

# Thailand Reform:

# Restructuring Power, Empowering Citizens

#### To cite this article:

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#### Why Thailand Reform?

hailand is facing many complex challenges. However, the most important challenge is long-neglected social inequality and injustice.

Inequality and injustice are diseases which undermine the potentials of individuals and societies, taking away energy to move forward. Afflicted societies and all their related parts lose balance and, like a sick body, cannot properly function to their fullest potential. If left untreated, society can deteriorate to the point of no return.

There have been several attempts in the past to solve problems of inequality and injustice in Thai society but they always have failed to yield lasting results. Some problems were temporarily solved, but again returned later--sometimes even worse in severity than the time before. The reason for this reoccurrence is that the "solutions" were made in the framework of centralised power through a government structure while the certain structures that lead to inequality and injustice were not sufficiently addressed. In addition, affected communities and populations did not have opportunity to take part in finding the solution, leaving the root causes of the challenges intact. As a result, inequality and injustice continues to increase, widening the gaps between Thais.

These ripe conditions of "social pathology" today are in need of remedy in order to rebalance Thai society and allow all parts of this society to function to full capacity and in coordination, just like a healthy body.

It is high time for Thailand Reform!

#### Inequality in Thai Society

Differences exist in all societies because each person is born with different attributes like the differences in the five digits on one's hand. However, being different does not mean being unequal. Differences will not become serious social problems unless affected by external factors. These factors can come in many shapes and forms but the most important is the power structure in a society which permits unequal rights and opportunities to access essential resources.

The socially-caused inequality in rights and opportunities is called by academics "inequality in power relations". In a society with such inequality in power relations some people or groups have more rights and opportunities to access essential resources than others, leading to inequality and injustice in many aspects of social life. This can be seen concretely in five areas: income, rights, opportunity, power and dignity.

Table 1: Inequality in Thailand

Aspects of inequality	Evidence
Assets and income	The richest 20% owns 69% of the country's assets whilst the poorest 20% owns only 1%.  In 2010, there were 70,181 savings bank accounts with more than 10 million baht belonging to around 35, 000 owners. The combined amount of money totaled 2.9 quadrillion baht or 40% of all savings. On the other hand, there were 70.1 million accounts with less than 50, 000 baht. The combined amount of money totaled 300 billion baht or 4% of all savings.  In 2010, five hundred Thais who owned most stocks in the stock market came from only 200 wealthy families.  Rayong Province has the highest GDP per head at 1,035,536 baht per year while Si Saket has the lowest at 29,174 baht per year.
Land •	In 2004, 889, 022 agricultural households did not have land. 517, 263 had insufficient land to make a living. 822,379 households had land but no deeds. On the other hand, 30% of land holdings belonged to rich people who left them unutilised or insufficiently utilised.  In 2010, 580 senators and MP's had a total land holding of 69,942 <i>rais</i> or 120 <i>rais</i> each on average (2.5 rai = 1 acre)  A study of land holdings in eight provinces in 2008 found that in four provinces the 50 top land owners held together more than 10% of all the land in the province.
Water and energy •	In 2009, there were 131 million <i>rais</i> of arable land. Out of this total amount, 36 million <i>rais</i> (27%) received water from irrigation- 17 million <i>rais</i> in the Central Region, 9 million <i>rais</i> in the Northern region, 6 million <i>rais</i> in the Northeastern Region and 4 million <i>rais</i> in the Southern region.  Floods management measures divert water away from and protecting Bangkok and the industrial estates whilst leaving outlying areas and rural agricultural land underwater, as often seen in big floods over the last 5 to 6 years. These measures are unequal and unfair and a violation of the rights of those inundated.  In 2006, three large department stores in Bangkok (Siam Paragon, Ma Boon Khrong and Central World) consumed 279 million units of electricity, more than quadruple that used by the province of Mae Hong Son for the entire year (65 million units).
Marine and • coastal resources	In 2009, the amount of marine animals caught in trawl nets averaged 23 kilogrammes per hour compared with 132 kilogramems per hour in 1966. 91% of animals were caught by commercial vessels which account for 12% of all vessels whilst the 6, 000 households in the fishing communities caught only 9%
Development • budgets	Fifteen provinces with the highest Human Achievement Index received the most investment budget per capita (7,509.52 baht) whilste the bottom 18 provinces received the least investment budget (2,796.30 baht). To reduce inequality the opposite should be the case (Data from 2008).

Social inequality leaves those at the bottom rung of a social ladder with little power of self-determination whilst those at the top rung not only can determine their own lives but also can determine the lives of those below them.

Studies conducted in many countries over the past decades show that inequality (especially

in income) is significantly correlated with important health and social indicators. Conclusions consistently show that a society with large income inequality will have high rates of health and social problems such as physical and mental morbidities, obesity, teenage mothers, low academic achievements among children, violence, crime and incar

Table 1: Inequality in Thailand

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Aspects of inequality	Evidence	
Access to bank loans	<ul> <li>Almost three quarters of loans lent out by commercial banks concentrate in the industrial and service sectors in Bangkok and its peripheral areas whilst the agricultural sector in rural areas, which employs 38% of the workforce, receives only 1%. This widens the gaps between sectors.</li> </ul>	
Business competitiveness	<ul> <li>Over the past 30 years, the 20 biggest companies registered in the stock market had together more than 70% of total stock values in 2010. These 20 companies are subsidiaries of the same company or belong to the same group, thus holding high competitive advantages.</li> <li>The biggest companies in the stock market are often those with connection to government policies such as banking, telecommunication, construction and state enterprise semi-monopolies.</li> </ul>	
Education	<ul> <li>In 2006, the government's budget for university-level education averaged 30,150 baht per student per year but 13,397, 15,793 and 17,295 baht for kindergarten, primary and secondary schools respectively. The emphasis on university level favours students from richer families as they have more opportunities to reach university level, thus widening the gap between rich and poor.</li> <li>The richest 10% receives twice as much government budget per head than the poorest 10% at all educational levels.</li> <li>Only 0.7% of the population in Roi-et Province are uneducated while the proportion is as high as 37.5% in Mae Hong Son Province, despite the government's policy to provide free education to all at basic levels.</li> </ul>	
Labour	<ul> <li>Wages have barely increased when compared to rising productivity. Between 2000 and 2008, real wages (adjusted for inflation) increased only by 5 points whilst productivity increased by 22 points, that is 4.4 times the increase in real wages. On average, productivity rose by 2.75 points per year whilst real wages increased by only 0.625 points.</li> </ul>	
Health	<ul> <li>The population to doctor ratio and the population to hospital bed ratios in the Northeastern Region are six and four times higher than those in Bangkok respectively</li> <li>In Nakhon Panom province one doctor takes care of 9,537 people on average whilst in Nakhon Nayok province one doctor takes care of only 762 people, a 13 folds difference.</li> </ul>	

ceration. It is not wrong to say that inequality is a kind of disease.

Inequality can be clearly seen in Thai society in the context of the access to and management of four essential resources, namely: economic, natural, social and political resources.

Data given in Table 1 is sufficient to show that Thailand is facing a social inequality crisis. Such inequality is a disease which undermines potential of the population and directly effects the country's sustainable development.

Thailand Reform must begin by identifying the causes of inequality and then aim at changing them.

Table 1: Inequality in Thailand

Aspects of inequality	Evidence
Health	<ul> <li>In 2007, 24.1% of babies were born in Tak province with lower than average birth weights. Only 8% in Satoon province fell under this categorisation.</li> <li>In 2010, the welfare system for civil servants and families (5 million beneficiaries) spent 12,000 baht per head on average whilst the universal health care scheme (48 million beneficiaries) spent 1,958 baht per head. In addition, non-government employees in the Social Security System have to pay contributions at a rate of 1.5% of monthly salary. The amounts paid by the government for healthcare per head vary greatly. The Social Security group, unlike the other two groups, is at greatest disadvantage as they need to make contributions out of their own salary for their healthcare.</li> </ul>
Justice system	<ul> <li>There are approximately 240,000 inmates across the country. More than 90% are poor people. The claim that poor people tend to break the law more often is less credible than the claim that poor people and rich people have different capabilities to escape the hand of the law.</li> <li>Out of all inmates, approximately 50,000 people have been incarcerated before their cases reached final verdicts, most of whom are poor people without money to bail themselves. The rest of the inmates are those whose cases have reached the final verdicts but were imprisoned in lieu of fines per court decisions because they had no money.</li> <li>In 2010, 500 people stood accused in 131 cases in relation to land, forestry and public land. Out of these, 38 were prosecuted under Article 97 of the Enhancement and Conservation of Environmental Quality Act BE 2535 (1992)- better known as "Global Warming" cases. If the court fines against them, these poor villagers will have to pay 32,841,608 baht in damages. In contrast, many factories release pollutants and many investors are engaged in deforestation of reserve forests to grow "economic plants" and contribute to global warming with impunity. This is an example of double standards in the justice system.</li> </ul>

Source: Sarinee Achavanuntakul, 2011. Decharat Sukkamnoed and Supannee Sarinkharn, Lopsided Thailand (no date).



#### **Centralised Power Structure:** The Root Cause of Inequality

Power inequality leads to social inequality in many aspects and doesn't exist in a vacuum but is supported by many formal and informal structures. Most important among these structures is the centralised power structure of the Thai state.

Centralised power means that anything to do with the management of social affairs lies in the hands of the central government including policy setting, budgets and administration through its ministries and departments. Within this system, each department has its own responsibility according to its mandate. However, all departments share one characteristic, a top-down nature of the way they function. Each department therefore stands alone in the country's administration with little relationship to others.

Centralisation has a long history in Thailand since the era of absolute monarchy when all the administrative and executive power was centered on the monarchy, despite some attempts to decentralise in the same way as in a civilised nation. Even after the 1932 revolution which ended absolute monarchy, there was no concrete policy to decentralise power to allow self-governing by local communities (see Box 1).

Under the present system, the central government is the center of the power to administer and manage all economic and social developments. It has lines of administrative command to the regions and communities through local administrative organisations such as Tambon Administrative Organisations, Municipalities, Provincial Administrative Organisations, the Bangkok Metropolitan Administration, and the Pattaya Administration but these all depend directly on the government through the various ministerial departments while the local communities and populations possess no power. The only form of democracy is indirect or representative democracy where the people elect their representatives but are allowed little participation when it comes to important matters that have direct impacts on them and their communities.

Indeed, centralisation greatly benefited the country in the early days as it ensured unity and helped the country escape the jaw of colonialism. It also helped the country maintain its identity through modernisation periods. However, as the world continued to change, centralisation without people's participation was not only unbeneficial but in fact detrimental to social progress.

It is apparent today that the communities and populations affected by central government's policies are not allowed participation in the

### **Revolution Attempts Before 1932**

Before the 1932 revolution, there were attempts to turn the country from an absolute monarchy to a democracy since the reign of King Rama V.

- 1. The 1884 letter asking King Rama V for a Constitution. Led by Prince Pritsadang (1851-1934), the nobilities and civil servants at the Royal Thai Embassies in London and Paris signed a letter requesting King Rama V to turn the country into a Constitutional monarchy with an elected parliament and government. However, the King rejected the request, judging that the country was not yet ready for such a system. After this, the prince lost favour of the King and stayed in self-exile for many years. He was ordained as a monk and became the abbot of the first Thai temple in Colombo, Sri Lanka between 1905 and 1910.
- 2. Thianwan's democratic ideology. Thianwan Wannapho (1842-1915) was a progressive thinker, writer and journalist. Written under pseudonym "Tor Wor Sor Wannapho", his articles and books criticising the current form of administration prompted King Rama V to issue responses. His essay entitled "Dreaming with open eyes" mentioned "[establishment] of a Parliament, allowing the Chief Representative to advise the government both on the merits and demerits within specified time. In my dream, first there will be voting to select those with intelligence, and assign them to all the ministries until things are in order." Thianwan was later imprisoned for 17 years.
- 3. The failed 1911 rebellion by 100 military officers, most from the army, who plotted to turn the country into a democracy like other "civilised nations". The plan was leaked and all were arrested on February 27<sup>th</sup> 1911. Three of these persons, including the 28-year-old leader Captain Leng Sichan, were sentenced to death, twenty to life imprisonment, and the rest with prison terms. However, all were later pardoned and released.

The 1932 revolution should have been the best opportunity to decentralise power to the localities. In reality, little has changed in the power structure until today. Although the center of the power is no longer the monarchy, power still concentrates in the central government and is exercised through various ministries and departments without decentralisation to concretely allow local communities to govern themselves.



Source: http://th.wikipedia.org/wiki/ความเคลื่อนใหวสู่การเปลี่ยนแปลงการปกครองสยาม Retrieved on January 26, 2013

administration of public affairs as they should. In addition, centralisation stands to benefit those who are connected to the center of power such as politicians, civil servants and capitalists more than most of the people who are not as well connected. Centralisation systems allow those with power more rights and opportunities to access essential resources than those in the lower rung of power structure leading to abuse of power and economic and social inequality and injustice as seen in Thailand today.

In addition, centralisation also leads to extreme inequality between the capital and other big cities on the one hand and rural villages on the other thus stunting the opportunity and potential of local communities and populations to self-govern. In the long run, centralisation renders local communities and their populations passive recipients of government care even when the government policies fail them.

This system leaves local communities too weak to solve their own problems and dependent on government mechanisms. However, government agencies are in reality distant and unreliable due to resource limitations and lack of thorough understanding of local problems. As a result, problems are left chronically unsolved and become increasingly serious over time. Some problems lead to protests which become too hot for the government to handle. Other problems are politicised, exacerbating the challenges yet further.

Overall, centralisation weakens communities as well as the State as communities cannot take care of their own affairs whilst the State cannot efficiently solve problems for the population. When faced with multinationals in the globalised context, the State can barely protect national interests.

This power structure, where Bangkok leads local communities, is also an impediment to democracy as it makes difficult the participation, monitoring and control of the State by the people.

As government power is strong, the people's power becomes weak.

In today's borderless world, centralised government is becoming increasingly outdated and detrimental to the country as a whole (see Box 2). It stalls-or, some say, even sets back-the country's development, while other countries pull ahead.

Centralisation has become a "culture" that exists in all areas of society, not just in administration and public policy-making. It is present in almost all circles at every social level, infiltrating the way that Thai people think and solve problems. Whether relating to project planning, organisation structure or solution strategies, centralisation is almost always obeyed even though it has become a low-efficiency approach in today's world.

As Thailand has long been dominated by a centralised culture, Thailand Reform cannot happen if there's no change in the power structure. One solution to centralization is devolution of power from the central government to local communities and populations. While centralised power may strengthen the government, it weakens the people-an undesirable reality.

#### **Decentralisation Is a Must**

Professor Prawet Wasi astutely analysed Thai society today as a stupa with a strong top but weak foundation. Like such a stupa, Thai society is unstable and likely to topple because the top (i.e. the central government) is powerful while the foundation (i.e. local communities and people) are weak and faced with many challenges that they cannot solve by themselves. The crisis of inequality we face today is a clear sign that Thai society is weak and unstable.

In the past, local communities had selfgoverning capabilities and self-sufficiency. A study of Thailand's pre-capitalist village communities by





Over a century of centralisation has caused at least six serious challenges to Thai society by:

- 1. Weakening local societies so that they can no longer manage their own affairs as all power is concentrated in the central government. Communities that should be able to manage most of their own affairs are incapacitated and rely on central mechanisms such as the Cabinet, ministries and departments.
- 2. Creating conflicts between centralised power and local culture. Local culture is important as it is a way

of life of the people in the locality that is diverse and unique in each locality. The population is content when allowed to live their lives in their own way. However, the central power often wants all populations to live the same way leading to conflicts and sometimes violence, as seen in the three Deep South provinces of Thailand. In fact, there are other forms of conflicts which cannot be solved by centralised power.

- 3. Weakening the State because of its emphasis on power rather than knowledge. This makes the Thai State unable to solve problems such as poverty, environmental degradation or violence. The Thai State is in a state of failure.
- 4. Nourishing corruption because the more power concentration, the more corruption. As an example, Switzerland was full of corruption a hundred years ago when the country was centralised. However, after decentralisation and direct participation in administration of the people and organisations, corruption disappeared. Centralisation is the source of corruption. To solve corruption problems, it is necessary to decentralise.
- 5. Undermining politics. In a centralised society, political winners take all. Some people therefore make investments in politics and the political battles become increasingly intensified, turning to monetocracy. Other means such as violence are also used to win power in order to dominate the country. However, if power is decentralised, such winner-takes-all politics is not possible. Those who enter politics will do so for the service of the country.
- 6. Facilitating coup d'état. As power is centralized, it takes only a few hundred soldiers to take over the country. If the power is decentralised, like in India, it will not be possible to conduct coup d'états in this way. It is easy to make a coup in Thailand because the target is centralised.

Centralisation is the country's structural challenge that few people think about in Thai society. Most are concerned with individualistic aspects such as teaching people to "do good". Structural problems, however, are more difficult to understand and solve such that most people don't consider them.

Source: 1) Interview with Dr Prawet Wasi (January 17, 2013)

2) Dr. Prawet Wasi, Thesaphiwat (Publication date unknown)

Professor Dr. Chattip Natsupha portrays a clear picture that before the central government intruded to "organise" all aspects of life, local communities had the power and freedom to manage their own affairs including administration, profession, peace and order, health, culture, religion, knowledge, conflict management and justice. Local communities were once self-reliant and strong. But once the central authority wrested away this power, these communities started to lose balance and self-reliance despite plenty of resources and social capital to build their strength on.

As such, a serious Thailand Reform must involve loosening the grip of Bangkok's power and unleashing the power of local communities to selfgovern.

Although local administration in Thailand has a long history, the structure of local administrative organisations (LAOs) has barely changed. In essence, LAOs are still under the supervision of Bangkok as different ministerial departments set policies, budgets, functions and supervise all of the above matters. All important affairs, plans and projects start in Bangkok and flow through the "administrative pipeline" to the regions, provinces, districts, sub-districts and communities respectively. It's a matter of course that as the "pipeline" becomes smaller away from Bangkok, the amount of flow becomes smaller too.

Although LAO executives are elected by the people in the localities, they are still largely controlled by the central government. Meanwhile, there is little change in terms of the people's power which is limited to voting at elections.

With such characteristics, Thailand's administrative system differs from those in other societies with genuine decentralisation where people in the localities have the power to manage all important matters by themselves.

With the 1997 and 2007 constitutions, it was hoped that decentralisation would materialize and LAOs would have full freedom and independence to manage themselves (see Box 3). However, an analysis of provisions on decentralisation by Assistant Professor Dr. Aphichart Sathidniramai found that decentralisation has run into obstacles and has not genuinely achieved the levels envisioned by the Constitutions as although the Constitutions provided that LAOs are independent to run local affairs as willed by the people in the localities in accordance with self-governing principle, in reality several laws in relation to LAOs have provisions running counter to the Constitutional provisions. These are most obvious in relation to finance and personnel management, which are most important for the independence of LAOs.

Dr Apichart's analysis of LAO budgets between 2003 and 2011 found that only 10% of LAOs' revenues came from local taxes whilst the remaining 90% came from taxes that the central government collected and shared, the national budget and government support (which came with political strings attached).

Even relating to personnel management, it can be seen that LAO executives are under control of the central government. Although local people can start impeachment process against LAO executives, they don't have the power to make the final decision which belongs to administrative officers under the central government's command (i.e. the district chief, Governor or Minister of Interior). The laws in relation to these two matters have not been amended in line with the Constitutional provisions.

The lack of independence in these two areas can deeply affect the behaviour of LAO executives as they will be more inclined to serve the interests of the central government rather than the people in their localities.

In conclusion, although the Constitution provides for devolution of power for local selfgoverning and self-administration, the realisation of these provisions still faces significant difficulties as the ministries and departments of the central government still hold tightly onto power. To reform Thailand, it's unavoidable therefore to reform the power structure.

# Returning Power to Local Communities and Populations

Reforming power structure is done by devolving power to the localities and allowing them more independence.

Professor Anek Laothammathat calls this by a short simple phrase: "returning the power to the people and the communities". This wording makes clear that power once belonged to people and local communities. But once the central government took over local administration, this power was wrested away into the hand of the central government. The first task for Thailand Reform is therefore to return the power to local communities and populations.

The most important goal of decentralisation is to strike a balance between the central government, the local government and the people so that power doesn't concentrate in one hand to ensure that the local government which is closest to the community can self-govern.

But how, then, to centralise?

On April 21st 2011, the Reform Committee proposed that the reform of power structure or decentralisation "must be done as far as removing the line of command from the central government to the local governments in several aspects." This does not mean taking over all the power of the central government which still has full power in managing all the affairs above local level. The power transferred from the central government must increase the LAOs' self-governing independence in all important dimensions, balanced and supervised by the people's power. Decentralisation to the local level must not create a new centralisation locally but "must be the same in essence as the overall decrease of state power and increase





An important spirit of the power structure reform is to unleash the people's creative force in all localities that together make up the country. In order to meet this goal, it is necessary to align direct democracy with representative democracy.

of people's power." This is an important principle of the power structure reform which will lead to Thailand Reform.

An important spirit of the power structure reform is to unleash the people's creative force in all localities that together make up the country. In order to meet this goal, it is necessary to align direct democracy with representative democracy.

Direct democracy is when the people in the localities directly participate in self-governing in all important matters including policy-making, directing and monitoring LAOs' functions. On the other hand, representative democracy means electing representatives to run LAOs to protect the people's interests. All elected LAO executives must conduct their work in the name of the people and be supervised by the people in every step of their work. In this way, the LAOs will have two types of democracy working in synergy, resulting in a strengthening in the communities and consequentially in the country as a whole.

If power structure reform is successful, the power of the central government in managing social matters will decrease in several respects but remain unchanged in matters beyond local levels such as foreign affairs, defense and national policy making. In addition, the central government will continue to play an important role in nationallevel coordination. This change will not affect Thailand as a unitary state but will strengthen and reduce pressure on the government.

Power structure reform involves two main issues. First, identifying what are the important things to achieve in decentralisation and how to make sure that the transferred power from the central government will not become concentrated in LAOs. Secondly, the re-organising of power between the State and the people/LAOs. These two issues have already been discussed by the Reform Committee as proposed in the Recommendations on the Reform of Power Structure summarised in Table 2.

In addition, in order to make the people realise the concrete results of reform, the Reform Committee has proposed an administrative framework and mechanisms necessary to ensure fairness in the access to essential natural, economic, social and political resources as detailed in the Recommendations for Political Parties and Voters on Thailand Reform Framework. These recommenda-

#### Decentralisation: 2007 Constitutional Provisions and Remaining Obstacles

Decentralisation to local governments became concretised for the first time in the 1997 Constitution, which was then torn up by the 2006 coup d'etat. The concept came back again in the 2007 Constitution with the following provisions:

1. Independence of LAOs Section 281. The State shall give autonomy to local government organisations in accordance with the principle of self-government based upon the will of the people in the locality and promote the role of a local government organisation as a principal provider of public services and encourage it to participate in the decision-making for solving problems in the locality.

Section 282. The supervision of a local government organisation shall be exercised in so far as it is necessary and founded upon clear rules, procedures and conditions and shall not substantially affect the principle of self-government based upon the will of the people in the locality.

- 2. Power of LAOs Section 283. A local government organisation shall have general powers and duties to oversee and provide public services for the benefit of local residents and enjoy autonomy in laying down policies and carrying out administration, public service provision, personnel administration, and finance, to effectively answer the needs of the people in the locality.
- 3. Budget and revenues of LAOs There shall be a law determining plans and processes of decentralisation for the purpose of delineating powers and duties and allocating revenues between the Central Administration and Provincial Administration, on the one part, and local government organisations, on the other part, or amongst local government organisations themselves, having regard to the expansion of decentralisation commensurate with the level of capability of local government organisations of each type. In addition, there shall be a law on local revenues for the purpose of determining powers and duties in connection with the collection of taxes and other revenues of local government organisations.
- **4. Personnel management** Section 284. A local government organisation shall have a local assembly and local administrative committee. Members of a local assembly shall be directly elected by the people.

Section 288. The appointment and removal from office of officials and employees of a local government organisation shall be in accordance with the suitability to and the need of each locality and the personnel administration of local government organisations shall be subject to a uniform standard with possibilities of joint development or reshuffles of personnel amongst local government organisations, and shall also be made upon prior approval by the Local Officials Committee as a central body in charge of local personnel administration.

Section 285. If the people consider that any member of the local assembly, any member of a local administrative committee or any local administrator of that local government organisation is not suitable to remain in office, such voters shall have the right to cast votes removing such member of the local assembly, such member of a local administrative committee or such local administrator from office.

5. Public participation and good governance Section 287. Local residents have the right to participate in the administration of a local government organisation. For this purpose, a local government organisation shall also make available means for such public participation. In the case where any act to be performed by a local government organisation may have a material impact on the livelihood of local residents, the local government organisation may inform the public of details thereof for a reasonable period of time prior to such act and shall, in the case where it deems appropriate or receives a request by persons having the right to vote in an election in the local government organisation, cause to be conducted a public hearing prior to such act or may cause to be conducted a referendum for deciding on the matter, as provided by law. A local government organisation shall report its operation to the public in matters concerning the preparation of budgets, expenditure and results of work performance for the year in order to enable public participation in the scrutiny and supervision of the administration of the local government organisation.

However, in reality local administrative organisations are not independent and continue to be heavily supervised by the central government in relation to finance and personnel management asrelevant laws have not been amended to align with the Constitution.

Source: The Constitution of the Kingdom of Thailand BE 2550 (2007)

tions count as an important aspect of the reform process. Due to lack of space, these recommendations are summarised in Box 4 for an overall picture of all the related issues involved.

Building a mechanism to ensure fair access to resources for all groups of Thais is a challenge (such as is land reform or tax reform) and requires strong political will and social consciousness of all sectors.

#### Enhancing the People's Power

In addition to the reform of a power structure and fair access to resources, Thailand Reform must aim at enhancing the power of the people. It is not enough for reform only to transfer power from the central government to LAOs; people in the community must also be empowered. The question is: What mechanism can enhance the power of the people?

Table 2 Important issues in the decentralisation process, as proposed by the Reform Committee

Committee	
Issues	Important points
Roles of the central government and local administrations	The central government has the full power to exercise authority on matters that are important to the whole country such as foreign affairs, defense and overall public peace and order.  The local administrations are responsible for the livelihood of the people in the locality including economy, environment, society, culture, health and hygiene, disaster, peace, order and justice.  Abolish regional administration. Turn the provincial offices of central government into academic support units providing only services which are part of the central government's responsibilities such as taxation and issuance of passports.
Local administrative structure	Consists of two main mechanisms. 1. Existing public self-governing mechanisms such as civil society. 2. Local administration with the powers transferred from the central government.  Elected executives and members of the local council must recognise the existence of civil society mechanisms and support extensive public participation.
LAO powers  •	Full power in the management of resources and using necessary mechanisms to ensure fairness in resources and environment, economic, social and political management.  Has the power to protect the people in its locality from any harmful impact of globalisation, whether or not they results from treaties signed between the central government and other countries.
Finance and personnel management •	The central government must transfer the power to collect taxes such as land and environmental taxes to LAOs.  The central government must share more tax revenues with LAOs and increase the share of the local government from the current 27% to 35%  Give LAOs the power to develop their own personnel management systems as appropriate, especially in the selection process and incentives in order to attract local talent.  Give the power to the people to supervise and assess the achievement of LAO executives through transparent, fair processes.

#### Local Communities as Starting Point

As a matter of fact, a basis for strengthening the power of the people already exists in Section 287 of the 2007 Constitution that requires "the people in the locality shall have the right to participate in administration of the activities of the local government organisations. The local government organisation shall provide the method so that the people can participate in such activities."

In addition, as a key principle of decentralisation, the Reform Committee also requires that LAOs recognise the power and roles of the people, communities and (non-government) civil society as key actors with the rights of participation in all steps of local administration to allow the people a key role in self-governing.

However, despite the principle being present in theory, if local administration is not based on a correct conceptual paradigm, the power of

Table 2 Important issues in the decentralisation process, as proposed by the Reform Committee

Committee	
Issues	Important points
Power relationships in the management of local affairs	All development plans, projects and options proposed by the central government that may impact on the quality of life of the people in the locality must be given approval by the people. The decision on these plans, projects and options must belong to the local government and local people. Build networks of collaboration with LAOs in the same area and in other areas
Promotion of public participation	persons  Enable community and civil society groups to become service providers with self-management capabilities.
Check and balance between LAOs and communities	Use direct democracy and representative democracy in parallel. LAO executives and council members are elected with a civil society committee functioning as a link to facilitate public participation in decision making and local administration.  Give the people the power to remove LAO executives and council members from office through referendums.
Community and civil society development	not undermine the strength of the communities and their people.  The central government must establish a provincial-level fund for the purpose of developing civil society organisations that is managed by civil society network mechanisms.
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Source: Summarised from: Reform Committee. (2011). Recommendations on Power Structure Reform.

the people may not emerge or be sustainable. The correct concept is to take the local people, communities and civil society as the starting point of all administration. This is the only way to ensure that all administration aims at the protection of the interests of the people and their communities. This is the only way to ensure that executives are mindful and responsible to local people and communities and to stimulate enthusiastic organization and participation of the people and communities in sustainable self-governing.

Ultimately, such enthusiastic participation in self-governing will turn the people from apathetic "subjects" of government actors to "citizens" who are ready to mobilise the administration of local affairs themselves.

There are many reasons why the localities should be the starting point of local administration. First, localities are the closest administration units to the people. Secondly, localities have the necessary resources ready to be mobilised including economic resources, environment, manpower, knowledge, organisation, institutions and culture.

In addition, making localities the starting point of local administration means giving importance to balanced coexistence among all people in the communities and between people and the environment. Other factors such as power or money only facilitate the peaceful life of the people. Furthermore, this reform also coincides with the framework of power structure reform which, as already mentioned, aims at selfgoverning of the people and local communities.

Professor Prawet Wasi calls this concept "Thesaphiwat", meaning the kind of development which takes the people and local communities as the starting point in all matters.

This kind of development does not emphasise the power at the top but focuses on the strength of local life and balanced existence of those at the ground level, that is, local

communities. These local communities are many and diverse across the breadth of the country. They are comparable to the foundation of a stupa. The stronger these communities are, the more stable the whole country is. It is straightforward logic that overall stability requires a strong foundation whether it's a stupa or a country.

#### Integration of Cross-Sectoral Power

If localities are taken as a starting point, it will be easier to mobilise all power and resources to strengthen the society. This will also facilitate collaboration and connect all sectors together. All stakeholders must take a part in integrated local self-governing whether LAOs, religious organisations, educational institutions, economic bodies, public health organisations or justice agencies.

Overall, this alliance is made up of three main allies, namely, the community, LAOs and other bodies. Each part has sufficient resources that can be mobilised to strengthen the local communities.

- The community itself has leaders, resource persons, experts such as folk doctors, entrepreneurs, groups aggregated by age or profession, community councils (under various names) and institutions such as temples, schools and markets. All these resources can be mobilised for the same goal, that is, the wellbeing of the community. In addition, a community can collaborate and exchange with others in the same environment or those sharing the same infrastructure or national resources (such as water sources, forests and energy sources).
- LAOs (Tambon Administrative Organisations, Municipalities, Provincial Administrative Organisations, the Bangkok Metropolitan Administration, the Pattaya Administration) are government organisations responsible for managing public affairs together with local communities and people. The strength, transparency and importance given

#### **Reforming what?**

Citing many aspects of extreme inequality afflicting Thailand that had led to increasing conflicts and violence, the Cabinet issued an Office of the Prime Minister Regulationon on Reform on July 5<sup>th</sup> 2010. Soon after, a Reform Committee (chaired by Anand Punyarachun) and a Reform Assembly (chaired by Dr Prawet Wasi) were established for a three-year term to drive Thailand Reform (The Reform Committee resigned on April 15<sup>th</sup> 2011 due to the dissolution of the Parliament).

The reform has three idealist aims on the Thai people's quality of life as follows:

- A life with dignity and equality as a human being with social participation, responsibility towards the collective good, and opportunity to develop their own potentials in the physical, mental, knowledge and spiritual aspects.
- A life in the way of peace without threat from others or each other and in a healthy environment.
  - A life with security of essential factors to life and social protection mechanisms.

An important mission in the reform is the decentralisation of the power and mechanisms necessary to manage and ensure fairness in accessing natural, economic, social and political resources. Each consists of several aspects as follows:

The reform must create mechanisms to ensure fairness in the access to these resources:

#### Natural Resource

- Land
- Minerals
- Forest
- Water
- Marine and coastal
- Environmental and ecological

#### **Economic resources**

- Capital
- Labour
- Agricultural
- Taxes
- Market
- Commercial and industrial
- Energy

#### Social resources

- Education, learning and wisdom
- Religion and spirituality
- Culture and identity
- Communication
- Public health system
- Urban quality of life
- Security of life and property

#### **Political resources**

- Power structure
- Decentralised power
- Decentralised budget
- Justice system
- Dissemination and access of information
- The armed forces



to public participation is very important to the strength of LAOs. In addition, collaboration and exchange with nearby LAOs is also necessary for local development.

- Other allied bodies may vary from one area to another. However, in most areas there include individuals (such as professional leaders, philosophers and artists), organisations (such as development organisations both government and non-government) and institutions (including educational, religious, public health and media institutions). These allies have diverse knowledge and experiences. Once brought together in a synergic manner, these actors will be a source of great strength.

If all these three groups in the same locality can be integrated, they will become a strength to mobilise local self-governing.

#### **Local Self-Governance**

The truth is localities cannot be strong without local self-governance. In practice, this means that the local communities must manage all of their affairs without waiting for the assistance of a government authority or other powers.

Today, the concept of "local selfgovernance" is gaining currency among local development circles. Its real meaning lies in the mobilisation of all allied bodies in the locality to participate and direct local development through the strength of people in the particular locality.



#### How to strengthen local communities

#### What are the roles of the "LAOs for Reform Committee" in Thailand Reform?

The Committee is one of the many groups which join forces in the Thailand Reform movement as part of the Reform Assembly Committee. This committee primarily aims to use existing LAO power to strengthen the foundation of society at a community level in parallel with the Thai Health Promotion Foundation's Project 3 (community health) which I chair. The reason we use the local administrations as the unit for our movement is because it has the people, resources and organisations which are government agencies already in charge

of quality of life and womb-to-tomb care.

The strength of the community depends on many things. Public participation in local administration is important but not sufficient. The people must have a vision and consciousness about self-management of one's own community.

Decentralisation, of course, must happen. But the local administration must be more independent. As of now, the central government has not transferred the full power in finance, personnel management and mandate to LAOs. In this respect, Thailand's LAOs are light-years behind their counterparts in other countries.

Recently, some communities aiming at local self-governance have progressed as far as creating their own Constitutions as a master plan for governing their public affairs. Most of these Constitutions focus on health. This is appropriate because using health as a core issue can expand the extent of activities into many areas whether economic, social, cultural or environmental. Health is a holistic concept of wellbeing in all areas of life. Examples of such Constitutions include the Tambon-level health Constitutions of Tambon Peuay (Amnat Charoen Province) and Tambon Chalae (Songkhla Province) as well as the provincial-level health Constitution of Amnat Charoen Province.

Similar self-government movements are emerging in many areas of the country and will continue to increase and strengthen in the future.

#### **Reform-Enhancing Mechanism**

The aforementioned Constitutions are a result of citizen mobilisation. Through repeated exercise of collective learning and full participation, knowledge, ideas and problem-solving approaches become crystalised into a consensus in the form of a community Constitution.

Over the past several years, there have been many similar mobilisations whose goal was to identify collective agreements on public policies or guidelines on issues affecting the population at large such as health, economic, environment

#### How ready are our LAOs to receive the power transfer do you think?

Each LAO is different, but that's not important. The important thing is that we don't have to wait until they are absolutely ready in every way before transferring power and mandate. Better to see what they can do and let them do it. If they are not ready, our duty is to help them become ready with money, manpower, equipment, or conducive laws that allow them to do it.

Over the past ten years, there have been many strong and ready LAOs. They exchange knowledge and experience. In many areas LAOs and the people are one and the same, they can manage their own communities to a certain level according to their conditions and limitations, as far as their independence allows. Therefore, ready or not is not the point. The point is whether the government has a policy to decentralise and if yes, they need to make LAOs ready.

## What's more difficult? Financial independence or promotion of public participation in local self-governing?

More difficult is the financial independence issue which depends on the central government's policy. Today the government does not have a policy to promote local administration through decentralisation. Perhaps in ten years, it may not be any better. Ten years ago, the government gave more importance to decentralisation. Today, if we look at the central government, we know it is almost impossible. But if you look at the foundation, there's a lot of enthusiasm, because they can finally managed themselves. The LAOs learn from each other and form a network.

Public participation can happen if we promote awareness amongst people. People's attitudes must change from seeing themselves as "subjects" of State power like in the era of absolute monarchy to "citizens" who are not apathetic to community problems. This is a power to drive the communities and the country forward.

**Source:** Interview with *Somporn Chaibangyang*, former deputy permanent secretary of the Ministry of Interiors and president of the Local Administrative Organisations for Reform Committee. 8<sup>th</sup> January 2013.



and political issues. From local to national level, organising an assembly is a popular mechanism in citizen mobilisation.

In short, an assembly is a social process that allows all diverse sectors including local citizens and communities, businesses, academia and government agencies to widely exchange with and learn from each other with the goal of knowledge and consensus building. This process is systematic and ongoing, leading to policy recommendations which will be proposed to relevant agencies for adoption and implementation.

An assembly is an important mechanism to strengthen citizen mobilisation for peaceful change. The strength of an assembly lies in the wide democratic participation of all sectors.

Although the assembly movement first occurred in Thailand more than ten years ago, the first assembly to be legally recognised was the National Health Assembly under Chapter 4 of the National Health Act BE 2550 (2007). Article 41 of this law requires the establishment of the National Health Commission (NHC) in charge of organising a National Health Assembly at least once every year. In addition, the Commission also organises regional and thematic health assemblies and provides support for their organisation by citizens following the NHC-defined criteria and guidelines.

As of 2012, there have been five national health assemblies and many more regional and thematic assemblies. Health assemblies are an important social innovation and powerful social

mobilisation by people. Other similar mobilisations include the Reform Assembly which was established by the 2010 Office of the Prime Minister Regulations on Reform.

Although the Reform Assembly is still a new social movement, the massive latent energy in diverse sectors of the population and the enthusiasm of local communities helped make it become massively popular overnight. As evident in the successes of the two past National Reform Assemblies in 2011 and 2012, this is an unprecedented phenomenon in Thailand.

#### People's Power Is the Answer

The emergence of a self-governing movement in many local communities shows that Thailand Reform is possible when the people are strengthened without having to wait for complete power structure reform through decentralisation. If local communities are taken as a starting point, the people in the locality can join forces to mobilise their own communities to manage their own affairs through collective learning and decision-making as an assembly. This is truly a participatory democracy.

All these self-governing communities scattered across the country are beacons that will continue to increase in number and gradually become a network. Strong communities which can manage their own affairs will give rise to strong provinces, strong regions and strong country-just as a strong foundation supporting a stupa.

In the final analysis, the success of Thailand Reform depends less on the legal reform of power structures than on the strengthening of the people in local communities through participatory democracy as a strong population become 'citizens' who are the driving force of the country's development. That is why the final answer to Thailand Reform lies in the people's power.



#### Self-governing province: Amnat Charoen

One year ago on February 13th 2012 the people of Amnat Charoen adopted the "People's Constitution of Amnat Charoen" through consensus and participation by representatives of all sectors including government agencies, the people, non-government organisations, religious organisations, the business sector and academia. The Constitution which was born out of a mechanism of collective learning and thinking by all the people laid down the basic framework for becoming a self-governing province.

Amnat Charoen is Thailand's 75<sup>th</sup> province, with a population of 372, 137 persons (0.56% of the country.) With an average income per head of 31,800 baht per year, it is one of the poorest provinces in the Northeastern region. The main income of the province comes from agriculture, transportation and retail. As its rich natural resources were threatened, civil groups became aware of impending problems and, through collective analysis, identified structural inequality as the root cause.

Amnat Charoen people have had long history of organisation since the days of the Cold War struggle between communist ideologues and the Government. This may be the start of the province's important civil groups such as teachers' groups, local development groups and local representatives who became key leaders in the drive to turn Amnat Charoen into a Province of wellbeing. These groups worked shoulder to shoulder with local communities, while in connection with non-local organisations with similar goals.

The turning point of the reform drive was the recognition of the roles of the people through public learning and participation from the level of the village to Tambon, community organisation council and provincial levels. The primary goal of the power structure is to collectively solve local problems with the power of the local communities coordinated by the community organisation council which provides the main support. The community organisation council is an important foundation for the empowerment of Amnat Charoen people in collaboration with local resource persons and media. The movement aims at turning Amnat Charoen into a "Wellbeing Province" under the framework set out in the People's Constitution of Amnat Charoen.

The whole process has the support of several non-local organisations such as the Thai Health Promotion Foundation, Community Organisations Development Institute, Thailand Reform Office and the Thailand Research Fund.

It may be yet too soon to say whether the people of Amnat Charoen will achieve their goal to ensure social justice and reduce inequality but at least there is a sign of good things hopefully to come.