

Thailand: Calming the Political Turmoil

I. OVERVIEW

Street protests are threatening to bring down the government led by the People Power Party (PPP) just nine months after it won a decisive victory in general elections. Clashes between pro- and anti-government protesters have left one dead and 42 people injured. Mass action is hurting the economy, including the lucrative – and usually sacrosanct – tourism industry. The replacement of Samak Sundaravej with Somchai Wongsawat as prime minister is unlikely to defuse tensions. The immediate need is to restore the rule of law and authority of the government – not because it is perfect, but for the sake of stability and democracy. In the medium and longer term, the priorities must be to resolve political differences through democratic processes and to address the root causes of the current divisiveness, including the gap between the urban rich and the rural poor. Overthrowing the government – by street protesters or a military coup – will do nothing to resolve the political polarisation that is tearing Thailand apart.

The coalition of opposition forces in the People's Alliance for Democracy (PAD) demanded that Samak, whom it views as a puppet of ousted Prime Minister Thaksin Shinawatra, step down. When he refused, the Constitutional Court disqualified him from office on a supposedly unrelated allegation of conflict of interests. However, the confrontation is far from over. The PAD has said that it opposes any leader from the six-party coalition government and is continuing its campaign of mass action, including by illegally occupying Government House. The rivalry reflects a deep polarisation between forces that favour and oppose Thaksin – the former supported by the rural poor in the North and North East, and the latter bringing together the royalist establishment, Bangkok middle classes, the military, intellectuals and some pro-democracy activists.

Whatever the government's failings, it would be a serious blow to Thai democracy if it were forced out by extra-constitutional action, in clear violation of the wishes of the majority of the electorate, expressed as recently as December 2007. The Bangkok elite may not like the PPP-led government, but the majority have spoken clearly and repeatedly. Their democratic aspirations deserve respect.

Complaints of government incompetence or malpractice can and should be pursued through democratic and constitutional means, including the courts and parliament. But the PAD's proposals for a "new politics" – essentially a reversion to government by the elite, with only 30 per cent of parliamentarians elected – is profoundly anti-democratic and a recipe for dictatorship. Even the current constitutional settlement – imposed by the military government last year – gives the courts and bureaucracy too much power to thwart and undermine an elected government for relatively minor failings. Samak has already been disqualified from office for an offence which in most countries would be regarded as trivial, and the future of the PPP-led government is under nearly as much threat in the courts as from the streets.

The political crisis raises the spectre of another military coup, which would be the eleventh since 1932 and the second in as many years. But, as in 2006, a coup will solve nothing, and would be a blow to Thailand's fragile democracy. A return to military or elite rule should worry the international community, especially within the region as Thailand is often a bellwether for the state of democracy there. The current turmoil is undermining its chairmanship of the Association of Southeast Asian Nations (ASEAN).

A political and constitutional solution is urgently needed. The cycle of political crises in Bangkok is diverting attention from other key issues including the stumbling economy, the insurgency in the South and Thailand's relations with its neighbours, particularly Cambodia.

If Thailand is to step back from the brink of further political chaos, several actions are required:

- ❑ All parties should commit to resolving their differences through peaceful and democratic means.
- ❑ Senior establishment and army figures should cease sending mixed signals and make clear their support for Thailand's elected government and the rule of law.
- ❑ The PAD should respect the rule of law and cease its illegal occupation of Government House, and the nine PAD leaders for whom arrest warrants have been issued should surrender.

- Army leaders should negotiate with the PAD to end the occupation and remove the protesters, emphasising that the PAD's legitimacy is undermined by its failure to respect the rule of law. The negotiations should be backed by graduated steps by the police – short of force – to end the occupation. If those techniques are exhausted but protesters remain and the negotiations stall, the police should make plans to evict them, if they are sure it can be achieved without bloodshed.
- A consultative and inclusive process should be instituted to amend the military-imposed constitution with the aim of finding a balance between giving the executive sufficient power to govern and ensuring effective checks and balances.
- The international community – including Thailand's ASEAN partners – should make clear to all parts of the Thai elite that another coup would meet with international condemnation, and that it would not continue to do business as usual with a government which came to power in such circumstances. ASEAN countries should emphasise the discredit which such a development would bring on the association at a time when Thailand holds the ASEAN chair.

II. THE POLITICAL CRISIS

The current political crisis dates back to the 2001 election of the businessman-turned-politician Thaksin Shinawatra as prime minister. Thaksin's populist platform, including low-cost health care and village development funds, earned him loyalty among the rural poor, particularly in the North and North East, who saw him as the first national politician to bring them tangible benefits.¹

A. TARGET ONE: THAKSIN

The People's Alliance for Democracy (PAD) organised mass demonstrations in January 2006 after the Thaksin family's tax-free sale of its telecommunication empire, Shin Corp., to Singapore's state investment arm, Temasek Holdings. The demonstrations brought together much of the Bangkok middle classes, royalists, intellectuals and pro-democracy activists concerned

at Thaksin's autocratic ways and his challenge to traditional power-holders. They accused him of corruption, abuse of power, undermining Thailand's system of checks and balances and not respecting the 80-year-old King Bhumibol Adulyadej. Thaksin responded by calling a snap election, which was boycotted by three political parties and later annulled. The PAD called for a royally appointed government. Finally, the military stepped in with a bloodless coup on 19 September 2006.

The military installed a government led by Surayud Chulanont, a former army chief and a privy councillor, who pledged to bring about political reconciliation but failed to do so. Strenuous efforts were made to prevent Thaksin, living in self-imposed exile in the UK, from returning to politics. In May 2007 the Constitutional Court dissolved his Thai Rak Thai (TRT) party for violating the election law, and 111 party executives, including Thaksin, were barred from political office for five years. Other TRT members and allies, however, set up the People Power Party (PPP). Despite frantic efforts by establishment forces, it captured 233 of 480 seats in parliament in the December 2007 general election and formed a six-party coalition government, leaving the Democrat Party – its nearest rival – as the sole opposition. Samak, a 73-year-old politician known as a right-wing political bruiser (and a TV chef), became prime minister. The massive victory for the very political forces the coup had overthrown returned the country to its former stalemate. Thaksin returned to Thailand in late February 2008, a few weeks after Samak formed a government.

The coup leaders saw the populist Thaksin government as having grown all-powerful under the reformist 1997 constitution. Their main tool for preventing a recurrence was a new constitution, drafted by a military-appointed assembly. It increased the power of the courts and other bureaucratic entities at the expense of the executive. For example, under the constitution, vote-buying, which is rampant in Thai politics, can lead to party dissolution, with party executives banned for five years from holding political office. Three parties in the coalition, including the PPP, face such charges, threatening to bring the government down.² The government's attempt to amend the constitution to remove this provision provided the proximate cause for the PAD to return to the streets on 25 May. Samak with-

¹See Crisis Group Asia Briefing N°80, *Thailand: Political Turmoil and the Southern Insurgency*, 28 August 2008; and Crisis Group Asia Report N°129, *Southern Thailand: The Impact of the Coup*, 15 March 2007.

²On 2 September 2008, the Election Commission forwarded a recommendation to the attorney general's office that the PPP be dissolved. The attorney general has 30 days to decide whether to submit the case to the Constitutional Court, whose ruling would be final.

drew the proposed amendment, but the PAD escalated its demands to call for Samak's resignation.

On 11 August, Thaksin and his family fled back to London, ten days after the Bangkok criminal court had sentenced his wife, Pojaman, to three years in prison for tax evasion.³ In a written statement, Thaksin said the court cases against him and his family had been pre-judged and were influenced by his political enemies. The police issued arrest warrants for the couple, which the PAD erected on a huge billboard in the heart of Bangkok to embarrass them. Prosecutors are considering seeking the extradition of Thaksin and his wife from the UK. Some hoped that Thaksin's departure from the scene might cool the political temperature, but in vain.

B. TARGET TWO: SAMAK

25 August 2008 saw a sharp increase in tensions as thousands of protesters stormed Government House (the prime minister's office) and a government-controlled television station, NBT, demanding Samak resign. Fearing the use of force against protesters would escalate the situation, the government turned to the courts. The police obtained arrest warrants for nine PAD leaders for inciting insurrection – a charge which carries the maximum penalty of death, and a civil court ordered the PAD to leave Government House. The PAD surrounded their leaders with protesters to stop the police taking them away and refused the court directives.⁴

³The Supreme Court's Criminal Division for Political Post Holders granted permission for Thaksin and his wife to leave the country to attend the Beijing Olympics. Permission was granted on 29 July, two days before the Criminal Court delivered its verdict on the tax evasion case. Some believe the Supreme Court's decision was intended to encourage Thaksin to return to exile. See “แม้วินหนาได้แก้จนร่วมพิธีเปิดโอลิมปิก ศาลห้ามเคล็ดต่ออังกฤษ คิวชี้ชะตาชื่อ ‘สั้นเดือน’”, มติชนรายวัน, 29 กรกฎาคม 2551 [“Thaksin to fly to attend Olympics in China. Court bars him to go further to UK. Aor's case [Thaksin's wife's nickname] to receive a verdict at the end of the month”, *Matichon Daily*, 29 July 2008].

⁴The PAD has appealed both the warrants and the injunction to vacate Government House. As this briefing went to press, the warrants were still outstanding and the army reportedly was making plans for arrests, though the PAD maintains any such arrest would be unlawful while appeals are pending. The injunction was revoked by an appellate court in the wake of the 2 September imposition of the state of emergency, which itself barred public gatherings of more than five people. Since the state of emergency was lifted on 14

Police clashed with protesters on 29 August while attempting to force them out of the prime minister's office, resulting in dozens from both sides being injured. Police later fired tear gas at protesters besieging the headquarters of the metropolitan police. On 31 August, the government opened a two-house general debate to discuss the crisis. Samak repeatedly insisted he must stay to protect democracy, while the opposition leader called for parliament to be dissolved.

Samak declared a state of emergency on 2 September after overnight clashes between pro- and anti-government protesters left one dead and 42 injured. The state of emergency banned gatherings of more than five people, and allowed the government to censor the media and declare areas off-limits. Samak said the main aim of the state of emergency – which has also been in force in the violence-ravaged South since 2005 – was to provide a legal framework for the military to operate on the streets. He appointed Army Commander Gen. Anupong Paochinda to head an ad hoc committee to deal with the crisis, apparently to make the army responsible for acting against protesters. Anupong said the army would be on the people's side and refused to use force to evict protesters from Government House.

During the chaos in Bangkok, the PAD's allies shut down three airports in the South and halted rail services. The airport closures – which could not have occurred without the acquiescence of the authorities – lasted one day, though Hat Yai airport was subsequently closed again for two more days. The operator said it lost about 6.2 million Baht (\$179,600) in revenue as a result – mostly from the international airport on the tourist island of Phuket.⁵ Strikes on the railways and docks caused further economic losses.

The 3 September resignation of Foreign Minister Tej Bunnag, who had replaced Noppadon Patama in July, was another blow to the government. Tej, an adviser to the King's private secretary and former career diplomat, was chosen when Samak requested the King to “hand down” a foreign minister of his choice. Tej said

September, the injunction has not been reimposed. Crisis Group telephone interviews, Suwat Aphaiphak, PAD lawyer, and Nitithorn Lamleua, PAD legal adviser, Bangkok, 21 September 2008; and Maj. Gen. Surapol Thuanthong, deputy national police spokesman, Bangkok, 22 September 2008.

⁵The closures significantly affected the tourist industry with international passengers dropping by about one third. “AOT ประเมินปิดสนามบินภูเก็ต-หาดใหญ่สูญเสิรายได้กว่า 6 ลบ”, สำนักข่าวอินโฟเควสท์, 4 กันยายน 2551 [“AOT estimates closure of Phuket, Hai Yai airports cause 6 million Baht of lost income”, *Info Quest News Service*, 4 September 2008], available at www.ryt9.com/news/2008-09-04/42616557/.

he could no longer work in the government after violent clashes had resulted in a man's death.⁶ But his decision has been perceived by some as an indication that the royalist establishment has withdrawn even conditional support from the government.

On 4 September, Samak proposed a referendum on whether he should continue in office. He promised not to evict the PAD from Government House in the meantime. The PAD and opposition rejected this as an attempt to buy time, and on grounds of the referendum's dubious constitutionality.

While the political crisis was at its height, the Constitutional Court, coincidentally or not, ruled on 9 September that Samak had violated the 2007 constitution by accepting payments for hosting a TV cookery show while in office. He had hosted the program for seven years before becoming prime minister.⁷ The court ruling resulted in Samak's immediate disqualification as prime minister, with the cabinet remaining in place under a caretaker.

Despite his disqualification, there was no law to prevent Samak from being re-nominated as prime minister, and the PPP initially announced its support for his bid. However, some businesspeople, academics and parliamentarians, including some 70 from the PPP⁸, expressed concern that Samak's re-nomination could worsen the political conflict. After an attempt to re-nominate Samak on 12 September failed for lack of a quorum, Samak accepted the inevitable and declined the nomination.

C. TARGET THREE: SOMCHAI?

After some factional infighting, the PPP nominated Somchai Wongsawat, the party's deputy leader and

acting prime minister. He was appointed Thailand's 26th prime minister on 17 September. The change is unlikely to relieve tensions, given that Somchai is married to Thaksin's younger sister and could be seen as even closer to him than Samak. Somchai has taken a reconciliatory approach towards the PAD, phoning Sondhi Limthongkul, one of its key leaders, a day after he was appointed by the parliament.⁹ He is turning Don Muang, Bangkok's former international airport, into a temporary government office, effectively ceding Government House to the PAD. However, the PAD has shown no sign of compromise, vowing to overthrow this "proxy" government, adding "it is not necessary to negotiate with any group which stands on a different principle".¹⁰

Meanwhile, Somchai, while acting prime minister, lifted the state of emergency on 14 September, to the relief of the business community which had complained that it scared away foreign investors, tourists and affected the country's image and economy. However, Gen. Anupong will continue overseeing the operations of the security forces, including the police.

III. THE ACTORS

A. THE PEOPLE'S ALLIANCE FOR DEMOCRACY

The PAD was formed in 2006 as a royalist-liberal alliance including a wide range of Thai society and diverse political organisations, ranging from disgruntled royalist civil servants, businesspeople not part of Thaksin's patronage system, non-governmental organisations (NGOs) and labour activists and some members of the Democrat Party.¹¹ The royalist inclinations of the movement were symbolised by the wearing of yellow shirts, the colour of Monday, the day the King was born. One of the key slogans of the PAD was "We will fight for the King".

⁶See the first media interview with Tej Bunnag after his resignation in "วงศ์ตระกูล-ภรรยา-ช็อกกล่าวหา: ชีวิตจนน้ำตาของเดช บุนนาค", มติชนรายวัน, 15 กันยายน 2551 ["Family, wife, accusations: Tear-filled life of Tej Bunnag", *Matichon Daily*, 15 September 2008].

⁷Section 267 of the constitution, designed to prevent conflicts of interest such as those that occurred under the Thaksin government, stipulates that the prime minister and ministers shall not have any position in any profit-making company or be an employee of any company. The court ruled that Samak's actions constituted "being employed" by the company. Section 183 states that any prime minister or minister violating Section 267 shall be removed from his or her post. Samak had maintained he was not a full employee of the television but was paid for each appearance.

⁸Led by the Isan Pattana faction from the North East. See footnote 16 on the power of factions within parties.

⁹Sondhi told his supporters at the Government House that Somchai phoned him at 11pm on 18 September. See "สนธิ"ยอมรับ"สมชาย.ต่อสายคุย "จำลอง" ชี้สัญญาณดี ครม.ถึงสลายมือทำเนียบเช้ามีด 22-23 ก.ย.", มติชนออนไลน์, 19 กันยายน 2551 ["Sondhi admits Somchai phoned him, Chamlong points out good sign, police expect to crack down on protesters in Government House on 22-23 Sept early morning", *Matichon Online*, 19 September 2008].

¹⁰The PAD's 20th statement posted on Manager Online (www.manager.co.th), 8 September 2008.

¹¹See Oliver Pye and Wolfram Schaffar, "The 2006 Anti-Thaksin Movement in Thailand: An Analysis", *Journal of Contemporary Asia*, vol. 38, no.1 (February 2008), pp. 40-41.

The PAD has five leaders who regularly make decisions on the group's political moves. They are Sondhi Limthongkul, the multi-millionaire owner of the Manager Media Group and one of Thaksin's former associates; retired Maj. Gen. Chamlong Srimuang, Thaksin's former mentor, ex-governor of Bangkok, leader of the May 1992 uprising against military rule and head layman of the ascetic Santi Asoke sect; Phiphob Thongchai, a senior NGO activist; Somsak Kosaisuk, a veteran labour union activist; and Somkiat Phongpaiboon, a political activist and Democrat parliamentarian.

Sondhi is the most articulate and prominent leader. Many PAD supporters are Sondhi fans, having long followed his anti-Thaksin activities, both in his media outlets and on the streets. Sondhi uses the media he owns, including the satellite television station ASTV, "Manager Online" website, FM97.75 radio station and the *Manager Daily* newspaper, as promotional tools for the PAD campaign. Supporters can follow the protest live from their living rooms by installing a satellite dish or watching a webcast. PAD protesters outside Bangkok can take part in the demonstration virtually by gathering in public places and watching ASTV on a projector screen.

The PAD's mass base outside Bangkok is largely in the South – long a Democrat stronghold – and, to a lesser extent, in the East. Its supporters set up local chapters in their respective provinces, some of which are led by NGO activists. After police clashed with their counterparts in Bangkok, these PAD supporters rallied at southern airports in Phuket, Krabi and Hat Yai, prompting the airports to close. The group has limited support in the North and North East, which are the PPP's strongholds.

The PAD also has the support of several labour unions, including those of the State Railway of Thailand, the Port Authority of Thailand, Thai Airways International, CAT Telecom and Bangkok Mass Transit Authority. Some union members have held strikes in support of the PAD. The most severe impact so far has been disruption to rail services and Bangkok Port.

Organising demonstrations of this size and duration requires significant funds. According to the PAD spokesman Suriyusai Katasila, the group spent 24 million Baht (\$695,100) in 25 days, while bringing in 26 million Baht, mainly from donations and the sale of campaign products.¹² It is not known who are the

PAD's main financiers, but several anti-Thaksin businessmen, some of whom suffered financial losses under his rule, reportedly have funded the campaign.

The PAD's current activities mark a significant departure from its 2006 pro-democracy stance and have lost it much of its support from proponents of liberal democracy. It has proposed a "new politics", with a parliament containing 70 per cent appointees and only 30 per cent elected representatives. The idea is vague: it is not clear, for example, who would do the appointing. The proposal reflects the belief that the current political system is fundamentally corrupt, with politicians buying votes to take power and then destroying any checks and balances to cover up their misdeeds. The PAD also alleges that these politicians wish to amend the constitution to reduce the power of the widely revered monarchy.¹³

The PAD prefers the idea of an appointed parliament because it cannot accept that pro-Thaksin forces keep winning elections. After facing criticism over its 70:30 formula, the PAD backtracked, saying that it was only a model for discussion, and later claimed that all parliamentarians would be elected but the system would have two tracks, with constituency-based and occupation-based polls.¹⁴ But it has also proposed the establishment of what it calls *Ratthaban Prachaphiwat*, or "government of reformation by the people". The idea is to set up an interim government and parliament of "moral and ethical people", excluding politicians, to carry out political reform and set national policy.¹⁵ This would re-install traditional elites, including the monarchy, military and bureaucracy, who used to have prominent roles in determining the country's political direction. The PAD does not state clearly how this interim government could be set up. The PAD's scepticism about elected politicians reflects long-standing attitudes among parts of the military elite and other conservative elements in society.

2008]. The campaign products include t-shirts and shoes with the faces of Thaksin and his wife on them, as well as underwear emblazoned with Thaksin's image – an insulting way to portray the couple.

¹³The PAD's 20th statement posted on *Manager Online* (www.manager.co.th), 8 September 2008.

¹⁴"สุริยใส"เผยกรอบการเมืองใหม่ เลือกดั้งทั้งหมด โดยตรง-ตัวแทนสาขาอาชีพ" ผู้จัดการออนไลน์, 21 กันยายน 2551 ["Suriyasai says news politics propose direct and occupation-based elections", *Manager Online* (www.manager.co.th), 21 September 2008].

¹⁵The PAD's 22nd statement posted on *Manager Online* (www.manager.co.th), 14 September 2008.

¹²Cited in เกียรติ ตรีเพชร, "ปรากฏการณ์มือปืนมิตรฯ", สำนักข่าวประชาไทออนไลน์, 29 สิงหาคม 2551 [Kasian Tejapira, "Phenomenon of the People's Alliances for Democracy", *Prachathai Online*, 29 August

B. THE GOVERNMENT

Samak's seven-month administration was turbulent, marked by a succession of political crises and challenges in the courts and on the streets. He was widely charged with being Thaksin's "puppet". But the specific allegations and complaints against him often seemed trivial or manufactured.

Samak is an outspoken right-wing politician, who held several ministerial posts and was governor of Bangkok from 2001 to 2004. He was elected a senator for the capital city in 2006, but the result was annulled following the military coup a few months later. He was previously notorious for his virulent anti-communist rhetoric on radio and at rallies, which allegedly helped stoke hatred against progressive student activists culminating in a massacre of students on 6 October 1976. Official records state that 46 people were killed, though the true number has not been verified as the massacre remains a taboo subject. The issue re-emerged when Samak became prime minister. He denied any involvement in the massacre, and his remark that only one person was killed in the incident sparked outrage. Samak is also famous for his love of cats and for cooking – the hobby that cost him his job.

Samak said he accepted Thaksin's invitation to lead the PPP because he felt the ousted prime minister had been treated unfairly. Samak led the PPP, the reincarnation of Thaksin's Thai Rak Thai, to a clear victory in the December 2007 elections, despite strenuous efforts by the military to suppress pro-Thaksin forces. He then formed a six-party coalition. Samak has denied being Thaksin's proxy, claiming implausibly that he ran the PPP campaign without Thaksin's help. Although the party's nominal leader, Samak has little control over his elected members, who primarily listen to the leaders of their respective factions.¹⁶ He has tried to cement his grip on power and distance himself from Thaksin by forging close links with Gen. Anupong, one of the architects of the 2006 coup.

Public pressure and court action forced three ministers in the Samak government to resign: Foreign Minister Noppadon Patama, Health Minister Chaiya Sasomsab and Jakrapob Penkair, a minister in the prime minister's office. Jakrapob, a former spokesman for the Thaksin government, resigned in May after being accused of *lèse-majesté*, or affronting the dignity of the King,

over a speech he made in August 2007 while he was leading a movement against the coup leaders. As often in the past, the *lèse-majesté* accusation seemed politically motivated, with the PAD accusing Samak of letting a person who was ill-intentioned towards the monarchy stay in the cabinet. Chaiya resigned after failing to notify the National Counter Corruption Commission of his wife's shareholdings. Noppadon, Thaksin's former lawyer, fell foul of the constitution in his handling of Cambodia's bid for World Heritage Site status for the disputed Preah Vihear Temple. In the middle of a nationalist uproar – whipped up by the PAD and Democrat Party – the Constitutional Court ruled that he should not have supported that bid without parliamentary approval. He was forced to resign in July.

Despite the government's woes, the five smaller parties in the coalition – Chat Thai, Matchima Thipataya, Puea Paendin, Ruam Chai Thai Chat Pattana and Pracharaj – remain loyal to the PPP, because they realise a government led by the Democrat Party, which has 164 seats compared with the PPP's 233, would struggle to survive.

The new government led by 61-year-old Somchai Wongsawat will certainly face strong opposition by the PAD because of his family ties to Thaksin, although he is known as a warm and conciliatory personality unlike Samak. Somchai has minimal political experience. He is a career bureaucrat who worked as a judge for more than two decades before rising to be permanent secretary at the justice ministry. His wife, Yaowapa, led a faction of lawmakers from the North in Thaksin's now-disbanded Thai Rak Thai party, before being banned from politics for five years along with 110 others. Somchai then entered politics and became the PPP's deputy leader, where he was viewed as a stand-in for Yaowapa. He served as deputy prime minister and education minister in the Samak government.

C. THE MONARCHY AND THE ARMY

Discussion of the role of the monarch in Thai politics is complicated by the *lèse-majesté* law, which carries a maximum penalty of fifteen years in prison. Although the constitution states he is "above politics", there is a strong tendency to look to the King to step in to resolve serious political crises once they reach a certain criticality. Such interventions, though crucial in ending several deadly confrontations in the past, may reduce the incentive for Thailand to settle political problems through its democratic institutions, which remain fragile 76 years after it became a constitutional monarchy.

¹⁶Thai political parties normally comprise several factions. Their views carry weight within the party, and their changes in party allegiances often lead to political instability.

King Bhumibol has previously intervened to stop bloodshed, as during the 1973 student-led movement against the military regime, and the 1992 uprising against the military-backed government. In April 2006, the King gave a speech to judges, urging them to help resolve the country's political crisis, at a time when Thai politics faced deadlock after snap elections called by Thaksin were boycotted by opposition parties. After the King's intervention, the Constitutional Court and Administrative Court annulled the poll. This marked the beginning of the pivotal and unprecedented role played by the judiciary in the current crisis.

There is also a tendency for political actors to claim to be acting on behalf of the King or in his best interests. The PAD, for example, regularly describes its actions as fighting for the King, accusing pro-Thaksin forces of wanting to turn Thailand into a republic or reduce the monarchy's power – accusations they have denied. Noted Thai historian Thongchai Winichakul has argued that the 2006 coup – unlike previous coups – “was carried out by the military but probably not for the military themselves”. He called it “a royalist coup”, with the support of the PAD movement, prompted by the fear that Thaksin might influence the next royal succession.¹⁷

The relationship between the monarchy and the army was described by the influential Privy Council President Gen. Prem Tinsulanond in a speech to army cadets in July 2006. He said that the government was merely a jockey which rode the horse but did not own it. The horse (meaning the military) belonged to the nation and the King.¹⁸ The implication of his words was demonstrated two months later when the military overthrew the Thaksin government. There was significant public acquiescence in the coup at first, but the interim military government quickly showed itself to be ineffectual and lost popular support.

The PAD's links with the royalist and military networks are obscure, though individual serving and retired officers have expressed support. In 2006, Sonthi brought thousands of anti-Thaksin protesters to rally outside the army headquarters, calling for “the King's army to side with the people”. In 2008, the PAD has not made such an explicit call for military intervention, but its willingness to create maximum political

and economic disruption looks like a deliberate invitation for the military to take charge, in a country which has seen ten successful coups since 1932 and where rumours of a new coup are rampant.¹⁹

However, the military has publicly ruled out another intervention, saying it would create more problems than it would solve. Gen. Anupong said after the state of emergency was imposed that “military intervention won't be accepted internationally and will only create a lot more problems.... There is no door here. We have to go back to a way that has a door, which is the mechanism of parliament and law. There is only a wall here”.²⁰

Such pledges are not always honoured. After the 1991 coup, Army Commander Gen. Suchinda Kraprayoon repeatedly said he would not become prime minister. But “for the nation's sake”, he accepted that position in the government elected in 1992. His decision sparked public outrage and mass protests demanding his resignation. The consequent violent military crackdown confounded those who had believed military intervention was a thing of the past.

IV. THE RISKS

Three broad scenarios for what might happen next present themselves: continuing stalemate; the reassertion of government authority; or the fall of the PPP-led government. Each has serious risks.

The current situation is clearly unsustainable. Every day the standoff continues, political divisions become more intractable – and another coup becomes more likely. The political turmoil is hurting Thailand's international reputation and causing serious economic damage, particularly in the tourism industry which employs about 1.8 million people and accounts for 6 per cent of gross domestic product.²¹ It is affecting

¹⁷ Thongchai Winichakul, “Toppling Democracy”, *Journal of Contemporary Asia*, vol. 38, no. 1 (February 2008), p.30.

¹⁸ “ประมุขทหารเป็นของในหลวง รม.แค่จ็อกกี้ขี่ม้ามาเฉี่ยวไป.”, ไทยรัฐออนไลน์, 14 กรกฎาคม 2549 [“Prem points out the army belongs to the King, government is only jockey riding horse”, *Thai Rath Online*, 14 July 2006].

¹⁹ There have been seventeen coup attempts since the 1932 revolution, ten of which were successful. See ชัยอนันต์ สมุทวณิชและคณะ, ข้อมูลพื้นฐานกึ่งศตวรรษแห่งการเปลี่ยนแปลงการปกครองไทย (กรุงเทพฯ: สมาคมสังคมศาสตร์แห่งประเทศไทย, 2535, หน้า 20. (พิมพ์ครั้งที่ 3)) [Chai-anan Samudavanija, et al., *Basic facts on fifty years of political change in Thailand* (Bangkok: Social Science's Association of Thailand, 1992, 3rd edition), p. 20.

²⁰ Press conference, army headquarters, broadcast live on ThaiPBS Channel, 2 September 2008.

²¹ Thai stocks hit a nineteen-month low, and the Baht hit its lowest point in a year. Kasikornthai Bank Research Centre, which provides independent macro-economic analysis, forecasts that Thailand could lose up to 35 billion Baht (\$1 bil-

foreign investment, domestic consumption, and private sector and government spending. After the government declared a state of emergency on 2 September, Singapore and South Korea warned their citizens to avoid non-essential travel to Thailand, while Australia and Taiwan advised their nationals to take extra caution.²² The lifting of the state of emergency will help reduce the economic impact. But in the long term, Thailand risks losing business to neighbouring countries, particularly the fast-growing economy of Vietnam.

Reasserting government authority would require facing down the PAD and ending the occupation of Government House, without bloodshed and relatively quickly. Done efficiently, this could lance the boil. But done badly – and the Thai security forces are not known for their ability to control riots with minimal use of violence – it could discredit both the government and the security forces, and lead to an angry reaction in Bangkok and other PAD strongholds. Yet there are a range of options well short of force that could help clear Government House. Unequivocal support for the elected government and the rule of law from the military and royalist elite would increase the pressure on the protesters to disperse and on the nine indicted PAD leaders to surrender.

Moreover, senior army figures should play a mediation role, negotiating with the PAD and helping convince them that their legitimacy is being undermined by flouting the rule of law. These negotiations should be aimed at avoiding coercive measures, but backed by graduated steps to end the occupation, such as cordoning off the area or distributing information to protesters regarding possible legal repercussions. If the occupation continues and negotiations stall, additional measures should be considered, such as restrictions on the supply of electricity, food and other services, which may convince many of the less hard-core demonstrators to leave of their own accord. Plans for forced eviction should be pursued only as a last resort, and only under circumstances and procedures that effectively ensure it can be achieved without bloodshed.

lion) in revenue from foreign tourists, even if the political tension is quickly eased. However, if it drags on until the end of the year, the country could lose as much as 70 billion Baht (\$2 billion). See “Iconic Bangkok hotel says hurt by Thai political row”, Reuters, 8 September 2008; “Thai emergency hits baht and shares, but bonds rise”, Reuters, 2 September 2008; and “ศูนย์วิจัยกสิกราคาด พิชัยการเมืองยืดเยื้อ ท่องเที่ยวพัง 7 หมื่นล้าน”, แนวหน้า, 6 กันยายน 2551 [“Kasikornthai Research Centre forecasts political turmoil prolonged, tourism loss 70 billion Baht”, Naewna, 6 September 2008].

²² “Asian nations urge citizens against Thailand travel”, Reuters, 2 September 2008.

The fall of the PPP government would essentially mean Thailand had bowed to the threats of the PAD – a dangerous precedent. The Democrat Party would almost certainly be unable to hold together a coalition for long. The resulting general election would be held in a poisonous atmosphere with a serious risk of political violence.²³

Moreover, there is no reason to believe the result of new elections would be substantially different from those in 2001, 2005, 2006 and 2007, which saw Thaksin’s rural supporters repeatedly return him or his proxies to power. A new election victory by the PPP (or a new political vehicle) would re-emphasise their democratic mandate, but also reinforce the scepticism felt by many of Thaksin’s opponents towards representative democracy. Urban middle classes consider that the rural poor are susceptible to vote buying, which enables politicians to bribe their way into power, and resent “the tyranny of the rural majority”.²⁴ But this cynicism overlooks the perfectly rational reasons why the rural poor might favour Thaksin, the first national politician to tap into the gap between the urban middle classes and the rural poor. While critics charge that Thaksin gave handouts to the poor only to win their votes, he should be acknowledged for his contribution in addressing bread-and-butter issues, such as universal healthcare coverage, which had previously been ignored by the political elite.

Inequities in political and economic development remain at the core of Thailand’s political divide. In the absence of national reconciliation and constitutional reform, new elections do not present a way out of the current stalemate.

The possibility of a new coup is particularly troubling. The military-installed government in 2006 identified its key priority as ending political polarisation. It evidently failed. Nor did it succeed in its unspoken objective of routing pro-Thaksin forces. Another coup

²³ Campaigns in rivals’ strongholds have already led to violence. Thaksin supporters threw objects onto a stage during a Democrat rally in the northern province of Chiang Mai in August 2006, forcing the event to end prematurely. Early in 2008, Chalerm Yubamrung, then interior minister from the PPP, faced road blockades by anti-Thaksin protesters during an official visit to Phuket, forcing him to curtail his program.

²⁴ Kasian Tejapira, “Toppling Thaksin”, *New Left Review*, no. 39, May-June 2006, pp. 14-15. Also see Anek Laothamatas, “A Tale of Two Democracies: Conflicting Perceptions of Elections and Democracy in Thailand”, in R.H. Taylor (ed.), *The Politics of Elections in Southeast Asia* (New York, 1996).

would enrage them and risk violent discontent. The PAD's proposal of a "new politics" is little more than a coup in civilian disguise.

The prolonged political crisis is distracting the government from urgent issues. These include the stumbling economy and the troubled relationship with Cambodia, as well as the bloody insurgency in Thailand's southern provinces, which has claimed more than 3,200 lives in the past four and a half years.²⁵ The decades-old problem requires political attention but is unlikely to receive it while Bangkok politics remains in crisis.²⁶

V. THE INTERNATIONAL RESPONSE

As one of the most populous and prosperous countries in the Association of Southeast Asian Nations (ASEAN), the political chaos in Thailand is of considerable concern to the region. Thailand currently holds the chair of ASEAN, but it is unable to provide leadership in present circumstances. Cambodian Prime Minister Hun Sen voiced the concerns of others when he suggested the chairmanship should be passed to another country.²⁷ Several other ASEAN governments are also facing serious political challenges at home, including Malaysia and the Philippines, with implications for the association's ability to turn its attention to issues such as the global economic downturn and the problems in Myanmar. Thailand has often been seen as a bellwether for the state of democracy in the region; a decisive return to military or elite rule would be worrying to ASEAN's remaining democracies.

Internal instability could also have direct consequences for Thailand's neighbours. It was domestic politics – in both Thailand and Cambodia – which produced the Preah Vihear dispute in July-August 2008, which saw soldiers mobilised along the border and Cambodian Foreign Minister Hor Namhong speaking of an "imminent state of war". Unstable countries, and govern-

ments which lack legitimacy, are particularly prone to such nationalist ventures.

The ability and will of ASEAN – or the wider international community – to influence events in Thailand is severely limited. ASEAN lacks the mechanisms to help resolve internal conflict in a member state, and the non-interference norm is strong. Most ASEAN members failed to make any comment on the 2006 coup, with the notable exception of Singapore, whose Prime Minister Lee Hsien Loong called the coup "a setback for Thailand" and told the January 2007 ASEAN summit that the proposed regional charter should reject military coups.²⁸ China showed its acceptance of the coup by providing Thailand with an assistance package, including \$49 million worth of military aid and training.²⁹

U.S. credibility in this current crisis is also undermined by its behaviour in 2006 when Washington was quietly sympathetic towards the coup. It was legally obliged to suspend military support programs worth around \$24 million dollars annually, but it did not halt the annual joint military exercises known as Cobra Gold.³⁰ European countries kept Thailand's transition towards democracy under close scrutiny but maintained good relations with the military-installed government. The European Union asked to send a mission to observe the 2007 election, but the Surayud government turned it down fearing the observers could influence the process.³¹

After the state of emergency was imposed on 2 September, Washington called on both sides to refrain from violence, respect the rule of law and settle their differences within democratic institutions, and for the emergency decree to be limited in scope and duration.³² This seemingly even-handed statement failed to recognise that one "side" was a democratically elected government, while the other was a protest movement which

²⁵ Although recent military operations have managed to reduce the number of violent attacks, the problem essentially lies in the deep sense of alienation of Malay Muslims from the rest of Thailand. Crisis Group Briefing, *Thailand: Political Turmoil and the Southern Insurgency*, op. cit.

²⁶ Ibid.

²⁷ "Cambodia asks whether Thailand able to host ASEAN summit", AFP, 16 September 2008; also Crisis Group interview, Jakarta, 17 September 2008. It seems unlikely that Thailand will be able to ratify the new ASEAN charter before the December summit.

²⁸ Daniel Ten Kate, "Thailand's Singapore Problem" *Asia Sentinel* (www.asiasentinel.com), 19 January 2007. Thailand-Singapore relations were tense under the military-installed government. Thailand took diplomatic action against Singapore after Deputy Prime Minister S Jayakumar held a meeting with Thaksin there.

²⁹ Kavi Chongkittavorn, "Post-coup Thailand in the eyes of the US and China", *The Nation*, 12 February 2007.

³⁰ Duncan McCargo, "Thailand: State of Anxiety", in Daljit Singh and Tin Maung Maung Than (eds), *Southeast Asian Affairs 2008*, Singapore: ISEAS, p. 351.

³¹ "EU says its poll observers wouldn't interfere with Thailand's election", Associated Press, 30 August 2007.

³² "US urges Thailand to limit emergency rule", Reuters, 4 September 2008.

was violating the law through its occupation of Government House.

Some diplomats already have informally conveyed messages to the top brass that another coup would be unacceptable.³³ All of Thailand's key partners, including ASEAN member states, should communicate that position firmly to all parts of the elite.

VI. CONCLUSION

The last few weeks have shown that anti-Thaksin forces are prepared to go to any length – on the streets, in the courts, even attempting to precipitate a military coup – to bring down the government. While recognising the genuine concerns of many over Thaksin's behaviour in government and his influence over the current coalition, the PAD's resort to extra-constitutional action and their refusal to compromise are simply unacceptable in a democracy. Meanwhile, the role of the establishment and the army has been equivocal – restraining itself from a coup (for now) but failing to back the government unambiguously or to take decisive steps to restore law and order.

It is vital that the establishment and the army recognise the dangers in this equivocation and the encouragement it is giving to anti-Thaksin forces. The immediate priority is to reassert the rule of law and the authority of the government. Regardless of differing views of the government's effectiveness, it is democratically elected and recognition of its authority is essential for Thailand's stability and democracy. This must include taking action to end the illegal occupation of Government House, the focus of the crisis. No country can tolerate the indefinite occupation of key government facilities. Military leaders should negotiate with the PAD in an effort to avoid coercive measures, but the authorities should also undertake a range of actions to encourage the protesters' dispersal. The army and royalist establishment should also stop sending mixed signals and make clear their support for the elected government and the rule of law.

In the medium term, democracy is central to finding a way forward. All parties must commit to resolving their differences through democratic means. This will need to include a consultative and inclusive process for amending the military-imposed constitution, which now restricts the executive to the point that governing is almost impossible. There are valid concerns over the way Thaksin used his parliamentary majority to override checks-and-balances and to enable an autocratic style of government. But a balance needs to be struck between necessary checks on executive power and giving the government enough authority to avoid total paralysis. Punishments for common offences, such as sporadic vote-buying, should be more proportionate: party dissolution should be reserved for the most serious cases. Consideration of more devolution of power would also help reconcile the different political aspirations of the different regions.

In the longer term, the root causes of Thailand's political polarisation will need to be addressed – not by dismissing the electoral preferences of the rural poor, but by acknowledging and addressing the unbalanced political and economic development of the country.

Bangkok/Brussels, 22 September 2008

³³ Samak said in his weekly televised address "Talk in Samak's Style" on 7 September that defence attachés had called on Gen. Anupong to emphasise they cannot accept another coup. He added that he had met with the British defence attaché who expressed a similar view. See "ชกที่หนึ่งศาลฯ ชี้ชะตา 'สมัคร' ฟันนายกฯ คลี่คลายวิกฤติ", *ฐานเศรษฐกิจ*, 11-13 กันยายน 2551 ["First round, court to rule if Samak to be removed and ease crisis, *Thansetthakit Newspaper*, 11-13 September 2008].

APPENDIX A
MAP OF THAILAND



Map No. 3853 Rev. 1 UNITED NATIONS
 January 2004

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