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Departmental Bulletin Paper
Unequal Thailand: Aspects of Income, Wealth and Power

PASUK PHONGPAICHIT and CHRIS BAKER, eds.

Does Thailand have an Oligarchy? If so, how do we define it for the national case of Thailand? And most importantly for this collection of essays, what is the empirical proof of this oligarchy in contemporary Thailand? These are some of the main questions which pervade Unequal Thailand: Aspects of Income, Wealth and Power, edited by Pasuk Phongpaichit and Chris Baker. Translated and reworked from a Thai-language edition, Su sangkom Thai samoe na (Toward a more equitable Thailand) published in 2014 by Matichon, this volume is a timely and useful review of some of the political economy issues facing Thailand today.

With nine chapters by Thai scholars and technocrats, the aim of the book is to provide contemporary data and analysis on those material foundations which have fostered a growth in inequality and a strengthening in oligarchy in recent years. Some chapters do this better than others, but all provide insight into these issues. In terms of raw empirical analysis all of the research essays are a success, particularly the second chapter on land distribution as an indicator of both inequality and oligarchy. For those interested in the possible material foundations of recent turmoil in Thai political society, this volume is an absolute gem and is more than worth adding to one’s library.

Theoretically speaking, the introductory chapter by the editors utilizes very recent publications on inequality and oligarchy to frame the research-based chapters which follow. Noteworthy out of this list are Thomas Piketty’s bestselling Capital in the Twenty-First Century (2014) and Jeffrey A. Winters’ comparative political economy treatise Oligarchy (2011). Those familiar with either of Piketty’s or Winters’ ideation on these topics will find evidence for both within the volume. In terms of the latter’s theory on oligarchy, however, the editors seemed to have disvalued the analytic nuance of Winters’ repositioning of oligarchy toward its original Aristotelian meaning—one which highlights the unique power position of agential material wealth without falling into the structural (or teleological) constraints of Marxist historical materialism. In its place, the editors create the moniker “flexible oligarchy” to mean any kind of group of elites (whether they be military, political, bureaucratic, royal, business, or so on) which network in order to “rule” the nation. This is somewhat frustrating, because the insights on how wealth is defended, why oligarchs fight, and what this means for a political society are lost. At best oligarchy then means any “network” of individuals that are somehow more powerful or more influential than the average Thai person. Networks there are in Thailand, but to elide the difference between an oligarch and an elite is to misunderstand the challenge which inequality and oligarchy in Thailand pose.

Yet to be fair, Winters’ conceptualization of oligarchy has been challenged—most directly in a collection of essays edited by Michele Ford and Thomas Pepinsky (2013, 8) on oligarchy’s power within the Indonesian context. This critique has four areas of contestation against oligarchy as a
political force: “explanatory capacity,” political “ontology,” “methodological orientation,” and “level of attention paid to non-material sources.” And, indeed, within the discussion of oligarchy theory itself, not everyone agrees on what oligarchy means. For example, scholars like Richard Robison and Vedi Hadiz (2004) are more than willing to allow oligarchy to stay within the boundaries of a Marxist understanding of materialism. Yet, the most direct application of Winters’ approach to political society in Thailand, at least on the national-level, is by T. F. Rhoden (2015) in the journal article “Oligarchy in Thailand?” Here, Rhoden argues that Thailand does have an oligarchy, not in the sense of a “regime” or even as a “class” that rules everything within the country, but rather in the sense of an empirical fact of Thailand’s political economy, which cannot be ignored. In short, the two most recent coups in Thailand were not downstream from any exigency between classes—that of a rich few versus that of the poor masses—but instead between the wealthy themselves. In this sense, utilizing oligarchic analysis as a starting point to understand recent events in Thailand on the national level fits unnervingly well.

More can be said about oligarchic theory, but this would take us beyond the scope of this specific book review. In short, despite Pasuk and Baker’s distancing themselves from the above example of oligarchy, this edited volume cannot but help lend additional empirics to both Winters’ conceptualization and Rhoden’s application of oligarchy to Thailand.

Misgivings on theory aside, all of the follow-up chapters can easily be read for the new and very important research they present. The most startling for the volume is the initial analysis by Duangmanee Laovakul in the second chapter on land title documents (chanot) provided by the Land Department. This has never been done before in a private publication. Traditionally, the Land Department does not publish this information for those outside of the government. The results are as fascinating as they are somewhat depressing. Whichever Gini Index number one reads for Thailand in terms of yearly income, these numbers hovering around 0.50 for the last decade pale in comparison to the Gini Index number at 0.89 for inequality in nationwide titled land distribution. The landholding analysis is also broken down by region via Thai rai (14.4 million hectare) and by MPs via declared value.

In the past, the best resource a researcher had for measuring a Thai oligarch’s net worth were the annual Forbes “Thailand 50 Richest” articles. With the addition of landholding data, one has a more complete picture of the distribution of assets beyond that of just publically traded companies. The greatest strength in this analysis—and the reason it was likely trusted to the scholar in the first place—is also its greatest weakness: the landholding data are completely anonymous. Granted, one can make educated guesses about who some of these owners are, but for a political economy analysis in a nation where over a third of the population work in agriculture, knowing who owns what parcel of land is of utmost consequence. The reviewer is still waiting for a day when one can see a map of Thailand, or at least of Bangkok, colored in delimiting who owns what exactly. Factor into this the complication of how much land the Crown Property Bureau of the Thai monarch does
or does not own and these seemingly economic issues of inequality take on a decidedly more political tone of oligarchy. Hence the importance of a theoretically robust theory of oligarchy beyond that of just “network” becomes ever more significant.

The third chapter by Dilaka Lathapipat extends the meaning of inequality beyond that of material goods to investigate its effect on education. New data is presented for the current growing inequality in tertiary education in connection with national wages, as well as some possible reforms. This is followed by Sarinee Achavanuntakul, Nathasit Rakkiattiwong, and Wanicha Direkudomsak’s fourth chapter where they take a direct look at the Thai capital market. They argue that the inequality found within Thailand’s monopoly securities exchange arises mainly from a mixture of both legal operations and illegal practices. Their case study of “political stocks” and their increased value and volume of trading in election years is insightful. With this focus on the stock market, the authors are able to deepen the theoretical discussion of oligarchy begun by the editors.

Another compelling research article from this important volume is the fifth chapter by Nualnoi Treerat and Parkpume Vanichaka on elite networking via special executive courses. The interviews that the scholars were able to get with attendees of these elite executive courses are of great value for understanding how it is that specific policies which could benefit the oligarchy come to fruition. The inclusion of members from “billion families” into the courses bring to light some of the behind-the-scene mechanics of how an oligarch is able to connect with those in parliament, military, bureaucracy, university, or the media. Public-sector courses have been offered by the National Security Academy for Government and Private Sector (Po Ro Or), the Office of the Judiciary, the King Prajadhipok Institute, and the Election Commission. Two private-sector courses include the Capital Market Academy by the Stock Exchange of Thailand and one by the Chamber of Commerce. In a political society where scholars have argued there is limited social capital, these executive courses take on a greater meaning.

The sixth chapter by Nopanun Wannathepsakul does well by exploring how inequality is maintained in Thailand’s energy sector. This intriguing analysis posits a “network bureaucracy” to help explain how particular policies are implemented. Attention is rightfully paid to the odd situation where it is not illegal in Thailand for a cabinet minister to create energy policies whilst at the same time continue to sit on the board of a semi-private energy company, collecting a salary.

The seventh chapter by Chaiyon Praditsil and Chainarong Khrueanuan is also insightful since it brings the discussion of inequality and oligarchy down from the national to the provincial level. They present evidence that the overall structure of provincial oligarchy has evolved since the 1997 Financial Crisis. These local data exhibited next to the eighth chapter by Ukrist Pathmanand on “Network Thaksin” allows the reader to cogitate on oligarchy, not just in a horizontal way, but also as a vertical machination pervading Thailand’s political economy. The argument here is that the composition of Thaksin’s network of supporters and allies, both nationally and locally, has changed since he left the premiership. We would do well to remember that, along with a cleavage between
wealthy Thai oligarchs, a semi-independent mobilization of political conscious participants has emerged. They, too, have a voice—one that does not always align with an oligarch like Thaksin. Some solutions to the challenge of inequality and oligarchy are proffered in the final chapter by Pan Ananapibut. This last chapter is much valued, because it allows some space for thinking through some of the options the citizens of Thailand do have, at least in terms of tax policy, for combating the economic side of inequality. Proposals are made in terms of inequality in both income and wealth.

Overall, this is an engaging and well-crafted volume that delivers much-needed new empirical research on the challenges of inequality and oligarchy in Thailand. This book represents some of the best minds from Thailand on the state of country’s current political economy. This volume will be of interest to scholars and students of Southeast Asian political economy as well as researchers into how inequality and oligarchy can vary across the globe.

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References


Potent Landscapes: Place and Mobility in Eastern Indonesia

Catherine Allerton


Potent Landscapes, by Catherine Allerton, is an engagingly written anthropological study of place and culture in Southeast Asia. Its ethnographic focus is a two-placed, partly resettled village (p.5) in the Manggarai region of eastern Indonesia, with ancestral settlement Wae-Rebo in the highlands, and its lowland offshoot Kombo developed in the 1960s as part of a wider governmental resettle-