

The Thai Social Movements and the Democratization Process: Challenging the Thai State Through the Anti-ADB Campaigns

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During the recent national elections in Thailand, the Thais voted for a new Prime Minister, Thaksin Shinawatra—a prominent businessman and the country's richest person. His family-controlled companies account for more than 13 per cent of the Thai stock market's US\$30 billion capitalization (Richardson, 2001:6). The new Prime Minister, however, has carried with him a charge filed by the counter-corruption commission during his term as a minister in a previous government (Mydans, 2002:1). Thaksin could be kicked out within months of office if the counter-corruption commission could prove to the Thai Constitutional Court that Thaksin tried to conceal his wealth through false asset declarations (*Philippine Daily Inquirer*, 2001.A6).

Such a charge, however, did not seem to deter the Thai electorate from preferring him over the then incumbent Prime Minister Chuan Leekpai, who, ironically, has been dubbed as "Mr. Clean." It was pointed out that after three years of stability under Chuan Leekpai's Democrat Party-led coalition, the electorate seemed "bored" with the respected but low-key Mr. Chuan who has been Prime Minister for all but two years since democracy was restored in Thailand in 1992.

Being "bored" with Chuan, however, was the least of the problems of the Thai people with regard to their previous Prime Minister. More significant was that the Thai people have found Chuan as "unfit" or "unpalatable" to lead the nation. This article looks into the problems which the Thai people had with their former Prime Minister. The data were derived from the views of Thai social movements during the anti-Asian Development Bank (ADB) campaigns in Chiang Mai in May 2000. During these campaigns, the Thai social movements' criticisms of and dissatisfaction with Chuan's leadership were articulated and were shared by the Thai public in general.

The Thai State and the Anti-Asian Development Bank Campaign

One major accusation against former Prime Minister Chuan Leekpai was his inability to get Thailand out of its economic crisis, which began when the Thai baht crashed in 1997. Thailand earned the status of Asia's "Fifth Tiger," being the fastest growing economy in 1985-1995. The World Bank calculated the country's growth at an average of ten per cent a year (Bello *et al.*, 1998:55). The critics of

Chuan's Democrat Party noted that "its main concern was to save the finance and banking sectors which crashed when the economic bubble burst in 1997, at the expense of the poor by injecting billions of baht into the Financial Institutions Development Fund as massive liquidity support for banks and finance firms" (Santimatanedol and Ruangdit, 2001:1). It is within this context that the Thai social movements waged their anti-Asian Development Bank campaign. It was perceived that with ADB support, the Chuan government was pursuing development projects and policies which were not benefiting the poor. Thus, a lot of people viewed the anti-ADB campaign as more of an anti-government or anti-Chuan Leekpai movement. What emerged was not only a matter of saving the country from the economic crisis, but the manner by which the Chuan government sought to do this.

The Critique of Capitalist Development

A major disagreement which the Thai social movements have with the previous and present Thai governments concerns the nature of the capitalist development that have been perpetuated in alliance with multilateral agencies. It is believed that such a development has been responsible for the rise of Thai peasant and labor unrests. In the 1960s, for example, "the commercialization and technology imposed on the village by the state policy undermined the moral basis of a peasant society" (Kaewthep, 1984:142). Moreover, "the rural development of the Thai state has siphoned off village capital, narrowed peasant economic choices and contributed to discontent" (*Ibid*:154). Furthermore, "peasant dispossession was accelerated by the dynamics of the international market" (Bello *et al.*, 1998: 139).

The 1960s also witnessed proletarianization developing side-by-side with industrialization, which was led by the state. A result was the growth of wage labor and industrial conflicts. This occurred as the Sarit regime attempted to boost private capital-dominated industrialization, which was directly influenced by the United States government and the World Bank. The Sarit government introduced various measures to promote capital investment, on the one hand, and to suppress potential wage increase, on the other hand. Workers' strikes were also banned (Dilokvidharayat, 1984:123-126).

Among the consequences were the changing norms and values, increasing rate of urban crimes, prostitution and drug addiction. All these have indicated the increasing impoverishment not only in the countryside but also in the urban areas (Prasartset, 1984:116). Thus, it was in this period that "the activist-journalist and presently social critic, Sulak Sivaraksa, railed against the "Americanization" of Thailand and the pursuit of material wealth." (Pongpaichit and Baker, 1995:385) Sulak argued that "modernization" undermined the institutions and traditions which formed the foundation of Thai culture. "Together with Dr. Puey Ungphakorn, Sulak

started the Komol Keemthong Foundation, which is dedicated to the promotion of Buddhist values, community education, social welfare and the preservation of Thai art and culture.” (Pongpaichit and Baker, 1995:385) Other nongovernmental organizations (NGOs), which also saw the contrasts between the capitalist culture and the village culture, called for the government to separate the economy from extend pressure through a “nationalist economic policy of greater self reliance” (Pongpaichit and Baker, 1995:385).

Exacerbating the situation was the widening gap between the rich and the poor, because these rural development projects, particularly those devoted to infrastructural projects such as the building of dams and roads, have been useful only to the rural upper classes (Wun’gao, 1984:198). Noting this, Prawase Wasi, a doctor and university professor involved with NGOs in primary health care, voiced out that “poverty was a result of the ‘oppressive structures’ of the state and capitalism” and that “poverty would be overcome only through resistance and self-reliance.” (Pongpaichit and Baker, 1995:388) Prawase, it was noted, did not simply contrast “‘village’ against ‘state’ but contrasted the village as the site of the true Buddhist values against the state as the weapon of capitalism” (Pongpaichit and Baker, 1995: 388). Such an experience has therefore brought about a major debate between Thai social movements and the Thai state with regard to the development thrust the country would pursue. The Chuan government was no exception.

In the case of the ADB, the Thai social movements have accused the Thai government of perpetuating the ADB’s development ideology, which they considered detrimental to the Thai people. They pointed out that the ADB’s ideology to boost competitiveness of exports in a free market system “seems to benefit mainly the advanced, large-scale agricultural enterprises rather than small-scale farmers.” (Attahkor, 2000:4) Furthermore, some believed that an export-led agriculture, which the ADB encourages, would not be the way out for small-scale farmers. This is because the “more exports grew, the bigger the debts of small-scale farmers because of the high costs of production, fertilizer and farm chemicals, while prices for farm products remained low” (Attahkor, 2000: 4). It was also noted that “export-led agriculture had resulted in environmental degradation and widespread deforestation as it needed huge areas of land to plant cash crops. In introducing reforms, the government needed to pay more attention to sustainable agriculture, which allows farmers self-sufficiency and freedom from markets. Sustainable agriculture would also enhance food security and improve the environment” (*Ibid.*). Such an ideology has thus been viewed as an imposition on the Thai people without any form of popular consultation (Attahkor, 2000:1).

The Absence of Popular Consultation and Participation in Development Projects

Aggravating this disagreement concerning the state's development strategy was the the accusation hurled against the Thai government's failure to include popular consultation and participation in development projects which affect the Thai people. One of these was the Asian Development Bank Wastewater Treatment Project in Klong Dan, a fishing village in the province of Samut Prakan, East Thailand.¹ The project, which was approved by the Chuan government in 1995, costs US\$605 million (23 billion baht). According to Mr. Chalao Timthong, a resident of the area, the villagers never knew of the project until a sign was put up in 1998 (Janchitfah, 2000:1). This was when the construction of the Samut Prakan Wastewater Management Project at Tambon Klong Dan started on what used to be a mangrove forest, consequently creating tension among the villagers (Kanwanich, 2000: 6).

The Issue of Corruption

There abounds suspicion of large-scale corruption involved in the wastewater management project. This was precipitated by the government's Pollution Control Department's (PCD) failure to convince the villagers of its reasons for changing the project site from Bang Pla Kod to Bang Poo Mai to their area in Klong Dan. As noted by Mr. Chalao, "these sites were proposed in the studies by Montgomery Watson Asia, but the change to the Klong Dan site was made by the project operators without any environmental impact assessment (EIA) study" (*Ibid.*). PCD officials have tried to explain that the joint venture companies won the bid to the project but could not find suitable land in the suggested areas. Klong Dan locals, however, opined that the real reason was that the land at Klong Dan once belonged to a group of companies having close relations with some influential politicians. "These companies planned to build a golf course and a tourist resort but they found that regular sea flooding causes the area to sink. So they cancelled the plans and sold it to the PCD," said Chalao (*Ibid.*).

This view was corroborated by Prof. Kazuo Sumi of the Niigata University in Japan who noted that "in the 1980s, there had been efforts by private corporations to buy up the land in Klong Dan to construct a golf course and a tourist resort. But with the economic crisis in 1997, the plan for the golf course and resort was aborted. Klong Dan Marine and Fishery, at a loss over how to dispose of all the land it had purchased, lobbied with a powerful politician and had the government buy all the land (Sumi, 2000:5). Another reason why many villagers were convinced that vested political interests are involved is because "original plans put the wastewater treatment plant near the factory locations. Klong Dan, however, is much farther, so they have to lay more pipes, enabling them to get more money" (Janchitfah, 2000:1)

The issue of corruption and external loans is not new, and Thai social movements are very conscious of this, as corruption is considered one of the major factors which contributed to the country's economic crisis. Thus, when the Thai government borrowed US\$500 million from ADB under the title "Social Sector Program Loan," which was approved in March 1998, public skepticism concerning the absence of transparency in the management and monitoring of loans arose. NGOs, therefore, demanded to be part of the monitoring committee. Such a demand, however, was rejected (Arunmas and Noikorn, 2000: 4).

Environmental Degradation

The project is also viewed as to be causing environmental degradation. The pollution ensuing from this project will bring about "irreparable toxic contamination of the area's coastal ecosystem." This is aggravated by the accusation that "the wastewater treatment plant is designed for treatment of biological waste, not for heavy metals and toxic chemicals collected from factories. Released directly into the sea, the toxic and heavy metal sludge will spread over a few square kilometers, wiping out marine life." For these reasons, the Klong Dan communities, since 1998, have been demanding an EIA and public hearing. The PCD, however, claimed it could not suspend the project (Noel, 2000:A5).

Anti-Poor Policies

Related to the accusation that the project causes environmental degradation is the issue that it is anti-poor. The release of treated wastewater into the sea might change the salinity levels, which, the villagers fear, "will affect marine flora and fauna and consequently, their community lifestyles, their livelihood and seafood consumers" (Janchitfah, 2000:1). Other anti-poor policies include the PCD's fencing off the site and preventing the local communities from using the area. Moreover, "construction at the site has also destroyed the Klong Dan freshwater channel which is an important fishing ground and also serves to flush seawater during the rainy season. The dumping of construction soil in the channel has narrowed the entrance and obstructed access to the sea by village boats" (*Ibid.*).

Another government-approved ADB scheme deemed as anti-poor is the imposition of water tax in the agricultural sector due to the perceived growing scarcity of water. The idea stemmed from the belief that imposing charges would encourage farmers to use water more efficiently (Attahkor, 2000:4). The Thai government agreed to this as a condition of the ADB and the Japan Bank for International Cooperation (JBIC) US\$600-million agricultural sector program loan (ASPL), which the government entered into with ADB in September 1999 in order to reform the agricultural sector. One of the program's measures is increasing

agricultural productivity, which includes water management, allocation, distribution, licensing and costing of water extraction. In its policy matrix in the area of Water Service Delivery reform, a prior action to be taken would be to consult with stakeholders, "to initiate a process of cost recovery in public irrigation schemes"² (Janchitfah, 2000a:1).

In general, the farmers feel that such a policy is anti-poor. As a northeastern farmer expressed, "I think water charges for the whole sector is unimaginable because not everyone can afford that." Furthermore, it would put an extra burden on farmers who are already struggling with heavy debts (Noikorn, 2000:2). It is also feared that once water is turned into a commodity for fully-commercialized agriculture, small-scale farmers who cannot afford to pay would have less access to water resources (Noikorn, 2000:2). This is especially so during the dry season, when the water becomes scarce, and it is most likely that water will benefit only those who have more economic power (*Post Reporters*: 2000:1). The issue of water commercialization is further expounded on by Dr. Kasian Tejapira, an academic-activist from Thammasat University. He noted that natural resources, such as water, are essential to all and should not be managed by market mechanisms. He added that "otherwise, water would not flow by gravity but by purchasing power." Furthermore, Dr. Kasian pointed out that the commoditization of water should not be allowed because the right to natural resources is a basic right all human beings have (Janchitfah, 2000b:1).

Another anti-poor policy which the Thai social movements have accused their government of pursuing together with the ADB concerns the plan to cut back on social welfare, through the establishment of autonomous hospitals. It was noted that only 20 per cent of the one million patients are able to pay their medical bills, while the rest rely on the state. Related to this are the 800,000 AIDS-infected patients who are surviving through state aid (*Post Reporters*, 2000a:10). The ADB's plan to launch autonomous hospitals has also been criticized by senator-elect and social activist Jon Ungphakorn, who claimed that this could be the government's attempt to cut back on social welfare program for the people, especially the poor (Attahkor, 2000:1).

Lastly, the Thai social movements have criticized as anti-poor the Thai government's policy of weakening the workers' bargaining power, particularly the "reduced bargaining power of the provincial labor force after the ADB supported a minimum wage mechanism to be expanded nationwide to limit the minimum wage rise" (Ashayagachat, 2000). ADB has actually called for the government to freeze the minimum wage at 162 baht until at least year 2002. Some believe that this would make life difficult for workers. NGOs also noted that the ADB's support for privatization of state enterprises would result in massive lay-offs of state workers (*Post Reporters*, 2000a:10).

The Thai Government's Response to the Protest Movement Against the ADB

To press their demands concerning ADB, the Thai social movements held a conference parallel to ADB's 34th annual conference in Chiang Mai, which was held on May 5-8, 2000. The parallel conference was sponsored by the People's Forum 2000 on the ADB and was held on May 2-5, 2000. Called the "People's Forum on the ADB," it discussed the issues they had against the ADB. This parallel conference was followed by a series of demonstrations during the actual ADB annual conference. These protest actions further emphasized the gap that separated the Thai people from the government leadership.

The Thai authorities, aware of the movements' potential to disrupt the big international event, mobilized their police and intelligence agencies to monitor all the anti-ADB activities. The major concern was to prevent any disruption of the ADB gathering to maintain the good image of Thailand as a good host to the event.³ Approximately 3,000 people were deployed in and around the meeting areas in order to safeguard the 3,200 delegates from 58 countries who attended the conference (*Bangkok Post*, 2000). Although the police intended to allow the activists to congregate, they warned them not to block the traffic or disturb the ADB officials. What the Thai government, in particular, did not want to happen again is for anti-globalization activists to foster violence, like what happened when American activist Robert Naiman smashed a pie into the face of former IMF Chief Michel Camdessus at the February 1999 UN Conference on Trade and Development in Bangkok (*Business Day*, 2000).

As early as the anti-ADB preparations, the people's organizations already expressed their concern about the official use of force or the potential intervention by "anarchists" or "third hand" agents to provoke violence that will then allow the authorities to use force and break up public protests. This was articulated by Jetsada Chotkijwat, adviser to nine (9) northern agricultural networks. He also expressed hope that the democratically-elected government of Chuan Leekpai and the Chiang Mai authorities will not ban or obstruct public peaceful rallies, which are part of the democratic process. In particular, activists expressed dissatisfaction over the plans of local authorities to block rallies from reaching ADB meeting sites at some major downtown hotels and at Chiang Mai University. They also complained about official attempts to ban the hoisting of anti-ADB banners and posters in public sites and learning institutions (Lertcharoenchok, 2000). Activists have actually described government security preparations as an "overreaction," although they were very apprehensive on what the Thai authorities would do. The People's Network of 38 Organizations, which spearheaded the demonstrations, pointed out the government's attempt to link anti-ADB activities to acts of violence and terrorism

in order to justify the use of force against activists and villagers protesting against ADB-funded projects (Attahkor and Marukatat, 2000:2).

Such apprehension can partly be attributed to the violent break-up of a peaceful gathering of thousands of hilltribe people who demanded their rights to Thai citizenship and access to their community forest exactly a year ago. This was under the order of the Chiang Mai Governor Pravit Sibhobhon (Lertcharoenchok, 2000). The anti-ADB demonstrations were to coincide with the first anniversary of that violent event. The break-up of the hilltribe protests, the first in modern Thai history to be captured on videotape, was shown to the public. The footage has since become shaming evidence against Thailand's poor handling of peaceful public gatherings (Lertcharoenchok, 2000). Partly because of this reason and the attention of international media on the ADB annual gathering, the Chuan government basically followed a policy of restraint vis-à-vis the anti-ADB demonstrations.⁴

During the opening session of the ADB annual conference on May 6, 2000, anti-ADB demonstrators read their statement against the Agriculture Sector Loan of the Thai government and the ADB, particularly the water tax and conditions of the Social Sector Program, specifically with regard to the privatization of education and hospitals, as well as the wastewater treatment plant in Klong Dan and other social services. There were more than 2,000 provincial and special action police stationed around the hall. A mob control unit of Border Patrol Police was also on stand-by. Roadblocks have also been placed two days before the opening of the annual meeting, on the lookout in particular for minority groups traveling from the Burmese border. There was, however, a very conscious effort on both sides to refrain from violence. The police pledged not to use tear gas or harsh measures against the peaceful demonstrators. On the part of the Thai government, it was important that no violence occurs to avoid grave embarrassment, as the event was covered by international media. The demonstrators did not also want any form of violence from their end because they believed that this would erase any kind of sympathy that they wanted to generate from the middle-class or the Bangkokians, whom they considered to be a powerful force in Thai society. This might also distract the public from understanding and sympathizing with the demonstrators' issues against the ADB. The ADB President also told the Thai authorities that he did not want any kind of violence to occur.

Nevertheless, scuffles did ensue as the police pushed back protesters who tried to break through the security cordon to get to the conference hall and submit a statement to Prime Minister Chuan Leekpai, who presided at the opening ceremony. After some negotiations, the police allowed the demonstrators to stay at the fence around the conference hall of Chiang Mai University. Before leaving the rally site in the late afternoon, the demonstrators burned an effigy of Mr. Chuan because he

failed to show up to receive their statement. They labeled him “Chuan the Coward.” This was unlike the ADB, which sent its Vice-President Myoung Ho-shin to receive the demonstrators’ statement denouncing the ADB. This would continue during the following days, whereby ADB officials would dialogue with the protesters, but the Thai government totally chose to “ignore” them. The demonstrators, however, complained that not only did the Thai government “ignore” them but they were also harassed. They claimed, for example, that “a number of village headmen and community leaders in Chiang Mai and nearby provinces had been ordered by the government to prevent villagers from joining the protests.” Furthermore, the government had tried for several weeks to “paint a picture of violent protests in the public mind” (Sukin, 2000:A7).

Thus, the protesters attacked the Thai government for refusing to give any reaction to the people’s movement. Prof. Nithi Oeustiwong, an academic and social critic from Chiang Mai University, pointed out that the “no reaction” strategy of the Thai government to the protest was unacceptable. He added that the Prime Minister or Finance Minister should react to the people’s voice and at least explain the government policies to the public. Finance Minister Tarrin Nimmanhaominda, however, said that the government had already answered every question raised by the public. As for the demonstrators, People’s Network member and Assembly of the Poor adviser Wanida Tantiwittaypitak called the Chuan administration “a beggar government” which had shamefully succumbed to the ADB’s power (Attahkor and Khuenkaew, 2000).

Although the protest actions were mainly aimed at the ADB, the demonstrators issued out a statement denouncing Prime Minister Chuan Leekpai’s support for the ADB’s policies. They pointed out that Chuan “confirmed his support of the ADB’s poverty reduction policy and his determination to lead Thailand on the path set by the ADB through the acquisition of loans.” The statement noted that the 8th National Economic and Social Plan revealed that “the poor people in the rural area increased by about 13% of the total population and seasonal unemployment now amounts to 3.6 million people.” The statement concluded that “it is clear that there will be more and more poor people resulting from the implementation of the economic liberalization policy which the ADB and the Thai government believe will help decrease poverty” (Thai Working Group on the ADB’s Impact, 2000:1).

Assessing the Reaction of the Thai Government to the Anti-ADB Campaign

One of the major lessons brought about by the anti-ADB campaigns is that it is not enough for the Thai social movements to confront the ADB. What seems to be

a more daunting challenge is how to deal with the Thai state regarding the ADB. One columnist expressed that the ADB loans are so small compared to the total government expenditures on ADB-supported projects in Thailand. Thus, some point out that the demonstrators should really address their demands to the Thai state. But as previously noted, the demonstrators attempted to do this but the Chuan government refused to dialogue at all with the demonstrators. Such an act was widely criticized by the general public.

As described by Dr. Kasian, Prime Minister Chuan acted in an “authoritarian manner” when he dealt with the ADB demonstrators. Because he was elected by the people, he felt that he had the right to decide what to do without having to listen to the people. It was also pointed out that “the Thai government’s indifference also epitomizes how national governments that come to power through manipulating voting results only pay lip service to democracy while enjoying the power of civilian dictatorships” (Ekachai, 2000:9). Prof. Nithi Oeusti Wong, a leading historian and academic-activist from Chiang Mai University, adds that another reason why the government behaved this way is because “it has no choice but to follow the dictates of the international monetary organization.” “If this is the case,” he laments, “then maybe there is no need for a government. It is as if no government is left.” He further expressed with dismay that whereas before, it was the duty of the government that borrowed the money to decide how it could repay the debt, it is no longer the case at present. The international monetary agencies decide and design everything for the Thai people (Janchitfah, 2000b:1).

What is significant, though, is that the Chuan government could not do much to stop the demonstrations, as these have become very much a part of the democratization process in Thailand. As noted by one newspaper editorial, the ADB-Chiang Mai meeting served as a useful gauge of the new Thai Constitution’s effectiveness. According to the charter, the people must be informed of, and consulted on the projects that would affect their lives, communities and country as a whole (*Business Day*, 2000a:4). To quell the demonstrations would not only invite criticisms but also condemnation in Thailand and abroad. The fact that there is a need for demonstrations also reveals that much is still left to be desired from the parliamentary system, according to Prof. Sirichai Naruemetlikaken, an academic-activist from Chiang Mai University. What compounds the problem further, as noted by Mr. Srisuwan Kuankachorn, Director of the Project for Economic Recovery (PER) and one of the leading forces of the People Forum 2000 on the ADB, is that the Democrat Party of Prime Minister Chuan basically does not like NGOs. Instead, it has relied on bureaucrats in the government to determine its policies, such as in the area of infrastructure, irrigation and forestry, which have huge budgets. These are the people who determine the policies without consulting with the communities that will be affected by it. Even before the ADB annual conference, agriculture officials have

rejected a demand by NGOs that “they be allowed to participate in the management and monitoring of programs to be funded by the ADB loan” (Arunmas and Noikorn, 2000:4)

The “showdown” in Chiang Mai is therefore said to reflect a “gap between underprivileged Thai people, represented by the NGOs on the one side, and the incumbent Thai government, in the form of “blind-folded” arrogant politicians and bureaucrats, on the other.” This, some would argue, would explain why there was “confrontation” rather than “participation,” leading to the NGO’s rejection of the ADB’s loans. Moreover, some have interpreted the NGO’s protest as “an expression of dissatisfaction more with the Chuan Leekpai regime than the ADB itself” (*Business Day*, 2000a:4).

Dealings with the Thai state constitute a long-term agenda, as debates ensue on what the right approach would be. There is engagement through dialogue as well as confrontation through demonstrations. Concerning electoral politics, members of the Thai social movements are divided on whether to participate as candidates or to just campaign for candidates who are sympathetic to their cause. There is also a move to invite political candidates to NGO/PO-sponsored fora to make the public aware of their views on certain issues. Whatever strategy they choose, it is a reality that the people’s movements will have to deal with the Thai state if they were to succeed in pressuring the ADB to respond to their demands. Thus, an editorial from *Thai Rath* argued that “instead of attacking the ADB, these NGOs should persuade the government and members of parliament to support their cause.” It added that “if the government disagrees, they can campaign for parties that share their concern and help them win in the next election” (Dateline Bangkok, 2000:9). Another editorial from *The Nation* called on the government, multilateral agencies and NGOs to unite because “they have much to learn from one another in order to increase the effectiveness and improve efficiency in serving their constituents” (*The Nation*, 2000:A4).

Thus, another challenge for the Thai social movements is making the Thai state more receptive to the people’s needs. As for now, the only recourse is either through more “pressure politics” from the people or through electoral politics. With regard to the former, the democratization process in the country has allowed for such actions but the question is to what extent people can actually pressure. As for the latter, there is a debate within the people’s movement, which at the moment still remains unresolved, on whether to keep out of electoral politics and just support sympathetic candidates or run as electoral candidates in an NGO/PO-created political party or join the more established but “conservative” existing political parties. Thus, such a quandary reflects one of the more important messages of the anti-ADB protest movement not only to the Thai public but also to the ADB member-countries.

Ironically, the country's newfound democracy continues to be characterized by the wide gap that exists between the people and the government. Reducing, if not getting rid of this gap remains the utmost challenge for the Thai social movements.

Alongside the disagreement regarding the procedural aspect of the relationship of Thai social movements and their government is the substantial aspect. That is, with regard to the issues against the ADB, the Thai government was understandably in agreement with the ADB concerning the water tax. Even before the ADB annual conference, Finance Minister Tarrin Nimmanahaeminda, chair of ADB's board of governors, acknowledged that the government did agree to restructure the agriculture sector, which included seeking a way to charge for farm water, although no plan has been finalized (Sukin, 2000f). The Finance Minister went on to defend the government's position in a seminar on May 6, the second day of the anti-ADB demonstrations, that the water tax would bring long-term benefits and help preserve the country's natural resources, which are currently threatened by an alarming rate of forest encroachment. He argued that "neglecting the problem now could trigger a severe water shortage for users in the future." He warned that 10 years from now, if the Thai people would not do anything, the country might resort to water rationing. Furthermore, he noted that "preserving water resources was a top government priority with a budget already earmarked for the issue" (*Post Reporters*, 2000:1). Government officials, however, felt that although they have accepted the ADB's argument against continuing a subsidy, there was still a need to respond to the farmers (*Post Reporters*, 2000a:10).

As for the ADB Samut Prakan Wastewater Treatment Project, Sirithan Pairotporiboon, director-general of Thailand's Pollution Control Department (PCD), admitted that, if built, the plant would definitely impact on fishing. He explained that the PCD had to find some place to locate the plant and to compare it to other areas, Klong Dan has fewer people, so the site was chosen. He tried to defend the absence of an environmental impact assessment (EIA) by saying that at the time of the project proposal, Thailand's environmental laws did not require an EIA. He added that the government has started the assessment process, but project construction should continue because the laying of pipes has nearly reached completion (*Ibid.*). In relation to this, Science and Technology Minister, Arthit Ourairat, followed a similar defense of the absence of an EIA by saying that the project was approved before the new constitution came into effect. The project was approved on October 17, 1996, while the new constitution, which required public hearings on large-scale projects that may affect residents, was ratified in October 1997. However, despite Dr. Arthit's explanation, the 1992 Environmental Act requires EIAs of *all* large-scale projects being constructed (Janchitfah, 2000:1). The PCD's acknowledgement of the absence of an EIA seems to go against the ADB's position that the ADB guidelines were followed in preparing the EIA as indicated in President Chino's

letter to Mr. Dej Poomkacha of the People Forum 2000 on the ADB (Chino, 2000:9).

ADB officials, however, also noted some shortcomings with regard to the manner in which the Thai government has handled its relationship with the ADB vis-à-vis the Thai public. For the ADB, much of the misunderstanding concerning its policies in the country has also much to do with the Thai state. Mr. Craig Steffensen, ADB resident adviser in Thailand, noted, for example, that the protests against the US\$600 million Agriculture Sector Program Loan (ASPL) arose mainly because government authorities and multilateral aid agencies have been sending confusing signals about reforms. He elaborated that, so far, the ADB and the Agriculture Ministry are the only two organizations directly involved. He pointed out that the World Bank as well as the Irrigation Department have not supported the ADB. He sympathized with Prime Minister Chuan Leekpai, who, he believed, has been forced to defend this loan he did not even negotiate. Thus, Mr. Steffensen pointed out that it is asking a lot from the Prime Minister to put his political reputation on the line for this loan. The ADB official pointed to the Agriculture Ministry or the Finance Ministry as the bodies responsible for defending the APSL, but neither has ever done so. The ADB official believed that perhaps, it could be that, although they wanted the money, they chose not to touch on the reforms (Poopat, 2000:A5).

Mr. Steffensen concluded that multilateral agencies, such as the ADB, have been used as the scapegoat for policy reforms initiated by the government. He pointed out that in their relationship with the Thai public, the voting public, government officials tend to say, "We did not want to do this but we had to because these were conditions set by the ADB." Thus, since the beginning of the process, people have been made to understand that should there be any problem, ADB should be blamed for it. He further observed that these reforms are politically difficult decisions to make and there are certain reasons why some of these reforms have never been undertaken in the past decades. The ADB official added that the government was aware of political sensitivities involved in undertaking these reforms.⁵

Complicating this situation is an observation by another ADB official that there exists not only a chasm between the Thai government and the NGOs; the former also appears to be very negative towards the latter and so much mistrust could be felt between NGOs and the ADB as well as between NGOs and the Thai government. Thus, he noted that the ADB would have to find a balance between its relationship with the NGOs and the Thai government. He believed this could also be one probable reason for ADB's minimal dealings with Thai NGOs.

Conclusion

The anti-ADB campaigns in Chiang Mai have therefore revealed pertinent aspects of the relationship between the Thai social movements and the government leadership. One aspect is the persistent disagreement regarding the nature of development which the Thai state perpetuates. This is aggravated by the absence of popular participation and consultation, as can be seen in the conceptualization and implementation of the ADB Samut Prakan Wastewater Treatment Project. Suspicion of corruption thus abounds concerning development projects. Part of the debate on the issue of development is the environmental concern, particularly so when the development project brings about environmental degradation. A related accusation of the Thai social movements with regard to the Thai state's development thrust is that it is anti-poor. The ADB Wastewater Treatment Project seems to be a classic case, as it has been accused of damaging the source of livelihood of the villagers.

Other government policies have been perceived to support unpopular ADB policies which are likewise viewed to be anti-poor. These include the water tax, the privatization of social services, such as in the health and education sectors where the government seeks to privatize hospitals and universities, and the reduction of the bargaining power of the workers. All these the Thai social movements have perceived to work to the detriment of the marginalized sectors and to widen the chasm between the rich and the poor.

Although these old problems have continued to persist, what seemed to have changed are the strategies to bring criticisms to the attention of Thai officials. The Thai social movements have chosen two major strategies, *i.e.* engagement and confrontation in dealing with government-supported ADB policies. The policy of engagement was seen in the holding of a parallel conference to engage the ADB in the Thai social movements' issues of concerns. The second strategy, that of confrontation through protest actions, however, appeared to be more effective in bringing these issues to the attention of the Thai officials. Unfortunately, Prime Minister Chuan set the tone with regard to the government's handling of the demonstrators, *i.e.*, choosing to completely ignore them.

The Thai social movements have decried the action of the Prime Minister as anathema to the general trend in the country's democratization process, which has witnessed popular involvement in bringing about change. This was epitomized in the middle-class-led demonstration in 1992 that brought about the downfall of a military-installed government. The vigilance of the Thai people with regard to their government was also further heightened in the aftermath of the 1997 economic crisis that saw government corruption as one of the major factors that led to the country's development debacle. More importantly, it led to the further questioning

and defiance of a development thrust which the Thai government has pursued through the decades and which social movements have fought against, *i.e.* an externally-fueled economic development, where the resources of the country are used to benefit foreign investors rather than the Thai people. Moreover, the anti-ADB campaigns highlighted a strong public sentiment that the Thai leadership is beholden to multilateral agencies such as the ADB, because of the need for external loans to improve the economy. Thus, it subjects itself to the unpopular conditions of the ADB loans. This further reinforces the view of the Thai public, particularly after the 1997 economic crisis, that they have lost their national sovereignty to multilateral agencies such as the IMF and the World Bank, which have extended loans to the country, but with harsh conditionalities attached.

Whereas in the past, the Thai people could not openly protest under an authoritarian regime, this is no longer the case, as illustrated by the anti-ADB demonstrations. The new political dispensation allows for more protest actions of this kind. What further contributed to the tolerance of the Thai state for such protest actions is the fact that the ADB annual conference is an international event that attracts worldwide media attention. The event is also viewed as part of the anti-globalization campaigns occurring in all parts of the world. As much as possible, the Thai leadership prevents the eruption of any violence as it would tarnish the image of the country and effect a loss of revenues especially in tourism. This is most significant, since Thailand has generally relied on tourism in order to rise from economic crisis.

Nevertheless, much is still left to be desired in reducing the wide gap between the Thai state and the Thai social movements. This situation has even caused some people to view the democratic process in Thailand as an elite one, *i.e.* limited to those in power, as opposed to the majority who also want to be heard and take an active part in determining projects and policies that will affect them. This reality did not escape the attention of the Thai social movements as they denounced their Prime Minister for not only ignoring them but also for his government's improper dealings with the demonstrators. They were ignored and harassed, albeit not so excessively as to warrant the attention of the international media. The Thai social movements, however, also realize that the success of their campaign lies heavily on their ability not only to work with the Thai state but to transform it as well to an institution receptive to their concerns. Thus, the democratization process will not be completed until this is attained.

Notes

1. The project is being constructed on a 1,903-rai seaside area in Bang Po district, Samut Prakan, on the southern part of Sukhumvit Road. The Pollution Control Department (PCD) of the Department of Science, Technology and Environment Ministry has commissioned NVPSKG Joint Venture and the NWWI to undertake the construction on a turnkey basis. Construction and pre-operation of the project is due for completion within six years. The term 'turn key basis' means that "the contractor had to find the land, provide the construction technology, construct and pre-operate the project for three years before handing it over to the authority" (Kanwanich, 2000:6). The PCD is also building a 200 kilometer-long pipe system together with this wastewater treatment plant to collect wastewater from households and about from 4,000 factories located in the province. The treatment plant would release 525,000 cubic meters of treated effluents into the sea near the province's Klong Dan sub-district and Songklong district in Chachoengsao province (Noel, 2000:A5).
2. In the Development Policy letter, the Thai government states that (Janchitfah, 2000b:1).

The ASP's (Agricultural Sector Programme) primary objective is to achieve sustainable growth of the agricultural sector through the implementation of reform measures required for the following: (a) increasing agricultural productivity; (b) enhancement of export competitiveness of agricultural products, and (c) restructuring of agricultural institutions and improvement of government in the sector. A total of 22,200 million baht will go to six major program loans covering 20 projects: (i) 8,000 million baht for increased productivity in irrigation and natural water areas; (ii) 3,100 million baht to develop commodity quality and the ability to manage agriculture programs; (iii) 2,500 million baht for community potential development program; (iv) 5,350 million baht for research and technology development programs; (v) 1,010 million baht to establish New Economy Zones; and (vi) 2,240 million baht to organizational, institutional and information system restructuring programs.

3. The leading organizers of the People's Forum 2000 on the ADB were the Nongovernmental Organization-Coordinating Committee on Development (NGO-COD), the Towards Ecological Recovery for Regional Alliance (TERRA) and the Project for Economic Recovery (PER).
4. The severest targets of government surveillance were the Burma campaign groups, which have either shut down their offices around Chiang Mai or maintained a low-key presence in anticipation of a government crackdown (Lertcharoenchok, 2000).
5. The Chuan government is known for "maltreating" Thai demonstrators. In one protest action by Northeastern villagers against the construction of the Pak Mun Dam, a World Bank project, the Thai government made use of dogs to bite the demonstrators. This practice, however, was stopped because of public outrage.

6. Despite these political sensitivities, the Thai government plans to borrow some more from the ADB. The amount is US\$300-US\$350 million a year from the ADB between 2001 and 2003, primarily for agriculture, rural development and social sector projects. An aide memoire signed by the government and ADB on the 2001-2003 program says a loan pipeline has been prepared for nine projects totaling \$1 billion during this period (Poopat, 2000:A6).

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