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## Reinventing Thailand

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# **Reinventing Thailand**

Thaksin and His Foreign Policy

**Pavin Chachavalpongpun**



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Singapore

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# FOREWORD

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Thailand's foreign policy has been little studied. This is perhaps because, just as Britain is sometimes said to have no climate, only weather, a consistent Thai foreign policy stance cannot always be readily discerned. Inconsistency, or perhaps simply an overarching pragmatism, has been a recurrent feature of Siam/Thailand's dealings with the wider world. Such pragmatism was perhaps most explicitly seen during World War II, when the Phibun Songkhram government formed an alliance with Japan and declared war on the United States. However, Seni Pramoj, then ambassador to Washington, failed to deliver the declaration. When the Allies emerged as victors, Thailand was quick to claim that the pro-Allied "Free Thai" resistance movement had represented the real stance of the war-time nation, an argument which was broadly accepted by the Americans. In other words, Thailand succeeded in being on both sides during World War II, a rare feat of foreign policy flexibility. Not for nothing has the Thai Foreign Ministry traditionally prided itself on a mastery of "bamboo diplomacy".

By the 1980s, however, such diplomacy was coming under strain. Whereas both the pre-1932 absolute monarchy and the military-dominated post-1932 regimes were characterized by the concentration of power in the hands of a tiny elite, with elite diversification came a new form of inconsistency: the pursuit of different policies by different ruling groups. This was most clearly seen during the ill-fated Chatichai Choonhavan government of 1988–91, which saw a struggle for control of foreign policy towards Indochina. An elected prime minister with a group of well-educated

and iconoclastic advisers — the so-called *Ban Phitsanulok* team — sought to engage with Vietnam and end the isolation of Cambodia, turning the former battlefield of Indochina into a marketplace. Meanwhile the Foreign Ministry remained wedded to the American-influenced ASEAN orthodoxy of punishing Vietnam for the “crime” of invading Cambodia in 1979, while the Thai military took matters a stage further by actively supporting residual elements of the Khmer Rouge. Three Thai government agencies, three Cambodia policies. As the first elected head of a Thai government for over a decade, Chatichai sought to wrest policy decisions out of the hands of the Foreign Ministry bureaucrats; meanwhile, the military continued to assert the right to pursue its own regional agenda, invoking the trump card of “national security”.

The Chatichai government was ousted by a military coup in February 1991, but the army won only a pyrrhic victory. Within a couple of years, a UN intervention had restored Cambodia to a tentative normalcy, the ASEAN blockade was lifted, and soon afterwards President Bill Clinton restored America’s diplomatic relations with Vietnam. Chatichai’s team had demonstrated that Thailand’s diplomats and soldiers were behind the times, failing to think creatively and to rise to the challenges of a post-Cold War environment. New ideas came from elected politicians and a team of smart advisors who were willing to think “outside the box”. In the event, attempts by the leaders of the 1991 coup to assume power through civilian means ended in failure following the bloody Bangkok street clashes of May 1992. The extended 1991–92 political crisis led to the crafting of the 1997 “reformist” constitution, opening up liberal space for elected politicians to play the lead role in Thailand’s governance.

Into this space stepped a new style of Thai politician: Police Lieutenant-Colonel Dr Thaksin Shinawatra. A former police officer with an American doctorate, Thaksin had become fabulously rich through winning a series of government concessions in the telecommunications sphere. While his competitors were badly hit during the Asian financial crisis of 1997, Thaksin had walked through the storm unscathed, emerging as the dominant player in Thailand’s booming mobile phone business. His Thai Rak Thai Party won electoral victories on an unprecedented scale in 2001 and 2005. Like Chatichai, Thaksin sought to shake up the sluggish Thai bureaucracy

and approached key areas of domestic and foreign policy with a private sector mentality. Unlike Chatichai, Thaksin quickly achieved unparalleled dominance of Thailand's key institutions and resources, presenting himself as a "CEO prime minister" who was on a mission to make Thailand more productive, competitive and goal-oriented. But again like Chatichai, Thaksin was ousted in a military coup. His shake-up of the existing order ruffled feathers and antagonized much of the traditional elite.

Thaksin's political career has been widely documented and discussed, but this book by Pavin Chachavalpongpun is the first extended study of the controversial premier's foreign policy. Based on considerable research, including interviews with many key players, and drawing upon the author's own inside knowledge of Thailand's foreign policy apparatus, this remarkable book allows us to see Thaksin Shinawatra in a new light, laying out both the boldness and often the hollowness of his numerous international initiatives. Since 2001, Thai politics has been characterized by an intense contestation between the old bureaucratic elite – including what I term "network monarchy" – and "Team Thaksin", a set of alliances centred on the ex-prime minister and his family. Most crudely, these clashes have recently been acted out between yellow-shirted and red-shirted protesters on the streets of Bangkok. Pavin demonstrates how these conflicts penetrate and polarize institutions such as the Foreign Ministry, undermining traditional sites of "aristocratic" privilege and prerogative.

More than any previous civilian prime minister, Thaksin sought to impose his own personal agenda – often difficult to separate from his family's business interests – upon the core agencies of the Thai state. Foreign policy was deployed both domestically and internationally to market the Thaksin message, through a range of policies including the ACD, the ACMECS, a range of new FTAs, and most colourfully through doomed attempts to engineer the appointment of his ministerial side-kick Surakiart Sathirathai to the post of U.N. Secretary-General. In the process, Thaksin downplayed such standard Foreign Ministry preoccupations as its snobby fixation with Europe, and stopped paying endless lip-service to the lacklustre regional body ASEAN. Deploying an Asian nationalist rhetoric, Thaksin diverted foreign policy resources into supporting economic initiatives aimed at preserving and boosting Thailand's role as a

dominant player in the golden peninsula of mainland Southeast Asia. He was also probably the first Thai leader to take the sub-continent seriously, recognizing India as an emerging power, and positioning Thailand as a broker between East and South Asia.

In retrospect, it seems all too predictable that Thaksin's manic iconoclasm and his headstrong slaughter of sacred cows – both at home and abroad – would end badly. Following the 19 September 2006 military coup, Thaksin found himself charged with corruption-related offences, and was sentenced to a jail term in 2008. Yet by the time the verdict was announced, Thaksin had already fled Thailand and become a professional fugitive, flitting between London, Hong Kong, Dubai and other locations, rapidly wearing out his welcomes. This was an ironic fate for the most internationally-oriented of Thailand's prime ministers; the man who had made so many foreign policy initiatives had nowhere left to go. Pavin's excellent book goes a long way towards explaining this startling state of affairs.

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# PREFACE

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Thai politics has sunk into deep turmoil since Prime Minister Thaksin Shinawatra was toppled in a military coup in September 2006. The domestic situation has gone from bad to worse as profound polarization has continued to dictate Thailand's political well-being. Three years on, Thailand has witnessed four governments, including one military rule, two pro-Thaksin regimes, and one royalist political entity. All this time, Thaksin, now a fugitive from Thai law and charged *in absentia* with corruption and abuse of power, has incessantly manipulated politics from his base overseas. The political tug-of-war between Thaksin and his opponents is far from over. "Reconciliation" between different political factions seems to have become an alien word. The impact of internal political crisis has been devastating. It has certainly caused a huge consequence to Thailand's foreign relations. The Ministry of Foreign Affairs has been intensely preoccupied with reconstructing the country's good image, in the wake of an ongoing political war. The incident in which the pro-Thaksin red-shirt protesters stormed into the meeting venue of the Association of Southeast Asian Nations (ASEAN)+3 Summit in Pattaya in April 2009 marked one of the lowest points in Thai diplomacy. Thailand has lost its international reputation as well as its leadership in ASEAN. From July 2008 to December 2009, Thailand held the chairmanship of this regional organization. But political fragility at home prevented Thailand from playing a proactive part in ASEAN. The country's diplomatic role in the region diminished. The latest flare-up in the Thai-Cambodian conflict as a result of the bilateral dispute over the Preah Vihear temple,

and the war of words between the Abhisit Vejjajiva government and Cambodian Prime Minister Hun Sen, dangerously put Thai diplomacy to the test. Has Thai diplomacy's glorious past already been forgotten?

While in power from 2001 to 2006, Thaksin began the process of rejuvenating Thailand's diplomacy. This period saw the most colourful and exciting, yet controversial, period of Thailand's foreign relations. Thaksin claimed to have elevated the Thai international standing, from obscurity to hegemonization, through a myriad of grandiose foreign policy initiatives. Thaksin, with the assistance of his foreign ministers Surakiart Sathirathai (2001–05) and Kantathi Suphamongkhon (2005–06), aspired to transform Thailand from a mid-ranged power into a leading nation in the region. Thailand was reinvented as a donor country. It also initiated Asia-wide cooperative frameworks, such as the Asia Cooperation Dialogue (ACD) and the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS). At a bilateral level, Thaksin promoted a business-oriented foreign policy that aimed at searching for more markets for Thai products. Accordingly, he supported the conclusion of free trade agreements with Thailand's trading partners. Thaksin also expressed, albeit somewhat superficially, his affinity with democracy through his idea of the "Bangkok Process", designed to bring about change in Myanmar. At the global level, he nominated Foreign Minister Surakiart for the position of the United Nations Secretary-General, deemed his most ambitious attempt to place Thailand at the forefront of international politics. Not only were changes seen in the content of Thai foreign policy, Thaksin also revamped the Foreign Ministry and reprogrammed the way this state agency had been operating since the colonial period. CEO ambassadors were put in place as part of the organizational revamp. Thaksin thus began to "colonize" the Foreign Ministry and compelled its members to produce policies that would serve his domestic needs, legitimate or otherwise.

Beautifully repackaged for the taste of domestic and international audiences, Thai foreign policy under the regime of Thaksin hid its unattractive side. Thaksin's diplomacy, occasionally referred to as "Thaksipolomacy", was a populist device. In the meantime, the line between national and private interests in the conduct of Thaksin's diplomacy remained blurry. At many points, Thaksin was paramount about protecting his business interests while interacting with countries, near or afar. His foreign policy initiatives

highly reflected his ambition. But his ambition, at times, was unrealistic and disregarded the limits of the national capacity. Thaksin's attempt to rewrite the history of Thai diplomacy, from bending with the wind like a bamboo to bending the prevailing wind in favour of Thai interests, was called into doubt. Was Thailand, under his administration, ready to conquer the world? In his own mind, Thaksin might have reinvented Thailand. But whether Thailand's new look would be long-lasting and sustainable is the significant subject of this book. More importantly, I would like to emphasize that the theme of this work, "Reinventing Thailand", strictly connotes Thaksin's own aspirations and vision to use foreign policy to fulfil his diplomatic ambition for ultimately the remaking of a new Thailand. It, therefore, does not necessarily reflect my endorsement of his handling of foreign affairs. I hope that this study would provoke further critical thinking about how Thailand's foreign policy has been, and will be, managed by various political actors.

This project on Thailand's foreign policy under the guidance of Prime Minister Thaksin Shinawatra, from 2001 to 2006, was the joint initiative between myself and Ambassador K. Kesavapany, Director of the Institute of Southeast Asian Studies (ISEAS), Singapore. The *raison d'être* is straightforward. The subject of Thai foreign policy has been understudied. Although Thaksin's period was the most exhilarating moment of Thai diplomacy, Thai foreign policy has largely remained an underdeveloped area of study. I am grateful for Ambassador Kesavapany's generous fellowship extended to me from 2008 to 2009 to conduct the research on this special topic. My profound gratitude also goes to Dr Tej Bunnag, former Thai Foreign Minister and former Permanent Secretary of the Thai Foreign Ministry, for his unfailing encouragement and valuable advice. Without his help, my stint at ISEAS would not have been possible. I would like to thank Ambassador Pradap Pibulsonggram for his support in this project.

I owe a big debt to a number of people who have assisted in this study. First and foremost, my heartfelt gratitude is for Acharn John Funston at the Australian National University. He must have spent hundreds of hours scanning through the final draft of this manuscript. Acharn John unfailingly gave me valuable comments, and also suggested better ways to tackle critical issues. I would like to thank all my interviewees, namely, former Foreign Minister and

ASEAN Secretary-General Dr Surin Pitsuwan; former Deputy Prime Minister and former Foreign Minister Dr Surakiart Sathirathai; former Foreign Minister Dr Tej Bunnag; former Minister of the Prime Minister's Office Jakrapob Penkair; former Deputy Foreign Minister Sawanit Kongsiri; former Ambassador Surapong Jayanama; former ASEAN Secretary-General Rodolfo C. Severino, and all anonymous sources at the Thai Foreign Ministry. I am grateful to those who lent me their helpful suggestions and research ideas, as well as provided me with useful materials, including Duncan McCargo, Thitinan Pongsudhirak, Panitan Wattanayagorn, Arne Kislenko, Busakorn Chantasasawat, Michael J. Montesano, Marc Askew, Lee Poh Onn, Pinsuda Jayanama, and David Fullbrook. My special thanks go to Nantikan Swatdipakdi, Director of Strategy and Planning, Thai Spokesman Bureau, Government House of Thailand, for granting the permission to reproduce most of the photos contained in this book. I also would like to thank Nick Nostitz, Nirmal Ghosh, Simon Roughneen, Marinee Kittiwangchai, Atiya Achakulwisut, Kesanee Cherngvanich, Kateprapa Vaisok, Ittipong Ngamdan, Nopporn Wong-Anan, and Prachathai Editor for giving me advice on the photo selection and for offering some of their own collections to be used in this project. Special thanks go to three anonymous referees for their constructive comments made on an earlier draft of this manuscript, as well as Triena Ong, Head of ISEAS Publishing for making this book project an enjoyable mission. To Anusorn Visitsilpa, I express my thanks for his brilliant design of the book cover. Finally, I would like to thank Nick Potts for reading through the original manuscript and offering his honest comments. None of those thanked here are by any means responsible for the content of the book. Any errors that might remain are all mine.

The Thai transliteration into English is based on the RI system. I also use certain Thai names commonly found in Thailand's English-language newspapers. In some places, the use of old name of countries and cities was introduced to avoid "historical confusion", such as the use of Siam instead of Thailand, and Burma instead of Myanmar, when the old kingdoms were mentioned or discussed.

# LIST OF KEY CHARACTERS

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Abhisit Vejjajiva, Prime Minister (2008–present)

Bhumibol Adulyadej (King), The Ninth Reign of the Chakri Dynasty  
(1946–present)

Chatichai Choonhavan (General), Prime Minister (1988–1991)

Chavalit Yongchaiyudh (General), Prime Minister (1996–1997)

Jakrapob Penkair, Former Minister of Prime Minister’s Office and a  
leader of the National United Front for Democracy against  
Dictatorship (UDD)

Kantathi Suphamongkhon, Foreign Minister (2005–2006)

Kasit Piromya, Foreign Minister (2008–present)

Prem Tinsulanonda (General), Prime Minister (1980–1988)

Samak Sundaravej, Prime Minister (January–September 2008)

Somchai Wongsawat, Prime Minister (September–December 2008)

Sondhi Limthongkul, Leader of the People’s Alliance for Democracy  
(PAD)

Sonthi Boonyaratglin (General), Former Commander-in-Chief of the Royal Thai Army and former Head of the Council for National Security

Surakiart Sathirathai, Foreign Minister (2001–2005)

Surayud Chulanont (General), Prime Minister (2006–2008)

Surin Pitsuwan, ASEAN Secretary-General (2008–present), former Foreign Minister (1997–2001)

Thaksin Shinawatra, Prime Minister (2001–2006)

# ABBREVIATIONS

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ACD	Asia Cooperation Dialogue
ACMECS	Ayeyawady–Chao Phraya–Mekong Economic Cooperation Strategy
ADB	Asian Development Bank
AEC	Assets Examination Committee
AFTA	ASEAN Free Trade Area
APEC	Asia-Pacific Economic Cooperation
ARF	ASEAN Regional Forum
ASC	Assets Scrutiny Committee
ASEAN	Association of Southeast Asian Nations
ASEM	Asia–Europe Meeting
BIMSTEC	Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation
BOI	Board of Investment
CCP	Cambodian People’s Party
CEO	Chief Executive Officer
CIA	Central Intelligence Agency
CIS	Commonwealth of Independent States
CLMV	Cambodia, Laos, Myanmar, Vietnam
CNS	Council of National Security
CSEP	Civil Service Exchange Programme
EAS	East Asia Summit
ECS	Economic Cooperation Strategy
EFTA	European Free Trade Association
EGAT	Electricity Generating Authority of Thailand
EHS	Early Harvest Scheme
EMEAP	Executives’ Meeting of East Asia Pacific Central Banks
ETCF	Emerald Triangular Cooperative Framework

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EXIM	Export-Import Bank
FBA	Foreign Business Act
FCCT	Foreign Correspondents' Club of Thailand
FTA	Free Trade Agreement
GCC	Gulf Cooperation Council
GSP	Generalised System of Preference
ICJ	International Court of Justice
IMF	International Monetary Fund
JTEPA	Japan-Thailand Economic Partnership Agreement
KMT	Kuomintang
KNU	Karen National Union
LDCs	Less Developed Countries
LPRP	Lao People's Revolutionary Party
LST	Lao Shinawatra Telecom
MGC	Mekong-Ganga Cooperation
MNNA	Major Non-NATO Ally
NACC	National Anti-Corruption Commission
NCCC	National Counter-Corruption Commission
NGOs	Non-Government Organizations
NLD	National League for Democracy
NRC	National Reconciliation Commission
OAG	Office of the Auditor-General
ODA	Official Development Assistance
OIC	Organization of the Islamic Conference
OTOP	One <i>Tambon</i> , One Product
PAD	People's Alliance for Democracy
PAS	Parti Islam se-Malaysia
PPP	People's Power Party
SAARC	South Asian Association for Regional Cooperation
SARS	Severe Acute Respiratory Syndrome
SEATO	Southeast Asia Treaty Organization
SME	Small and Medium Enterprise
SPDC	State Peace and Development Council
SSA	Shan State Army
STEER	Singapore-Thailand Enhanced Economic Relationship
TIFTA	Thailand-India Free Trade Agreement
TNZCEP	Thailand-New Zealand Closer Economic Partnership
TRT	Thai Rak Thai Party
TTR	Thailand Trade Representatives
UDD	National United Front for Democracy against Dictatorship
UMNO	United Malays National Organization

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UNCTAD	United Nations Conference of Trade and Development
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNHCR	United Nations High Commissioner for Refugees
UNSC	United Nations Security Council
UNSG	United Nations Secretary-General
VCP	Vietnamese Communist Party
WTO	World Trade Organization

