

Executive Summary



The October 7 violence between People's Alliance for Democracy (PAD) demonstrators and police outside of the parliament building did little to resolve the intractable political conflict that has paralyzed the country over the past two years. Reactions to the day's events, however, did evoke indirect signals of allegiance and support of respected senior figures for the PAD's quixotic quest to move Thailand away from democratic rule and towards an appointed system of governance.

To the frustration of PAD leaders and their backers, Army Chief General Anupong Paochinda continues to refuse increasingly strident demands for the Army to stage a coup, abrogate the constitution, remove the current government and appoint a compliant, non-elected regime. General Anupong's reluctance to stage a coup, however, does not mean he has sided with the government in the current standoff. Rather, it is likely that he has concluded that PAD backers do not currently have support to an extent and at a level that would ensure General Anupong of immunity for his actions taken in the aftermath of a coup.

Recent violence between Thai and Cambodian troops at the disputed Preah Vihear Temple site on their mutual border has paradoxically given General Anupong a reason to ignore increasing pressure to stage a coup, instead focusing his attention on pressing matters of national security.

Thailand's activist and partisan judiciary and administrative bodies continue their full scale assault against the sitting government, the ruling People Power Party and associates of former Prime Minister Thaksin Shinawatra. While these efforts certainly reinforce the image of worsening political instability, the end game is fairly benign. New elections simply bring in new parties and new governments generally aligned with the political interest of former Prime Minister Thaksin Shinawatra.

The Parliament Debacle

On October 7, police used tear gas to disperse anti-government PAD protesters blocking the Parliament building. The protesters had gathered to attempt to prevent Prime Minister Somchai Wongsawat from delivering a constitutionally mandated policy speech. Protesters had hoped that preventing the speech would undermine the government's constitutional validity and provoke the dissolution of

parliament. The PAD effort failed, as police used force to clear a path both before and after the speech for the PM and ministers of parliament to enter and then leave the building.

The police used defective tear gas canisters that resulted in several protesters losing their limbs, hundreds of other injuries and two deaths. On the other side of the ledger, three policemen were shot, one officer was run over and others were stabbed by protesters with sharpened poles. Protester injuries were widely and luridly replayed by the partisan local media, further ratcheting up anti-government and in particular, anti-police sentiments. Many PAD protesters seemed shocked to discover that seeking to blockade streets and buildings could actually involve a risk of injury.

PAD leaders called for a large demonstration at police headquarters, located near several 5-star hotels and major tourist shopping areas. PAD leaders later postponed the demonstration to allow for the funeral of one its members killed in the violence and later cancelled the protest without explanation. It is noteworthy that several thousand pro-government supporters of the United Front of Democracy Against Dictatorship (UDD) had gathered in the Bangkok area and threatened to appear at the PAD police headquarters protest.

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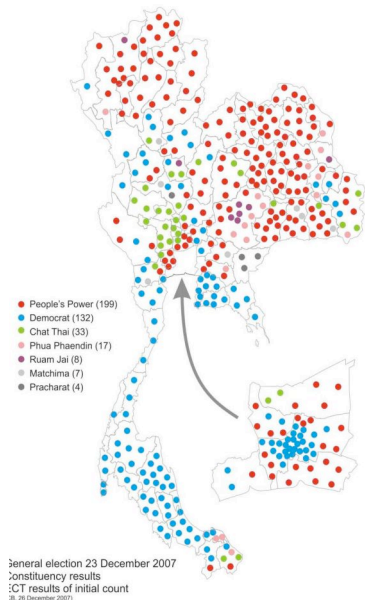
Old Wine – New Bottle

The country is politically divided but in an uneven way. As the last national election proved, most Thai citizens endorse a democratic system of governance. In the last poll, voters elected a government generally aligned with the political forces of former Prime Minister Thaksin Shinawatra.

PAD leaders and their backers understand that additional elections will only reinforce this dynamic. Thus, under the rubric of “New Politics”, the PAD has devalued the electoral process as “corrupt” and the voters as “uneducated”, justifying the need for an *interim* appointed government to get things back on track.

Simply dissolving parties and government will not get the job done. Thus the PAD’s strategy has been to provoke violence and civil unrest to an extent and magnitude of violence that would force the military to stage a coup to restore order. This was largely the excuse used by the military in 2006 to overthrow the Thaksin government while former PM Thaksin was addressing the United Nations.

An appointed government installed by and serving at the pleasure of the military would essentially reconstruct a system of governance from a former political era. The system would allow economic, social and political control of a majority of the citizenry by a small number of wealthy, dynastic families and former political leaders.



The December 2007 election results reconfirmed Thailand’s political divisions, with the Democrats securing almost all constituency seats in the South and the PPP and other Thai Rak Thai affiliated parties winning big in the North and Northeast.

However, without the removing the current government by force and abrogating the current constitution, the PAD's scheme for New Politics remains only an idea.

The Coup Conundrum

Army Chief General Anupong Paochinda has steadfastly refused to stage a coup to remove the current government. He has repeatedly stated that a coup "would not solve the problem." He has also carefully avoided publicly taking sides with either the government or the PAD and its backers.

In response, the PAD has incrementally stepped up its campaign of civil unrest and occasional violence to provoke the military to act to restore order. During the October 7 violence, however, the military only deployed a small number of unarmed soldiers to assist the police in restoring order. General Anupong later termed the actions as "preventing the police from hurting the people", which seemed palatable to both sides of the dispute.

General Anupong's reluctance to take action could stem from a variety of reasons. Most likely, he remains unconvinced that such a move would receive the endorsement of the highest levels of Thai governance. In addition, given the recent September 2006 coup and the abysmal subsequent performance of the military installed regime, he and other senior military officials might not desire another opportunity to run or appoint a civilian government.

There is also a possibility of increased and more muscular international actions against coup-makers, given that democratic rule was restored in Thailand less than a year ago. The possibility of a new US Democrat Party controlled government in Washington could mean less tolerance for unilateral military action to usurp elected governments, even among allied governments.

Thus, General Anupong might currently believe that he cannot win by staging a coup but at least he will not lose by doing nothing.

The unexpected flaring of violence between Cambodian and Thai troops has given General Anupong a valid reason to ignore increasing pressure from the PAD and its backers to stage a coup. He must now focus on matters of national security concerning the long-standing border dispute near the Preah Vihear Temple. PAD critics have already accused pro-Thaksin forces of inciting the recent violence to allow Anupong a reason to escape demands to usurp the government.

Smoke Signals



Queen Sirikit and Princess Chulabhorn presided over the cremation ceremony of a 27-year-old female protester who was killed in the October 7 clashes with police.

Given a lack of official or government-conferred authority, PAD backers must use symbolic events and appearances to express their support. The end game is to display to the public that respected persons and institutions are sympathetic to the PAD's efforts.

Former Prime Minister Anand Panyarachun's appearance at the funeral of a PAD protester killed in the October 7 violence is but one example. Anand is a long-standing political foe of former PM Thaksin. He has often promoted himself as an ideal candidate to serve as an appointed *interim* prime minister under the PAD "New Politics" scheme. His appearance at the funeral, over which he "presided", is likely an attempt by the PAD and its backers to showcase the 76-year-old politician as the man who would serve as prime minister if the current government were removed and new elections prevented from being held.

Thailand's local media reported and gave wide coverage to Queen Sirikit, who last week donated money to hospitals to treat victims of the October 7 clashes, and who on October 13 attended the cremation ceremony of a 27-year-old PAD supporter who was killed in the protests.

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Thailand's King Bhumibol Adulyadej called Prime Minister Somchai Wongsawat for a private meeting on Saturday, October 11. Afterwards, Somchai would not discuss the matters addressed during the meeting. Earlier this month, the King endorsed PM Somchai's cabinet selections according to constitutional requirements.

Appearances at functions by senior and respected personages are always open to a wide variety of interpretations. As with most such occurrences over the past two years, each side of the dispute will tend to emphasize or downplay the meaning of these appearances to suit their own agendas.

No Good End In Sight



King Taksin guards of the UDD train at Sanam Luang, Bangkok. Like the PAD, pro-government groups have organized armed "guards" as part of their protests.

Thailand's political turmoil is not likely to ease anytime soon.

The military under the leadership of Army Commander-in-Chief General Anupong Paochinda has so far avoided taking sides in the political debate – refusing to enforce a state of emergency declared by the government last month but also not heeding to calls to oust the government in a coup. But the military itself remains divided and the prospect of a coup led by middle-ranking soldiers is not inconceivable.

Fears of further violence also persist, with pro-government groups reforming under the leadership of members of the ruling People Power Party. The UDD, like the PAD, has its own army of crudely armed

“guards” named the King Thaksin Warriors. King Taksin was king before King Rama I, who was the first king in the Chakri dynasty.

Alongside the country’s severe political crisis, Thailand, like the rest of Asia, is also facing major economic problems caused by ongoing global financial turmoil. Thailand remains an export-based economy, and although it has diversified to new markets, particularly in Asia, it still depends on exports to key markets in the US, EU and Japan. With the credit crunch expected to hit those markets soon, exports are expected to decline over the coming months.

The Stock Exchange of Thailand dropped below 500 for the first time in five years last week as global economic concerns sent stock markets across the globe into decline. Overall, the SET has dropped nearly 40 percent this year, closing at 481.50 this Wednesday.

The country’s tourism industry, which is vital to the national economy and generates six percent of the nation’s GDP, has also been suffering, with billions of dollars expected to be lost this year as many tourists canceled or postponed trips following recent violence in the capital and airport closures in the south.

Despite the pressing nature of these problems, the government remains distracted by the political challenges it is facing. The constant changing of prime ministers and cabinets stocked with unqualified and inexperienced ministers also means the country is lacking a coherent long-term economic policy.

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