. Banharn Silpa-archa became the twenty-first Prime Minister and formed his seven party coalition government in July 1995. The Banharn government aimed to implement his political reform campaign as soon as possible due to its promise to the people who voted for them. Later, the Banharn government launched the Political Reform Committee (PRC) in order to recommend the amendment of Article 211 of the 1991 constitution aiming to set up a constitution-drafting mechanism (Prawase, 2002: 24).

Eventually, after a period of public hearings in a process of public debate, the government established the Constitution Drafting Assembly (CDA) composed of 76 provincial representatives and 33 academic experts in law and political science (Thamsuk, 2002). The CDA, led by Uthai Phimchaichon and Anand Panyarachun, secured high popular participation by arranging for a number of public hearings throughout the country. Public debates and academic conferences actively took place

² This work significantly urged academic attention in Thailand to be more aware of the idea of political reform at that time.
and that was the reason that Thai society referred to the new constitution as a ‘people’s constitution’ (Hicken, 2006; Dressel, 2009). In addition, in terms of academic research and opinions it was supported by the Thailand Research Fund. Consequently, even the process of constitutional drafting and public hearings between 1996 and 1997 would be challenged by illiberal forces, however, the draft of the new constitution was approved by the parliament (with 579 supporting votes, 16 against, and 17 abstentions) and enacted amidst the economic crisis on 11 October 1997 (Connors, 2002: 37-55). This sixteenth constitution of Thailand later evidenced that it shaped the new relations of power in Thai politics; an issue that will be returned to in the third section of this chapter. Hence, below can be found a summary of the main features of the new supreme law of Thailand.

2.2 The 1997 Constitution and its Crucial Features

Thai social forces learned the lesson from previous decades of experience that the major problems of Thai politics were the weakness of the state and political discontinuity. Following the notion of ordoliberalism in post-crisis Germany in the late 1920s Bonefeld (2012a, 2012b, 2013) argues that at the time of crisis the ‘strong state’ is required in order to play the role of a political master of the free economy. He also argues that economic freedom only takes place on the basis of order. The pursuit of societal order during the post-crisis period of a given society could not be attained by a weak state as it is unable to defend itself from preying social interests, and has thus lost its independence from society (Bonefeld, 2012 b: 640). Thailand, then, during the time of the 1997 crisis also demanded that a strong state facilitate order as the social basis for economic freedom. The CDA had some premises in mind when they were drafting the new constitution. Rangsan Thanapornpan, a leading Thai political economist, argues that the constitution aims to reform Thai politics in terms of three major aspects including firstly, securing people’s rights, liberties, and political participation; secondly, ensuring clean and honest politics; thirdly and most importantly, establishing a more stable and strong government (Rangsan, 2003a: 42; Funston, 2000).
2.2.1 Securing Human Rights

The demand to deal with human rights at the constitutional level in Thailand was inspired by the 1992 government crackdown on Ratchadamnern Avenue in the Black May incident (Harding and Leyland, 2011: 222). Basic rights and liberties of individuals were massively extended from the previous constitutions. There are forty sections contained in chapter three on the ‘Rights and Liberties of the Thai people’ in this new constitution. However, some innovative human rights were covered such as the right to access through the 12-year fundamental education from the state, the right to gain standard public health services, the right of children and youth without guardians to receive care and education from the state, the right of the elderly with insufficient income to be aided by the state, and the right of the disabled to receive public conveniences from the state (Pinai, 2002: 105). Further, regarding basic human rights, people could sign a petition of 50,000 names and forward the document to parliament in order to legitimise it. These rights were entirely new and had never been granted in any previous constitution of Thailand.

Moreover, not only the rights of individuals ought to be protected, but also group rights. The 1997 constitution provides rights for various social groups such as cultural rights and environmental rights. For instance, local people have their right to conserve and restore their customs, local knowledge, arts, culture, and natural resources. Further, people have rights to receive information and explanation from the state regarding any public decisions. In order to protect these constitutional rights, the new constitution offers a specific mechanism to deal with them, which is the National Human Rights Commission (NHRC). The NHRC has powers and duties to inspect whether the exercise of state powers affect human rights. The commission would report to the parliament for further procedures (Pinai, 2002: 112). In short, social groups in Thailand had their human rights protected in many aspects under the new constitution that had never been before. These basic rights created a new ‘conception of the world’ on the part of Thai citizens which was more democratic than the past.

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3 The human rights issue is ones that matters and later would be crucial when the military threw away the 1997 constitution in the 2006 coup d’état which will be discussed in the next chapter.
2.2.2 Making Politics Clean and Honest

One of the most important presuppositions behind the CDA was that Thai politics had been governed by dirty-handed and greedy politicians. In this perception of the world, politicians play the central role of politics rather than ordinary people. Therefore, in order to reform this kind of politics, the clean, honest, and good man should be engaged politically. There were a number of methods to make Thai politics clean under the 1997 constitution. For example, the introduction of the new electoral system; the emergence of many independent inspection organisations; and creating channels for popular participation. The 1997 constitution introduced a new electoral system and for the first time in Thai political history both the House of Representatives and the Senate were directly elected by the people. Under the previous constitutions the Senate derived from the King’s suggestion or was recruited by a designated committee. Regarding the election of the House of Representatives, the constitution provides a new ‘party-list system’ in which people elect the party that they most favour. Members of Parliament under this constitution are the 500 members derived from 400 constituencies and 100 from the party-list basis. The reason for introducing new party-list method of the CDA was to open up a chance for a ‘good’ and ‘competent’ person who lacked popular support to engage in the political system (Pinai, 2002: 108).

In addition, the CDA believes that the educational qualification of a person should guarantee their ethical character and ability to work as a Member of Parliament and it supposed that only university graduates could meet this requirement (Yoshifumi, 2008: 145-157). Therefore, electoral candidates in both the House of Representatives and the Senate must hold at least a Bachelor degree to qualify for the candidacy. Further, the Election Commission, a new independent institution, has been introduced to Thai politics in order to hold and regulate the national elections and to ensure that the election was run honestly and in a fair manner. The Election Commission has the authority whether or not to confirm the election result of each candidate (Owen, 2009).

The assumption of the CDA was based on the understanding that Thai politicians tend to be corrupted easily, therefore, in order to terminate corruption and abuse of political power, the CDA created some innovative independent inspection organisations to monitor the government, the Members of Parliament, the Senate, and other state officials including the Constitutional court, the Ombudsman, the Administrative court, the National Counter Corruption Commission, and the State Audit Commission.
Moreover, apart from the inspection of many independent organisations, the 1997 constitution engaged peoples’ participation in the process of checks and balances on state power through various channels. However, the entirely new method of political participation was the signing of a petition for 50,000 names in order to relieve state officials. In sum, based on textual restrictions written into the constitution it seemed that the new constitution should be capable of preventing the abuse of power and curb the massive corruption of Thai politicians. However, in the following years corruption remained crucial in Thai politics and it was a major reason for the coup makers in 2006 against the TRT government.

2.2.3 Creating a Strong Government

As shown in chapter four of this thesis regarding ‘history’ of the old historical bloc, one of the major defects of Thai politics is the instability of the executive body. No elected government has ever held power for the full four-year-term in modern Thai history since 1932. The 1997 constitution attempted to overcome this problem on the rationale that in order to improve the quality of democracy the order or steadiness of Thai politics should be secured. To achieve that, the state should be strong and there are several measures to enhance government stability. Firstly, the 1997 constitution created more difficult barriers for the opposition in the parliament in submitting no-confidence motions on the Prime Minister. The opposition must gain at least ‘two-fifths’ support in the House of Representatives; however, only one-fifth is sufficient to secure a debate on the cabinet (Constitution of the Kingdom of Thailand 1997, article 185). This condition led to Thai politics differing from previous eras as a debate of no-confidence over the PM has usually been employed as political tool against the government. Setting a high barrier on this is in order to secure the stability of the government.

Secondly, the people’s constitution, unlike previous versions of the Thai constitution, makes clear the separation between legislative and executive power. Members of the House of Representatives chosen by the Prime Minister who become cabinet members are disqualified from holding seats in the House of Parliament. This means that if the Prime Minister recalls any member of the cabinet from their position they will lose all official political authority. This method was adopted to strengthen the Prime Minister’s authority over cabinet members and bring about a stable administration (Yoshifumi,
Strategic fighting to pursue the political interests of cabinet members as had occurred in the past no longer existed under this condition.

Thirdly, the new constitution was designed to prevent the lower house MPs from bargaining with the Prime Minister in exchange for the passage of bills. If the bill is related to government policy or the constitution and also the number of votes against does not exceed one-half of the lower house members then the government is eligible to resubmit the bill to a joint session between the senate and the lower house (Yoshifumi, 2008: 159). In short, these rules under the new constitution provide higher stability to the Prime Minister’s authority than ever. This matter is very crucial and engaged in the process of hegemonic construction of the Thaksin government, who was the first administration under the 1997 constitution.

3. Pre-Thaksin Era and the Rise of Thai Rak Thai Party

The Thai state in the pre-Thaksin era, from 1997 to 2001, was in the stage of recovery and learning the new political rules. Social forces demanded a new and powerful state to facilitate the free market and boost the economy following severe economic recession rather than the economic self-sufficiency concept proposed by the King. However, what is crucial in this period of Thai politics is the formation and the rise of the alternative Thai Rak Thai (TRT) party of the tycoon Thaksin Shinawatra. The party was established in 1998 as an alternative political force in the post-crisis era. Within a short period TRT had ascended to political power and acted as a strong cohesive factor that brought the Thai historical bloc into transit.

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4 It was recovery from both severe economic devastation and social-ideological rearrangement. On the economic recovery from the crisis and the politics of IMF restructuring programme have already discussed in the last chapter. At this short period, it was happen that social forces had demanded to overcome the ‘old-styled’ of bureaucratic executive of the Chuan government (1997-2001) (Bidhya, 2000: 93). In addition, the new 1997 constitution was legalised. New political institutions such as some autonomy inspection organisations had been established and the rules of election had been introduced to Thai society, for example, the first time Senate election in March 2000 (Montesano, 2001: 171).

5 The Thai monarchy had actively taken action in Thai politics in order to play a cohesive role between mid-1997 and early 2001. The king’s proposition of the notion of Self-sufficiency Economy Philosophy (SEP) did nothing to improve quality of life of social groups in the capitalist mode of production. However, the SEP itself is significant for the maintaining of the dominant ‘royalist-nationalist’ ideology. On this matter see the chapter four.
Thaksin Shinawatra, born in July 1949, came from a Chinese higher middle class family in Chiang Mai. He was a member of the 10th class of the Armed Forces Academies Preparatory School and graduated from the Thai Police Academy in 1973. He pursued further study in the United States where he holds a PhD in Criminology (Pairoj and Ruj, 2001: 16). While Thaksin was studying for his PhD, he had the chance to enrol on Information Technology and Computer courses. This was crucial for him in the following years because Thaksin was the pioneer in Thailand's computer and telecommunication sectors after he resigned from his police career. He established his computer business by first importing IBM computers for the Thai market (Weerapol et al., 2001: 18). However, even after he left his bureaucratic life, his bureaucratic connections were pivotal for him in making a large amount of money. Pol. Capt. Chalerm Yubamrung, who was a minister of the Prime Ministers office in 1990, allowed Thaksin a 20-year-state concession on the cable television network and mobile phones services (Kannunee and Narongchai, 2002: 66). This led him and his family to become billionaires through a number of related businesses.

Thaksin first stepped into political life in late 1994 when he took the position of Minister of Foreign Affairs under the coalition quota of the Phalang Dharma Party (PDP). Later, he was a leader of the PDP and a deputy Prime Minister under the Banharn government in 1996 (Weerapol et al., 2001: 38). Thaksin's short period of participation in Thai politics between 1994 and 1996 was not a successful period in his life. Under the complexity and a high degree of patron-client relations that are rooted in Thai politics, Thaksin as a new comer at that time could not do anything as easily as he wished. Therefore, he left the Banharn government in 1997 and formed his own political party a year later.

Although the crisis in 1997 made significant impacts on most social forces as shown in the last chapter, some forces gained benefit and took advantage in terms of political economy from the crisis. The crucial survivors from the crisis were the capitalists in several sectors. Thaksin as a capitalist represented one of the most powerful social groups who played the leading role as a cohesive factor among other capitalists and formed the Thai Rak Thai party in 1998 as an attempt to directly secure their own interests over the following years. Table 6.1 below shows that the Advance Info Service (AIS) and the Jusmin group were the biggest telecommunication capitalists that comfortably survived from the crisis. The AIS owned by Thaksin's family and the
Jusmin group both joined and formed the TRT party along with other actors in capitalist network as illustrated in figure 6.1 below.

Table 6.1: Telecom Stock Performance (Net results, January – September 1997) in billion Baht

<table>
<thead>
<tr>
<th>Companies</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>UCOM</td>
<td>-11.2</td>
</tr>
<tr>
<td>TAC</td>
<td>-6.3</td>
</tr>
<tr>
<td>SHIN</td>
<td>-1.7</td>
</tr>
<tr>
<td>SATTEL</td>
<td>-2.5</td>
</tr>
<tr>
<td>SAMART</td>
<td>-1.7</td>
</tr>
<tr>
<td>TA</td>
<td>-2.3</td>
</tr>
<tr>
<td>IEC</td>
<td>-1.1</td>
</tr>
<tr>
<td>TT&amp;T</td>
<td>-1.1</td>
</tr>
<tr>
<td>JUSMIN</td>
<td>+0.9</td>
</tr>
<tr>
<td>AIS</td>
<td>+2.4</td>
</tr>
</tbody>
</table>


TRT, a leading survivor of the crisis, was founded in July 1998. During the first stage, it comprised of two major social groups consisting of several capitalist factions and some NGOs and public intellectuals. On the one hand, the TRT was founded by ‘six’ principal capitalist groups including 1) the Shinawatra Group of the Shinawatra family who own a number of leading telecommunication, mobile, and satellite businesses 2) the mass media group of Pracha Maleenon, owner of the Channel Three television station. This is a major broadcasting and advertising business in Thailand 3) the Jasmine Telecommunication Group led by Adisai Photharamic, the owner of a number of telecommunication businesses especially the landline telephone services throughout the country 4) the Juengrungruangkit family of the Thai Summit Group which is the leader in the automobile and electronics industries 5) the CP Group, the biggest agricultural industrial company in Thailand (Baker, 2005; Bukhoree, 2004: 116) 6) the construction and real estate capitalists; most of this faction is based in local/provincial businesses and as Noppanan (2006: 283-291) notes there were more than 60 families of local construction millionaires who coalesced as part of the TRT government. The TRT government as a leading social force of political transformation after the 1997 economic crisis formed a new relationship pattern among social forces in Thailand as shown in figure 6.1 below.
On the other hand, a number of public intellectuals especially the Octobrists, former student leaders in the events of October 1973 and 1976, are also crucial for the formation of TRT (Kanokrat, 2012). Some prominent Octobrists and NGOs included Phumtham Wetchayachai, the well known social volunteering NGO leader, who helped in drafting TRT’s policies and organised for the meeting between the party and many NGOs throughout the country. Dr Prommin Lertsuridet, a student leader in the 6 October 1976 protests, also contributed to the policy drafting process. Dr Somkid Jatusripitak, Professor of Marketing, brought innovations in social marketing that were adapted to TRT’s election campaign between 1999 and 2001. His contributions to the formation of TRT were massively crucial to TRT’s success over the following years. Dr Theerapat Sereerangsan, a political scientist from Sukhothai Open University, also helped out in policy drafting, party regulations, and forming party visions. These prominent public intellectuals brought the social connection between the party and the society and they gained high popular support due to their careers and social functions (Kanokrat, 2012: Ch. 6; Bukhoree, 2004: 117-142). Eventually, TRT was officially founded on 14 July 1998. The network of Thai political economy in the post-1997 crisis after the formation of TRT is illustrated in figure 6.1 below.

Figure 6.1: Thailand’s Political Economy Network in the Post 1997 Crisis Period

Source: Ukrist and McCargo, 2005: 220

The above figure shows political economy network of the Thai historical bloc in which the Thaksin group as a social force played a cohesive role for several ruling social groups. The Thaksin/TRT party since 1998 conglomerated the scattered capitalists,
politicians, and also military and police and won the general election in January 2001 with a landslide victory. The social alliance of Thaksinism in the early 2000s comprised the rising groups of telecommunications and media-entertainment capitalists along with the old banking and other capitalists such as steel, petrochemicals, and real estate. These ruling social forces later established themselves as the new dominant social force and dominated Thailand for several years. What really matters for the study of the Thai historical bloc in the transition period is that Thaksin and his allied capitalist forces changed the pattern of social relationships among dominant forces in Thailand (see figure 6.2 below).

Figure 6.2: Relationships among dominant social forces in Thailand since the 1997 economic crisis

As was shown in figure 4.1 in chapter four earlier, in the old historical bloc there were politicians and bureaucrats who played dominant roles in Thai politics whilst the capitalists supported the bureaucrats behind the scene for their own sake. Later, from the beginning of the Thaksin era in 2001, the pattern of social relationship among dominant social forces in Thailand changed as the politicians were no longer the leading force who bargained over their interests with the bureaucracy. It was the capitalist who controlled the politicians and the bureaucracy in order to administrate the country and, at the same time, secure the economic interests of their own group and allied factions. There is clear evidence to support this pattern of relationship as there were many capitalists (and some proxies) who took charge as ministers and vice-ministers in various ministries while the Thaksin government was in power. In short, this section

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* For in-depth analysis of the 2001 general election see Nelson (2002).
analysed the social composition of the TRT party and the changing pattern of social relationships among dominant social groups in the Thai historical bloc. These will be the basis for the account of the politics of transformation under Thaksinism within and beyond this chapter.

4. **Thaksinism, Social Forces, and the Transformative Projects**

The Thai state gradually recovered from the crisis in 1997. The short period from 1997 to 2000 in Thailand happened to be a chance for the monarchy to play a cohesive role via the King’s SEP. However, the old historical bloc was still in crisis and the King’s cohesive practice alone could not combine diffuse social forces in the post-severe crisis period into a power bloc. Whilst social groups were demanding for a strong alternative power to regulate social relations, the TRT government, since early 2001, cohered them together through ‘force and consent’ by practicing its power at three crucial moments—politics, political economy, and ideology. Through these exercises of power, TRT established the so-called ‘Thaksinism’ or ‘Thaksin regime’ that brought the Thai historical bloc into the transition period.

Recent studies of the politics of Thaksinism have mainly relied on three dominant approaches of Behaviouralism, Institutionalism and the Economic framework. Rather, this thesis argues that Thaksinism should be approached as part of broader social transition and that it was a process of hegemonic building, constructed through a number of hegemonic projects together with legislative-parliamentary politics. In this section, the politics of hegemonic building through the Thaksin government’s transformative projects in both terrains of political economy and ideology will be

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7 See the concept of integral state in chapter three section I.
8 The terms used here in this study, Thaksinism and Thaksin Regime, refer to the term that is called in Thai ‘Ra Borb Thaksin’. Both have the same meaning and will be used interchangeably throughout this work.
9 See chapter two for broader critical exploration on traditional accounts of Thai studies.
10 The Behaviouralist and Institutionalist approaches to the Thaksin regime have been applied to a variety of aspects such as the implementation of the populist policies of the TRT government (Thirayuth, 2002, 2007; Prawase, 2006, 2007; Ruangwit, 2003), social actions of the TRT towards certain aspects, for example, the TRT and IMF (Glassman, 2004), government behaviour towards public policy formulations (Thitinan, 2003; Khanin, 2004), and even studies of the personal leadership of PM Thaksin (McCargo, 2011; Heppell, 2011).
11 Economic approaches mainly focus on the formation, implementation, and impacts of the economic policies of Thaksinism at different levels of analysis (Pasuk, 2004; Apichat, 2007; Warr, 2009; Brown and Hewison, 2005).
analysed. The section will begin with the first moment, politics, which is a basis for further practice in economy and ideology respectively.

4.1 Moment of Politics: Creating a Strong State

Gramsci sees the state in a wider sense. The integral state not only operates through consent building, but also in the legal sphere and coercion in what Gramsci called ‘political society’ (Gramsci, 1971: 12, Q12§1*). Although hegemonic projects created through hegemonic apparatuses on the terrain of civil society are crucial and powerful for the dominant TRT party, the new historical bloc could not be successfully established without a ‘strong’ position in parliamentary politics. In order to strengthen their state power, utilising ‘force’ is necessary. It is argued here that there were three major means that the Thaksin government utilised over Thai political society—parliamentary domination, interventions through many inspection organisations, and controlling the bureaucrats.

4.1.1 Parliamentary Domination

In the Gramscian account, both civil and political society reverberate off each other. Therefore, in order to secure hegemonic position over civil society, Thaksinism needed to strengthen its parliamentary legitimacy. Under the new 1997 constitution, the ‘number’ of MPs was very crucial in order to secure a strong government (Kasian, 2003b). As is mentioned earlier in this chapter, the constitution requires at least ‘two-fifths’ from the lower house in order to initiate a debate of no-confidence over the prime minister. This was a major reason for the Thaksin government to increase its MPs by employing two major methods; coalition and party mergers (Siripan, 2006).

The first method was a traditional and normal procedure in Thai politics in which no party had ever enjoyed an absolute majority in parliament. Therefore, coalition government was the usual norm for the country. During the first stage, even TRT won a landslide victory in the 2001 general election, but the opposition in the parliament still

\[\text{It should be noted that the distinction between structure and superstructure in Gramsci’s political theories is only a theoretical distinction in order to give a clear theoretical explanation in his thought (Green, 2006: 196). However, in practice or the real political praxis, Gramsci sees that both structure and superstructure are always interrelated between each other (see chapter three section 1).}\]
retained the ability to trigger a debate of no-confidence over the prime minister. Therefore, they needed to increase the number of MPs as much as possible to dominate the majority rule. When TRT was forming the government there were two political parties that joined the coalition, the Chat Thai Party and the New Aspirations Party. The coalition of TRT and its two allies increased the number of MPs to comprise 325 out of 500. Nevertheless, the TRT party continued strengthening itself by using another method that was the ‘merger of other political parties’. This merger method was entirely new in Thai political history.

The TRT party adapted the business company method to public administration by offering a chance to participate in government and an opportunity for MPs in several political parties to become ministers or deputy ministers. The rationale behind adopting this technique is in order to bypass the regulation of the 1997 constitution in which section 107 (4) states that ‘a person having the following qualifications has a right to be a candidate in an election of the House of Representatives: (4) being a member of any and only one political party for a consecutive period of not less than ninety days...’. This means that in case TRT did not persuade politicians to join their party for 90 days before the election it is sufficient if both political parties are merged as one party. The TRT party appreciated the use of this technique because they could increase their MPs without the constitutional regulation. Between 2001 and 2004, there were four political parties that merged with the TRT including the Seri Dhama Party, New Aspirations Party, Thin Thai Party, and Chart Pattana Party (Siripan, 2006: 114–116). These eventually boosted the total number of TRT MPs to 372 out of 500. With these methods the Thaksin government held an absolute majority and totally dominated the House of Representatives and employed their strength to facilitate economic and social policies.

The Thaksin government gained a high number of MPs not only to protect the stability of the government but also to facilitate legislative procedures. They employed their strength in the House of Representatives to pass some controversial acts, for example, the ‘Bureaucratic Reform Act’ in 2002 and the ‘emergency decree on excise tax’ in 2003 (Painter, 2006). In the case of the Bureaucratic Reform Act the Thaksin government announced to the public when they came to power in 2001 that the Thai bureaucracy should be reformed and that they would complete the process by October 2002. The opposition in parliament argues that the draft contained some mistakes and the rationale for the reformation was not clear. However, TRT ignored the opposition’s opinion and
passed the act in October 2002 as they announced it a year before. An absolute majority ensures that the government could maintain its legislative control effectively. In addition, the most controversial aspect of the politics of Thaksin’s government was that they sometimes bypassed the House of Representative’s standard procedures and launched ‘emergency decrees’ for which normally the executive should launch in case of an emergency or very significant challenge facing the country and which ought to be passed by the House of Representative as soon as possible. The emergency decree on excise tax in 2003 was not an urgent issue requiring executive action and should have been pursued by parliament. There was much societal criticism that this emergency decree benefited Thaksin Shinawatra’s telecommunication allies, and that this option was followed in order to avoid the checks and balance system embedded in parliamentary politics.

### 4.1.2 Interventions through Inspection Organisations

The TRT government’s interventions in the sphere of political society were not only restricted to its domination of the House of Representatives but also over other independent institutions. In democratic theory, ruling power should be checked and balanced by both state institutions and other independent organisations. However, the major characteristic of Thaksinism was to intervene through many inspection channels (Jermsak, 2004). The Thaksin government made many attempts to freeze inspection processes through intervening in the Constitutional inspection organisations, the mass media, the bureaucracy and the armed forces.

The first channel that the Thaksin government attempted to interfere with was in the penetration of its power and personal connection in the many ‘constitutional inspection organisations’. The 1997 constitution required that in order to recruit persons to be in charge of any Constitutional inspection organisations, the recruitment committee must be comprised of representatives from political parties that have MPs in the parliament, academics, and members of other inspection organisations. The TRT party intervened in the recruitment process by sending their MPs to lobby other committees to select the preferred person to be in charge (Matichon Editorial Team, 2006: 95; Mutebi, 2006). In addition, the TRT party lobbied some Senators because the Senate held the final decision in accepting the selection process undertaken by the recruitment committee.
The connection between TRT and many senators came from the regulation of the people’s constitution which obliged that Senate candidates must only be informed by their personal information and could not pursue any campaign in order to gain votes. The TRT party had powerful social connections to their MPs; therefore, there was unofficial support of the TRT by a number of Senate candidates. This was understandable in cases where the Senator would facilitate any possible actions for the TRT. Throughout its five years in power there were a number of cases that were met with much doubt in Thai society as to whether the TRT had intervened in state power inspection process, for example, the case of the recruitment of the head of the State Audit Office and the recruitment of the heads of the Election Commission, the Broadcasting and Telecommunications Commissions, and the National Counter Corruption Commission (Mutebi, 2006; Case, 2007).

Another intervention in political society by the Thaksin government was its control over the ‘mass media’. Intervention in the sphere of mass media was very crucial because, on the one hand, the Thaksin government could construct a perception of the world of their preference in political society. On the other hand, intervention through mass media decreased the efficacy to monitor government affairs. There were many patterns of mass media interventions by the Thaksin government. Somkiat Tangkitwanich (cited in Kriangsak, 2006: 13-14) summarises that there were ten patterns including 1) state propaganda 2) intervention through the media who gain the state concession in order to bargain over the renewal of concessions 3) implementing the Publishing Act to constrain the media over its critique of government 4) employing other laws such as the Launder Act to prosecute the media who oppose the government 5) freezing the expansion of local and private media 6) intervention in television work such as the case of intervention in the news report of ITV in 2001 7) its ownership of ITV and the Nation Multimedia 8) providing benefits for media firms who were government allies 9) using nominees to prosecute the NGOs who worked for the media reform campaign and 10) interventions through a number of newspapers via a large amount of advertising fees (Ubolrat, 2004, 2005).

4.1.5 Controlling the Bureaucrats

Furthermore, in order to build a strong state, TRT also controlled the ‘Civil Bureaucrats’ via an innovative ‘CEO Governor’ (Bidhya, 2006). This policy had been implemented
since 2001 by adopting a private company CEO style of administration for the governors of all provinces in Thailand. The CEO Governor derived the idea and philosophy of administration directly from the TRT government. Therefore, between 2001 and 2006 the civil bureaucrats were under the control of the Thaksin government. In addition, TRT’s political influence also penetrated its in local politics. Between 2001 and 2004, there were nation-wide local elections to administrate the work of the Provincial Administration Organisation (PAO), Sub-district Administration Organisation (SAO), and Municipality. This was entirely new for Thai politics, because in the past it was not obviously clear that local politicians were supported by any national political party.

Apart from controlling the civil bureaucrats, the Thaksin government also interfered in the ‘Armed Forces’ especially in the Army and the Police (Chambers et al, 2013). In the Thai political tradition intervention through the Armed forces is a normal occurrence. The military was the true ruling social class in Thailand since the 1932 revolution. They dominated the supreme political power both directly and indirectly for more than five decades out of eight decades of modern Thai politics. The Thaksin government promoted their allies, especially their classmates from the Armed Forces Preparatory School class 10 of Prime Minister Thaksin, to top positions. Not only the PM’s classmates were promoted to the high ranks of the Armed forces, but also his relatives and cousins (McCargo and Ukrist, 2005: 225-238). These interventions in both the civil bureaucracy and the Armed forces guaranteed that the Thaksin government could comfortably maintain its power over Thai society during the period between 2001 and 2006.

In short, the first moment in which the TRT party acted in order to strengthen its political power is the political moment. Enhancing its number of MPs through coalition and merger of political parties along with interventions in inspection state organisations, mass media, and controlling bureaucrats made the TRT government a strong state. They employed this advantage as a basis to facilitate their economic strategies and policies in the post-crisis period as detailed below.
4.2 Moment of Political Economy: Introducing to the ‘Thaksinomics’

The TRT government entered into power in 2001 at a time of severe economic recession and recovery. Therefore, TRT carried a high expectation from social forces in the Thai historical bloc to recover, to boost the country, and to facilitate the economy as an urgent agenda. Economy is a crucial matter in each political society because it is vital to the social and political power of any single government. The Thaksin government was well aware of the urgency to recover the Thai economy; therefore, they ignored what the King’s Sufficiency Economy Philosophy offered in 1997 and provided their own economic practices through a number of economic policies to address this social demand.

However, it should be noted that the set of economic policies of the Thaksin government which was later labelled ‘Thaksinomics’—economic policies that were implemented during the Thaksin era—are not entirely new ideas but are instead based on many economic and political ideologies (Rangsan, 2003b). At the first stage of their administration, the notions of ‘Keynesianism’ and ‘economic nationalism’ were employed in both recovering the Thai economy and gaining support from the anti-IMF labour social groups in Thailand (Glassman, 2004; Kasian, 2003 a; Kasian, 2006; Schmidt, 2010: 105). The ‘Dual-Track policy’ was a major characteristic of the Thaksin government’s economic policies. They claimed that it would enhance the Thai economy in both domestic and international levels altogether (Olarn, 2003).

Domestically, the Thaksin government adopted a number of measures to boost domestic demand at various levels including individuals and small and middle entrepreneurs to stimulate consumption and local production. However, at the time of economic recession it was difficult to stimulate people to consume and spend their money. Therefore, some innovative policies, which were part of the political campaign for the 2001 general election under the central theme of ‘Think new, Act new for Thai people’, were launched at the first stage including the 3-year-Agrarian debt moratorium, the village fund, the people’s bank, turning assets into capital and the One Tambon One Product (OTOP) programme.

*The 3-year-Agrarian Debt Moratorium* was the very first tool that the TRT employed to deal with the Thai economy. This programme, financed by the government’s agricultural bank, offered the agrarian social forces in the countryside to stop paying
debt to the government agriculture bank for three years. Alternatively, the debtor could choose to pay the debt without interest for three years. In addition, rather than offering a moratorium, the government also initiated the process of re-structuring debt between the agrarian class and the creditors (4 Years Recovered Thailand for Thai people by Thaksin Shinawatra, 2005: 14-15). This programme was very crucial for the Thaksin government in gaining majority support from ordinary people because the agrarian population is the greatest mass in Thailand. A few years later, after the army carried out the coup in September 2006, these peasant social groups who supported TRT played a crucial part in the counter forces to the military coup.

The Village Fund project was the second step the Thaksin government implemented by targeting other sectors wider than the agricultural sector. This programme was based on the concept of ‘providing fund, gaining income’ (4 Years Recovered Thailand for Thai people by Thaksin Shinawatra, 2005: 16) and the intention of the government was to offer easy access to local funding for people to loan without a guarantor. The Thaksin government offered one million baht to every village (72,944 villages) in Thailand and led the village committees to manage loans and interests. Village fund transactions were to be inspected by higher state officials including district chief officers and the governor. The government claimed that the village fund was not only stimulating demand in economic terms, it was also a democratic model in which people in the village could manage their funding, take care of themselves, and also check and balance other members in each process. Each village fund could manage its own funding to gain more money by investing or other economic activities. This programme conquered people’s mind in various sectors, both the poor and the middle class, because the village fund provided easier loans with low interest. This TRT strategy created a good operating environment for small and medium enterprises (SMEs) in both the urban and rural areas in Thailand at that time (Natthachet, 2005: 94-95).

Another type of similar programme, based on the idea of offering funding for the rural poor who usually loan from illegal creditors, was the People’s Bank project. The importance of the middle class and the SMEs was that the SMEs constituted approximately 40% of Thailand’s GDP (Natthachet, 2005: 95). In addition, the Turning Asset into Capital Programme was another crucial policy of Thaksinomics. This programme derived its idea from Hernando De Soto, a Peruvian economist, who was invited to Bangkok in 2002 to offer economic advice to Prime Minister Thaksin. The
programme was based on similar notions to other policies mentioned above that aim to increase the channels of funding and prepare people to be new entrepreneurs. The turning assets into capital programme aims to turn the rights on properties and also intellectual rights as a guarantor of loan from any involved banks (Sorayuth and Waraporn, 2004).

Furthermore, *the One Tambon*13 One Product (OTOP) programme was another important project that boosted the domestic economy in Thailand at that time. The project derived its idea from the model of Japanese provincial products (First Year of the One Tambon One Product Programme, 2002). This policy aims to promote the local wisdom and knowledge in each Tambon by enhancing the best product in each Tambon to be sold on the national and international market. The state would facilitate markets for each local community and provide some loans, knowledge, technology and marketing. The TRT claimed that this OTOP programme would maintain local development and people’s participation in order to build a strong and democratic community.

Further, local people should earn more income from selling and developing their own local products (Pasuk and Baker, 2009: 115). In short, these economic policies of Thaksinism were nothing new in their theoretical or philosophical foundations. The TRT only adopted various economic experiences, for example, from Latin American countries and Japan and applied them towards the Thai economy. However, these policy implementations were entirely new and innovative in Thai politics. Coincidently with other social policies, the Thaksin government successfully created a new form of consent over Thai society in the first few years in power because they had done what they promised; to secure the increased income of Thai social groups. The table below shows average household income, expenditure, and debt from 1999 to 2007.

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13 ‘Tambon’ in English is means ‘sub-district’. In Thailand’s bureaucratic administration, there are three levels of administration; firstly, Central Administration which is the ministry; secondly, Provincial Administration including province (Changwat), district (Amphoe), sub-district (Tambon), and village (Mooban); thirdly, Local Administration which are Provincial Administration Organisation (PAO), Sub-district Administration Organisation (SAO), and Municipality. Bangkok and Pattaya are the only two special administrations in Thailand that have autonomy to govern themselves.
Table 6.2: Average Household Income, Expenditure per Household, and Average Debt per Household

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Income Per Household</th>
<th>Average Expenditure Per Household</th>
<th>Average Debt Per Household</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Baht/Month</td>
<td>Change (%)</td>
<td>Baht/Month</td>
</tr>
<tr>
<td>1999</td>
<td>12,729</td>
<td>1.9</td>
<td>10,238</td>
</tr>
<tr>
<td>2000</td>
<td>12,150</td>
<td>-4.5</td>
<td>9,848</td>
</tr>
<tr>
<td>2001</td>
<td>12,185</td>
<td>0.3</td>
<td>10,025</td>
</tr>
<tr>
<td>2002</td>
<td>13,736</td>
<td>12.7</td>
<td>10,889</td>
</tr>
<tr>
<td>2004</td>
<td>14,963</td>
<td>4.4</td>
<td>12,297</td>
</tr>
<tr>
<td>2006</td>
<td>17,787</td>
<td>9.0</td>
<td>14,311</td>
</tr>
<tr>
<td>2007</td>
<td>18,660</td>
<td>4.9</td>
<td>14,500</td>
</tr>
</tbody>
</table>

Source: National Statistical Office

Table 6.2 above confirms that the average income per household in Thailand while the TRT party was in power between 2001 and 2006 tremendously increased from 12,150 baht per month in 2000 to be 17,787 in 2006. However, the data above also confirms the criticisms of the TRT programme as they significantly raised the household debt of the country. As the TRT’s economic policies awakened the market and urged people to consume more in the post-crisis period, the data below shows that in 2001 the average debt per household jumped significantly from 68,279 per household per year in 2001 to 82,485 baht in 2002 (or 20.8% change from the previous year).

Table 6.3: Poverty Line, Number of Poor, Head Count Index, Poverty Gap Index, and Severity of Poverty: 1994 – 2006

<table>
<thead>
<tr>
<th>Year</th>
<th>Poverty Line (Baht/Pers on/Month)</th>
<th>No. of Poor (Millions of Person)</th>
<th>Head Count Index (%)</th>
<th>Poverty Gap Index (%)</th>
<th>Severity of Poverty (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>838</td>
<td>14.2</td>
<td>25.0</td>
<td>7.3</td>
<td>3.0</td>
</tr>
<tr>
<td>1996</td>
<td>953</td>
<td>9.8</td>
<td>17.0</td>
<td>4.6</td>
<td>1.8</td>
</tr>
<tr>
<td>1998</td>
<td>1,130</td>
<td>11.0</td>
<td>18.8</td>
<td>5.1</td>
<td>2.0</td>
</tr>
<tr>
<td>2000</td>
<td>1,135</td>
<td>12.8</td>
<td>21.3</td>
<td>6.1</td>
<td>2.5</td>
</tr>
<tr>
<td>2002</td>
<td>1,190</td>
<td>9.5</td>
<td>15.5</td>
<td>4.1</td>
<td>1.6</td>
</tr>
<tr>
<td>2004</td>
<td>1,242</td>
<td>7.1</td>
<td>11.3</td>
<td>2.6</td>
<td>1.0</td>
</tr>
<tr>
<td>2006</td>
<td>1,386</td>
<td>6.1</td>
<td>9.6</td>
<td>1.8</td>
<td>0.5</td>
</tr>
</tbody>
</table>

Source: National Statistical Office
Moreover, the domestic economic strategies of TRT also reduced the number of poor persons and the poverty gap. Table 6.3 above shows some important information on poverty in Thailand from 1994 to 2006. It can be seen that Thailand successfully improved poverty in the absolute sense because it lifted up the poverty line from 838 baht per person per month in 1994 to 1,386 baht per person per month in 2006. The number of poor persons also significantly decreased from 12.8 million persons in 2000, a year before the TRT party came to power, to 6.1 million in 2006.

Apart from boosting the domestic economy, the Thaksin government also dealt with another track of its ‘Dual-Track policy’ at the international level. Thaksinomics had a variety of philosophical foundations. Although the Thaksin government employed a Keynesian approach in government spending on the domestic economy in order to stimulate consumption after the time of economic crisis, they could not refuse the influence of neoliberalism. The Thaksin government promoted free trade and foreign direct investment as leading campaigns in its economic interventions (Jarvis, 2002: 313-315). Furthermore, another distinction of this external track was a call for closer regional cooperation among the ASEAN countries and also with the East Asian countries such as China, Japan, and South Korea (Pasuk and Baker, 2009: 123-124).

Figure 6.3: Growth Rate of Real Gross Domestic Product: 1998-2007

![Growth Rate of Real GDP, 1998-2007](image.png)

Source: National Statistical Office
Table 6.4: Gross Domestic Product 1998 – 2007

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP at Current Market Prices</th>
<th>GDP at 1988 Prices (REAL GDP)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Billions of Baht</td>
<td>Growth Rate (%)</td>
</tr>
<tr>
<td>1998</td>
<td>4,626.4</td>
<td>-2.2</td>
</tr>
<tr>
<td>1999</td>
<td>4,637.1</td>
<td>0.2</td>
</tr>
<tr>
<td>2000</td>
<td>4,922.7</td>
<td>6.2</td>
</tr>
<tr>
<td>2001</td>
<td>5,133.5</td>
<td>4.3</td>
</tr>
<tr>
<td>2002</td>
<td>5,450.6</td>
<td>6.2</td>
</tr>
<tr>
<td>2003</td>
<td>5,917.4</td>
<td>8.6</td>
</tr>
<tr>
<td>2004</td>
<td>6,489.5</td>
<td>9.7</td>
</tr>
<tr>
<td>2005</td>
<td>7,093.6</td>
<td>9.3</td>
</tr>
<tr>
<td>2006</td>
<td>7,830.3</td>
<td>10.4</td>
</tr>
<tr>
<td>2007</td>
<td>8,469.1</td>
<td>8.2</td>
</tr>
</tbody>
</table>

Source: National Statistical Office

In sum, in the process of transforming to a new historical bloc led by the TRT party, Thaksinomics in terms of political economy is only a part of that process. However, evidence shows that Thaksin’s interventions in the economic sphere in the post-economic crisis period were successful. The Thaksin/TRT government boosted the Thai economy as seen from the increasing GDP from 5,133,502 million baht in 2001 to 7,095,893 million baht in 2005 and lifted the National Income Per Capita from 53,838 baht in 2001 to 71,283 baht as shown in figure 6.3 and table 6.4 above (National Income of Thailand, 2009). In addition, the government managed to satisfy social groups in the country as is apparent from a number of opinion polls because social forces admired the strong, speedy, and pioneering style of the executive of the TRT (Matichon, 28 October 2002: 5).

Nevertheless, it should be noticed that the set of Thaksin’s economic policies not only contributed to positive outcomes for Thailand, but also led to some negative effects on Thai society. The ideas of stimulating domestic demand of the TRT government by offering many channels to people led to the problem of inappropriate loans. Some people spent their loans on buying any entertainment or electronic devices rather than investing in their careers (Matichon, 17 August 2004). This problem was a major target for the opposition in the parliament to discredit the significance of Thaksinomics. Nevertheless, even the high popularity of the TRT maintained at least in the first few
years because ‘Thaksinomics’ or the political economic interventions of the Thaksin government successfully secured economic interests for various social groups.¹⁴

4.3 Moment of Ideology: Thaksinism and its Hegemonic Projects

The changing of social relations between the TRT as a dominant social force and other subaltern social groups during 2001 to 2006 was feasible as the Thaksin government secured its political strength and gained high popularity from its economic practices. As a further step TRT aimed to sustain their hegemony over the long run. Therefore, the moment of ideology is crucial as Thaksinism employed some crucial hegemonic projects to conquer Thai civil society in order to construct popular consent over Thailand’s historical bloc.

4.3.1 Thaksinism and Hegemonic Projects: Politics of Consent Building

In the chapter three, it was shown that Gramsci overcomes the problem of ‘economism’ or ‘economic determinism’ by providing the concept of the relationship between structure and superstructure or the ‘historical bloc’. His idea paves the way for more comprehensive political analysis rather than solely scrutinising a specific social element. In the Gramscian account, structure and superstructure are mutually connected. In the last section, the politics of economic intervention under Thaksinism were examined, whilst this section will focus on TRT’s political practices in the terrain of superstructure. Thaksinism’s political interventions in the sphere of ideology could be seen as a challenge to the existing hegemonic ideology of ‘royalism-nationalism’. With this TRT contest, the transformative projects of Thaksinism were eventually ended by the coup in 2006 and the new historical bloc was not successfully established.

Civil society, for Gramsci, is the terrain upon which social classes compete for social and political leadership and consent or hegemony over other social classes. He argues that the superstructure of civil society is like the ‘trench-systems’ of modern warfare (Gramsci, 1971: 235, Q13§24; Thomas, 2009: 137). This means that in order to preserve

¹⁴This economic basis would offer a chance for the TRT to construct another level of relation (hegemony) through the politics of hegemonic projects.
hegemony, the dominant class—the TRT party—should overcome people’s hearts and minds (consent) in civil society. In the case of Thailand, it is argued here that the Thaksin government attempted to build up consent over Thai civil society through two major hegemonic apparatuses including implementation of ground-breaking social policies and leadership management.

**4.3.2 Ground-Breaking Social Policies**

Within five years in the premiership, TRT implemented many innovative social policies over Thai society. Not only were these new and unique, these policies also provided ‘concrete benefit’ to Thai people especially to the rural subordinates in the countryside (Sutree, 2011). One of the most crucial campaigns for the general election in 2001 was the declaration of the ‘new social contract’ for Thai society (Hewison, 2004). The TRT party declared to fight over three ‘wars’ including the war on poverty, war on drugs, and war on corruption (Thaksin, 2001).

The War on poverty social policy operated along with the economic policies mentioned above. Poverty-related aspects such as improvements in health care services were implemented. The Thaksin government offered the progressive ‘30 Baht Health Care Scheme’ that set price of 30 Baht per visit at any state hospital. Even though Thailand experienced modernisation and industrialisation in various aspects its social security system remained weak as a result of the lack of focus of previous administrations on the issue (Chalermpol, 2007; Selway, 2011). The 30 Baht per visit programme was criticised mainly by state hospital executives because it forced them to reduce many costs to support the programme (Jiraporn et al., 2004). However, from a subaltern perspective this social policy was a highly important programme that concretely improved the quality of life for all social forces. This hegemonic project gained high support from Thai people as evidenced by polls in 2003 (Matichon, 31 March 2003: 10; 20 July 2003: 8). In addition, after two years in power the Thaksin government launched a new project to tackle poverty, ‘The Comprehensive Solving of Social Problems and Poverty’, by providing the official registration of peoples’ difficulties at every District administration office. This project aims to aggregate systematic information on peoples’ difficulties such as the problems of poverty, homelessness, landlessness, and illegal careers (The Handbook of Registration of The
Comprehensive Solving of Social Problems and Poverty Programme, 2003; Bamford, 2003). There were more than eight million people who registered with state officials in order to report their social and economic troubles. This massive amount level of participation in the project was crucial because the government could roughly estimate the number of votes they should gain in the forthcoming election which would be held a year after the implementation of the project.

Another important project dealing with basic social services was the ‘SML Project’ (SML stands for Small, Medium, and Large). The SML project proposed that this programme would increase the power of local people, while decreasing state authority (Siripan, 2009; Chetthapum, 2006). The project allocated funding to villages depending on the size of each village based on number of residents. The small villages with no more than 500 people received 200,000 Baht (approximately £4,000) per annum. The medium villages, 501 – 1,000 people, received 250,000 (£5,000) Baht and the large villages with more than 1,000 people obtained 300,000 Baht (£6,000). Each village would consider for themselves how and for what purposes they would spend this funding. A committee was elected to run the project and anytime the committee decided to do something on funding, it occurred through a public hearing in their own village. Most villages spent funds on the fulfillment of basic infrastructure in the village such as to improve the quality of local roads, water supplies, and other community properties (Siripan, 2009).

Apart from the war on poverty, TRT announced that they would fight the ‘war on drugs’. Narcotics have been one of many social problems in Thailand; therefore, the TRT government attempted to combat the drug trade spreading further, especially in the Northern border provinces of the country. The government set a deadline for the project that by the first of February 2003 Thailand should be clean from the narcotics problem. This led to a sharp decline in the spread of drugs and more than 500,000 cases were prosecuted (Kachen, 2005; Pinij, 2007). Another policy of Thaksinism that gained massive popular support from Thai society was a ‘Social Order Programme’. This programme was a part of the ‘war on drugs’ project. It was implemented in 2001 as soon as the government was in power. Led by Purachai Piamsomboon, the vice-premier, this programme rather than take a passive approach to drugs and other social problems actively intervened any possible social problems by patrolling a number of nightclubs,
bars, and entertainment complexes through Bangkok and other provinces. In addition, apart from patrolling, zoning bills were launched (Surichai, 2009).

Furthermore, the Thaksin government operated many state led projects in order to overcome the long neglected aspects of social welfare through the so-called ‘Krong Karn Oua Ar Thorn’ (provided by the state with kindness). There were a number of social projects within this theme such as the state providing housing for the poor and homeless, taxi and motorcycle taxi for rent provided by the state, and computers for every local administration (Sutree, 2011; Pasuk and Baker, 2008). These state provided projects were criticised by economists and the opposition in parliament as government spending without fiscal discipline that would lead to the problem of public debt in the future (Jurairat, 2004).

However, this project was crucial because the implementation of these ‘Krong Karn Oua Ar Thorn’, in other words, could be seen (especially by the royalists) as the TRT trying to ‘challenge’ the existing ‘Royal Initiative Projects’ led by King Bhumibol. The royalist-social elites always claimed that numerous royal projects have been operating for more than four decades and already contributed to various aspects of the country (Chanida, 2007). The King’s ideological hegemony has been established through the royal projects for several decades, and then within a few years Thaksinism shook the hegemonic position of the King’s projects. This eventually led to the clash in the sphere of superstructure in Thai politics as both the TRT and the monarchy contested to gain hegemony over Thai civil society. This issue will be seen more clearly in the next chapter on the politics of ideological struggle between 2005 and 2010. After the 2006 coup d’état, the return of the royalist social elite in order to disgrace Thaksinism and its transformative projects and preserve the status quo of the royal hegemony obviously appeared.

In short, these ground-breaking social policies were promoted through innovative marketing methods led by expert and professional staff in social marketing (Nishapa, 2003; Hewison, 2010; Ake, 2011: 82). If we see Thai politics in a Gramscian sense, these policies posit themselves as ‘hegemonic apparatuses’, as Gramsci argues that the hegemonic apparatuses could be a number of agencies in civil society, for instance, the schools, the universities, the church, the mass media, or the trade unions (Gramsci, 1971: 235, 342, Q13§24, Q11§12). These Thaksinist social policies can be seen as agencies in civil society as they had constructed a new ‘conception of the world’ and the
new relation of force within its five years in political authority. This new conception of the world clearly showed in the post Thaksin period that massive numbers of people demanded any policy that was ‘eatable’ like Thaksinism had provided (Prapas, 2006). Along with the implementation of a number of social policies, the TRT party successfully managed their political leadership, which was very important to build consent over social forces.

4.3.3 Leadership Management

Apart from implementing a number of ground-breaking social and economic policies, ‘leadership management’ was another crucial method pursued under Thaksinism. This leadership management issue was based majorly on the personal charisma of Prime Minister Thaksin Shinawatra; however, it also derived from adopting the right political strategies. It is argued here that there were two major leadership management features of the Thaksin government while it was in power which include *presenting new visions, new style of politics* and *posing a close relationship to the mass*.

The first and the most crucial leadership management feature that was admired by Thai subalterns was the presentation of the Thaksin government as having a *‘new visions and new style of politics’*. Thaksin is a billionaire and Thai society knew him prior to being a politician as a young successful businessman. Thaksin and his party, TRT, came in to the election campaign at the moment a strong leader with a wide vision was urgently required in order to solve the economic crisis that emerged in 1997. Once Thaksin said in the Annual Conference of the Thai Rak Thai Party that *‘Do not be afraid of my wealthy. I am rich enough, so why do I need to be corrupt? I ask for a chance to serve my country’* (Thai post, 27 March 2000: 2–3). This completely differed to all previous Prime Ministers who typically have backgrounds in the army, bureaucracy, and legal profession; it was the first time that a rich businessman held the position of Prime Minister.

The TRT party offered its slogan of *‘Think new, Act new for every Thais’* which clearly stated that the ‘old style’ of politics—patron-client system, corruption, instability, and coup d’états—should be replaced. When the TRT government gained political power, they pronounced to the public that they would adopt the ‘new style’ of politics; an innovative politics, rather than destructive politics as in the past. They adopted some
distinctive political rhetoric such as the ‘integrated administration’, which means an administration covering all related aspects of work. A ‘CEO’ style of private executive governance was also employed in Thai politics, for example, the project of CEO-governor that aimed to make the seventy-five governors in Thailand CEOs who could run each province more effectively (Wiraj, 2003). It is argued here that there were two major events that took place in 2003 that enhanced the strong leadership of the Thaksin government. The first event was the disbursement to the IMF in July 2003 (Chookiat, 2004). The TRT claimed that this early repayment of debt to the IMF could save the country from paying a large amount of interest. Moreover, in the neoliberal point of view, this was a great opportunity to secure consumer and foreign investor confidence. While TRT was even criticised in that repayment of debt to the IMF was just a ‘political ploy’, the result of this campaign was a demonstration of the strong leadership of the TRT government and the popularity of the government reached its height (Chookiat, 2004: 258). The second event was an opportunity to host the ‘Asia-Pacific Economic Cooperation’ (APEC) in October 2003. It was a successful conference and Thailand was admired by the member countries and it eventually led to its increasing popularity (Pran, 2004).

Another important hegemonic apparatus of the Thaksin government was the leadership management on ‘posing a close relationship to the masses’. Prime Minister Thaksin had built up a new popular perception as easy going, kind, welcome, and very close to the people which is entirely different to previous Prime Ministers. Actually this kind of relationship between the PM and the masses was not a genuine idea of the Thaksin government, but rather was an adoption of similar ideas from the Sarit government in the early 1950s (Thak, 2007). Thaksin tried many times to sit down and have meals together with protestors and some rural poor.

However, it should be argued that the most powerful leadership management feature in forging a close relationship to the people was the programme of the ‘Government Countryside Tour’ or as Thai people called it, the ‘Tour Nokkaminh’ that first started in 2004. This programme took the Prime Minister and his cabinet to 53 provinces\(^\text{15}\) in order to understand people’s difficulties and to follow up on many state led projects as mentioned above. Whenever the government takes a tour to rural areas they make

\(^{15}\)Thailand has 76 provinces plus Bangkok as a special autonomy administration.
promises to allocate large amounts of funding to the communities. This government tour was admired by rural social forces in Thailand because it was a chance for them to give direct responses to the Prime Minister (Prakirati, 2006). The *Tour Nokkaminh Programme* was very crucial because it was an attempt of Thaksinism to transform the 'old patron-client system' in local politics (in which people depend on local influential cliques or some local state officials) to be the 'new patron-client' where the government has a shortcut directly approaching the masses and bypassing the old provincial or local patrons (Hewison, 2010: 122). Nevertheless, it should be noticed that the government countryside tours could be seen as a challenge to the hegemonic role of the monarchy as well as the state led projects as mentioned above. Royalists claimed that Thaksin’s government attempted to perform the same function that the king had done before between the 1950s and the 1990s (Hewison, 2008). Within TRT’s political interventions in the terrain of superstructure, the royalist-nationalist ideology had been ignored and there only Thaksinism was important and could guarantee quality of life for all social forces.

In short, this section focuses on the politics of ‘consent building’ over the sphere of civil society in the changing historical bloc between 2001 and 2006. It was argued that a number of social policies and methods of leadership management—apart from social benefits provided to subalterns—can be seen as hegemonic projects employed by the dominant social group or the TRT party in order to build hegemony. Evidence from the popularity polls confirmed that the Thaksin government established a leading and active ‘consent’ over Thai social forces. Nevertheless, it was not the case that all social groups benefitted from economic and social interventions under Thaksinism. Some subaltern social forces turned to be antagonists against TRT’s power and later formed the anti-Thaksin social movement.

### 4.4 Thaksinism and Antagonist Subaltern Social Forces

The transformation of the historical bloc from the old social relations to alternative social relations of Thaksinism was not a success. The Thai state under Thaksinism

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16 It does not mean that the Thaksinism had conflicts only with the subaltern social groups. Indeed, the TRT party itself had conflicts with capitalist factions both within the party and with other factions. The fall of Thaksinism is examined in the next chapter.
between 2001 and 2006 could apparently ‘guarantee’ class interests for the capitalists and the poor social groups. In case of the poor or the peasant social force, they obviously gained concrete benefits from a number of economic interventions introduced by Thaksinism as shown above. For the capitalist, as this research does not aim to provide specific details on the various capitalist factions, they enjoyed the period of economic growth once again after the clash in 1997. There are several economic indicators supporting the claim that the capitalists gained from the stable politics and economy between 2001 and 2006 such as the sharp decrease in the number of the poor (table 6.3 above), the growing GDP (table 6.4), and the decline in the unemployment rate (figure 6.4 below). All these economic indicators can confirm that the Thai economy under the strong Thaksinism between 2001 and 2006 generally satisfied the capitalist social groups as they secured the stable political economic conditions in order to invest and accumulate wealth in their own areas. However, it was not possible that any single government, even one wielding strong political power, could guarantee economic interests for all social groups. Some capitalists also lost their own benefits and joined the Yellow Shirts social group to rally against Thaksinism which will be dealt with in the next chapter.

Figure 6.4: Unemployment Rate in Thailand, 1998–2011 (% of Labour Force)

Nevertheless, some social forces—especially labour and the middle class bureaucrats—turned themselves to become antagonist forces to Thaksinism and this paved the way for the formation of anti-Thaksinism in late 2005.
4.4.1 Thaksinism and the Labour Social Group

By the end of the 1990s, the working class that was still struggling for political inclusion via a collective form of representation confronted some crucial problems. Neoliberal development in Thailand had created the working class that confronted inequality, long hours and low paid work, poor health and safety in the work place, job insecurity, intensification of work, and lack of social welfare coverage. After the 1997 economic crisis, labour confronted widespread unemployment, decreased real wages, extensive workplace change, and employer refusals to comply with labour laws, especially for wages and compensation (Brown, 2007: 825). In addition, the IMF’s tight monetary policies that the Democrat government bonded after the economic crisis forced Thailand to keep wages low and pursue privatisation of a number of state enterprises that led to worse conditions for the Thai working class. These severe circumstances led to the demand for the strong state rather than the weak, bureaucratic-style of Democrat government in the post 1997 period.

The year 1997 was vital to Thai politics in two aspects; the first is the economic crisis and the re-arrangement of capital, labour, and other social forces. Another crucial aspect is the enforcement of the 1997 constitution. At the time of constitutional drafting there were massive movements from various social groups in order to request interest protection from the new constitution. The working class, along with NGOs, proposed their requirement to gain basic rights such as social welfare and insurance, a reformed labour relations framework, expanding educational opportunities, a progressive tax system, and changes to electoral laws that discriminated against workers’ inclusion (Brown and Hewison, 2005: 357).

The 1997 constitution, to some extent, offered a vast expansion on protection of many basic human rights and increased the checks and balances of power through newly innovated independent organisations. However, the political inclusion from the workers was still abandoned and even worse was the condition that the Members of Parliament must hold a bachelor degree as a minimum requirement. This should obviously be seen as an attempt by the social and business elite to obstruct workers from being directly represented in parliament.

At the very first stage of the TRT party rule they announced that they would deal with the creation of more stable politics and rescuing the Thai economy from crisis. In
relation to its economic policies, TRT promised to do many things to the working class. However, it could be seen that after they won the 2001 election, the TRT government ‘had ignored’ many issues concerning working class matters. As Brown (2007: 827) argues, the Thaksin government did nothing to the 1975 Labour Relation Act (LRA). Moreover, they also sacked 21 employees of the ITV broadcaster illegally (the Shin Corporation of Shinawatra family took over it after Thaksin won the 2001 election). Moreover, the government never engaged in the promotion of any labour organisations. Nevertheless, what the Thaksin government had done, as shown in previous sections above, is create the new patron-client system that abandoned the collective organised labour and directly provided a number of economic interests through their innovative policies. Brown (2007) argues that the Thaksin government’s efforts to mobilise workers and encourage them to rely on the TRT government was a central source of support (Brown, 2007: 830).

Nevertheless, even the workers are not the direct target of the TRT as they were, by nature, a combination of capitalist factions, but TRT, to some extent, did reform the structure of the bureaucratic body related to labour. They established the new Ministry of Social Development and Human Services in 2002 to deal with any issues regarding human development. The government reorganised the Ministry of Labour in late 2002 and appointed a team of advisors and promised to solve a number of labour problems within two years. They also passed a law on the Promotion of Labour Skills and encouraged both public and private sectors in establishing an industry skills standards and development centre to train workers to meet prescribed standards; a co-operative scheme between the Ministry of Labour, universities, and employers to improve worker’s literacy and numeracy; improved workplace training for vocational students; raising standards in many occupations to meet local and international market demands, and the establishment of employment centres (Brown and Hewison, 2005: 366-369; Lauridsen, 2009).

In short, the relationship between the Thaksin government as a representative of the capitalists and labour at the first stage seemed to be a compromise based on the government’s economic nationalism that announced its intention to rescue the Thai economy from crisis and also the political standpoint against the privatisation scheme of the IMF. However, as the economic nature of capitalism is to gain the maximisation of profit, the TRT government therefore aimed to privatisate a number of state enterprises
in 2003. This directly brought the concern over unemployment and job insecurity of the labour/worker social forces which eventually led to demonstrations in late 2003 and later was part of the Yellow Shirts movement in 2005. The formation of the Yellow shirt forces will be discussed in the next chapter.

**4.4.2 Thaksinism and the Reformation of Thai Bureaucracy**

The bureaucrat as the major middle class social force was the least affected by the economic crisis in terms of economic interest. Most of them were not confronted with the severe unemployment situation due to security in their posts. However, the middle class, like other social forces, had demanded an alternative administration that would enable the country to survive. In addition, the new constitution that was enforced in October 1997 provided some conditions that benefit the middle class in order to involve it in parliamentary politics (however, it excluded the workers/labourers). The creation of the party-list electoral system and specification for a bachelor degree for any candidate for Parliament or the Senate benefitted those who possessed higher education and social status. These conditions of the 1997 constitution gave advantages to the middle class social groups rather than other social groups of the country.

In their first term in power the Thaksin government carried out the crucial reforms of the Thai bureaucracy by launching the law on restructuring the Thai bureaucracy and the appointment of the CEO-style of provincial governors. In October 2002 the Thaksin government passed the Reformation of Thai Bureaucracy Act which significantly restructured the Thai bureaucracy by creating six new ministries (increasing the total from 14 to 20 ministries) (Ockey, 2004: 148). Along with the establishment of many new ministries and a number of departments and sub-departments, the crucial point is that there were promotions and transfers of high-ranking bureaucrats in order to centralise the control over bureaucrats by the government. In addition, the CEO-styled provincial governors were trained and appointed by the government in order to improve provincial administration and centralise TRT power through the new type of governors as shown above. After the reformation of bureaucracy, the current workforce of Thai civilian bureaucrats is as shown in table 6.5 below.
Based on the information in the table above, it can be seen that even the size of the public sector in Thailand is only approximately two millions or around 3% of the national population (around 5% of total labour force) and the budget for the public sector expenses on salaries and wages of its personnel is almost 30% of the national budget (Piyawat, 2011: 114). This means that the bureaucrats as a social force are still important in Thai politics even though they are no longer the dominant social force as they were between the 1960s and 1980s. But the bureaucrats, with their educational and social status, remain important in Thai politics and no government could not ignore or deny its power. After five years in authority, the Thaksin government confronted difficulties from the middle class mainly because of corruption and their fear of government over-spending on the rural poor through a number of economic and social policies. Therefore, even though Thaksinism could offer a more stable politics and growth in the economy, the bureaucrat social forces eventually supported the Yellow Shirts movement in order to defend their own interests (they required the state to not spend too much money on the rural poor whom the middle class believes do not pay any taxes). This will be addressed at length in the next chapter.
5. CONCLUSION

This chapter has dealt with the highly significant period of Thai politics between 2001 and 2006 under the hegemonic projects of the TRT party. This chapter argues that the Thaksin government was a pivotal ‘agency’ of social transition. In the first section, the brief pathway to political reform prior to the 1997 economic crisis and the main features of the so-called people’s constitution are examined. The constitution aimed to establish a ‘strong’ state through many regulations and it did appear to be a very strong government under the Thaksin/TRT rule in 2001. The 1997 constitution is a structural condition that made the TRT government a strong state. The powerful TRT gained benefit from the new constitution and they also strengthened their own power through mergers with several small political parties to increase the number of their MPs and control sectors that check and balance their power. TRT uses its strong political power as a basis to constitute the ‘Thaksinism’/’Thaksin Regime’ that is based on its own Thaksinomics political economy and a challenging ideology.

At the time of post-economic recession, the Thaksin government showed its strong and innovative ideas to boost the Thai economy and stimulate consumer demands in the domestic market. Along with economic interventions at the structural level, the Thaksin government employed a number of ‘hegemonic projects’ towards social forces. The success of Thaksin’s hegemonic projects through many social policies was based on the fact that the Thaksin government created the ‘concrete reality’ to broader social groups, especially the capitalists, entrepreneurs, and the rural poor. Many Thais believe and trust in the Thaksin government as they had already constructed a ‘new critical consciousness’ towards social forces. The Thaksin government transformed the old ‘economic-corporate’ relations of force, in which consciousness of the subaltern or the ordinary people is only present in terms of economic interest and in a specific group rather than a class consciousness, to be ‘hegemonic’ in which the interests of social classes are not only present for a specific group but for all subordinate groups and economic, political, intellectual, and moral unity are integrated.

In the Gramscian sense, the relationship between social, political, and ideological forces are dialectical. Therefore, changing any element could lead to the transformation of

17 The new critical consciousness will be explained in the section on the Red Shirts movement in the next chapter.
other elements as well. Based on the strong state in politics and well accepted in political economy, these paved the way for the TRT party to further transform social relations of the Thai historical bloc through a number of hegemonic apparatuses. Therefore, they gained high popular support in the sphere of ‘civil society’ due to its social policies and leadership management techniques.

However, the crucial point that is missing from explanations of the contemporary crises of Thai politics was that the Thaksin government had, to some extent, challenged the moral cohesive function of the monarchy. Even though the Thaksin government could establish social, economic, and intellectual leadership during a five year period in authority, it could not replace the ‘moral leadership’ of the monarchy because of its deep rootedness in the thought of the old social elites in Thailand. In order to ‘balance’ the active and offensive power of Thaksinism, the royalists and their allies needed to take some social actions. This led to the emergence of ‘another crisis’ and it was the ‘crisis within transition’ that was catalysed by Thaksinism between 2001 and 2006. In the next chapter, the politics of counter-Thaksin hegemony, the formation of the Yellow Shirts who rallied against the TRT and the Reds who defended the Thaksin power bloc and the incident of the 2006 military coup will be analysed because all were part of another crisis of the Thai historical bloc.
CHAPTER 7

SOCIAL TRANSITION AND THE CRISIS WITHIN: SOCIAL GROUPS AND BALANCE OF CLASS FORCES

1. INTRODUCTION

This chapter focuses on two features of the Thai historical bloc—transition and another crisis within this transition—by critically examining the attempts to ‘balance’ the forceful Thaksin hegemony by the conservative forces which formed the ‘People’s Alliance for Democracy’ (PAD) or the so-called ‘Yellow Shirts movement’. The chapter considers the counter-Thaksin social forces as a result of the unfinished business of Thaksin’s restructuring project of the Thai state. The rising of the PAD since 2005 will be investigated in section two and three in terms of both political economy and socio-ideological aspects. Analysing the political economy of the emergence of the Yellow Shirts social force, this chapter argues that there were many contradictions between the TRT party, as a capitalist faction, and other capitalists, especially the conflicts with the Manager group due to the government annulment of the Manager’s TV programme in late 2005. The Manager, led by Sondhi Limthongkul, enlarged its conflict with the Thaksin government to the wider public by agitating ‘ideological war’ over Thai civil society and accused the TRT party of being the enemy of the nation.\(^1\)

The Yellow social forces, with cooperation of the old social elites such as the Democrat party and the army, created the conditions for—what Gramsci calls—‘passive revolution’ that eventually occurred with the military coup in September 2006. However, some crucial ‘paradoxes’ still remain in understanding the politics of social forces in Thailand because even though the TRT government offered a number of concrete economic interests to social groups, some of them turned against TRT and participated in the Yellow Shirts movement. To grasp this point, this chapter argues that some of the social groups lost their interests in various forms. Therefore, they needed to balance Thaksinism in order to ‘protect’ their own interests. In addition, the old elites attempted to re-conceive their own legitimacy through a junta government and the Democrat Party amidst the conflicts of the post-2006 coup period. Nevertheless, the destructive movement of the old social forces had finally led to the emergence of the challenging force of the ‘United Front for Democracy against Dictatorship’ (UDD) or the so-called ‘Red Shirts’ which was constituted by leading roles of former TRT politicians, some

\(^1\)As is shown earlier, being against the nation in this sense means being against the state and the monarchy.
capitalists who lost advantages from the military coup in 2006, some middle class constituents, labourers, and the rural peasantry. This chapter considers the Red Shirts as subaltern social groups who attempted to emancipate themselves from the dominant social relations in both economic and ideological senses. The last section deals with the underlying economic interests of various social groups that combined in the Reds together with its ideological stances.

2. THE FALL OF THAKSINISM

The powerful TRT government effectively performed the role of a leading agency of social change that brought ‘transition’ to the Thai historical bloc between 2001 and 2006. They attempted to transform the ‘old’ historical bloc—the set of social relations in both political economy and ideological aspects—and established their own alternative power bloc. Thaksinism reached its peak in terms of popularity in 2003 as the antagonist forces were still weak and could not contest the Thaksin regime. However, the decline of Thaksinism had begun from late 2004 onwards and eventually collapsed after the coup d’état in 2006. However, the interesting aspect of the fall of Thaksinism is that it was not mainly a result of its economic interventions as the indicators show that the Thai economy was growing well at approximately 9% in 2003 and 2004.\(^2\) Rather, the decline of Thaksinism derived from political and ideological matters.

With very strong power in parliament, the TRT party did not face major problems in parliamentary politics. However, there were several political difficulties that paved the way to the fall of Thaksinism including three crucial controversies; the matters of corruption, the failure to solve violence in the Southern provinces, and the threat to royal hegemony. Firstly, TRT was accused of being one of the most corrupt governments in Thai political history (Mutebi, 2008). The TRT party was blamed as they introduced ‘policy corruption’\(^3\)—the government launched policies and laws that benefitted their allied social groups in both direct and indirect ways. The most noticeable corrupt project the TRT government faced was the case of the CTX bomb scanner in 2005. The TRT government failed to answer questions regarding the CTX

\(^2\) See table 6.4 in chapter six.
\(^3\) This policy corruption was distinct from the traditional corruption in Thailand as in the past the state agencies were mostly corrupted on budget spending in infrastructural construction projects.
9000 bomb scanner that the government bought and to install at the new international airport, Suwanabhum Airport. The Minister of Transport, who was responsible for this matter, was transferred to another position in the TRT government just several days before parliament would hold a debate of no-confidence over the Minister of Transport (Nelson, 2005). The unavailability to declare information on the overspending on the budget in buying the bomb scanner led to the dissatisfaction of social groups in Thailand especially the middle class who demanded a clean and transparent government.

In addition, the most crucial matter of corruption that brought the TRT government to its downfall in popularity was the amending of some articles of Thailand’s Telecommunication Act in January 2006. TRT amended the proportion of stock holders for foreign capital from no larger than 25% to 50%. The problem was that this amendment was only finished two days before the Shin Corporation (company of PM Thaksin’s family) decided to sell their stocks, which were worth 70,000 million baht, to the TEMASEK holding company— Singapore’s governmental company (The Nation, 25 January 2006: 1B, 6B). This decision made the social elites and middle class forces in Thailand furious because it was, obviously, a severe conflict of interests on the part of TRT.

At that moment, there was an attempt by the Democrat Party, the leading opposition group in parliament, to request that PM Thaksin declare and explain about this stock selling in a parliamentary discussion. But PM Thaksin avoided the parliamentary process and escaped from this situation through the decision to dissolve parliament, just a month after selling his stocks (The Nation, 25 February 2006: 1A, 3A; Manok Lae Dek Nokkrob, 2006). The selling of Shin Corporation stocks was a catalyst of the fall of Thaksinism because the counter-Thaksin forces singled out this issue and exaggerated it as a matter of selling the country (the Shin Corporation held some major state concessions such as the state satellite and broadcasting system) and that national security might be threatened by the Singaporean government (Thitinan, 2006; Schmidt, 2011: 334). This issue was employed as a major issue for the Yellow Shirts in its initial stage in early 2006.

The second matter that contributed to the fall of Thaksinism is the failure of TRT to deal with the violent crisis in the southern provinces. The southern crisis in Thailand did not just begin during the TRT period but had rather been escalating since the TRT
government came to power. In January 2004 many weapons in the army base in Narathiwat province, one of the three southern border provinces of Thailand, were stolen and a number of schools in Narathiwat, Pattani and Yala were burnt (Albritton, 2005: 166-167). The southern crisis has never ended and the conflicts in the region have been intensifying every day. The growing southern violence considerably discredited the TRT government and eroded the popularity of the government (Chaiwat, 2009; Connors, 2009).

The last matter that led the strong force of Thaksinism into crisis was the accusation that PM Thaksin Shinawatra was disloyal to the King (Hewison, 2008: 103; Warr, 2009: 335; Lewis, 2007). This claim came from an event at which PM Thaksin acted as chairman, an ancient Buddhist celebration at the Prakaew Morrakot temple (the royal temple of Thailand). This temple, as a Thai custom, is reserved for the King and his royal family to hold any religious celebrations. This action of Thaksin was a very sensitive issue for Thai people because the relationship between the monarchy and social forces is so strong (Glassman et al, 2008: 361) under the hegemonic royalist-nationalist ideology. Therefore, it was a chance for the anti-Thaksin movement to agitate ideological struggle against Thaksinism by claiming that Thaksin and the TRT party had challenged the monarchy and that they pose a threat to the country. Thaksinism began to decline from 2005 and it was eventually unseated from political authority by the coup in 2006. The next two sections will discuss both political economy incentives and ideological reasons that brought social forces to join together and form a counter-Thaksinism social force.

3. FORMATION OF THE COUNTER-THAKSIN FORCES AND THE POLITICS OF THE YELLOWS

Chai-Anan Samudavanija, a leading Thai political scientist, once argued that ‘the old soldier never died and they have just been bypassed’ from the frontline of Thai politics (Chai-Anan, 1997). The last military coup in Thailand took place in 1991 overthrowing the Chartichai government after the coup makers claimed that the government was corrupted. The coup in 1991 eventually led to protests and the severe repression of May 1992 that paved the way to political reform and the new constitution in 1997 as shown in the last chapter. Only a decade later, the country was in engulfed in rumours that the army might initiate a coup again in late 2005 and the rumours proved correct in
September 2006. This section will provide an overview of the formation of the counter-Thaksinism social forces, the politics of common sense and several attempts of the Yellow Shirts to restore authoritarianism in Thailand.

3.1 Counter-Thaksinism Social Forces: Political Economy Incentives

As shown in the last chapter, the TRT government had established the so-called Thaksinism—the regime that was based on political and economic innovations led by the TRT party—for a short period of five years. The attempt to build a new historical bloc of the TRT party gained popular support from social forces in the country as the government secured concrete economic interests for these social forces in post-1997 crisis period. Nevertheless, it is impossible that the state could guarantee benefit for all social groups evenly. The formation of counter-Thaksinism social forces emerged because the need to balance their class interests with the TRT government. This section, therefore, provides analysis of the formation of social forces against Thaksinism that are here categorised into ‘four’ major groups including the working class social forces, the middle class, the old social elites, and the capitalist factions. These social forces had later united, directly and indirectly, as the PAD (the Yellow Shirts). The emergence of these anti-Thaksin government groups could be seen as the ‘process’ of re-balancing class interests from the state. These social forces eventually created the ‘condition’ that entailed the coup in September 2006 and this will be dealt with in the next section.

3.1.1 The Labour Social Forces

Under Thaksin’s hegemony between 2001 and early 2005, the movement of organised labour such as in the forms of NGOs and other protests were strictly controlled by the state apparatuses. Compared to the frequency of protests against Thai governments prior to the Thaksin period there was a sharp reduction by the time the TRT party was in power. However, Pye and Schaffer (2008) argue that the contradictions within Thaksin’s neoliberal capitalist projects paved the way for the emergence of antagonist social forces against Thaksinist neoliberal policies. It is argued here that there are three major reasons that the workers should take action against the Thaksinism and defend their interests: the attempt to privatisate some major state enterprises; the commitment to
free trade agreements (FTA) without deliberative hearings in parliament; and doubts over the government spending too much on the rural poor. *Firstly*, the TRT party at the time of their political campaign throughout the year 2000 proposed to the public that they would save the country from being colonised by the IMF and would not conveniently obey the IMF suggestions as the Democrat party did before. This proposal gained strong popular support due to its nationalist rhetoric during the last stages of the political campaign. Nevertheless, the TRT government, in fact, was in actuality a neoliberal agency that attempted many times to privatise a number of state enterprises. At the beginning of the fall of Thaksinism in late 2003, the TRT government had faced crucial challenges from major five labour social forces; the labour union of the Electricity Generating Authority of Thailand, the labour union of the Provincial Electricity Authority, the labour union of the Metropolitan Electricity Authority, the labour union of the Metropolitan Waterworks Authority, and the labour union of the Provincial Waterworks Authority (Brown and Hewison, 2005; Pye and Schaffar, 2008; Schmidt, 2007).

These five major forces had joined and demonstrated to present their needs for several weeks in Bangkok in July 2003 in order to stand against the government’s plan for privatisation (Fah Deaw Kan, 2003: 24). From 2003 to late 2005, these labour unions had been actively protesting the government’s privatisation plan at various places and finally achieved their goal. It should be seen that even though TRT provided several economic policies through local communities, most of organised labour still chose to defend their class interests with TRT as they would have lost their benefit if the privatisation projects had been pushed through.

*Secondly*, apart from the controversy of privatisation projects, the TRT government had also been challenged by social groups who were against the FTA (Kasian, 2006: 32; Pye and Schaffar, 2008: 55; Ammar, et al., 2006). At the first stage, there was a small initial group of senators together with a few hundred people who protested against the FTA between Thailand and Australia in June 2004 (Choudry, 2010). These social forces then expanded by joining with hundreds of NGOs led by the ‘FTA watch’, an academic group who deeply scrutinize the effect of the FTA upon Thailand. Throughout the years of 2005 and 2006, a number of civil society organisations joined the anti-FTA campaign including the network of the landless movement, an alternative agricultural movement, and the national student union. This network of social groups later joined
with the PAD or the Yellow Shirts movement in early 2006. The major incentive that led various social groups to support the movement against the FTA was that social groups had lost their benefit from the FTA in various ways such as losing in competition with foreign products and the decrease in prices of agricultural products (Sajin, 2009).

*Lastly*, as Brown and Hewison (2005: 371) point out, labour did not entirely gain benefit from Thaksinism’s economic and social policies. Rather labour social forces felt that the TRT government had spent too much on the rural poor instead of them. For example, the government gained great approval, especially from the rural poor, for its *30-Baht universal health scheme* (UHS) under which every Thai citizen pays only 30 Baht per visit (approximately £0.5) for any services at state hospitals. However, it should be noted here that for the workers, their health care schemes are officially covered under the *Worker’s Compensation and Social Security Funds*—which are different from the 30-Baht scheme—and the workers fear that their own health care coverage would be downgraded if their funds were siphoned into the UHS (Asma, 2010; Ammar, 2011; Hicken and Silway, 2012).

Moreover, for the white-collar worker, the major economic reason to rally against the Thaksin government was the opposition playing upon the myth that the government spends taxes (the white-collar workers believe that they pay higher taxes than the rural farmers) on many policies that predominantly benefit the rural poor (Pye and Schaffar, 2008: 39). In short, with fears over losing benefits from privatisation, the FTA, and losses in the health care scheme, the labour/worker social forces decided to protest in order to defend their own benefits and were the social basis for the upcoming Yellow Shirts movement.

### 3.1.2 The Middle Class: Public Intellectuals/Academics

The middle class social groups in Thailand were quite obviously seen to propose themselves as antagonists of the TRT government. Without ideological and political reasons, it could be argued that the dissatisfaction of the bureaucrats towards the TRT government that took place since late 2002 was one of the major reasons for that social force to turn against Thaksinism. The bureaucrats saw that the restructuring of the Thai bureaucracy was nothing but a government attempt to exert control over the
bureaucracy. They believe that the introduction of the CEO-style governors by the TRT party was only serving the interests of capitalist factions in order to deal with local investments rather than the improvement of peoples’ quality of life. In addition, although the middle class would benefit from several social and economic policies of the TRT government in a broader sense, they could not bear the government corruption in many projects as the middle class claimed that they had better access to information on Thai politics than rural people in remote areas (Jager, 2012).

However, this thesis argues against the idea that the middle class in Bangkok had better access to information and were therefore better informed about politics and government corruption than the rural poor because the Thai countryside had changed and social groups in rural areas could access information easily through expanding new media such as the internet and satellite television (Walker, 2012; Apichat et al., 2013b). Transformation of the rural area’s infrastructure and the development of information technologies significantly decreased information gap between rural and urban areas in Thailand. This means that social forces in the rural areas could learn and decide by themselves what they should do about politics.

However, there are two middle class groups that played important roles against Thaksinism; public intellectuals and university scholars. Thirayuth Boonmee (2004), an ex-leader of radical student activists in the 1970s, is the most prominent figure who criticised TRT several times. Thirayuth claimed that the TRT government were like an ‘evil capitalist’ who always attempts to freeze any political participation in public sectors. He argues that the emergence of TRT brought the campaign of political reform in 1997 to a dead-end. TRT, Thirayuth argues, was not engaged in any kind of innovative politics, but just re-engineered Thai politics by combining old-style local politicians with the influence of new industrialist factions. Moreover, he also criticised the set of Thaksinist policies in that they would eventually lead Thai politics to a dictatorship of the single party (TRT) in parliament and that it was a kind of ‘policy corruption’ (Thirayuth, 2004: 47-69). Although these criticisms of the policies of Thaksinism were based on Thirayuth’s own opinion, and it is unclear that whether or not his comments were based on any original academic research, his pioneering role in criticising the very strong and massively supported government urged Thai academia to deeply scrutinise and criticize the Thaksin regime.
In addition, from early 2003 there were a number of academic seminars around the country discussing the Thaksin regime and prospects for the country. One important event was held in Chiang Mai, the Northern province and birthplace of PM Thaksin, by the ‘Fah Deaw Kan’ (the Same Sky) radical left journal. More than 30 leading scholars from Thai universities attended that two-day seminar in January 2004. Major topics of the seminar were concentrated on theoretical approaches to the Thaksin regime/Thaksinism, the understanding of the contradiction within TRT, the emergence of the Thaksin regime and the transformation of state and capitalism in Thailand under Thaksin’s regime (Fah Deaw Kan, 2004). Further, throughout the year 2004 there were a number of academic alerts discussing the administration and abuse of power by the Thaksin government (Jermsak, 2004). In short, these academics and university scholars as part of the middle class should be considered as an individual or group action rather than any movement of social forces against the Thaksin hegemony. However, many comments and criticisms from these public intellectuals were crucial in order to stimulate other social groups in Thai society to have more critical awareness and serious consideration of the Thaksin government and his allies.

3.1.3 The Old Social Elites: Network of Monarchy and the Military

Thai politics is unique compared to other democratic countries because of the active involvement of the special and outside constitutional forces such as the monarchy and the army (Surachart, 2001; Chambers, 2013 a). Handley (2006), in his book banned in Thailand, argues that the Thai king and the royal family have played an active role in Thai politics throughout six decades on the throne. However, it should be noted that the king himself seldom directly intervenes in politics. There were three clear cases in which the king took action. These were in order to control the national crises in October 1973, October 1976, and May 1992. Resultant from these political interventions of the king, the royalist ideology was secured over Thailand’s historical bloc (on this see chapter four). McCargo (2005) crucially points out that the king does not take direct action in Thai politics, rather, he has the so-called ‘network monarchy’ to facilitate a number of the royal projects. The network of monarchy consists of the Privy councilors led by Prem Tinasulanond, an ex-army commander and prime minister, other proxies such as public figures who served him on the royal initiative projects, and the old political elite or the high-ranked bureaucrats.
During its first three years in political power, it could be seen that the TRT government could successfully compromise with the elite and the network monarchy as there seemed to be a good relationship between PM Thaksin, the army commanders and the crown prince (Chambers, 2013a). However, when the government reached its peak of what Gramsci called ‘national-popular’, some might think that they felt overconfidence and PM Thaksin was aggressive and displayed egoism (Hewison, 2010: 128). As the Thai historical bloc was still characterised by the old-style patron-client system in which the inferior should be submissive to the superior (Amara, 1996), the aggressive and strong TRT government could pose a significant threat to the palace as they might have been overthrown (Ukritst, 2007; Schmidt, 2011: 340). Regarding this matter, the case where the Manager group claimed that Thaksin himself and his cabinet disrespected the monarchy should be considered (Hewison, 2008: 103).

This accusation derived from the event of which PM Thaksin was a chairman in an ancient Buddhist celebration at the Prakaew Morrakot temple (as mentioned above in the first section). Furthermore, the Thaksin government also had conflicts with other elements of the network of monarchy, especially the military. Thailand has long established social relations under the military rule of more than five decades since the 1932 revolution. The army has been functioning as the centre of political power both directly and indirectly for a long period. Once, first in power, TRT had very strong support from the armed forces through the connection of Thaksin’s classmates of the pre-cadet school class 10 (McCargo and Ukrist, 2005).

However, the rise of Thaksin and his allies through the ranks of the Thai bureaucratic system, to some extent, could be seen as an attempt to counterbalance the influence of Prem, Chairman of the Privy Councillors (Chambers, 2011: 297). The government employed several methods in order to polarise the Thai military from being centred on Prem (at the same time it could be seen as centred upon the king) such as extolling the virtues of the military, giving retired soldiers highly sought after positions, granting autonomy to soldiers in the area of internal security, and even building up a faction in the military in order to pay loyalty to PM Thaksin alone (WikiLeaks cable: 06BANGKOK3916). It seemed that the Thaksin government could already control the Thai armed forces by the first few years in power, but the government went too far in some military affairs. Chambers (2011: 298) crucially noticed that the Thaksin government intervened in the army by reducing the armed forces’ budget and prepared
to privatise military assets such as the Channel 5 television station, and his high influence in senior military promotions. These reasons, along with the other accusations and political agitations of the Yellow Shirts on the matter of corruption and disrespect to the king shown by the TRT government, were enough for the army to conduct the coup in 2006.

### 3.1.4 The Capitalist Factions

In the last chapter, it was explained that the formation of the TRT party consisted of a number of social groups. However, the most influential actors in TRT were the capitalist factions, especially the telecommunication millionaires who survived the 1997 economic crisis. The capitalist factions within the Thaksin government enjoyed their increasing economic benefits in relation to the rising political power of Thaksin’s government. Under TRT’s power, the Shin Corporation Group, Thaksin’s family business, had significantly gained profit of more than 9,723 million baht in 2003 and also held assets of 60,153 million baht with a market capitalisation of 113,888 million baht. Moreover, the Shin Corporation also expanded their businesses from telecommunications to other sectors such as ‘Thai Air Asia’, a low cost airline, and ‘Capital OK’, a personal credit company, and ‘SC Asset’, a real estate company (Ukrist, 2008: 133–134).

However, it should be noted that not all social groups were satisfied with Thaksin and his allies’ businesses. There were at least three crucial cases regarding economic rivals of the Shin Corporation that induced them to take part with the anti-Thaksinism forces in the pre-2006 military coup period. Firstly, it was the conflict between the Thaksin government and Prachai Leophairat of the TPI group, one of largest petroleum and chemical industries in Thailand. The TPI had faced a critical debt crisis since the 1997 economic downturn. The TRT government once in power attempted to pursue TPI to restructure their debt trouble. Later the TPI had been taken over by creditors in order to solve the problem and Prachai, who was the owner, lost his chief executive position in May 2006 a few months previous to the coup. The dissatisfaction of Prachai led him to attempt to provide substantial support to the anti-Thaksinism movement; for example, he decided to advertise his business in the *Manager* and donated substantial funds to the PAD movement (Ukrist, 2008: 134–135; Pasuk, 2006).
The second vital aspect of economic discontent with the Thaksin government was the government’s obstruction of the Thai Beverage Group on the stock exchange in late 2005. The Thai Beverage company, owned by the tycoon Charoen Siriwattanapakdee, wanted to float its business on the Thai stock market, where they could earn more than 300 million baht, but this was blocked by the Thaksin government (Nualnoi, 2008). During that period, the TRT government blocked the Thai Beverage floatation attempt due to high pressure from civil society. However, this could also be interpreted as the unwillingness of the government to benefit a business rival of the Shinawatra family (Ukrist, 2008: 135). After the failed attempt to enlist Thai Bev on the stock exchange market of Thailand, Charoen subtly supported the anti-Thaksinism forces as he provided his Ratchapruek Club as the venue for the launching of a crucial book, The Royal Power, written by Pramuan Ruchanaseree, a radical royalist in late July 2005. Later, this book became vital for the rightist movement and the attempt to conduct a so-called ‘passive revolution’ after the PAD was formed (this issue will be discussed in the next subsection).

Lastly, the most important and controversial conflict of the TRT government was the clash with the Manager Group, a media business owned by Sondhi Limthongkul. It could be seen that Sondhi himself, in the first stage of the Thaksin regime, had a good relationship with the TRT government. His media business faced a critical financial problem by the 1997 economic crisis, however, by supporting Thaksin Shinawatra he was able to reconstruct his business a few years later (McCargo, 2009: 8). The Manager Group broadcasted the weekly television programme ‘Muangthai Raisapda’ (Thailand Weekly) on Thailand’s ‘Channel 9’ which mainly provides weekly political analyses. However, Sondhi’s TV show featured increasing levels of criticism on various government affairs which finally saw the show taken off the broadcasting schedule in late 2005. Although the Mass Communication Organisation of Thailand (MCOT) that owns Channel 9 explained that the reason to ban the Thailand Weekly programme was because Sondhi himself frequently raised the issue of the monarchy which is inappropriate manners in Thailand, people believed that the genuine reason was to shut criticisms of the government down from the public attention. It should be noted that the government’s decision to ban Sondhi’s programme was crucial for Thai politics over the following years. They struggled to defend themselves and eventually led to the so-called ‘Sondhi Phenomenon’ (Connors, 2008 a: 153; Khamnun, 2005).
The so-called ‘Sondhi Phenomenon’ is the term that represents the active participation of Thai social forces in criticising and scrutinising the TRT government from late 2005 to the emergence of the PAD in early 2006. After his TV programme was taken off air, Sondhi turned his show into a weekly road show and named it ‘Muangthai Raisapda Sanjon’ (Thailand Weekly on Tour) gaining high public attention especially with the anti-Thaksin audiences around the country (Kasian, 2006: 5). The Thailand Weekly on Tour by the Manager group was usually held at the Lumpini public park in the centre of Bangkok. This venue was in a very convenient location and could be reached by most of the white-collar middle class in Bangkok, which was the majority support base of the anti-Thaksin movement (Kamnoon, 2006). From September 2005 to January 2006, Sondhi ran the counter-Thaksinism social group by himself through the media in his hands including newspapers, the ASTV cable TV, magazines, books, CDs and the most powerful channel to reach most of the middle class, the ‘Manager Online’ website. His weekly talk show created the ‘Sondhi Phenomenon’ that greatly stimulated public attention and it was the point of departure for the movement of the People’s Alliance for Democracy (PAD) or the so-called ‘Yellow Shirts’ movement. The Yellow Shirts movement’s major structures, leaders, symbols, and aims will be examined in the next section.

In short, this section analyses the formation of the counter-Thaksinism social forces, which is the constitution of various social forces in order to ‘balance’ the power of Thaksin’s government and secure their own class interests. Most social forces began their anti-TRT movement with various different aims and targets. However, what they share in common was that they all had some economic incentives behind their movements. In order to strengthen and make the protest against TRT a success, political ideology should be brought in as a hegemonic tool to persuade social forces to fight against Thaksinism. This will be discussed in the following sections on the politics of the Yellows social forces.

3.2 The So-Called ‘Yellow Shirts Social Force’

The TRT party had conquered the Thai historical bloc for the short period between 2001 and 2005, however, as shown in the section above, by the end of 2003 the TRT government’s dominant power had been challenged by various social forces. Each social force operated for themselves in order to stand against the Thaksin government for a
specific purpose—but to some extent all of social forces lost their own interests—at a given time between later 2003 and early 2005. It should be noted that the Sondhi phenomenon of the ‘Thailand Weekly’ road show united a number of social groups in Thailand’s historical bloc to form the People’s Alliance for Democracy (PAD). The PAD, officially formed on 9 February 2006, at the first stage was directed by the five core leaders including Sondhi Limthongkul, a royalist and political analyst; Suriyasai Katasila, full time activist and PAD coordinator; Chamlong Srimuang, a former leader of the Phalang Dhamma Party, ex-governor of Bangkok, and leader of the 1992 people’s movement against the military rule; Somsak Kosaisuk, a highly experienced Thai labour union leader; and Somkiat Phongpaiboon, a university lecturer (Kasian, 2006:7; Pasuk and Baker, 2009: 266-268; Asma, 2010: 107-120).

The PAD/the Yellow Shirts is a broad social alliance of various social groups such as the organised labour unions led by Somsak, several NGOs led by Suriyasai and Somkiat, and Buddhist movement led by Chamlong that combine together to balance the power of Thaksinism in order to secure their own class interests by employing royalism-nationalism as a hegemonic tool to tie social forces together as a social bloc. These social groups consolidated themselves under the PAD and promoted the ‘yellow’ colour as symbolic of their movement. In Thai ancient belief there is a colour-code for each day in the week. Yellow represents the person who born on Monday and King Bhumibol was born on Monday, therefore, yellow represents his own royal symbol and that colour has always been used for every royal activity that related to the king (McCargo, 2009:12).

The PAD employed the colour yellow as a symbol of the movement to signify that they did everything for the sake of the king—which under the royalist perception means for the sake of the nation also. Protestors wore yellow shirts and other items such as yellow wrist bands, hats, and scarves to indicate that they were a social group that stood against Thaksinism. The so-called Yellow Shirts movement clearly expressed themselves as having an ultimate goal of toppling the TRT government and throwing it away from politics. The term ‘throw away from politics’ will be employed here rather than ‘from power’ because in the perception of the yellow camp, they deeply believe that Thaksin and his allies are the only threat in the recent political conflict in Thailand. From this point of view, Thaksin is the worst germ which causes the nation’s sickness (Pavin, 2011). Even though the PAD was formed from different social groups, they
shared some ‘conception of the world’ which, in Gramsci’s terms, is the ‘common sense’ of Thai society. The politics of common sense of Thailand is not a new innovation in political movements, but has been employed since the 1950s when the Sarit government revitalised the significance of the monarchy in Thai society (see chapter four). The section below will deal with this issue.

3.3 The Yellow Shirts, Politics of Common Sense, and Ideological Struggle

Apart from economic incentives in different forms that brought social forces that lost or feared losing their own interests to identify as part of the PAD, political ideology was also crucial as a cohesive tool to gain high support from social forces against the Thaksin regime. The PAD had agitated the ideological struggle against Thaksinism by constructing the politics of ‘common sense’ as if Thaksinism was a threat to the monarchy. According to Gramsci, ‘common sense’ is the conception of the world that is uncritically absorbed by the various social and cultural environments in which the moral individuality of the average man is developed (Gramsci, 1971: 419, Q11§13). Common sense is the perception of the world that is established by the ruling class in order to secure its class interests and control subaltern world views. The process of building common sense operates through the functions of the intellect in the sphere of civil society (Bocock, 1986: 46; Robinson, 2005: 473). The politics of common sense of the PAD had revitalised the ‘royalist-nationalist’ ideology—after it had been ignored under Thaksinism—and used it as an ideological apparatus to fight the TRT government.

3.3.1 The Thai Version of Common Sense

As shown in chapter four, Thailand’s historical bloc since the late 1950s has been deeply attached to the monarchy. The Thai monarchy plays crucial roles in Thai politics especially as a ‘moral leadership’ figure for the nation. It should be noted here that even though Thailand has a strong powerful monarchy, the monarchy in this sense is personalized to the current king rather than the monarchy as an institution (Handley, 2006). Most Thai people were hegemonised to be under the grip of royalism-nationalism through a number of hegemonic projects. Therefore, it is possible for social
forces in Thailand to believe that the king is the inevitable moral centre of the country and social forces seem always to look towards the king whenever the country is in crisis.

The PAD, like most Thai people, has its own standard conception of the world that is under the domination of royal power. This conception of the world is not naturally occurring, rather it has been created through many ideological apparatuses for decades (Saichol, 2005; Hewison and Kengkij, 2010). The Yellow Shirts movement promoted the campaign of ‘returning political power to the king’ in order to ‘save the nation’ from the corrupt TRT and its capitalist allies through their almost year long protest. The crucial common sense that the PAD attempted to construct was that Thailand has its own unique political tradition under the king’s power. Through this constructed common sense, the PAD convinced audiences to go back to the king and request that he undertakes a royal intervention against the evil and corrupted (even though popularly elected) government. The PAD launched the campaign to return sovereignty to the king through ‘Article 7’ of the 1997 Constitution. They promoted this campaign as an innovation to rebel against the Thaksin government through many channels such as the protest at hydepark, the new media, and public intellectuals (Matichon Editorial Board, 2008).

Article 7 of the 1997 Constitution stated that: ‘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’ (Constitution of the Kingdom of Thailand, 1997). This Article 7 campaign was originally used by the Manager group before the uniting of the PAD in early 2006. When the PAD was formed, the idea of returning political power to the king was criticised even within the core leaders of the PAD (Connors, 2008 a: 148-151). Some PAD leaders argued that this royalist campaign could not provide any development to the country; rather it was a step backward from being democratic to being an autocratic regime. However, they eventually compromised between different standpoints and promoted this campaign in order to reach the ultimate goal, which was to oust Thaksin from his political authority. The PAD’s campaign of returning power to the king was widely accepted in Thai society as seen from high support of the urban middle class and massive donations from the Thai elites (WikiLeaks cable: 06BANGKOK4212).

Royal intervention in politics may be perceived as a common sense phenomenon by those Thai people who do not possess critical minds. The Yellow Shirts request for
royal intervention in order to replace Thaksin’s government with a royal interim government confirmed the unique characteristic of Thai politics that there has always been a special authority external to parliamentary-constitutional politics. It is argued here that the demand for the King’s intervention in politics through article 7 of the 1997 constitution was an attempt to conduct what Gramsci called ‘passive revolution’. In other words, this attempt by the PAD paved the way for ‘political change from above’ which eventually led to the King’s issuing of a signal of approval and the military coup in September 2006. The next section will provide a discussion of the events surrounding the coup d’état in 2006, which will be considered as ‘another crisis within the transition’ of the Thai historical bloc. Also, analysis of the aftermath of the coup will be provided.

4. The Crisis within Transition: 2006 Military Coup and the Reversion to the Old Historical Bloc

The Thai historical bloc was in crisis after the severe 1997 economic collapse. The historical bloc needed a transformation in the post-economic crisis period and Thaksinism took this chance and played a role as a cohesive factor that combined social forces together in the post-1997 period. Thaksinism’s social transformation was in progress and was an unfinished business when another crisis took place in 2006 and reverted the Thai historical bloc to the old regime of pre-Thaksinism period. The crisis within transition was led by the PAD or the Yellow Shirts as they had completely controlled the passive revolution—or change from above—that was manifested in the military coup in September 2006. This section will deal with this military coup and its political consequences.

4.1 The Coup d’état of 19 September 2006

Throughout the six-month long protest of the PAD against the Thaksin government, the movement consistently promoted the idea that the King should intervene in politics by installing a royal interim government to manage the crisis on behalf of the nation before holding a new general election. Besides this request to the King, the PAD also approached the King’s proxies or the network of monarchy (McCargo, 2005). There was a campaign to hand a petition signed by many Thais to Prem, the Chairman of the privy councilors and the King’s close advisor, in order to ask him to take any action possible
to remove the TRT government. From a Western point of view, this kind of campaign is strange and there is no place for it in Western democratic countries. However, in Thailand, where the patron-client system has been rooted for centuries, this is a common option for the subaltern to pursue by consulting the patron in order to request that it carries out their suggested way of escaping from the impasse. The Yellow Shirts non-democratic idea could be seen as an attempt to present an ‘invitation card’ to the ‘old political elite’, the armed forces, to stage the coup d’état which is a common occurrence in modern Thai politics (Thanapol, 2006 a). Many scholars of Thai studies believed that it would be difficult for the army to conduct a coup in the age of globalisation because Thai politics had developed so far after 1997 and popular engagement with politics in various sectors had been growing by that time. Nonetheless, it could be seen that the Yellow Shirts movement had relentlessly attempted, many times, to engineer circumstances that would legitimate interference by the army. Therefore, it could clearly be seen that a number of conflicts and fights between the Yellow Shirts supporters and the pro-Thaksin supporters (later they formed the Red Shirts movement) emerged in Bangkok and other provinces. Later, this conflict between two camps of supporters was a crucial claim made by the coup maker in order to prevent further conflict which could escalate and worsen if it went unchecked.

4.1.1 Before the Coup: Some Signals Appear

Tension between the pro- and anti-government movements had been growing by mid-2006. The Yellow Shirts attempted in many ways to create conditions that would pave the way for a coup. At that time, Sonthi Bunyaratklin, Commander-in-Chief, confirmed several times that the army would not be involved in politics and that it never considered carrying out a coup d’état (WikiLeaks cable:06BANGKOK1302). However, the attempt to conduct a passive revolution—revolution from above without mass engagement—led by the old political elite of the PAD had significant meaning because there were some signals appearing several months before the coup was staged. There were at least two obvious cases in which it can be assumed that the Thai elites had signaled to the army in order to retain its status quo from the Thaksin regime. The first signal was from the King’s speech and another was from Prem, the King’s closet proxy.
On 25 April 2006, the King had a chance to meet with the newly appointed judges and delivered a royal speech in the usual Thai tradition. However, the King’s speech that day was extraordinary because he clearly expressed two points. Firstly, the King publicly announced that he possessed no political authority under ‘article 7’ of the 1997 constitution as the Yellow Shirts movement requested several months previously that he should be above politics.

Secondly, the most important message from the 25 April 2006 speech was that the King himself stressed the importance of judicial power. He also suggested that whenever the checks and balances of the political system meets difficulties, when both parliamentary and executive powers are in doubt, the judge should play a role to resolve the crisis (Manager, 2006). The King’s speech that day was later labelled by academics the ‘Judicialisation of Thai politics’. A few weeks later the Constitutional Court ruled the general election of 2 April 2006 to be a null election (WikiLeaks cable: 06BANGKOK2688; Ockey, 2007). Even though the King did not directly sanction this political act, it could however be seen that the courts were responding to the King’s suggestion and that the event confirmed his extra-constitutional power in Thai society.

Another signal that appeared before the coup was found in Prem. For decades, Prem established himself as the King’s proxy and the centre of the Thai armed forces. Even though he had long retired from his bureaucratic life, he still maintained much influence over the high ranks of the Thai army. By mid-2006, he signaled to the military by giving a metaphorical interview about his opinions on the Thaksin government’s annual reshuffle of the high rank of the army in which he stated that ‘the government is just only a jockey, not the owner of the horse’. The true owner of the horse (which means the military) can only be the King. This should be interpreted as Prem signaling to the

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* It means the political system in which the judges play a major role in politics (WikiLeaks cable: 06BANGKOK2425). Rather than checking and balancing the legislative and executive powers, the court in Thailand had transcended the principle of checks and balances of power and acted as a crucial political actor.

5 Thaksin’s government dissolved parliament in order to avoid explanations of conflict of interest in the case of selling Shin Corporation’s stocks without paying taxes on 24 February 2006. They set a new general election on 2 April 2006 that major political parties boycotted. On the day of election, the Election Commission organised election stalls differently to normal procedure so that no one could see other voters while they were casting their ballot. However, for the 2 April 2006 election the election stalls were turned to a different direction and the privacy of voters could therefore not be protected.
military to take action in politics, as this is usual in the common sense of Thailand (Thanapol, 2006 b; WikiLeaks cable: 06BANGKOK5463).

Eventually, after the almost year long protest of the anti-government movement, the PAD or the Yellow Shirts movement which consists of various social forces (as shown above) successfully created the conditions for a ‘passive revolution’ led by the Thai military. The coup maker claimed that Thailand tended to descend into civil war and that there could have been a critical and bloody conflict due to the clashes between the pro- and anti-Thaksin government that had often ended up with bloodshed. Therefore, it was held that staging the coup on 19 September 2006 while an ousted-PM was in the United States was necessary to prevent all possible negative incidents (Plate, 2011: 141-158). It was a bloodless coup d’état and it also was a good coup in many people’s perspective because it prevented violence in society (WikiLeaks cable: 06BANGKOK5832, 5814; Connors and Hewison, 2008). The successful coup meant many things for Thai politics and this was a threshold for another upcoming crisis of the Thai historical bloc that later reached its peak in 2010. The chapter will now provide an examination of the political and ideological consequences of the coup d’état, which this thesis argues was the turn of the old elites to regain their hegemonic position from the Thaksin regime. To do that, they adopted a number of methods in both state and hegemonic apparatuses.

4.2 Balancing of Class Forces: The Return of Thai Authoritarianism

In a Gramscian perspective, each social group will struggle to gain a hegemonic position through various means. Thai politics in the post-coup period between late 2006 and 2010 was, it is argued here, a turn for the authoritarian social groups to regain their hegemony over Thai society. However, it should be noted here that they were unsuccessful as the country faced harsh violence in 2010 after the attempt of social forces rallying against the old elite’s hegemonic projects. This subsection will analyse the hegemonic projects of the junta as a consequence of the coup which eventually led to the emergence of the Red Shirts movement, a key social force who tried to overcome the Thai common sense.

After the coup, the Council for Democratic Reform under Constitutional Monarchy, (CDRM) which later changed its name to the Council for Democratic Reform (CDR),
the coup maker, appointed one of the King’s privy councilors General Surayud Chulanond as Prime Minister in order to form an interim government to lead the country to a normal situation and hold a clean election as soon as possible. This appointed PM was seen by most Thai people, who had formed their worldview as centred around the King, as a ‘good’ person because he is the King’s advisor (Thitinan, 2008). Moreover, appointing the King’s person could be seen as an attempt to readjust social relations after they had been transformed by the Thaksin government for five years previously. Under the Surayud government there were some vital projects both in the terrain of consent building over civil society and in the terrain of state coercion over political society (Hewison, 2007 a; 2007 b).

In civil society, the junta employed the King’s ‘Sufficiency Economy Philosophy’ (SEP) (see also chapter five), which had been largely ignored by Thaksinism for years, as a major framework for all government affairs (Ivarsson, 2007; Dayley, 2008; Chambers, 2013 b: 93-94). Moreover, in this period the country under the junta returned its attention to ‘moral politics’ and demands for good people to be engaged in politics rather than ‘evil’ and corrupt capitalists like Thaksin and his allies. Whilst in political society the junta enforced the interim constitution of 2006 and also drafted the new constitution of 2007 in order to eliminate the opportunity for a strong government like Thaksin’s administration (WikiLeaks cable: 06BANGKOK2088). This military backed constitution has been crucially criticised by social forces who were against the coup as a not a fully democratic constitution.

4.2.1 Ideological Re-Arrangement

This thesis argued in the last chapter that the TRT government successfully established a new relation of force which was ideologically based on neoliberalism, Keynesianism, and economic nationalism through a number of methods (see chapter six). This new social relation created a new historical bloc or historical social relationship in which social forces in Thailand were dominated by the TRT party. This new social relation could be seen as a direct challenge to the old relation of force that centred on the King and royalty. Once the CDR appointed the Surayud government they announced that the country should be strictly run according to the guidance of the King’s SEP, which had been disregarded by the Thaksin regime for several years. Throughout its year in
charge the Surayud government promoted its politics of moral sentiment by employing the King’s SEP as a major framework for the government (Pruek, 2008).

However, it should be noted that this government was an interim administration. Therefore, there were not any initiatives or projects in terms of political and economic development. The most obvious project of the junta was only the renaming of the ‘SML Project’ (see the previous chapter) of the TRT government to ‘The Well Living Project’ (Krongkarn Yu Dee Mee Suk) and labeling of the project with the suffix of ‘under the guidance of the King’s SEP’. Within a year of temporary government Thailand faced many attempts by the government to promote the King’s SEP through a number of projects. Nevertheless, this could be seen as only political rhetoric rather than concrete projects that could change any social relations in the country. This could be proved by the failed attempt by the Surayud appointed government to revitalise the royalist ideology based on the King’s SEP because at the next general election held in December 2007, the People’s Power Party (PPP)—a nominated party of the TRT—still enjoyed a massive win over the royalist supported Democratic Party (Ockey, 2008). This victory of the PPP confirmed that the ideological struggle of the interim Surayud government did not succeed and that the majority of Thai social forces retained faith in the Thaksin-style of neoliberal policies rather than the conservative SEP of the King.

4.2.2 New Political Regulations and the New 2007 Constitution

In the Gramscian conception of the integral state, it is held that the dominant social group maintains its power both in civil and political societies by creating consent alongside coercion. During the post-coup period there were a number of attempts by the CDR and the Surayud government to re-shape the social and political relations of the Thai state by enforcing the ‘new 2007 constitution’ and disbanding the TRT party. After the coup, the CDR enacted the 2006 Constitution of Thailand (Temporary) on 1 October 2006. In the period that followed the CDR formed the ‘National Assembly’ which recruited from a nationwide nomination process that included 2,000 people from various sectors. This short-lived National Assembly had a duty to recruit 200 people

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6 See chapter three
7 This short, with only 39 articles, temporary constitution set parameters for drafting the new constitution and paved the way for the CDR to be freed from any charges in the future (The Interim Constitution of Thailand 2006).
and forward the shortlist to the CDR which would then reach the final decision by selecting the last hundred people to form the Constitution Drafting Committee (Vitit, 2009). While the new constitution was in the process of drafting the judge who had been selected following the King’s signal in early 2006 also played a very crucial role by ordering the disbanding of the TRT party in the controversial case of election fraud related to the general election of 2 April 2006. This judgment also banned the 111 core members of the TRT party from politics (Keerati, 2007). This could be seen as an attempt by the old elite to freeze every channel for the return to power of Thaksin and his allies.

The new 2007 constitution was completed around mid-2007 and the Surayud government held the first national referendum on the acceptance of the constitution on 19 August 2007. While the result of the referendum was very clear, with the authoritarian social groups winning a majority of 57%, a huge number of people voted no to the constitution, which is a product of the Thai authoritarian (Suchit, 2009: 90; Ferrara, 2010: Ch. 3). Minorities in the referendum, on the one hand, came from the Thaksin supporters regardless of their regions. On the other hand, they also came from social groups who were against the coup and authoritarian power. These social forces later formed the Red Shirts movement in order to balance authoritarian power. The junta and the interim government attempted in many ways to freeze and destroy the ‘newly established’ relation of force of the Thaksin government by replacing it with the

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*The new, albeit military-backed, constitution of 2007 could be seen as a passive revolution in which the old social elites set up rules to regulate social classes without broad social inclusion. The elite-backed constitution mandated changes to some crucial political regulations found in the 1997 edition. On the one hand, the constitution provides some easier ways for people to propose new laws (change from 50,000 to 10,000) and only 20,000 persons are needed to petition the Senate to dismiss the Prime Minister and other office-holders. In addition, articles on rights of individuals and social groups are still protected and even greater. On the other hand, the constitution aims to demolish a condition for the ‘strong executive’—as it was present in the previous constitution. The new constitution expands the role of judges in order to balance the function of the legislature and executive. The protection means towards the Prime Minister (a vote of no confidence towards PM) in parliament is also changed from 200 (out of 500 MPs) to be only 96 (out of 480 MPs). In addition, the old social forces had replaced an all-elected 200 person Senate with a mixed 150 person Senate —76 elected and 74 recruited by a selective committee with inputs from a variety of professional and other organisations. These changes to political regulations aimed to de-establish the strong state and open up chances for the old social elites to place their own allies in power through the Senate. For more discussion of the 2007 constitution see Vitit, 2009; Suchit, 2009; Ginsburg, 2009.

9 Obviously from the North and Northeast of Thailand, two major strongholds for the TRT party.
‘old’ social relation based on the King’s SEP and the politics of moral sentiment. This led to the situation in which the ‘pro-Thaksin’ and the ‘anti-military’ coup forces established themselves to balance and struggle over the hegemonic power of the authoritarian regime in the form of ‘Red Shirts movement’. The section below will focus on the politics of the Reds camp.

5. THE RED SHIRTS MOVEMENT AND THE CRITIQUE OF COMMON SENSE

This section deals with another agency of social change—the Red Shirts forces—between 2008 and 2010. The Reds at the conjunctural level was only a protest against the Yellow Shirts and the Democrat government aiming to dissolve the parliament and trigger fresh elections. Nevertheless, at the broader level they attempted to subvert the dominant conception of the world through several political strategies as will be shown below.

5.1 Political Uncertainties in 2008 and the Emergence of the Red Shirts Movement

Thai political history during the period between late 2007 and 2010 was critical. There were three governments replaced in this short and unstable period. After the general election of December 2007, the People’s Power Party (PPP)—a proxy of the TRT party—won a slight majority and formed a new government under Prime Minister Samak Sundaravej. The Samak government, known as a nominee of Thaksin Shinawatra, stayed in office for a short period of only seven months from February to September 2008 because he was ruled to be disqualified from his premiership due to a conflict of interest with his TV shows (Connors, 2008 b). The parliament then voted for the new Prime Minister and Somchai Wongsawat, brother in law of Thaksin, came to power. However, it should be noted that whilst the Samak and Somchai governments were in charge, they did not have peaceful conditions to run the country because they were challenged by anti-Thaksinist forces. The Yellow Shirts fought on a day-to-day basis through political protests for a long period of 193 days in order to oust any of

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10 They hegemonised Thai subaltern classes by popularising that Thaksinism was an evil regime that was absolutely corrupt and the cause of all conflicts in contemporary Thailand.
11 The first general election under the new 2007 military backed the constitution.
Thaksin’s nominees from Thai politics. The most critical action of the Yellow Shirts in this period was the hijacking of Suvarnabhumi International Airport for ten days between 24 November and 3 December 2008\(^\text{12}\) (Askew, 2010: 31-82).

Eventually, the Yellow Shirts, after its long period of daily protests, successfully stimulated the Thai elite to once again conduct a ‘passive revolution’ after they completed one that paved the way for the 2006 coup. The so-called ‘judicialisation’ of Thai politics—a morality engagement regime in which judges are involved in politics to provide justice to society—took action again in late 2008 in order to oust the Somchai government from political authority on the basis of its election fraud in 2007, and, at the same time, the People’s Power Party was disbanded due to the regulation of the new 2007 constitution (Tipsuda, 2010). These uncertain political situations in 2008 paved the way to the entrance to political power of the Democrat party, for the first time since 2000. It should be noted that it was highly possible that the PM, Abhisit Vejajiva, was pushed to his position in 2008 by the military and backed up by royalists (Chambers, 2010: 215). Following its assumption of political authority the Democrat government critically urged social forces from both the supporters of TRT and the anti-military coup to take action and balance their class interests, which took place from early 2009 to the crackdown in 2010.

5.1.1 From the Counter-Democrat Government Movement to the Red Shirts Social Forces

Since the military coup of 2006 the conservative social forces led by the junta, the Democrat party, and the PAD were active in reshaping the social relations formed under Thaksinism during the early 2000s. In order to defend their own class interests against conservative social forces, the Red Shirts were formed to balance this political equilibrium. The so-called ‘Red Shirts movement’, during the first stage, was a politician backed movement in support of the Thai Rak Thai party and against the junta who conducted the coup in September 2006 (Forsyth, 2010). Initially, this movement labeled themselves as the ‘Democratic Alliance against Dictatorship; DAAD’ and later changed its

\(^{12}\)Although the occupation of the airport by the Yellow Shirts caused a severe economic loss for the country, the leaders of the movement still have not been charged by the court. This paved the way for the Red Shirts to promote the discourse of ‘double standards’ which will be discussed below.
name to the ‘United Front of Democracy against Dictatorship; UDD’ (Ubonphan, 2010: Ch.3). The UDD began its official demonstration in 2007 together with other social forces such as the ‘19 September Network and the Saturday People against Dictatorship’ (Kon Wansao Mai Aow Padetkarn) in order to launch a social campaign convincing Thai people to vote no in the national referendum on the acceptance of the new 2007 constitution (Prachatai, 3 August 2007; McCargo, 2008: 336-339). The first phase of the UDD ended after the People’s Power Party won the election in December 2007. However, they returned to take political action again in early 2009 after the Democrat party had been installed in power undemocratically.

The UDD decided to choose the ‘red’ colour as symbolic of their protest. Nevertheless, at first the UDD did not officially employ this colour as a theme of protest; it was first employed by Sombat Bun-Ngamamong, leader of the Saturday People against Dictatorship, who promoted the colour red to struggle against the royalist yellow theme (Prachatai, 3 August 2007). During the second phase of their movement, which started around mid-2009, the UDD changed its political strategy of movement to expand its political involvement to wider audiences in remote areas by changing their name by adding the suffix ‘Red in the Land’ (Daeng Tang Pandin) to its name (Ubonphan, 2010: 73-83; Chairat, 2013). At this stage, from mid-2009 until the street confrontations of 2010, the ‘UDD-Red in the Land’ enlarged its support and membership throughout the country through a strategy of what Gramsci calls a ‘war of position’. The war of position that the UDD or the Red Shirts were striving to achieve was in providing ‘critical political pedagogy’ through informal and lifelong learning in local villages in most parts of the North and North East, two major strongholds of the Reds (Wipawadee 2012; Pruek, 2012; de Jong et al., 2012). With this political strategy the rural social forces remained in support of the Red Shirts movement and viewed the political situation more critically.

To consider who exactly the Red Shirts are and what they represent, it is necessary to consider both political economy and ideological instances. The Red Shirts forces do not constitute a unified social group. Rather, it is composed of many social classes and combines both the rich and the poor in the Weberian sense of income categorisation (Nithi, 2011; Apichat, 2011; Apichat et al., 2013b). This is similar to the Yellow Shirts as it is a social bloc that is comprised of ‘broad social alliances’ of social forces that are able to continually expand and dwindle in terms of its alliances. However, it could be
seen that even though the Red Shirts were constituted by different socio-economic classes they did share some ‘economic incentives’ that were lost after the diminishing of by the conservative military coup in 2006. When the Red Shirts came out to protest against the junta and boycotted the new military led constitution most political commentators believed that the Reds were comprised mainly of the rural poor or the peasantry and those that loved Thaksin. However, the Red Shirts are not only the peasant poor but rather a broad alliance of, at least, three major social categories. Firstly, the majority of social groups who belong to the Red Shirts movement are the admirers of Thaksin who come from both rural and urban areas. Thaksin’s admirers are a broad social alliance and from various socio-economic categories. It was not only the rural peasantry or the workers that supported Thaksin’s hegemonic projects, but also the bureaucrats and the rich who lost their benefits in many ways after the military coup in 2006 had ousted the TRT government from power. However, recent studies have shown that even though the Red Shirts are not entirely composed of the poor, compared to the Yellow Shirts social group the majority of Red Shirts supporters have both lower income and educational qualifications (Apichat et al., 2013b: Ch 2; 2013c).

Apart from the majority of Thaksin supporters, the second social category is determined by the ‘politico-ideological stance’ of social forces. The Red Shirts in this group are those who insist on democratic discipline and deny the coup d’état in 2006. These social groups became supporters of the Reds through politico-ideological incentives rather than the economy, which was the crucial driver in the first category. This social group could be viewed as active citizens who could not stand for the undemocratic means that the army employed to shutdown popular political participation as a means of resolving crisis. It can be seen that most of this category are the middle class from both urban and rural areas and also academic scholars in universities. The last social category of the Red Shirts, and it is the least numerous, is the social group known as the ‘Red Siam’ or those who were ex-radical activists and members of student movements of the 1970s (Kanokrat, 2012: Ch 7). These social groups are unclear about their positions on

\[\text{13} \text{Apichat (2013 b; 2013 c) argues that even though the Red Shirts in general have lower income than the Yellow Shirts, they are not the poorest group in the country. Rather he argues, like Walker (2012), that the Reds are, in fact, new rural middle classes while Naruemon and McCargo (2011) label them as the ‘urbanised villager’.}\]
Thaksin; however, these radical fractions are appreciative of a republican regime rather than the existing social relations that are closely attached to the monarchy.

In short, the construction of the Red Shirts social groups emerged from several social forces that came from different social categories and various socio-economic statuses. Most of them appreciated and enjoyed economic growth under Thaksinism. Even though they have various political economy incentives, the Red Shirts share a vital point together which is to stand against the undemocratic means or the coup d'état in 2006. They also demanded that the Abhisit government dissolve the House of Representatives and return decision-making power to the Thai people as soon as possible. The ‘UDD-Red in the Land’ or the Red Shirts movement shifted in the nature of their movement from one that takes action in supporting a given person (Thaksin) or political party (TRT and PPP) to become a movement that goes ‘beyond Thaksin’ and questions a number of complicated socio-economic-politico problems of the country. Next, the political strategies of the Reds will be examined in order to unveil the condition of subalternity that had been oppressed by the Thai authoritarian dominant social groups for a long period.

5.2 The Red Shirts, Critique of Common Sense, and the Subversion of Subalternity

It cannot be denied that, initially, the political practice of the UDD aimed only to counter the Yellow Shirts forces and the Democrat government regardless of broader ideological struggle. The purposes of the UDD were centred around demanding that the Democrat government dissolve the House of Representatives and attempting to bring ex-PM Thaksin Shinawatra back home (Wipawadee, 2012: 42). Therefore, the UDD and some factions of the Red Shirts actively protested the Democrat government from 2009 to the crackdown in 2010. With these initial purposes of the UDD, the opposition, especially from the PAD and the Democrat party, therefore saw the Red Shirts as ‘money-driven’ protesters that supported (or were bought by) Thaksin and his allies (Voicetv, 17 June 2010).

Rather, this study argues that the old elite’s conception of the world was a selective explanation that blamed Thaksin and his allies as the only threat to contemporary Thai
political conflicts. It is argued here that in order to gain a proper understanding of contemporary crisis in Thailand, it is important to overcome the common argument of the old elites by accepting that the crisis in Thailand between 2006 and 2010 was not a conjunctural phenomenon, but was rather an organic, or in other words, a ‘structural crisis’ which resulted from the clash between the ‘old’ and ‘new’ categories of social relationship. This clash of social relations was part of a ‘crisis-ridden transition’ of the Thai historical bloc that dated back to the 1997 economic crisis. The emergence of the Red Shirts forces and its several attempts to balance the old social relations confirmed the existence of ‘subalternity’ or the condition that the ordinary social groups have been oppressing for the long period of modern social and economic development.

The subaltern social groups, in a Gramscian sense, are not only the poor, but can also be other social classes such as the middle class or even those rich in terms of socio-economic status. Rather, what should be considered as the subaltern social groups are those who lack political autonomy and are excluded from the politics of social wealth (see chapter three; Green, 2002, 2012). In this sense, Thailand’s Red Shirts should be considered as the subaltern; even though they consisted of cross-social classes in the Weberian sense most of them, since 2009, transcended the pro- and anti-Thaksinism dichotomy and politicians backed the movement to become one that possesses ‘critical awareness’ on the questions of political and economic inequalities and the undemocratic regime of the Thai historical bloc (Taylor, 2012). The Red Shirts’ political practice shifted to the broader ideological struggle. This was apparent in their many attempts at subverting the condition of subordination over two critical years between 2009 and 2010. Below is what the Red Shirts did as they attempted to reveal the ‘common sense’ in Thai politics which eventually led to the critical government crackdown in mid-2010 and contributed a significant legacy for contemporary political studies which will be discussed in the next chapter.

5.2.1 Subverting the Common Sense: Against Double Standards and Prai-Ammat Metaphor

Political strategies of the Red Shirts between 2009 and 2010 should be considered as a ‘war of position’ or political strategies that attempt to construct critical perception in the sphere of civil society on the part of Thai social forces in a broader sense. The Red
Shirts as a subaltern social force expressed themselves as a contestant to the old social relations—those that are constructed around royalist-nationalist ways of thinking and that pursue exclusionary economic development—as it appeared in two major political strategies; the struggle against double standards in Thai society and the introduction of the Prai-Ammat metaphor. These two major strategies contributed to crucial perceptions that the subaltern social forces could feasibly challenge the dominant social class and could balance the class forces, thus overcoming it in the long run.

The first political strategy of the Red Shirts in order to rally against the old social relations was to construct critical awareness in Thai society in order to reveal that social forces in the country had long been excluded from the pool of power. In doing so, the Reds focused on the struggle against the ‘double standards’ of the Thai ruling class. The term ‘double standards’ seems to be normal in its ordinary sense, however, the term was first signified by King Bhumibol in his annual speech in December 2001 with the aim of reminding the Thaksin government to run the country for the benefit of the whole nation (Matichon, 5 December 2001). Nonetheless, the more critical meaning that the Red Shirts employed in their movement from 2009 was in the aim of criticising the structural problem of the Thai historical bloc. Thailand, like other developing countries, is a society that lacks discipline and, also, good governance is not present at any level of social life. The Red Shirts as a subaltern social group contested the common sense in which people were led to believe that double standards are a normal aspect of Thai society. The event that led to the emergence of the Reds’ double standards campaign was the selective operations of the Democrat government which favoured the Yellows over the Reds.

The Democrat government was known by Thai society as an undemocratic elite/military backed government and in this sense they had a very good relationship with the PAD because they shared the same goal of ousting the Thaksin regime (Prachatai, 26 August 2013). The Abhisit government as the state administration was clearly seen delaying the process of charging the PAD over the case of hijacking Suvanabhumi International Airport in late 2008 and finally refused to charge the PAD leaders (Prachatai, 10 April 2009). Compared to the Red Shirt movement during the critical period of April 2010, the Abhisit government ordered the police to launch warrants for the arrest of Red Shirt leaders as quickly as possible. Moreover, the feeling
of being treated with double standards among the Red Shirts protesters seemed to significantly rise after there were cases of doctors in a number of state hospitals refusing to provide medical services to Red Shirts patients—this was because, as Thongchai (2010) argues, they saw the Red Shirts like ‘germs’ that could harm others and were a threat to the nation. This may be compared with the case of the Queen and her daughter who donated huge funding to treat many Yellow Shirts protesters in 2008 and went to one of the victim’s funeral.\footnote{It was the funeral of Miss Angkana Radubpanyawoot who died in the street clashes between the police and the Yellow Shirts protestors on 7 October 2008. The Queen praised Angakana as being a good person who died to protect the nation and the monarchy.} This could be seen, from the Red Shirts perspective, as a double standard and an unfair situation (Matichon, 13 October 2008). From this point of view, amongst the Red Shirts members the hegemonic project of struggle against double standards sharply raised critical awareness through many Red Shirts new-social media outlets such as the Reds newspapers, CDs, websites (Naruemon and McCargo, 2011: 1010). In short, although the terms ‘double standards’ is normal and nothing new in its definition, the Reds invested it with great significance by connecting it to the dominant conservative social groups.

The second major war of position of the subordinate Red Shirts was the introduction of the metaphor of ‘Prai-Ammat’ social relations. The term ‘Prai’ means the ‘commons’ or the ‘subjects’ in English and ‘Ammat’ means the ‘elites’ or the ‘aristocrats’ (Naruemon and McCargo, 2011: 1006; Taylor, 2012). The Ammat-Prai social relationship in the Thai ancient sense is quite similar to the lord/vassal-slave relationship in Europe. The Ammat in the older sense could be various groups of elites such as the monarchy, the royal family, the landowner, and the high-ranked bureaucrat. Meanwhile Prai could be understood as the commoner who was tied to the authority of their Ammat and had no social and political autonomy. Officially, Thailand subverted the master-slave system over one hundred years ago (Feeny, 1989). Nevertheless, modern economic and social development brought a new sense of superiority and inferiority in the new social forces and the sense of being Ammat and Prai has never vanished from the Thai historical bloc.

However, the political discourse of Prai-Ammat in contemporary Thai politics that was resuscitated by the Reds Shirts has a broader meaning than the older sense. The Red
Shirt leader employed this metaphor as a leading strategy in the war of position in order to gain consent from various subaltern social forces. The Red’s political strategy is an attempt to advance a counter argument against the Thai ruling class who always claim that Thailand has no class conflicts and that everyone lives well together under the King’s supremacy (Borwornsak, 2009 a; 2009 b). The significance of this political strategy is that it could illustrate for the wider social groups the picture of the social inequalities between social classes in Thai society. In the broader sense, Prai could mean not only the poor or the working class, but also in the modern sense it could mean those who have been subordinated from inclusion in society with real political liberty. Nevertheless, what is interesting is that in terms of Ammat it remains the monarchy, royal family, and social elite e.g. high-ranked army officers and civilian bureaucrats.15

The Reds as a subaltern social force—who were insulted from the Yellow urban middle class as ‘Kwai Daeng’ (the stupid Reds) and ‘Ban Nok’ (the countryside people)—propagandised the metaphor of Prai-Ammat social relations in order to raise the critical perspective of all Thai subaltern social forces and this attempt should be judged to be a successful political strategy based on the increasing numbers of Red Shirts members and the frequency with which this discourse was employed during street protests (Taylor, 2012: 130-134; Buchanan, 2013). In short, the Red Shirts introduction to the Prai-Ammat metaphor was a critical political strategy of expanding the political idea of contesting the old social relations. It is argued here that this Red Shirt politics of language was successful in terms of the construction of wider critical consciousness through the Red Shirts and non-Red Shirt social groups and the expansion of political engagement in street protests. These challenges to the common sense of Thai politics made by the Red Shirts as a subaltern social group eventually brought the country to the peak of the organic crisis/crisis of authority in 2010 and paved the way for the brutal crackdown in mid-May 2010. This issue and the results of the clash between the old and new social relations will be discussed in the next chapter.

15 One of the major targets that the Red Shirts directly attacked was the head privy councillor, General Prem Tinsulanond. Because the monarchy has a special protection through the lèse majesté laws, it was therefore a strategic movement of the Reds to protest and criticise to the closet people to the King instead of the King himself in order to avoid being charged by the harsh lèse majesté laws.
6. CONCLUSION

This chapter has illustrated the political landscape of the Thai historical bloc in the pre-2006 coup and the pre-2010 crisis period. This period, it has been argued, should be seen as a ‘crisis within the transition’ of the Thai state. This period was a consequence of the prior era of Thaksinism which energetically dominated Thai society from 2001 to 2006. As discussed in the last chapter, although the Thaksin government could not completely establish an entirely-new historical bloc, it did effectively build new social relations which transcended what Gramsci called ‘economic-corporate’, the relationship in which the subaltern rely on economic matters rather than political-ideological interests, to become ‘hegemonic’ or the relationship in which the dominant social group could maintain their hegemonic projects through broader aspects including social-political-ethical matters rather than economic issues. This new social relationship that the Thaksin government created directly challenged the ‘untouchable’ social institutions, in particular the monarchy. It can be seen that the moral leadership that the King has held for more than five decades was threaten by Thaksinism (WikiLeaks cable: 06BANGKOK2990).

Looking through a Gramscian framework has provided an understanding that the old social elites should attempt to balance their class forces and regain its hegemony from the strong Thaksin regime. This analysis was presented in the first section of this chapter. The first section examines the emergence of various social forces that, to some extent, lost their interests due to a number of Thaksin’s state and hegemonic projects. This connected to the second section that dealt with the emergence of the PAD who had played cohesive roles in uniting several social groups to become a structured alliance to act against Thaksinism. The Yellow Shirts clearly displayed their conservative political ideology—closely attached to the King and submissive to the old social elites, such as the armed forces. Many attempts by the PAD demonstrated that they welcomed the military staging of the coup rather than resolving conflict through democratic means. The following section dealt with the 2006 coup d’état and its aftermath, which massively impacted upon the conflict between the two major forces from 2007 onwards. The so-called ‘good coup’ or the popularly supported coup could be seen as a ‘royalist-backed up’ action which was extraordinary and distinct from a Western democratic point of view (WikiLeaks cable: 06BANGKOK5836). The coup in 2006 was a chance for the old social elites to interfere in various aspects of Thai politics. The junta attempted
to establish a new ‘political rule’ to prevent the emergence of an extra-strong government comparable to the previous Thaksin government. They passed the new 2007 constitution in order to regulate many new political relations. At the same time, the junta brought back the ignored Sufficiency Economy Philosophy to the realm and employed it as a hegemonic tool against Thaksinism’s neoliberal economic projects. Amidst a number of uncertainties in 2008, the Red Shirts formed themselves as a counter-Yellow Shirt movement and took action as a pro-Thaksin interest group during the first stage. However, it is argued here that the Red Shirts transcended the ‘pro/against Thaksin’ dichotomy to become a subaltern social force that revealed broader problems of the undemocratic means and social, political, and economic inequalities and aimed to subvert them. The next chapter will lead to the peak of political conflict in 2010 and the result of the clash between two distinct social relations—old and new—that appeared as an unfinished transformation of the Thai historical bloc.
CHAPTER 8
CRISIS-RIDDEN AND UNFINISHED TRANSITION OF THE THAI
HISTORICAL BLOC

1. INTRODUCTION

The transition of the Thai historical bloc following the crisis of the state in 1997 ended up with violent street fights and a government crackdown in April–May 2010. Political uncertainties and violent clashes between the Yellow\textsuperscript{1} and the Red Shirts social forces since 2006 do not represent the genuine picture of the organic crisis of the Thai historical bloc. Rather, the incomplete transition is manifested in ‘three’ underlying troubles of the Thai state in terms of political economy, political ideology, and juridico-political features. These three underlying problems could be seen as what Gramsci calls \textit{the old is dying}. Nevertheless, the unfinished transition of the Thai state is still ongoing because \textit{the new still cannot be born}. This chapter will firstly describe the forefront of social unrest in Thailand between April and May 2010. Then, the three crisis-ridden characters of the Thai state—social disparity, royalism-nationalism, and lèse majesté laws—will be discussed in the following sections.

2. THE PEAK OF ORGANIC CRISIS: SOCIAL UNREST IN APRIL – MAY 2010

The crisis of the Thai historical bloc in 1997 was a crisis of the whole state including economic, political, and ideological elements. After the crisis in 1997 the Thaksin government attempted to transform the old historical bloc by creating alternative social relations. However, this social transition of Thailand was not finished and contains other crises within it that erupted in 2010. The Red Shirts movement started their demonstrations on 12 March 2010 when part of the movement from the countryside traveled to Bangkok. Initially, the Red Shirts occupied the area of Phan Fah Bridge on Ratchadamnern Street.\textsuperscript{2} The Reds declared their aims for the protest as including six proposals: 1) Establishment of a genuine democracy with the King as Head of State and

\textsuperscript{1}It should be noted here that the Yellow Shirts social forces had limited their political role since the Democrat Party formed the government in 2008. During the early stage of the Red Shirts movement in late March 2010 the Yellow Shirts leaders announced their statement against the movement of the Red Shirts in Bangkok and demanded that the military intervene in order to restore peace and reform the country. However, the masses of the Yellow Shirts did not come out to fight directly with the Red Shirts on the streets. Severe damage to lives of the protesters in 2010 resulted from the clashes between the Red Shirts movement and the armed-military by order of the Democrat government.

\textsuperscript{2}Ratchadamnern Street is the major street in Bangkok close to the Royal Palace and it is a symbol of the history of the people’s victory against the dictatorship in October 1973.
where political power is held exclusively by the people. They rejected any attempt, past or future, at using the monarchy to silence dissent or advance a particular agenda 2) Dissolving the 2007 Constitution and restoring the 1997 Constitution, which may then be amended through a transparent, consultative, and democratic process 3) Bringing Thais together in order to resolve socio-economic and political problems in a process that respects the people as the source of power 4) Ensuring rule of law, due process and equal justice for all Thai citizens, free of any obstructions or double-standards 5) Uniting all Thais who love democracy, equality, and equal justice within all facets of society, in an effort to deconstruct and move beyond Amarthayathipathai (Aristocracy) 6) Using exclusively non-violent means to achieve these objectives (White Paper, 2010).

Reception of the Red Shirts movement by Thai society in March 2010 was varied. On the one hand, they were welcomed and cheered by rural people working and living in Bangkok. On the other hand, the Reds were unwelcome and viewed by the middle class Bangkokians as a Thaksin-paid-mob, uneducated, brainwashed, and even as a barbaric and unintelligent movement (Stent, 2012: 27; Keyes, 2012: 175). However, the protest was considered peaceful for its first four weeks. The crisis intensified due to the declaration by the Democrat government on 7 April 2010 of a State of Emergency as mandated by the Emergency Decree3 of 2005.

In order to deal with the Red Shirts movement, the Abhisit government established the ‘Centre for the Resolution of the Emergency Situation’ (CRES)4 that aimed to diminish the Red Shirts protest as quickly as possible (Askew, 2012: 77-81; Ferrara, 2012: 124-125). The Red Shirts occupation of the central business district (CBD) forced the temporary closure of businesses in the Ratchaprasong district. This created a high degree of dissatisfaction amongst the capitalist and middle class social groups in Bangkok and boosted the antipathy towards the rural poor to a high level.

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3This law was launched by the Thaksin government in order to resolve political violence in the Southern crisis at that time and was criticised by academics because it gave totalitarian control of the state agencies to the Prime Minister.

4 The major reason that the government formed the CRES was because of the expansion of the protesters from Phan Fah Bridge to the Central Business District (CBD) of Ratchaprasong intersection, where a number of retailers and department stores are situated, in early April.
Under the Emergency Decree, the Abhisit government attempted to shut down the core communication channel of the Red Shirts by blocking the ‘People’s Channel’ (PTV) from satellite broadcasting. Violence eventually broke out on 10 April 2010 after the government ordered an operation to clear the Phan Fah Bridge area. The operation began in the afternoon that day and the confrontation between the armed forces and the protestors took place at many sites around Phan Fah Bridge and Ratchadamnern Street. That night resulted in the deaths of 26 people (5 soldiers) and more than 800 injured (Askew, 2010: 309).

The political situation in Thailand after the clash of 10 April was uncertain and increasingly marked by tension between the government and the Red Shirts protestors. After two months the Red Shirts movement completely abandoned the first area that they occupied at the Phan Fah Bridge and altered their strategy remain in one place, which was the central business district of Ratchaprasong intersection. The demonstration occurred on a daily basis focusing on the undemocratic means of power exercised by PM Abhisit Vejjajiva and demanded that the government take responsibility for the clashes on 10 April (Fullbrook, 2012: 133). The violent clashes and confrontation between the armed forces and the Red Shirts began in the early morning of 14 May and lasted for five days. The armed forces were allowed to fire because they treated the Reds as terrorists who needed to be dispersed. This led to the protest by Human Rights Watch that the Thai government had violated the United Nations’ Basic Principle on the Use of Force.

Attempts to negotiate between the Reds and the government still continued until the day before the final crackdown during which the government made it clear that they would agree to negotiate only after the Red Shirts terminate their demonstration. However, this termination did not take place. On 19 May 2010, the army launched its final violent operation to clear the Ratchaprasong and other areas around Bangkok.

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5 The Red Shirts greatly benefited from the development of information technology and the emergence of the so-called new media such as Facebook, YouTube, local cable TV network, and satellite TV which offered alternative channels to audiences, for both the Red Shirts and others.

6 The incident of 10 April 2010 remains unclear regarding the third party who wore the ‘black shirt’ or those who are known as the ‘men in black’. These men in black appeared in the video footage throughout a number of social media that showed the men firing at people from a long distance (on this see Truth for Reconciliation Commission of Thailand, 2012). The Red Shirts believe that these men in black shirts were sniper of the Thai army. However, the government and the army denied that accusation and stated that the men in black might have come from the Red Shirts camp and identified them (including all Red Shirts protestors) as ‘terrorists’ (Askew, 2012: 78).
This eventually led to the chaos in Bangkok and in some provinces in the northeast. In Bangkok, there were thirty-seven buildings, including the Central World shopping centre, that were burnt out. Meanwhile, in Khon Khaen, Ubon Ratchathani, Udon Thani, and Chiang Mai there were fires at each town hall caused by the Reds in the countryside who refused to accept their defeat (The Telegraph, 19 May 2010).

In short, the section above illustrated the picture of the peak of Thailand’s crisis which emerged between April and May 2010. However, the deaths and injuries of people or the damage to buildings in Bangkok and other provinces were only just the tip of the iceberg. Rather, the Thai state contains genuine underlying conflicts that still could not be resolved. The section below will discuss the characteristics of the crisis-ridden transition of the Thai state.

3. THE CRISIS-RIDDEN TRANSITION

The organic crisis that reached its peak in 2010 manifests the ‘crisis-ridden’ character of the Thai state. Unlike what traditional Marxists consider to be the crisis-ridden feature of capitalist accumulation, the transition of the Thai historical bloc not only contains the tendency towards crisis in terms of political economy but also the tendency to clashes in ideological and political spheres. The transition of the Thai historical bloc from the old to the alternative social relations contains the tendency that conflicts over political economy and cultural-ideology could take place at any historical stage. The so-called ‘Thaksinism’, this thesis argues, is not the sole cause of all political conflicts in Thailand since 2005. However, it acted as the accelerator that brought the underlying troubles of the Thai state to break out in the post-2006 era. The three sub-sections below will consider the crisis-ridden character of the Thai state in political economy, political ideology, and juridico-political terms.

7 In case of the Central World shopping centre at the Ratchaprasong intersection, the truth of this case has been investigated for two years. It could be seen that the burning of the Central World was an attempt to legitimise the government’s violent crackdown as the Reds would be seen as terrorists who destroyed their own country (see Taylor, 2011). However, the Thai court recently issued a verdict on the Central World Burning case that cleared the Red Shirts of responsibility for this crime.
3.1 Political Economy: Increasing of Social Disparity

Structure (political economy)\(^8\) and Superstructure (culture, ideology) form a historical bloc, as Gramsci once argued.\(^9\) The crisis-ridden character of the transition of the Thai historical bloc manifests the underlying troubles of Thailand in both political economy and ideological terrains. In terms of political economy, the transition of the old historical bloc reveals the crucial feature of capitalist development in Thailand that is the increase in ‘social disparity’.

Chapter four provides an illustration of the landscape of Thailand’s modern economic development since the 1950s, which was the milestone of modern capitalist development. It was argued in that chapter that Thai political economy and political ideology had created the condition of ‘subalternity’ in which subaltern social groups were excluded from the pool of political power and social wealth and suppressed by dominant social groups. Economic and social inequalities resulted from the US-led economic policies since the 1950s that mainly concentrated on industrialisation, but ignored other economic sectors, especially the rural poor. It also lacked concentration on improving the living conditions of the people. The inequalities in income distribution in Thailand are clearly indicated by the World Bank’s GINI index.\(^10\)

Modern capitalist development since the 1960s in Thailand accelerated and the more open economy of the country since the 1980s paved the way for the 1997 economic crisis, as shown in chapter five. The constant feature of social disparity in the Thai historical bloc since the late 1950s had been delivered through the economic crisis in 1997. The crisis led to the reconfiguration of political power in the Thai state. The Thai Rak Thai (TRT) party, which benefited from the new 1997 constitution, entered into politics and offered new hope for Thai social forces in the post-1997 crisis era. However, this study argues that the TRT government and the rise of the so-called ‘Thaksinism’ had little impact upon the improvements in structural conditions that could have resolved the problem of social disparity over the long term such as the launching of a

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\(^8\) Economic matters, in the first few decades of reception of Gramsci in the English speaking world, have been ignored by most Gramscian scholars. However, Kratke (2011) points out that Gramsci himself never ignored the importance of the relations of production in the sphere of what Marx called the structure.
\(^9\) See the theoretical chapter.
\(^10\) Thailand had 47.86 in 1992 and 40.02 in 2009 (The World Bank Online). These GINI index figures are double those of a country with good income distribution, such as Denmark which had only 24.7 in 2010 (The Nation, 21 April 2010).
land reform act, improvements to the tax system, and enhancing labour productivity (Lauridsen, 2009). As shown in chapter six, Thaksinism, in fact provided some concrete benefits to the rural peasants and labourers such as the implementation of a low-cost health care scheme and offering micro-credit to local communities. Nevertheless, the Thaksin government—as a coalition of capitalist factions—did not structurally change to a progressive tax system, that includes inheritance and land taxes, or address the matter of land reform for the rural poor. Rather, as a capitalist faction, Thaksinism emerged under a strong state in order to guarantee a free and peaceful market for investors at both domestic and international levels. This mean that, the Thai historical bloc under the catalytic role of Thaksinism during the transition period of 2001 to 2006 still retained the problem of social disparity as was the case beforehand.

While Thaksinism was transforming the old historical bloc—that carried the feature of social disparity—to become an alternative Thaksin-led bloc, it failed to offer benefits to all social groups in the state. As was seen in chapter seven, Thaksinism had been resisted by some other capitalist factions and, more specifically, the middle class and some of the working class. During the transition period of the Thai historical bloc which began when the Thaksin government came to power the crisis-ridden character of the Thai state entailed that social disparity was in a process of change that could have led to either better or worse scenarios. However, the project of the Thaksin-led alternative historical bloc could not be completed as the other ‘crisis’ of the Thai state took place in the military coup in 2006. During the three-years of the post-coup period the incomplete transition of the historical bloc eventually led to the organic crisis or crisis of authority of the state between 2006 and its peak in 2010. It remains the case that no Thai governments have dealt with the matter of social disparity over the long run.

In addition, as part of the social disparity problem, the matter of poverty has been understood to be the main reason behind the uprising of the Red Shirts subaltern social forces over the past few years. However, it should be seen that poverty—more specifically absolute poverty—is not a major problem for Thailand’s economic development in recent years. Many studies have argued that the Red Shirts protestors are not the rural poor in the absolute sense as it was in the early 1950s. However, they could be seen as a ‘new’ type of social group; the ‘new lower middle class’ (Apichat, 2011a; 2011b; 2013: 14-35). Walker (2012) argues that this new social group in rural
Thailand should be seen as the ‘middle-income peasants’ who are no longer poor in the absolute sense. Nevertheless, they enjoy consumer comforts similarly to the urban middle class and urban workers because they benefitted from the improvement in rural standards of living. Moreover, these middle-income peasants are part of a diversified economy rather than relying on subsistence cultivation, as was the case in the past. In contemporary rural Thailand agriculture remains important but peasant livelihoods are no longer predominantly agricultural livelihoods. They are no longer just farmers (Walker, 2012: 8). This coincides with what Sopranzetti (2012) argues; the gap between city and countryside in Thailand has been decreasing due to connections through the rural immigrants who are working in urban areas. Rural people who have the chance to live and work in urban and industrial cities seem to experience a sense of inequality between the two societies. These ‘urbanized villagers’ transmitted the sense of humbleness that is a product of the social disparity of the Thai state to their rural families and peers (Naruemon and McCargo, 2011).

In short, the old historical bloc had concealed the problem of social disparity and carried the ‘tendency’ towards the clash between the dominant and the subaltern social forces in order to adjust these uneven social relations. The constructed sense of humbleness of the oppressed social groups in the Thai state eventually erupted following the post-2006 military coup as most of the rural poor attempted to struggle in order to defend Thaksinism—a regime that advanced their concrete interests—and led to the formation of the Red Shirts movement. The next sub-section below will deal with another crucial crisis-ridden character of the transition of the Thai historical bloc; the overwhelming of the so-called ‘royalist-nationalist’ political ideology of the Thai state.

### 3.2 Political Ideology: Overwhelming of Royalism-Nationalism

The second crisis-ridden character of the transition of the Thai state is the problem of political ideology. Along with the matter of social disparity, the old historical bloc has also been carrying the tendency towards a clash in the ideological superstructure. The overwhelming of the dominant ‘royalist-nationalist’ ideology in Thai politics configured social relations in which social forces in the Thai state have never challenged this dominant ideology. The royalist-nationalist ideology itself could not dominate and regulate over social forces. However, the ruling classes have been maintaining it through the lèse majesté laws.
3.2.1 Royalism-Nationalism

The political confrontation between the old and new social relations manifested the very crucial unseen ideological problem of the Thai state. It is argued here that the profound troubles of Thai politics in the terrain of superstructure have been due to the overwhelming role of royalism-nationalism in politics. Royalism and nationalism do not naturally take place to regulate social forces. Rather, it has been a struggle that the Thai social elites constructed in order to preserve their own interests. The dominant political ideology of Thailand coheres the monarchy in all spheres of social and political life (Jory, 2003).

As discussed in chapter four, the Thai monarchy had been weakened in its power and significance by the 1932 revolution. It was not until the coup d’état of 1957 that Field Marshall Sarit Thanarat, the coup leader, brought the monarchy back to its place (Thak, 2007). After five decades of the revitalisation of power the monarchy has been a moral-political centre of the state and actively involved in Thai politics at times of national crises in 1976, 1992, and 1997 (Dressel, 2010; Handley, 2006; Ji, 2007, 2010). Thai royalism-nationalism works along with other political ideologies such as liberalism and authoritarianism and is highly reflexive to the political situation in each historical period. In the late 1970s, royalism-nationalism was employed by the royalists against the longstanding authoritarianism of the Thai military along with the rise of student liberalism. Moreover, while the country was suffering from economic crisis in 1997, royalism-nationalism was maintained and employed as a factor of social cohesion at the time of crisis by the King himself.

King Bhumibol took his chance to be the moral leader of the nation during the time of crisis and cohered social forces in the Thai historical bloc through his proposed notion of the ‘Sufficiency Economy Philosophy’11 (henceforth, ‘SEP’) expounded in his annual royal birthday speech on 4 December 1997.12 SEP has played crucial roles in the Thai state

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11The King’s notion of the SEP is derived from the work of E. F. Schumacher’s ‘Small is Beautiful’ combined with the Buddhist beliefs on the medium way and self-sufficiency in consumption.

12In the King’s birthday speech of 4 December 1997 he proposes his idea to the public as stated that:

Sufficiency Economy is a philosophy that guides the livelihood and behaviour of people at all levels, from the family to the community to the country, on matters concerning national development and administration. It calls for a ‘middle way’ to be observed, especially in
since then and has dominated the spheres of life of all social groups. It is argued here that along with the King’s political interventions in 1973 and 1992 as a conflict trouble shooter, the King’s political action in late 1997 was also vital to emphasise his royal power as the moral leader of the country (McCargo, 2005). The SEP in 1997 can be seen as the confirmation of the extraordinary power of the King and the significance of ‘royalism’ also increased after the crisis in 1997.

The SEP, based on the King’s speech, has multiple levels of implementation. Navarat (2009: 16-17) describes that the concept of SEP contains four different levels of functions including individual, community, organisation, and national. At the smallest level, an individual gains benefit from this idea by using it as a ‘way of life’. People are encouraged to take any actions in moderation or following a middle way. This way of life is based on the Buddhist notion of moderation. The individual is created as a new economic man who should not be greedy and self-dependent, should not consume too much, should not take advantage of others, and should feel ‘enough’ in any activity they pursue (Isager and Ivarsson, 2010: 223).

At the second level of the SEP, the community level, people should be co-operative in any decision-making processes in the local community. The community should promote people’s education and appropriately apply uncomplicated technology in social development. For the organisational level, the SEP offers that manufacturing firms should be encouraged to establish a strong foundation in order to grow effectively and efficiently. The SEP suggests that businesses do not grow too fast by over-borrowing because it risks an unforeseen event such as the crisis that took place in 1997. The concept explains that in order to expand businesses should do adopt a gradual approach by obtaining reasonable loans and should maintain the capacity to manage debts without going bankrupt. The last and the most significant level of the SEP is the national level. Theoretically, the SEP suggests that the country should aim to have pursuing economic development in keeping with the world of globalization. Sufficiency means moderation and reasonableness, including the need to build a reasonable immune system against shocks from the outside or from the inside. Intelligence, attentiveness, and extreme care should be used to ensure that all plans and every step of their implementation are based on knowledge. At the same time we must build up the spiritual foundation of all people in the nation, especially state officials, scholars, and business people at all levels, so they are conscious of moral integrity and honesty and they strive for the appropriate wisdom to live life with forbearance, diligence, self-awareness, intelligence, and attentiveness. In this way we can hope to maintain balance and be ready to cope with rapid physical, social, environmental, and cultural changes from the outside world(quoted in Medhi, 2003).
careful planning in all areas. At this level, the SEP offers itself as a general framework for the authorities to apply the SEP in many public policies, that is, in the national economic and social development plan. The SEP was the centre of the plans since the 8th plan in 1997 until the current 11th plan. Moreover, the SEP was deeply rooted in other social policies such as human development policy, environment and natural resources policy, and poverty reduction policy (Apichai et al, 2009). At the time of the crisis in 1997, the SEP was respected as an alternative economic development strategy for the country in contrast to orthodox neoliberal projects (Chambers, 2013: 86-88).

However, it should be noted here that the conception of SEP is not an anti-capitalist idea, rather it is a practicing guide of how to live consistently with the bourgeois ideology (Unger, 2009). The concept has been emphasised as a hegemonic common sense for social forces, communities, business firms, and bureaucratic authorities in Thailand’s historical bloc to follow the middle way. The SEP has even been taught in the primary curriculum for Thai pupils and published in various forms such as comics provided by the Thailand National Identity Board in order to gain wider support from people in every social strata (Isager and Ivarsson, 2010: 232).

In addition, the SEP framework is well regarded not only by Thai people but also at the international level. The concept was recognised in the tenth UN conference on trade and development (UNCTAD) in 2000 and the King was lauded as the ‘Developer King’ (Navarat, 2009:5). The SEP has functioned as one of the major hegemonic tools that the conservative social forces employ to configure social relations in Thailand from 1997 to the present except for the short period of five years under the TRT government. Thaksinism ignored the King’s SEP and implemented its own neoliberal policies; therefore after the military coup in 2006 the junta brought the SEP back and used it as a major ideological tool against Thaksinism. Then the SEP since 2006 has been insisted upon as a moral framework for the junta government and the successor Democrat government between 2008 and 2011 as a superior concept to the so-called ‘Thaksin’s populist policies’.

The concept of SEP has been widely accepted and accommodated in various spheres in the Thai historical bloc during the post-1997 era (Apichai et al., 2006, 2009). However, this concept has been met with some criticism from scholars, as, firstly, it is only political rhetoric of the social elites and not applicable in real life, and it has been used as an ideological tool against political opposition. Following the crisis in 1997 the King
proposed the concept of SEP as a new path for Thai society, economy, and even culture. Based on Buddhist philosophy and moral principles, the SEP aims to create a new type of economic man who lives moderately, is not greedy, and is not over exploitative. However, these principles are hard to implement in real life under social relations of neoliberalism. Isager and Ivarsson (2010) argue that the SEP is only political rhetoric that is crucial in order to strengthen the ‘moral fibre’ of the nation rather than elevate people’s material living conditions.

Secondly, the concept of SEP did not improve the concrete living conditions of the poor and other social forces as is evident in that poverty and income gaps in Thailand still exist and worsen every year (Unger, 2009: 154). However, scholars believe that another aspect of the SEP is that it can be inferred that it is an attempt by the royalist and capitalist social classes to keep the rural majority poor and happy (Unger, 2009: 145). Lastly, the massive bureaucratic budget spent on a number of projects entitled ‘following the King’s concept of SEP’ has never been questioned. Specifically, the Royal Project Foundation, which was established in order to administer any projects initiated by the King, spent huge amounts of money on the projects under the SEP framework without any declaration on the budget (Walker, 2010: 260). In short, the SEP has been challenged as only being political rhetoric or a campaign in order to build hegemony to configure social relations over social forces in the state. The maintaining of the SEP by the King and the conservative social groups created a regime in which moral leadership is attached to the King, the monarchy, and the royalism-nationalism ideology rather than the state and ordinary people. The over-involvement of the royalist-nationalist ideology employed by the monarchy and conservative social forces in modern Thai politics could not take place without the enforcement of legal power through the application of the lèse majesté laws.

3.3 Juridico-Political: Lèse Majesté and Political Prisoners

The third crisis-ridden character of the transition of the old historical bloc has been revealed to be the harsh application of the lèse majesté laws and the problem of political prisoners in Thailand. Working mutually with the royalist-nationalist ideology, the
juridico-political apparatus of the Thai state upholds the laws that mostly charge the political opposition as disloyal to the monarchy and have been employed against the freedom of speech of Thai social forces.

The lèse majesté law and the Computer Crime Act serve this authoritarian objective highly effectively in the past few years through and beyond the crisis of 2010. Considering the number of cases where individuals have been charged with insulting the monarchy, there was a sharp increase after the 2006 military coup and there have been more than 500 cases since 2011 (Janya, 2011). This can be taken to imply that the royalist-nationalist ideology has been crucial during the time of intense conflicts and that the monarchy has been employed as a political weapon more in that period compared to previous decades of Thai politics.

Thailand’s lèse majesté law has appeared in various forms over the last century since the emergence of a modern legal system. There are three vital stages in the development of lèse majesté laws in Thailand including firstly, the lèse majesté law in the pre-1932 revolution period; secondly, lèse majesté law after the regime change; lastly, lèse majesté law after the 1950s. Firstly, the lèse majesté appeared in several forms in the absolute monarchy of Siam. The 1900 edict was the first lèse majesté law, which at that time was created in order to protect the reputation of royalty and the King’s officials. Injuring the reputation of the King could lead to three years imprisonment. Then in 1908 the lèse majesté law was expanded in its scope to include the royal family and punishment was increased to seven years imprisonment for defamation of the King and three years for other members of the royal family (Streckfuss, 2010: 124-125).

The second stage in the development of Thai lèse majesté laws took place after the 1932 revolution. The overthrow of the absolute monarchy eventually led to some changes to the law itself. In 1934, the criminal code had been revised under the implementation of the first democratic constitution in late 1932. This law allowed people to express criticisms of the state and punishment was set at a maximum of seven years (Streckfuss, 2011: 98). However, the most important stage of the lèse majesté law in Thailand is the period from the 1950s onward. In 1957 there was a major revision of the Thai criminal code. The result of this revision led to the current form of the lèse majesté law in Thailand which appeared in ‘article 112’ that provided special coverage only for the King, Queen, heir apparent, and regent. However, the punishment remained the same
The third stage, which is the most crucial step in the development of lèse majesté law in Thailand, took place just after the student massacre at Thammasat University on 6 October 1979. A coup d’état had been conducted in the same day and the coup maker launched the Coup order No. 41 in order to increase the punishment under all defamation-based laws. This led to a massive increase in punishment for those who insulted the King and royal family to a minimum of three and a maximum of fifteen years imprisonment (Streckfuss, 2011: 105). This lèse majesté law remains the same and functions very effectively until the present.

In addition, along with the active application of article 112 of the criminal code, there is an emergence of the new, coup d’état heritage, Computer Crime Act of 2007 which addresses the very large number of lèse majesté crimes on the internet (Sawatri, 2011: 54-61). In fact, the Computer Crime Act itself does not contain any clause specifically on crimes towards the monarchy. The law originally covers the security matters of the state. Nevertheless, the Thai state officials see the criticisms of any aspects related to the monarchy, whether or not it is for academic reasons, as the first priority of national security. The Computer Act had forced the termination of a very high number of websites related to any criticism of the monarchy with more than 80,000 sites closed between 2007 and 2011 (Sawatri, 2012: 137).

The genuine ideological content underlying the 2010 political turmoil, this thesis argues, is the overwhelming employment of the royalist-nationalist ideology along with the harsh application of the state’s juridico-political apparatus via the lèse majesté law. This resulted in a significant rise in the number of political prisoners who have been charged with crimes against the monarchy in recent years. There are more than 50 cases of lèse majesté charges each year for the past several years, especially after the military coup in 2006 (Prachatai, 21 August 2012). Some cases have been brought to public attention such as the case of Chiranuch Premchaiporn, director of the alternative news portal Prachatai website, who was accused in 2009 for allowing an open space in the format of the message board on the Prachatai website in order to allow comments on the lèse majesté laws (BBC News, 6 March 2009). In addition, there is the academic case of Giles Ungpagorn, a radical Marxist scholar at Chulalongkorn University, who sought asylum in England in 2009 after he had been charged following the launch of his controversial book ‘A Coup for the Rich’ (2006). Differently from the case of Giles, the case of Somsak Jeamteerasakul, a radical historian and scholar at Thammasat
University, was accused of violating the lèse majesté law in May 2011 when he expressed his views on the existence of the monarchy. Somsak did not exile himself, but stayed in Thailand in order to defend his academic standpoint and was met with much popular support (Bangkok Post, 25 April 2011).

In the case of politician and activist, Jakrapob Penkair, former minister of the Prime Minister’s Office and one of the core leaders of the UDD, he was charged under the lèse majesté law because he commented on the status of the Thai monarchy while delivering a talk at the Foreign Correspondents’ Club of Thailand in August 2007. Moreover, some Red Shirts activists were also arrested under the lèse majesté law, for instance, Suchart Nakbangsai, an anti-coup activist, who gave a speech at a public rally in December 2008. Suchart was sentenced to six years imprisonment, which was reduced by half due to his guilty plea. He was imprisoned for approximately one year and 10 months and has already been released (Prachatai, 29 August 2012). Darunee Chanchoengsilpakul, known as Da Torpedo who was a radical Red Shirts speaker, and was sentenced to 18 years imprisonment for her aggressive criticisms of the King (Prachatai, 28 August 2009).

The Thai lèse majesté law does not only apply to Thai citizens, but also to foreigners. Some foreigners have also been charged as committing lèse majesté such as Jonathan Head, the BBC correspondent in Bangkok, and also board members of the Foreign Correspondents’ Club of Thailand have been charged as they hosted Jakrapob Penkair’s talk in 2007 (The Nation, 23 March 2010). Furthermore, Richard Lloyd Parry, who works for the Times, has been charged for his interview with Thaksin in November 2009 (New Mandala, 10 November 2009). The Australian Harry Nicolaides was jailed for six months for writing a book that referred to the uncomfortable private life of the Thai crown prince (The Economist, 2009). More recently, Joe Gordon, an American citizen, also violated the lèse majesté law when he provided a link on a website to a digital version of the crucial ‘The King Never Smiles’, a book banned in Thailand by Paul Handley (2006) (see Prachatai, 27 May 2011). Recently, and perhaps the most terrible application of the lèse majesté law in Thailand, is the case of Akong (which in Thai means the old man) Ampon Tangnoppakul. Akong was a 60-year-old ordinary person who was accused of sending an SMS (short message service) that insulted the King and royal family to the telephone of ex-PM Abhisit’s secretary four times (see Pavin, 2011a). There are a number of inappropriate logics and evidence in the proof that this old man
should be convicted under the lèse majesté law, however, the court sentenced him to 20 years imprisonment. However, Akong died on 8 May 2012 in the Prison Hospital in Bangkok (The Economist, 2012). The case of Akong and also other voluminous political prisoners in recent years confirmed that the existing Thai historical bloc is in question. The attempts by the old social forces to enforce the coercive state apparatus to control those who have different ideologies and thoughts appear to be unsuccessful because the subaltern social forces have incrementally begun to discuss and question the existing social relations in the country.

In short, this section has addressed the three major crisis-ridden characters of the transition of the Thai historical bloc—increasing social disparity, the overwhelming of the royalist-nationalist ideology, and the rising number of political prisoners due to the lèse majesté laws. These underlying problems have been created since the modern development of Thai politics from the late 1950s and have been transmitted through many decades. The transition that began following the crisis of the state in 1997 has been carried on by these three troubles through their acceleration under Thaksinism between 2001 and 2005. Eventually, it led to the eruption of all the latent conflicts in Thailand that were brought to the fore at the peak of crisis in 2010.

4. THE UNFINISHED TRANSITION: THE NEW CANNOT BE BORN

As was shown in the previous core chapters and the section above, the transition of the old historical bloc, this thesis argues, is an ‘unfinished process’. The liberal force of the Thaksin government as the agency of social change attempted to create a new social relation. However, with the three underlying conflicts that were carried through its short period in office between 2001 and 2006, the project to build a new hegemony of Thaksinism was not possible.

In his *Prison Notebooks*, Gramsci once describes the notion of ‘organic crisis’ as a historical situation in which ‘the old is dying, but the new cannot be born’ (1971: 275-276). What is dying in the Thai historical bloc is the erosion of the sacredness of royalism-nationalism that centres on the monarchy, the growing demands of the subaltern for a fairer economy, and the increasing demand for protecting human rights and human dignity. The old social forces attempted to escape from the organic situation of the crisis of authority by enforcing the aggressive lèse majesté law towards the constructed
‘otherness’ who possess different ideologies and worldviews. In Gramscian theories, the area of ‘political society’, in which the state could operate its coercive practices, has a dialectical relationship with another theoretical terrain which is ‘civil society’ where hegemony is more crucial than force. Therefore, any political practices that might be operated in political society are definitely resonant with civil society at the same time. In the case of Thai politics, the forceful application of the juridico-political apparatus via the lèse majesté law has contributed to the politics of civil society in which there are growing of debates and greater critical awareness through several social institutions.

In recent years, some Thai subaltern social groups seemed to realise that the overwhelming social roles of the monarchy and its ideological hegemonic projects along with the application of the lèse majesté law are the genuine obstructions to reaching the so-called liberal democracy.\textsuperscript{13} Political systems that could not provide spaces for minorities and that restrict freedom of speech represent a kind of authoritarianism even though they possess the legal form of democracy through constitutions and elections. At this stage, some critical social groups in Thailand—who can reveal to public attention the roles of the royalist-nationalist ideology and uncover the roles of the monarchy as an anti-democratic force—have been incrementally rising. The Nitirat (the enlightened jurists) group, the group of seven critical legal scholars at Thammasat University, plays a leading role in constructing critical awareness towards the existing role of the monarchy and the lèse majesté law since 2010. Moreover, some academic communities such as Fah Deaw Kan (the Same Sky) journal, Midnight University, and the alternative media of Prachatai Online also risk themselves by offering rare political spaces for the publication of critical writings (Chuwas, 2011). However, these movements are only tiny sectors of a whole civil society of the Thai state. Moreover, these movements did not have an affect upon social forces to a great extent due to the structural limitation of the lèse majesté law. Therefore, this situation could be seen as ‘the new’ or the alternative/critical/challenging social forces which have been growing, but are still not mature enough to change the system of thought and also not sufficient to construct a whole new democratic historical bloc at this historical stage. This means that the organic crisis of the Thai state is an ongoing process that could not be solved in a short period of time and that it will, definitely, require years to restructure a new type of social relation in the Thai historical bloc.

\textsuperscript{13}On discussion of Thai liberalism see Connors, 2012.
5. CONCLUSION

The development of Thai politics in the last decade was based on the features of ‘history, crisis, transition, and crisis within transition’ as already shown in previous chapters. The politics of transition of the Thai historical bloc from the post-1997 economic crisis, it has been argued, led to the ‘unfinished transformation’ or the erratic situation of the old is dying and the new cannot be born, as Gramsci once stated. The organic crisis that reached its peak in 2010 was only the tip of the iceberg; this chapter revealed what precisely are the underlying problems of the Thai historical bloc. The clash between the old and new social relations was represented in the form of the politics of colour between yellow and red (Keyes, 2012). This clash reveals that the hegemonic royalism-nationalism and its juridico-political practice of lèse majesté laws are no longer compatible with the more critical subaltern social groups in the Thai state (Fullbrook, 2012). The transition also exposes the increasing problem of social-economic disparity that resulted from the uneven development of Thailand’s political economy. Social disparity is the underlying problem that imbued subaltern social groups with a sense of humbleness due to their exclusion from the pool of social wealth. The transition of the Thai historical bloc from the post-1997 period that was led by the strong Thaksinism was not completed and left ongoing conflicts in the Thai historical bloc that remain unresolved. The next chapter will provide the conclusion to these and will offer a summary of arguments, findings, and theoretical suggestions for further study and the significance of this research for public policy.
CHAPTER 9
CONCLUSION

1. History, Crisis, Transition, and the Crisis Within Transition: Contributions of the Study

This thesis set out to understand the political turmoil in Thailand that emerged in 2010. In so doing, the thesis examined the underlying reasons of the crisis by looking at interrelations between social forces in the Thai historical bloc between the 1997 crisis and the turbulence in 2010. What this research has done, as shown in the previous chapters, is to offer an alternative understanding of the development of Thai politics over the recent decade. This research argues that political violence in April-May 2010 was a social reflection of the unresolved restructuring and unfinished transition of the Thai historical bloc. This thesis’ arguments are based on four major features—history, crisis, transition, and crisis within transition of the Thai historical bloc. Traditional accounts of Thai political economy—as discussed in chapter two—analyse each feature out of historical context. Historical foundations of political economy and ideological hegemony have rarely been integrated into recent studies of Thailand’s crisis.

In addition, the dominant approaches in Thai political studies usually analyse a given socio-political phenomena in an absolute sense without connection to broader social structures. To overcome these matters, this thesis developed the major theoretical framework—a Gramscian account—in chapter three. Employing a Gramscian perspective to grasp the politics of social transition of the Thai state could overcome the determinist explanation of social change and reveal the more complicated interrelations of social forces in both political economy and ideological terrains of the Thai historical bloc. In addition, the Gramscian framework can deal with social actors—which this work considers as social forces/social groups—and the balance of class forces in terms of both economic class interests and ideological-cultural practices.

1.1 History

The contribution of this study as provided in chapter four lies in showing that the crises of the Thai historical bloc over recent years were not stand alone from the ‘history’ of the Thai historical bloc itself in both political economy and ideological terrains. This thesis conceives of history as a sphere of human actions and social relations. History is a
manifestation of social relations that contain features of struggle to balance the class interests of each social force/social group. This chapter has provided the history of the changing conditions of the modern political economy of the Thai state from the late 1950s as a basis to understand what this thesis called the ‘old’ historical bloc. The development of political economy in Thailand since the late 1950s has led to the emergence of new social forces and constituted the ‘configurations of social relations’ that shape political-economic-ideological lives of all social groups in the Thai historical bloc. The uneven economic development and socio-economic inequality and the dominant elite-constructed ‘royalist-nationalist’ ideology are the crucial bases to understand the politics of transition in Thailand over the recent decade.

1.2 Crisis

This thesis analyses social transition dialectically. The old historical bloc that was constituted by the social elites and authoritarian military governments since the late 1950s contained conflicts within itself and led to the rupture of the old historical bloc in 1997. This study offers an alternative understanding that the crisis in 1997 was not only an economic crisis, but also a political and ideological crisis of the Thai state. This thesis has argued in chapter five that the crisis in 1997 created a great ‘opportunity’ to restructure the old historical bloc in both economic, political, and ideological aspects. At the very first stage of the crisis, this thesis argues, the monarchy had maintained its moral power and created equilibrium among social classes by offering the Self-Sufficiency Philosophy as a cohesive tool. Moreover, the changes in political regulation such as the legitimating of the new 1997 constitution also laid the conditions to create a ‘strong state’ to facilitate the country through the time of crisis.

1.3 Transition

In chapter six the thesis dealt with the transition of the Thai historical bloc from the old to the new/alternative social relations under the leading roles of the TRT party. Rather than seeing the Thaksin/Thai Rak Thai party only as a strong political party, this research argues that it should be considered as a social force that acted as a ‘catalyst’ of social change through its numerous innovative social policies and its strong parliamentary base. The strong TRT government as a social force attempted to create its own hegemony over social forces in the country and this study argues that, to some extent, TRT successfully created a new relation of force in which social groups in the
bloc had gained interest from the new Thaksinist political economy and liberal political ideology. However, the thesis has shown that the transition of the Thai historical bloc was not a smooth transition. Although Thaksinism could secure concrete benefit to several social groups, some social forces had lost and feared losing their own class interests. Therefore, the new social equilibrium was required and led to the emergence of anti-Thaksinism from late 2005 onwards.

1.4 Transition and the Crisis Within Transition

The transition of the Thai historical bloc from the old—uneven and exclusionary political economy+royalism-nationalism ideology—to the alternative Thaksin-led power bloc was a rough transition. The conservative PAD or the Yellow Shirts forces had at first united in order to protect their own economic interests in various forms. However, this research argues that the ideological war agitated by the Yellows against Thaksinism facilitated the transition of the historical bloc and created the conditions that welcomed the return of the old-conservative royalist-nationalist conception of the world. This passive revolution of the Yellow Shirts paved the way to the military coup in September 2006—which is another crisis within transition of the Thai historical bloc.

Overcoming traditional understandings of the coup as an undemocratic means to pursue the political power of the army, this thesis has shown in chapter seven that the coup was a result of the ‘balance of class forces’ between the old and the new social forces in which the old conservative forces forced their winning at this time. The junta, and later the Democrat government, attempted to restructure the relations of the social forces once again and brought back the royalist-nationalist ideology to consolidate its power in ideological terms. The coup in 2006 led the social forces that had gained benefit from the TRT government in various forms to organise themselves as the Red Shirts forces against the military and the conservative Democrat party. Although the Red Shirts initially emerged as a movement in support of TRT, it soon transcended the TRT party to demand a fairer economy and acceptance of its cultural-ideological heritage. In short, this thesis argued that the struggles between the Reds and the Yellows cannot be properly understood without the history of the old historical bloc, its coalition of social forces, its rupture, and crisis within transition towards the Thaksin government and beyond. That is the conflict between the Yellows and the Reds manifests the rupture and the crisis-ridden character of the Thai historical bloc.
1.5 Unfinished Transition

This thesis considers political conflicts of the Thai state since late 2005 as an ‘organic’ or structural crisis—a crisis that lasts for many years and has complicated social relations contributing to the conflict. It reached its peak with the severe government repression of April–May 2010, and remains fundamentally unresolved. The situation in Thailand is a forceful illustration of Gramsci’s point about an organic crisis that *‘the old is dying but the new cannot be born’*. The contribution to knowledge that this research has made is, first of all, to identify the crisis in Thailand as a structural crisis and to explore it in the argument about the unresolved restructuring and unfinished transition of the Thai historical bloc that resulted from the clash between the old and the new social relations. This thesis reveals the three underlying factors of the Thai historical bloc—social disparity as a form of class rule, the overwhelming role of royalist-nationalist ideology, and juridico-political roles of lèse majesté laws, that remain potent forces of entrenchment in opposition to the new social forces that this thesis identified in chapters seven and eight.

*‘The old is dying but the new cannot be born’* means that these three major factors of the old historical bloc still exist. Although the conservative social forces—for example, the monarchy, the military, and the rightist Democrat party—lost some of their political legitimacy1 as a consequence of the violent crackdown that led to a number of severe losses in lives and damage to public properties, they nevertheless remain potent as forces of reaction as evidenced by the political turmoil and violence during the demonstration against the Pua Thai government. However, the conservative social groups are yet still alive and actively attempting to balance their own class forces by conducting the demonstration against the Pua Thai government in Bangkok in late 2013.2 However, *‘the new cannot be born’* describes that the more progressive social force

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1 The Democrat party lost in the general election in July 2011 while the Pua Thai party, a proxy of TRT, gained a majority win. Majority strongholds for the Pua Thai party are still the northern and the northeastern areas as it was when the TRT party was in power.

2 The demonstration in early November 2013, initially, emerged from the leading roles of the middle class social groups led by many academic institutions in Bangkok to protest against Pua Thai’s attempt to launch the draft of the Amnesty bill. The middle class social forces in Bangkok believe that this law, to some extent, might clear the corruption cases of the former Thaksin government. However, the demonstration was transformed to be anti-Pua Thai and anti-Thaksinism in late November 2013 under the name of the ‘People’s Democratic Reform Committee’ (PDRC). The PDRC was led by Suthep Tuagsuban, a former MP and executive of the Democrat party and the PAD (the Yellow Shirts). The movements and occupations of bureaucratic offices in Bangkok led the Pua Thai government to dissolve the Parliament on 9
or the Red Shirts themselves are still not strong enough to unravel the underlying problems of the old social relations to the public in order to create more critical consciousness towards social groups in the country. The politics of balancing and rebalancing of social power between the old and the new social relations in Thailand have been ongoing and it can be concluded that the transition of the Thai historical bloc since the post-1997 crisis is an unfinished transition with uncertain outcomes.

1.6 Contributions to Gramscian Studies

Apart from the contributions to understanding the politics of social transition of the Thai state as mentioned above, this thesis also, to some extent, contributes to the study on Gramscian theories. The international studies on Gramsci in English speaking world had significantly been increasing since the publication of the Selections from the Prison Notebooks in 1971. Since then a voluminous studies on Gramsci and his social-political theories have been examined in various aspects in both English speaking world and beyond. However, as it is shown in the International Gramsci Society website\(^3\) on recent publications on Gramsci, while Gramscian studies is popular in several countries especially where the leftist and radical politics are strong such as Latin American countries, India, Turkey, and South Korea. Rather, for the case of Thailand and Southeast Asian countries, the applications of leftist theories such as Marxism (in various schools of thought) and Gramscianism have barely appeared.

The reason behind this absence of critical studies in Thailand can be attributed to the strong influence of authoritarian regime and the overwhelming role of royalism (and its legal applications). As shown in chapter four above the Thai state has perpetuated a mode of thinking in which obedience to the ruler like the monarchy and authoritarian military government is normal and criticising their political roles risks being charged by lèse majesté and other laws. Therefore, it is difficult for radicals and the left in Thai December 2013 and announce a new general election to be held on 2 February 2014. However, the Democrat Party boycotted this general election and the Election Commission could not peacefully held the election in some areas of the country especially in the South (a major political stronghold of the Democrat Party and the PDRC). The PDRC supporters obstructed the state officials to facilitate the election which eventually led to the annulment by the Constitutional Court as they ordered that the 2 February election was an illegitimate election. Up to May 2014, political situation in Thailand is still uncertain and is now in the deadlock as the Constitutional Court recently ordered the caretaker Prime Minister to step down on 7 May 2014 as she abused of power by transferring the head of National Security Commission in 2011.

\(^3\) [http://internationalgramiscisociety.org/resources/recent_publications/index.html](http://internationalgramiscisociety.org/resources/recent_publications/index.html)
academia to publish critical social and political studies even for an academic audience. For other countries in Southeast Asia, each of them has their own distinct social formation and political struggles. However, what they share with Thailand is the experience of being ruled by the authoritarian military regime especially in the Philippines, Indonesia, Vietnam, and Myanmar. Allowing radical theories to be applied in these political circumstances can aid political resistance by several social forces. Official suppression of dissenting views is the reason why the application of critical theoretical approaches of Marxism, Gramscianism, and others has barely taken in Southeast Asia and Thailand.

The contribution of this thesis to the field of international Gramscian studies is its demonstration that conceptions of configuration of power and balance of class forces in Gramsci’s thought still matter and have powerful explanatory power in contemporary politics. Gramscian studies in the recent years have been interpreted from various schools of thought, including post-structuralist positions that diverge significantly from core a Marxist principles. This thesis had carefully employed Gramscian theories from a Marxist position in highlighting the importance of political economy along with considerations of ideological struggle. Therefore, the main contribution to Gramscian studies of this thesis showing how the conception of social forces and its shifting, balancing, and rebalancing of class interests can be analysed in the context of developing countries such as Thailand.

2. RESEARCH FINDINGS

This research has been conducted under the general directions regulated by central research questions as shown below.

*How can we grasp the complexities of the politics of transition of the Thai state over the last decade in Thailand? And how can we construct an understanding of the antagonistic relationships among social forces, their material connections, socio-ideological cohesion, and their contributions towards the crisis and the transition of the Thai historical bloc?*

Based on these set of questions, this research has found five major findings. *First*, the street fights and violent government repression in May 2010 was only the tip of the iceberg. The incident in 2010 itself did not reveal a genuine picture of the crisis of the Thai state. In order to grasp the crisis of the Thai state, political analysis cannot be reduced to any single political event because the cause of the crisis of the Thai historical
bloc between 2005 and its peak in 2010 did not only come from the Thaksin government and its allies—as the conservative social forces conventionally hold. Rather, the crisis of Thailand’s historical bloc resulted from the clash between two distinct ‘social relations’—old and new—and the clash is still ongoing.

Second, the thesis found that Thaksin/TRT could be seen as a strong social force who acted as a ‘factor of social cohesion’ to cohere social forces together under its own attempt to build a new hegemonic bloc in the time following the 1997 economic crisis. The TRT party benefitted from the changing structural conditions of the new 1997 constitution that encouraged them to have ‘strong’ political authority. They employed this strong political power as a social basis to run their own hegemonic projects—the so called Thaksinism/Thaksin regime—in both political economy and ideological hegemony.

Third, this research found that the TRT party should be seen as a ‘social catalyst’ that brought social change to the Thai state. They attempted to set up the ‘new’ social relations between the rulers and the ruled by changing the exclusionary and uneven economic development to be more inclusive and provided concrete interests to social groups. At the same time, the strong and aggressive TRT should be seen as a challenger to the old social relations. The longstanding hegemonic ‘royalist-nationalist’ ideology had been ignored under the new social relation of Thaksinism. Therefore, from the royalist/conservative point of view, Thaksinism is a threat to royal power. In the new social relation, in other words, the new historical bloc has the TRT party as a leading social force and this bloc seemed to continue for a long period—based on the popularity shown by social forces between 2001 and 2003—and could have been replaced by the significance of the old regime of political economy and royalist-nationalist ideology.

Fourth, the thesis found that the anti-Thaksinism movements from late 2005 and the politics of making conditions to the passive revolution by the Yellow Shirts was an attempt to ‘balance’ their own class interests that they had lost or might have lost in various forms by employing ‘moral politics’ to pursue wider public support and blaming TRT as a corrupted government and a threat to the King (and also the nation). With some points of economic conflict with some capitalist factions, they had agitated ‘ideological war’ towards Thai social forces and caused the ‘passive revolution’ that paved the way to the military coup in 2006.
Fifth, this study found that the coup d’état in 2006 was a passive revolution—a revolution from above without mass participation—and that the conservative social forces made conditions for this social change. This research argues that the return of authoritarianism in 2006 had overthrown the attempts to build new social relations of the TRT government and brought back the old social relations to regulate the Thai historical bloc. This thesis argues that political conflicts and violence between the Yellows and the Reds could be considered as the clash between the old and new social relations. The ‘old’ ideology and political economy that the junta and the Democrat government brought back to regulate the Thai historical bloc since late 2006 are no longer compatible with some social forces that require a fairer political economy and liberal democracy. The obsolete political economy and ideology of the old social elites were not welcomed by the majority of Thai social forces as confirmed by the result of the general election in 2011 when the Red Shirts supported Pua Thai party (former TRT) still won a majority vote over the Democrat party.

3. Limitations of the Study and Suggestions for Future Research

This thesis offered a critical perspective towards understanding of the politics of social transition of the Thai historical bloc in the last decade looking through the politics of social forces via a Gramscian perspective. However, this thesis still has some limitations as it has focused its study on the unit of analysis at a broad level including ‘social structures’—relations of production, political ideology, and the constitution—and ‘group of actors’ which this thesis considers as ‘social force/social group’ including the TRT party, the Democrat party, the Yellows Shirts and the Red Shirts (and their social composition from various social factions). Having focused on a broad level of unit of analysis could be seen, especially from those who extensively relies on in-depth details of social actors, that this thesis provides lack of concentration on any single social actor.

In addition, this thesis still holds another crucial limitation as it is barely consider the influence of global capitalism and its linkage to domestic case of Thailand. In the recent decades, the so-called neo-Gramscianism in International Political Economy (IPE)—based on the combination of Coxian critical ideas (Cox, 1981, 1983) and Gramscian theories—has been rising and employing to study a number of case studies in IPE. However, this thesis does not develop a theoretical approach in the direction that neo-Gramscianism in IPE normally do on the study of relationship between global
capitalism, transnational capitalist, other transnational social-political agencies, and the nation state. Rather, as this thesis has shown in previous chapters, it is argues that the organic crisis of the Thai state since the late 2005 has mainly driven by political and ideological matters along with economic conflicts as a form of imbalance of class interests among social forces in Thai historical bloc. This thesis does not deny the theoretical stance of neo-Gramscianism in IPE on the connection between global capitalism and internal politics. Nevertheless, as the influence of global economy did not significantly affects to the politics of balancing and rebalancing of class forces in the Thai historical bloc since late 2005, therefore this thesis had mainly developed its theoretical framework in order to grasp the complexities of shifting social relations of the Thai historical bloc in domestic level instead.

Then, for future research in similar areas to this work, it is suggested research could take a step further than this thesis by analysing and researching the politics of social transition at other levels of study. To study the transformation of the conditions of political economy and the cultural-ideology of the Thai state from either a local perspective, such as looking at specific local sites of study in Thailand, or in the connection with global political economy, especially in relation to the 2008 global economic crisis and also in relation to some distinct transnational capitalist class, should be possible and could also enhance some understanding towards the crisis, the rupture, and the restructuring of the Thai state. Future study of the politics of transition at different levels of analysis could fulfill the gap that this work has left and could associate understanding of the transition of the Thai state in different ways.

4. Prospects for Thai Politics

As shown above, the organic crisis over the last several years in Thailand came not only from the TRT party and its allies. In addition, the struggles between the Yellow Shirts and the Red Shirts in various forms since 2006 were not stand alone without social contexts. In other words, the conflicts between the Yellows and the Reds were reflected in the rough transition of the Thai historical bloc. This rough transition has been revealed by the Red Shirts subalterns to contain three major factors—political economy, political ideology, and juridico-political—underlying the fights of the Yellows and the Reds. Regarding the prospects for the Thai political economy in the post-2010 era, it can be seen that the crisis-ridden transition, social unrest, political uncertainties and violence are still ongoing. Considered against the matter of historical development, as
shown in this thesis, it is not easy to fix this organic crisis of the Thai state in a short period of time. Therefore, it should be seen that the prospects for the Thai historical bloc is still uncertain.
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