

INSTITUTE OF CURRENT WORLD AFFAIRS

JEF-26

The Future of Thailand

150 Soi 20 Sukhumvit Road
Bangkok 11, Thailand
April 6, 1976Mr. Richard H. Nolte
Institute of Current World Affairs
535 Fifth Avenue
New York, New York

Dear Mr. Nolte:

Ever since I returned to Southeast Asia in 1972, there has been so much going on in Thailand that I have scarcely had a chance to devote any attention to events in other countries according to my original plan. I have hence written a great deal about Thailand's past, and its present; in this, my last letter on the kingdom, I want to discuss its future. I plan to devote coming letters to other countries in the region and to some larger problems which have long been running through my mind pending an opportunity to commit them to paper.

Before getting into the body of my thoughts this month, I'd like to make a few observations about the recent negotiations for withdrawal of US bases from Thailand, as this has a significance larger than the issue at hand.

When I was in the US last June I discussed Thai-American relations with people in a number of agencies of the US government, as a result of which I wrote my newsletter JEF-19, lamenting an insensitivity in certain quarters to a number of obvious and irreversible trends which it behooves one to adjust to rather than ignore or obstruct. One can, of course, ignore or obstruct them, but the price is very high as many people (but plainly not everyone) learned in Vietnam.

The US has now suffered another self-inflicted wound because of the unseemly way the base-retention negotiations were terminated, namely a unilateral Thai announcement that the US facilities would have to be withdrawn after four months. I suspect a number of people back in Washington will now be beating the drums to the effect that yet another fickle Asian ally has bent with the wind and kicked out the US after stubbornly insisting on unreasonable conditions. If they are pleased with that interpretation, fine; the facts of the matter will come out in due course. I do not have time to go into the matter in detail but must content myself with addressing one important point with grave implications for the conduct of our foreign relations.

Last year there was, I know, a community of people in Washington who understood the subtlety of the Thai domestic political situation and realized that an important matter like the continuation of some US facilities could only be accommodated through a consensus in the kingdom; further, that this would take time to test and therefore it was prudent to begin the negotiations early and pursue them persistently so that all outstanding issues would be resolved long before the deadline of March 20, 1976. Else there was the danger that the deadline might coincide with some local political crisis which would make difficult or impossible the conduct of serious diplomacy.

Jeffrey Race is an Institute Fellow studying how the institutions of the past influence people's behavior toward one another today. His current area of interest is Southeast Asia.

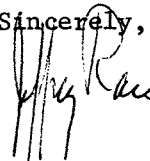
The Department of State did not pursue the negotiations persistently, and the bitterness and crisis atmosphere of the final negotiations came about exactly as many people feared. For domestic political reasons Prime Minister Kukrit dissolved the Parliament in January and called for new elections to come just two weeks after the March 20 deadline for the conclusion of the base negotiations. The negotiations became a major emotional issue in the campaign and the newspapers (with the Foreign Ministry leaking to the Nation and the Defense Ministry leaking to the Post). It became impossible to conduct discussions in a calm manner befitting the gravity of the issues; and when agreement proved difficult, the issue was magnified all the more due to the impassioned rhetoric which was swirling about already.

If we can believe the Far Eastern Economic Review, the US did not take the necessity of negotiations seriously until early February, at which point the Embassy cabled Washington for instructions. No satisfactory instructions were received despite more and more urgent cables and telephone calls back to the Department of State. About ten days before the final deadline for the conclusion of the negotiations, the Foreign Ministry reemphasized the necessity to reach agreement by the 20th on the basis of their seven negotiating points. The Embassy cabled this information to Washington. If I understand correctly what happened next, the Secretary of State cabled back for Ambassador Charles Whitehouse (who has been reduced to a Western Union delivery boy in this affair) to drive down to Government House and straighten out the Prime Minister and the Foreign Minister that "the US does not accept ultimatums" or words to that effect. (This, of course, after failing for a year to pursue the negotiations despite the stated deadline, and after failing to respond to the Department's own embassy requests for urgent guidance!) I think it is highly significant that Ambassador Whitehouse has now been skewered on the same stake that impaled his predecessor William Kintner. The latter insisted and insisted on getting straight answers out of Washington about US policy toward Thailand. For his troubles he was removed in an abrupt and humiliating manner; those who engineered his downfall seem to be at the same desks in Washington doing the same thing as before.

It may be that it would not have been possible to square American desires with what Thai leaders and the Thai public would accept. If so, it would have been better to discover that at a measured pace, and then amicably announce it like gentlemen. As it is, the US looks foolish, tempers are inflamed all around, and there is a reasonable chance that real opportunities for fruitful cooperation have been lost.

Why? Because of the same attitudes which led to a grim end in Vietnam: arrogance and a contempt for history. The reason I go through all this is to make a simple point. In two important cases (Thailand and Vietnam) about which I know something, these dangerous attitudes have dominated American policy. I am concerned that they may dominate the formation and execution of other policies about which I know less, like SALT or economic negotiations. Such failings in a small power would lead only to its own damage or destruction. That they are so compelling in the behavior of the most powerful nation in the world, I find positively alarming.

Sincerely,



THE FUTURE OF THAILAND

What does the future hold for the Kingdom of Thailand? The ordinary man wants to have some idea of his country's fate. The foreign investor wants to know whether it is safe to sink funds into the kingdom. Local VIPs want to know whether they should keep their riches in the country, or send them to Switzerland. If Thailand is going to become "another Vietnam," prudence dictates that rural people make their accommodations now with the communist victors, accepting the inevitable with a minimum of violence. But if history permits another future, that might be worth struggling for. Or will Thailand become "another Italy"? While not a particularly inviting prospect, it is certainly possible, and at least different.

Given the magnitude of the interests riding on the answers to these questions, it is only to be expected that there has been much speculation, with answers bruited about ranging from boom to doom. Even His Majesty the King, on the occasion of his birthday last year, warned of dangerous times ahead. Hence it seems appropriate to take a serious look at the prospects for the kingdom, based on what we know about Thai history and the history of the region, and about the experience of other countries facing similar challenges.

Is it possible to say anything definite about the prospects for the future? Yes, in fact we can know a great deal about the shape of what lies ahead. It is no accident that Bangkokians speak Thai, not Mon, and that the residents of Saigon speak Vietnamese, not Khmer. The factors involved in the rise and fall of civilizations on the peninsula are known in general outline. The factors involved in the growth of liberal democracies, two-party systems, and strong economies have been extensively studied and are broadly known. Likewise it is generally known in what circumstances insurgencies and military dictatorship prosper.

By looking at the knowledge which has been accumulated on these subjects by those who have spent their careers studying them, we can do a lot better than the guesswork, speculation, and self-serving predictions which are circulating now.

To some extent we are dealing in the imponderables of human attitudes and behavior, but the fact is people make their future from day to day out of the materials history has bequeathed them. We can say with assurance that some futures are excluded by Thailand's history, and some futures favored. And further, that some futures will be even more favored if the people of today follow certain policies -- policies which may not be at all obvious in the understandable preoccupation with the crises of the instant.

Is there democracy in Thailand's future? And who will dominate the peninsula, if anyone? Is the kingdom destined to be swept aside by others, just as in its own time it triumphed over the Mon and the Khmer? It is too soon to know the exact answers to these questions, but we at least can know what questions to ask.

We should ask five major questions, the answers to which will determine the future of the kingdom. These questions are:

Can open democratic rule be maintained despite its spotty record since 1932?

Can the kingdom, for the first time, combine democracy with public authority?

Can pressures for social change, built up during preceding decades of auto-

cratic rule, be released without provoking a violent right-wing reaction?

In the present period of radical reorientation of power relations on the Indochinese Peninsula, can Thailand devise an economic development strategy which will maintain its links with the capitalist West, without dangerously exposing it to pressures from the communist East?

And finally, can Thai leaders respond constructively to the various rural rebellions, or will the kingdom, as many predict, become "another Vietnam"?

I will address each of these questions one by one in the following five parts.

ONE: WILL DEMOCRACY SURVIVE?

Will democracy continue in Thailand? By this we mean nothing more than the rule of law, and the openness of the political system to free competition of different social groups. Some would reject this as unessential to progress, even detrimental. In fact, this is the foremost question for a secure future, for a number of reasons.

First, the complexity and sophistication of the society and the economy have grown to the point where no closed group can maintain itself in power and gain the willing cooperation of others necessary to run the country successfully. Second, social tensions can only be released by the free play of forces in the arena of open politics; in the short run this principle can be ignored, but its consequences cannot be avoided in the long run. Third, it is an established principle of international relations that nations gain as much from exploiting the internal disunity of their enemies as by using their own strength. Unlike some countries surrounded by water, or by friends, Thailand cannot afford the luxury of a high level of domestic tension which can be exploited by those directly across its borders.

A number of factors in Thai history are favorable to the successful evolution of a democratic system that will permit the open resolution of conflict. For one, Thai society is relatively homogeneous ethnically and religiously. In fact the converse of this proposition proves Thailand's favored position compared to other countries such as Malaysia: in the two areas of powerful ethnic and religious minorities, the North and the South, democracy and openness are weakest; there matters are settled by the gun.

A second generally favorable factor is the sequence in which the kingdom is facing the three major challenges confronting every modernizing system: the role of religion; the incorporation of new groups into politics; and the distribution of national income. Where all three crises strike at once, democracy is known to have a dim prospect. Where they are less serious, or where they are tackled one by one, democracy is more promising.

For Thailand the first problem is not an issue at all: it was decided long ago by the incorporation of the Buddhist Church into the structure of the state itself. European countries fought their bitterest internal conflicts over the role of religion in the state, largely coming out on the side of the separation of the two. The important point is not the shape of the solution, but that a decisively accepted one is achieved before other crises hit.

Hence in the modern period there remain only the questions of political parti-

cipation, and the sharing of wealth and income. In principle the first was decided decades back to be universal suffrage, though there are still some groups whose allegiance to the principle is weak. (A military coup is a way some people have of saying that too many are participating in politics.) The second issue, of the distribution of wealth and income, is now of course a burning one here as everywhere. The fact that Thailand faces but one, or one and one-half, permits us to say that democracy has a chance here.

A third favorable factor is the melancholy fact that the present constitution was achieved only by violent domestic upheaval. Studies have shown statistically that the prospects for continued constitutional rule are much improved if the constitutional order comes about as the result of violence, rather than peacefully. Modern research thus confirms Thomas Jefferson's aphorism that the tree of liberty grows best when nourished by the blood of patriots.

Yet another favorable factor of incalculable importance is that there is no longer any powerful external actor which has a vested interest in suppressing Thai democracy. The Pentagon was in the past one of the major props of the military dictatorship in Thailand; the fact that the US appears no longer to care what happens in Thailand is all the better for the prospects for Thai democracy. For, it is certainly true that democracy had no future here as long as American officials found it threatening.

One important unfavorable element is the possibility of an external threat posed by the communist states to the East. Anti-democratic groups typically seize such threats as a pretext to suppress their opponents. Hence an important goal for those interested in the future of Thai democracy is to reduce tensions on the peninsula. Yet, this may be difficult since it is clear that anti-democratic forces in the country are pushing hard to keep tensions high with Laos and Vietnam.

In one other important respect history has dealt Thailand a bad hand: highly bureaucratized governments like Thailand's have typically had a much harder time achieving democracy than countries, like Sweden or England, where there was a vigorous feudal nobility. This is because in countries on the European feudal model, the idea of representation was incorporated in the very notion of "estates," and parts of the nobility could represent new social groups trying to achieve power against an entrenched royal bureaucracy.

Most dangerous of all is the situation Thailand was in until recently: centuries ago the royal power successfully defeated the nobility and incorporated them into the bureaucracy, while more recently the growing commercial classes allied themselves as junior partners in the military-bureaucratic coalition to squeeze the farmers (for example, via the rice export tax).

Where this particular economic and political coalition has held sway to the end, the result has been either fascism, as in Germany and Japan, or communism, as in Vietnam and China. Perhaps due to historical accident, Thailand has achieved a very narrow escape from such an unholy alliance of businessmen with the military and the bureaucracy, but it is important to realize that the continuation of democracy depends on the ultimate repudiation of such an alliance at some time in the future. Some element among the commercial or centrist groups must consciously seek to form an alliance with the farmers against the rightist military/bureaucratic axis. Hence the organization of vigorous farmers' groups is not just a technical matter to spur the prosperity of agriculture: it is essential to the future of democracy.

as well. Experience elsewhere in the Third World suggests the natural affinity of the commercial groups and the bureaucracy against everyone else: they prosper, but democracy dies, or is stillborn. An alliance of commercial groups with the farmers, on the other hand, provides the balance of social groups necessary for democracy.

We thus face two questions. First, will the civilian-affiliated conservative parties reach out to form an alliance with the farmers, expanding political participation in the countryside? If so, then there is a favorable prospect for democracy. On the other hand, if they restrict themselves to narrow maneuvering with the forces in the city, democracy has little future.

Second, when and if, perhaps some years hence, the civilian conservative parties form a governing alliance with the rural interests, will the military/bureaucratic parties (i.e. the successors to the old United Thai People's Party) permit them to take office? If so, then democracy will have passed a major milestone.

This is not an argument that military and bureaucratic interests are inherently anti-democratic, only that those who enjoy a monopoly of power, whether they be farmers, workers, intellectuals, or whoever, tend to cherish autocracy. In Thailand it has been a military/bureaucratic coalition which has recently enjoyed such a monopoly, and the question now is whether they will yield gracefully to its passing.

TWO: WILL THERE BE PUBLIC AUTHORITY?

Democracy is one thing; coherence and the capacity to make effective policy are another. During the next decade Thailand will face important challenges externally, due to the threat of hostile powers on her borders, and internally, from the need to make major reforms after the stagnation of four decades of autocracy. The capacity of the political system to respond to these challenges is thus the second most urgent question.

According to those opposed to present liberalizing trends, previous experiments with democratic rule were characterized by indiscipline, crime, breakdown of public authority, weakening of the kingdom vis-a-vis external powers, and an inability to pursue coherent developmental or foreign policies. Because Thai prefer compromise and avoid making difficult decisions, the critics maintain that the kingdom is incapable of democracy. Their recipe: paternalistic dictatorship, otherwise known as "guided democracy."

While their prescription is bad medicine, with more than its share of dangers and disadvantages, the critics do have a point. It is true that democracies, because of their need to consider the views of various publics, require more time to make decisions, and the resulting decisions are often less neat than bureaucrats would prefer. The solution to this problem is a party system in which voters return a sufficient majority to one party that it can govern according to the program of the constituency it represents.

Will Thailand develop such a system? If it will not be like the Thailand of yesterday, may it not instead become an Italy? With such a multiplicity of parties as presently exists, it will be impossible to get a mandate for reforms or to assign clear responsibility for the success or failure of government policies. While the kingdom has certainly gained in the last year from the increase in public support for policies, it has lost from the indiscipline of a 40-party system now struggling

to become a 60-party system. The result has indeed been a weakening of public authority, least-common-denominator policies, and a slipping of power back into the hands of the military and the bureaucracy.

The historical record is harder to read in this regard, but on balance it appears that Thailand is less favored for the evolution of a responsible party system than it is for democracy itself. This means one of two things: either Thailand will not have a responsible party system and it will have to get used to living without, or Thais will have to try harder to make up for history's failings.

For one thing, while there is an overall unity of race and religion, there are significant subcultural cleavages, for example in the Northeast and the South.

Certain parties now draw their strength largely from the Northeast and might thus be considered regional parties, and there has recently been talk of organizing a "southern" party. In countries where there are significant subcultural cleavages, like Canada, South Africa, Belgium, the Netherlands, Switzerland, and Lebanon, it has been impossible to achieve the classical two-party system.

The second major point is that a functioning two-party system is a historical rarity growing out of very special circumstances. There is no reason to expect it. Quite the contrary, there is every reason to expect what we have in Thailand now: disorder in the party system, or what physicists call "entropy." To escape entropy and achieve structure requires energy, and the law applies as well in politics as it does in physics. A two-party system is not going to happen by accident in Thailand, and people should realize that.

Historically one factor makes the emergence of a two-party system much easier, and that is acute polarization, with two sides only, in black and white, around some issue of paramount importance. England provides the classic example of this, and there the clearcut issue was the role of the monarch himself. The existence of representative institutions (parliament) and the rule of law were already guaranteed by England's feudal heritage. The question in the seventeenth century was thus who would be supreme: the king, and his friends, or elements of the nobility, and their friends. The polarization was so acute that there was a civil war. But out of this conflict, gradually, grew a tradition which has carried over into the present, even though one of the parties faded and was replaced by another.

Since the Siamese monarchy long ago triumphed over the nobility, this particular issue cannot be the one for here and now. But there are others, and the most likely one around which two clear tendencies could coalesce, so as to ease the birth of a responsible party system, is what is in fact the successor issue: the role of the military and the bureaucracy in the state. The problem with polarization is that there may be too much, or too little. What is needed is just enough so that the lines are clearly drawn, but not so much that the existing powers feel so threatened that they abort the whole effort.

Turkey's experience presents a model of one possible future for Thailand. In Turkey the polarizing issue in the emergence of a two-party system has been city versus countryside (in local terms, "Bangkok versus Thailand," as was seen in a newspaper headline a few months back). More precisely, it has been an alliance of large and middling farmers led by business groups and supported by most of the peasants, against the heirs of the former military/bureaucratic establishment.

If Thailand is to follow Turkey's example, a powerful opening to the farmers is essential. Adnan Menderes, the leader of the party which in 1950 triumphed by

pushing the farmer's cause, has been described as Turkey's "first ruler dramatically to place rural interests above urban, the first to respond to the peasant's material needs, the first to give them a rudimentary sense of citizenship." Significantly, too, the Turkish pattern resulting from a polarization around the city/countryside axis led to a major devolution of political power. The character of important political participants shifted from a national, westernized bureaucratic elite oriented toward the tutelary development of the country toward a provincial elite oriented more toward local and political advantage. Under the new system farmers, lawyers and merchants replaced military officers and civil servants as the dominant groups in the National Assembly.

Such a system evolved in Turkey only because of the conscious choice of political and military leaders to follow certain policies, and it can happen in Thailand only for the same reason. That would mean overcoming the present Thai mentality by which "parties," which are in fact largely factions centering on some personality or financier, each attempt to overcome their opponents of today by forming alliances with the opponents of yesterday. One possibility at present is indeed the continuation of a multi-party system with both personality parties and ideologically oriented parties representing for example workers, socialists, and farmers. But an alternative would be for some group determinedly to abandon theological purity and seek to form as large an electoral coalition as possible, bringing into one fold workers, farmers, and progressives. Somewhere in the political system interests must be aggregated and compromised. Experience indicates that it is better for stability if this takes place in a single all-embracing party, rather than in bargaining for seats in a coalition by parties oriented to different constituencies. Besides the inherent instability of the latter, it gives an unfair and unwarranted advantage to determined minorities to make or break governments, as has happened in Thailand in both 1975 (the collapse of the Seni government) and in 1976 (the collapse of the Kukrit government).

What are the prospects for such a development? At present, not good. The ideological leftist parties have shown the greatest ability to cooperate, reducing themselves from eight to two in number in 1975, but they have not been able to bring off a final merger into one. In the center and on the right, fragmentation is growing only worse and more threatening. It would, on the contrary, be a very promising development for the future of effective government if some group of centrist leaders were to see the benefit, both for themselves and the kingdom, of a broad electoral (not coalition) alliance, to preempt the appeal of the presently separate regional, leftist, labor and farmer's parties, perhaps polarized around the issue suggested by the Turkish experience. In time it may happen; there is no need to hurry things. The present constitution is, after all, scarcely eighteen months old. But it is a major development to watch for in the months and perhaps years ahead.

There is no reason why such a step might not be hastened by appropriate legislation. No electoral system is neutral. Studies have shown that the proportional representation system has its biases just as does the single-member constituency system. Thailand's present use of the latter already exerts a slight pressure toward consolidation of parties, and an enlargement of the size of voting units would do so even more, say making voting units on the basis of provinces rather than districts or combinations of districts. Legislation might also be introduced to provide for the elimination of parties which fail to gain a certain number of representatives in an election. Similarly, regulations might profitably be adopted to in-

crease signature or membership requirements for the registration of a new party.

Some may complain that this would be "undemocratic," in that it denies access to the political system. In fact this is not so. It merely encourages the aggregation of coalitions to take place -- and more stably, we might add -- within the parties themselves, rather than in a final stage of bargaining for a parliamentary coalition among disparate political groups.

The danger of efforts to reduce the number of parties is that it might reduce support among the public for the system as a whole. Thus, if the effort were too sudden, and not supplemented by a parallel effort of current party leaders to expand their appeal to incorporate those frozen out of direct representation by the new measures, there might be an alienation from parliamentary politics and an ever-present danger of sudden eruption of anti-parliamentary forces.

Moreover legislation to enforce, say, a three-or four-party system would damage stability, rather than help it, since a holdout party could extort enormous payoffs in exchange for adhering to one or another partner in a coalition. This is less likely now due to the fluidity provided by the multiplicity of smaller parties.

In brief, then, the prospects for a responsible two-party system are inherently much less favorable than are the prospects for a continuation of open parliamentary politics. Nonetheless a responsible party system could be achieved, an outcome which would greatly enhance the prospects for the continued independence and prosperity of the kingdom. Well-considered legislation might aid this evolution, but whether a responsible party system will be achieved depends ultimately on the vision, character, and foresight of individual party leaders. Considering that we are dealing with the fate of a nation, and that its fate must depend in the final analysis on the character of its leaders, this is only as it should be.

THREE: REFORM OR REACTION?

There is a widespread recognition in Thailand that internal reforms are necessary for the survival and prosperity of the kingdom. Indeed, the increasing urgency of such reforms was one of the reasons for the collapse of the military dictatorship in 1973, as leading members of the commercial oligarchy, long pillars of the dictatorship, withdrew their support due to the increasing obviousness of the fact that the military/bureaucratic coalition was running the country into the ground. Had there not been a defection from the coalition of this important faction, it is inconceivable that the students and their supporters in the public could have toppled the dictatorship alone. A previous split in the decades-old elite coalition was an essential precondition.

In the two and one-half years since, numerous reforms have been either started or accomplished, such measures as the disbanding of monopolies, the turning over of some government enterprises to the private sector, the reduction in the rice export tax and the attenuation of other anti-agriculture policies, legalization of labor unions, the redirection of foreign policy, and land reform.

However, this is just the urgent backlog. Most of the easy, and obvious, measures have been adopted already. What lie ahead are the more difficult, more tedious, and more controversial measures, requiring careful thought and deliberation, which would consummate the trend already so successfully started.

Two major and related issues are high on this agenda:

1. A thoroughgoing overhaul of the institutional structure of the agricultural sector, which is in many parts in a shambles due to endemic monopoly practices, inadequate rural education, and political constraints on farmer organization;

2. Dismantling the structure of control built up by the military/bureaucratic coalition over four decades to support itself unreasonably at the expense of the rest of the citizenry, and, as a side-effect, to hold back the progress of the nation.

Will such a series of reforming measures be permitted to go forth to completion? Or will it be sabotaged by an extremist reaction from those threatened by the complex of measures necessary for the modernization of the state? This is a real danger, and the outcome of this question is pregnant with implications for the future of the kingdom.

We are essentially speaking of polarization. It was suggested above that polarization may be healthy for the evolution of a responsible two-party system. This is so only if it is neither too much nor too little, and if it comes about under the leadership of centrist forces, not extremists. There are some obvious indicators which we can look at to see whether polarization is going to be of the right kind.

A powerful indication of the character of leadership -- extremist or centrist -- was provided by the general elections of a few days back. Some nations, under stress, fall apart, and as the sense of community evaporates, catastrophe ensues. Others, on the contrary, pull together under pressure.

Germany provides a good example of the former. The Weimar Republic of the 1920's was a fragile democratic experiment, which had the doubtful allegiance of Germany's own military/bureaucratic elites. The Weimar experiment survived the period of relative ease in the late 1920's, but when the worldwide depression hit, support for both the communists and the fascists went up, while the centrist position eroded. The military/bureaucratic coalition which was threatened by democracy rallied to the banner of reaction, and succeeded in postponing (not preventing) liberalizing trends. The rest is history.

The depression had a contrary effect on the United States, one of a pulling toward the center. The year 1932 brought about the election of a liberal president (an aristocratic millionaire, let it not be forgotten), who instituted a series of social and economic reforms which went on to consolidate, not destroy, the earlier sense of community.

What kind of society is Thailand, one that pulls together, or falls apart, under stress? The past year has been a period of atypical stress (though not as serious as 1974, after the oil crisis); we have seen continued inflation at higher than historical levels, unemployment due to the world economic slowdown, and pressures from neighboring communist countries. An expansion in extreme leftist and rightist representation over last year would be a clue that the kingdom is heading into a self-destructive spiral of polarization. On the other hand, a pulling toward the center would suggest that the Thai people have the innate capacity to respond constructively to stress.

What happened in the April 5 election? There was a decisive repudiation of the extremes. Socialist representation in the Assembly went from 9.3% to 1.1%, while parties with a rightwing and pro-violence pitch dropped from 1.1% to .4%.

Right-wing military parties also dropped from 40.1% to 36%. On the contrary the centrist parties increased their representation from 40.8 to 58.5% of the assembly. From this, I think certain things follow as suggested above.

Still, necessary reforms could be in for serious trouble in another way, for they could be blocked by a violent right-wing reaction. It is a sound rule of thumb that reforms on the law books are not enough. To get laws implemented it is necessary to have people actively pushing both inside and outside the government. Those who fear change may find it more expedient to smile agreement to new laws, then threaten or kill those who press for implementation.

That this threat is to be taken seriously is plain from the campaign of intimidation and murders that has gone on since 1973. We have the example of the killings, all unsolved, of farmer leaders in the North; the murder of student leader Amares; the recent bombing attack on the New Force party headquarters; personally delivered threats to socialist candidates in the Northeast; and the assassination of Dr. Boonsanong Punyodyana, secretary general of the Socialist Party of Thailand. This latter event was probably intended as a salutary lesson of what happens to those who speak too loudly, too long, and too publicly, about the need for social change.

Sadly, serious social change is invariably accompanied by violence, since those whom history is about to cast aside never leave quietly. Depressing as it is, the Thai must steel themselves to the fact that there are going to be more threats and more murders, before the agony is over. Powerful social forces are now grappling for the supreme prize: the state. Given the magnitude of the stakes, it is no wonder that some contestants do not cringe at murder.

Yet if violence is inevitable in practice, will it be sufficient to abort the trend toward reform? We would like to know whether the present spate of threats and murders is the opening salvo, or the last gasp, of those longing for a return to the past (impossible as that hope is). And, we would like to know whether recent violence is part of a grand conspiracy orchestrated from the top, or the work of isolated hooligans (including official hooligans) relying on the lethargy of their sympathizers in the police and, if necessary in case of apprehension, on the covert protection of senior government officials of like mind.

It is too soon now to hazard a guess as to the answer to the first question, but it should become apparent over the next year as democratization ceases to be a superficial innovation in the metropolis and starts to seep through the totality of the society. A rising curve of assassinations will be an ominous indicator.

As for the second question, there is the genuinely terrifying possibility that Thailand is now a real-life replay of the movie "Z." For those who haven't seen it, the film dramatizes an actual anti-socialist conspiracy in the mid-1960's directed by senior members of the Greek internal security apparatus, in tandem with right-wing vigilante movements much like Thailand's Nawaphol and Red Gaurs. (Greece had its "Soldiers of Christ the King"; Nawaphol consists of self-appointed defenders of "nation, religion and monarchy.")

There is, of course, the alternative possibility that Thailand is experiencing decentralized violence, on the model of the Argentine "death squads," in which off-duty soldiers and policemen spontaneously rub out undesirables. They are understandably reluctant to pursue themselves during work hours.

The implications of the two patterns are very different. In the former, powerful members of the elite are determined not to submit to reform, and they use violence rather than open politics to sabotage it. If such is the case in Thailand, they are probably unstoppable. If the latter, the violence will stop on its own in due course, and it can be stamped out even sooner (as it was for a time in Argentina) by determined leaders, including conservatives, who see rising social tensions as a threat to the whole edifice of rule.

We shall probably not have evidence of which it is, and a case can be made that it is better not to know. The cracking by an overzealous Greek prosecutor of a shocking case of murder of a socialist leader got Greece a fascist military coup, the prosecutor suspension from office, and a lot of other people a one-way ticket to the next world.

What is clear, though, is that Thailand's right-wing extremist movements enjoy, at the minimum, the passive support of very powerful figures in the kingdom, even if these figures are not orchestrating the violence. This is apparent from statements of certain senior government leaders, such as outgoing Deputy Prime Minister Major General (ret.) Pramarn Adireksarn, that progressive groups victimized by violence and intimidation may be staging such incidents themselves to gain sympathy from the public; and by the presence on active service, in fact right in the Internal Security Operations Command, of a senior colonel who is a public sympathizer and financial supporter of the Red Gaur vigilante movement.

In every army that I am familiar with, it is a prerogative of general officers to remove subordinates from their staffs without having to give reasons. Since General Saiyud Kerdphol, commander of ISOC and superior of the colonel in question, is known to be desperately unhappy with his embarrassing subordinate, yet doesn't dare to do a thing, the intelligent observer can only infer that the Red Gaurs, and their ranking supporter, enjoy the protection of one or more people powerful enough to intimidate four-star General Saiyud.

In brief, then, we have one tentative indication from the April 4 election that there has been a public rejection of extremism, and this is a good omen for the future. On the other hand, if ranking figures continue to pooh-pooh the significance of political violence, and fail to remove extremist financiers and supporters from sensitive internal security positions, this will suggest that they feel impregnablely powerful, with no need to hide their beliefs, and that there will not be the political will at senior levels to stamp out extremist violence welling up from the ranks -- if indeed it is only that.

FOUR: THE ECONOMIC BASE

Central to the future of the kingdom is the solidity of the economic base, from the viewpoint of both domestic productivity and foreign exchange earnings. This is not an economic issue; rather, it is a political issue to the core. There is much evidence that too narrow a conception of economic development in the past has been responsible for stunting and distorting the progress of the nation. In the past two years there has been improvement in the breadth of thinking among top levels of the government, but it is also regrettably apparent that many of the lessons from Thailand's past, and from the history of Southeast Asia, have yet fully to sink in.

What are these lessons? If we lift our gaze from such technical questions as incremental capital-output ratios, payback periods, and internal rates of return, and try instead to peer into the real reasons why civilizations have risen and fallen over the last two thousand years in Southeast Asia, several remarkable patterns emerge. It would be wise to keep these patterns in mind while analysing the kingdom's economic development strategy. While there is much to be said for riding with a fifty-year current, it doesn't make sense if one is thereby drowned in a thousand-year tide. Many civilizations have drowned in these tides, and we would like to know whether Thailand is going to be the next one. The indicators are not hard to find.

The first remarkable pattern is that most or all of the great maritime and trading civilizations of Southeast Asia's past -- of Funan, of Sri Vijaya, of the Cham -- have collapsed or been wiped out. (Malacca may be an exception; what happened and why is a more complicated problem.) This is in spite of the magnificence of their cultural level and of the wealth of the cities they were able to develop. We know, for example, from Chinese dynastic histories that in Funan in its heyday, "the rich decked themselves with gold and silver jewelry and wore rich brocades. The king lived in a richly constructed palace and travelled on the back of an elephant." Funanese buildings were of wood, so we know little of their architecture, but the stone structures of the Cham in present-day central Vietnam alert us to the brilliance of the cities of that civilization. Yet in the end, the wealth of their cities and the intellectual accomplishments of their urban leaders came to nought.

Why? Who, or what, destroyed them?

Here another pattern emerges: they were overtaken by civilizations based on settled agriculture at a higher technological level, and with (at least as far as the data goes) a greater vitality and resiliency to their local village communities.

This is clear from the Vietnamese triumph over the Cham. Skilled voyagers on the sea but semi-nomads on land, the Cham were displaced not by Vietnamese armies, but by the steady advance of Vietnamese paramilitary settlers. These farmers could turn themselves into soldiers at whatever moment was necessary to protect newly settled communities from the former Cham residents, and they got the economic wherewithal to do this from a more advanced agriculture than that used by the Cham, one that relied on a relatively advanced irrigation system and a complex pattern of village cooperation supported by other institutions at higher levels of government. It worked, brilliantly. It was based on a vital agricultural technology, and powerful and internally self-governing local communities. (The ancient Vietnamese adage "The emperor's writ stops at the village border" epitomizes this point.)

We know less about Khmer local community structures (the Khmer too bit the dust, a point we shall get to presently), but their superior agricultural technology and the powerful military machine it permitted have been well-researched and documented. Khmer cultural borrowings from India probably contributed to the rise of Angkorian civilization (we suppose Vietnamese borrowings from China were also significant in this regard), but most crucial was an amazing rice technology using the enormous irrigation works still visible in central Cambodia -- that is to say, an enormous investment in agriculture. When combined with the wisdom of such leaders as Indravarman I and Yasovarman I, the coherence of elites in the capital, and a balance between the demands of these elites and the needs of the rural communities, an invincible military machine arose which spread Khmer influence over

virtually the entire peninsula.

The lesson is thus that while in the past some peninsular civilizations thrived because of bustling trade, powerful external linkages, and glamorous capitals, others survived because of the prosperity of their agriculture and the sturdiness, resiliency and reliability of their village hinterlands, not their capitals. Weak, exploited, disorganized agricultural hinterlands have invariably led to the collapse of the most brilliant urban centers.

There is yet a third major pattern which in turn accounts for the decline even of these technologically and organizationally superior civilizations. Typically they started out by developing the supporting agricultural infrastructure, with a comparatively egalitarian value system and a balance of demands between the city and the countryside. Following the rise of a powerful state, there was an increase in the economic exploitation of the hinterland either for war, or for luxury consumption in the capital. At the same time the political and cultural balance shifted ever more against the rural people too. Finally there was collapse as the village economy was overloaded with demands from the capital, as the increasingly inegalitarian social structure drove more and more rural people into apathy or opposition, and, finally, as external enemies sensed rot and moved in for the kill.

It was this cycle which tore Vietnam apart in the twentieth century and which, in a different form, led to the collapse of Khmer power in the fifteenth. Ironically, it was the Thai themselves who administered the coup de grace to the Khmer. In their invasions of 1369 and 1389, and in the final great attack of 1444, Thai attackers destroyed the workings of the intricate hydraulic system on which Khmer power depended. Abandonment of Angkor was the inevitable consequence, and the centuries since have seen only an increasing movement of Cambodia toward cipheldom in regional politics.

Has the Kingdom of Thailand escaped the workings of this cycle? Has Heaven passed new laws for regional politics since the Thai triumph over the Khmer? We might as well ask whether the sun still rises in the East. Scholars have carefully recorded the shift in the Thai value system since the fifteenth century toward increasing hierarchy and rank, and other observers, ranging from Pallegoix in the seventeenth century to Quaritch-Wales and Rockefeller Foundation economists in the present, have recorded the rising curve of exploitation of the countryside to serve the luxury of Thai capitals at Ayuthaya, Thon Buri, and Bangkok. The cycle indeed continues.

No doubt the Thai Cabinet and National Economic and Social Development Board would view such quaint observations on events of long ago as very far removed from the kind of economic planning they are doing for the kingdom's future. Should they be? Only at great risk.

As Thai leaders look back over the past century they see, they tell us, a consistently powerful surplus of rice for export, which has earned the kingdom enormous quantities of foreign exchange over these hundred or more years. Over the last ten to fifteen years they see impressive growth rates in the domestic economy. And, looking at the Bank of Thailand's accounts, they see a foreign exchange position which would be the envy of many countries in the world.

So much is true, but as I wrote in my last letter, there are important qualifications which seem not to be appreciated. Thailand is indeed the third largest

rice exporter in the world, and it exports the largest percentage of its rice crop of any major rice-staple exporter. But it does this not because it is so good at producing rice. Quite the contrary, Thailand has the lowest yields of all the major rice exporters. It is able to export rice despite the primitive state of its agriculture for only two reasons: First, due to the arrival of political stability so late in peninsular Southeast Asia, population growth got off to a late start, and as a result the ecological carrying capacity of the Chao Phraya Basin is higher than its present population. Second, ancient Siam had a closed political system which permitted elites in the capital to squeeze the countryside to get the rice from the farmers. Note that neither of these factors has anything to do with the wisdom of the economic development strategy of the kingdom: both are anomalies which are reversing themselves right now.

The impressive domestic growth rates over the past decade are similarly the result of a historical accident: the Vietnam War. Thailand's strategic location near Vietnam permitted it to earn roughly two billion dollars in "base rents" and, with the firming up of the relationship with the US, private foreign investment arrived in increasing amounts. This third historical accident responsible for the kingdom's impressive economic performance is now reversing itself too, and with it the highly unusual balance of payments position.

How does this translate into indicators for us to look at? For one thing, continued survival and prosperity demands a quantum leap in the resources and attention devoted to agriculture, and this might well have to be at the expense of some industrial development plans. In the past year or more there has indeed been a shift of focus to agriculture, but it is thus far tenuous and focussed as much on transfers of wealth to buy political peace as on serious thinking about productive investment.

The kingdom's agriculture is irrevocably rice culture and, as a classic study by S. C. Hsieh and Vernon Ruttan shows, rice culture in Thailand (unlike in Taiwan or Japan) can because of its peculiar ecological domain only advance on the basis of major national irrigation programs. Thailand's irrigation infrastructure is one of the poorest in the region, but not for lack of suggestions to improve it. Major investments in irrigation have been postponed and postponed for almost a century.

The presumptive rationale for this has been that rates of return are higher in other investments that the kingdom could make with its limited investible resources. In past years this was import-substitution industry, a strategy now changed to export-promotion industrialization.

There are real questions about this strategy in the short run, because of the problematical outcome of a competition between Thai factory workers and those of Seoul, Hong Kong, Singapore, or Tokyo. But however this strategy may turn out in the short run, it is a sure loser in the long run, because of the hinterland principle. Consequently, an economic development strategy for national survival would place the modernization of agriculture first, even if putative rates of return are lower. This has not happened yet, and until it does, the long-run prospects are plainly equivocal.

Furthermore, and even more significantly, the resilience and vitality of local communities is going to have to undergo a quantum leap as well. This is a sophisticated problem at the intersection of politics, economics and sociology, to which

there are answers but no quick and easy ones. Successive governments have been fidgeting without serious results for more than ten years with the structure of rural government, and important recommendations made by the United Nations for institutional changes in the hilltribe areas (from 1966 and 1967) have probably not even been read by current government leaders, much less implemented. It is clear that the patterns necessary for survival are not going to evolve spontaneously, as they did over centuries in Vietnamese culture. It is equally clear that they are not going to happen by design unless the problem takes its place on the list of urgent issues considered by the Cabinet.

FIVE: ANOTHER VIETNAM?

Perhaps surprisingly, it is easier to predict what lies ten years ahead in a country's future than to know what is going to happen tomorrow. The reason for this is not actually hard to understand. Tomorrow's events grow from thousands of ephemera of yesterday and today, about which we know little, while the broad shape of the future evolves slowly yet solidly out of known patterns stretching far back into history. Nowhere is this principle more applicable than in the question of the pace of the various rural insurgencies. While we may not be able to predict where the next police jeep will be ambushed, we can have a fairly good idea down which road present trends are taking the entire kingdom.

A recurring nightmare these days of both foreign investors and local VIPs is that some years hence they may be kicking each other in the face in a desperate struggle to board the final evacuation helicopters lifting off from Bangkok. Will these nightmares -- in fact the scenes from downtown Saigon on April 30, 1975 -- come to pass in Thailand?

The record of the past indicates strongly that such scenes will never occur in Bangkok, that there will always, as far ahead as we can see, be a secure heartland in the Central Plain, where free-enterprise and pro-Western Thai leaders much like those of today will hold sway. Present trends are also equally compelling in their suggestion that this less-than-apocalyptic outcome will be bought at the price of a lingering death on the periphery of the kingdom.

A look at the history of peninsular Southeast Asia reveals that there has been a progressive reduction in the number of significant independent actors, and a long-run increase in the concentration of power in a smaller and smaller number of powers. This should come as no surprise, for it is the counterpart of a larger process taking place in the world as a whole. The passing centuries have seen the decline, through conquest, absorption, or suicide, of the powerful kingdoms of the Cham, the Mon, the Khmer, the Lao, and the Burmese. The eliminations are over in determining which are the most vital civilizations on the peninsula, and the finals are about to start. The finalists are Thailand and Vietnam.

In this long history of the conflict of civilizations, the present insurgencies on the periphery of the kingdom are but an instant, replicating patterns of the past. That is to say, though today's propaganda labels may pit "atheistic communism" against the "free world," in fact the struggle is simply a contemporary variant of the established principle of peninsular competition that the power of a stronger state will ultimately only prevail against a competitor weakened by internal division. Thus Thailand itself, in the centuries after the fall of Angkor, worked its will in Cambodia by exploiting factionalism among the Cambodian elites and tumult in the countryside.

For reasons of domestic economic structure, international trade patterns, and the intellectual and educational orientations of its leaders, Thailand must and inevitably will continue its economic, diplomatic and cultural stance favoring the West. If for this reason alone, there will be strain in relations with Vietnam, which has taken a different path. This will be on top of the strain resulting from the competition of civilizations, which neither side chose but which neither can walk away from. There is no walking away from this game, only playing it more or less sensibly and humanely. (The Burmese have tried to walk away from it, with predictable results.)

Given that even the deftest diplomatic strategy will leave a degree of external strain, prudence dictates that Thailand must reduce the internal strain which a clever competitor, following patterns centuries old, has been using and will continue to use to advance its own purposes. Will prudence reign? This prognosis also must be equivocal based on present performance.

The issues involved in the various insurgencies in North and Northeast Thailand adjacent to Vietnam are well known and bear only the briefest repetition here. Despite protestations to the contrary from certain quarters, they have nothing to do with the inadequacy of suppressive forces or a shortage of modern weapons or equipment. The motivating factors are economic policies which strongly discriminate against these regions and their peoples, and a Bangkok-dominated political system which runs these areas like conquered provinces. It is no surprise, then, that some of the hill tribes are in revolt: it is only what one would predict on the basis of the earlier experience of Laos and Vietnam.

A reduction in internal tension thus demands a redirection of the economic flows in the kingdom towards the countryside. There have been first steps in this direction in the past two years. But economic reforms alone will be insufficient: they must be accompanied by parallel measures to redress the imbalance of power between the city and the countryside, and between administrative and elective officials. Otherwise the result will only be to increase cynicism and alienation.

There has yet to be movement on this paramount issue. When and if there is, we shall assuredly know of it, because it will involve major changes in the structure of rule in the rural areas, and in policies toward ethnic minorities.

With such economic and political changes we can say with assurance that the kingdom would be able to survive the level of residual tension inherent in the present polarization on the peninsula, even to thrive on it, because the measures to reduce internal tensions are also ones that would enhance the productivity of agriculture and the quality of life in the rural areas.

But in default of such measures, what? There is a certain view that an alternative to internal reform is befriending Russia and China, then trading on that friendship to persuade Russia and China to lean on Vietnam to stop its exploitation of Thailand's internal troubles. This is a vain hope. Russia and China betrayed Vietnam at the Geneva Conference of 1954, by pressing the communist leaders into an unfavorable settlement, and since then their leverage has been minimal. Even at the height of the Vietnam War, these two communist giants could not effectively pressure North Vietnam despite its total dependence on Russia and China. So in respect to Thailand, Vietnam can be expected to do what it wants.

If Thai elites do not, through the wisdom of their policies, place a limit on what Vietnam can do, what will Vietnam want to do? What is the "worst case" prospect?

For one thing, there is not going to be any invasion by foreign divisions hurtling across Thai borders. It stands to reason that an army trained by the Americans for twenty-five years to defeat that threat will not, despite the heroism of individual soldiers, count for much in the struggle that lies ahead. Worse, it is going to eat up the national budget and, like the ARVN before it, do a lot of things to aggravate local problems simply by following field manuals written in the USA for a different kind of war.

For another, there will be no red flag flying over Government House in Bangkok. The dynamics of Thai history, the strength and relative coherence of Thai elites, and their ties to the countryside, will prevent such an outcome, even if Vietnam were to want it. But Vietnam probably doesn't want it, or at least doesn't need it, to achieve its goal of dominating the peninsula.

What Vietnam does need, and all it needs, is a relative weakening of Thailand by the truncation of its peripheral regions from the Central Plain. The ideal scenario for Vietnam, and the one likeliest in default of the political and economic reforms noted above, is the lopping off of the periphery from the heartland: the North denied by a growing tribal revolt under communist auspices, and threatening or even blockading the Thai-populated upland valleys; the Northeast containing ever-larger "liberated areas" of the type already in existence; the South, in flames through the cooperation of certain Middle Eastern powers and blockading the road and rail links to Malaysia and Singapore; and finally the heartland of the Central Plain, with its international prestige and regional influence ruined by domestic turmoil, and with a bloated conventional army vainly gobbling a shrinking domestic income which could otherwise be devoted to domestic economic development.

No, Thailand will not become "another Vietnam." It may become another Laos in its terminal phase, or another Burma, or another Italy. Whether it will become a Laos, or a Burma, or an Italy, depends on the answers to our previous questions. Will democracy continue? Without it, the openness necessary for a reduction of internal tensions will not exist. Will a responsible party system emerge? Necessary reforms will, in the short run, help some people and hurt others, though in the long run all will benefit. It is unlikely that such reforms can be carried out against entrenched interests in the capital, without strong public authority relying on the solid backing of public opinion.

Or will reforms be sabotaged by an extremist reaction longing for a past that can no longer be? If so, the loftiest legislation will come to nothing. And will the economic wherewithal continue to be available? A sharp falloff in economic performance would raise domestic tensions, and force choices which would make the accomplishment of other reforms all the more difficult.

What, then, will Thailand become? We are not dealing with impenetrable mysteries. The broad shape of the kingdom's challenges is clear enough. The problems are understood, the answers are known. We observers know what to look at over the coming months and years to infer what road the kingdom is taking, and by the same token, Thai leaders know what to do to get one kind of future and to avert another. At this point it is not a question of fate, only of will, and of wisdom.

Received in New York on April 22, 1976

INSTITUTE OF CURRENT WORLD AFFAIRS

One of the functions of this Institute is an effort to be helpful to Fellows as they begin to think about post-fellowship employment. In this spirit, as Jeffrey Race approaches the end of his term, I attach a memorandum by him to which you may wish to respond.

R.H. Nolte
August, 1976

535 Fifth Avenue, New York, N.Y. 10017