



HUMAN DEVELOPMENT FORUM FOUNDATION

HDFP Weekly Thailand Review 30/01 – 05/02

Summary

The lese majeste debate took over both national and international headlines this week. Thammasat University rector Somkid Lertpaithoon’s banned campaigning regarding the amendment of Article 112 on University campuses as well as Twitters controversial decision to impose its new censorship rules which sparked a series of lese majeste related conflicts. Water management remains a concern as experts report there is too much water residing in several dams. The Thai economy continues on a juxtaposing, up-down cycle with varying sources giving different accounts of stability and future growth and Prime Minister Yingluck Shinawatra is pushing for foreign direct investment, making the international rounds to encourage export relationships. The Bank of Thailand is revamping its policies to push for better exchange rate management and the stability of financial institutions while software companies are forming alliances to strengthen their industry. The government has publicly reacted to the killing of four suspected insurgents who are believed to have been attacked undeservingly and the use of children in the insurgency continues to be denounced by international organizations. Energy security plans for the future are discussed and attempts to alleviate the dangers to Thai security from drug use are being enacted. Actions to support citizenship for refugees are also reviewed.

Upcoming HDFP Events:

Stay Safe: Safety and Security Training 2012-1 February 20-24th

The training addresses the daily security needs of executives and security focal points of (inter)national non-governmental organization in Southeast Asia. Learn to identify and assess main security risks, improving security awareness, developing risk avoidance behavior and acquire best practice security management tools

Politics

Twitter's new country specific censorship measures will allow governments to request tweets to be removed due to a law violation and Twitter will comply with the request. While analysts and human rights critics claim this is Twitter's way of doing business with authoritarian regimes and gaining market entrance, Twitter's Chief Executive Dick Costolo denied such speculations, defending the new policy stating, "There's been no change in our stance ... in respect to content on Twitter." He further elaborated that tweets will still be shown globally and only be censored in the specific country. (International Business Times) To observers it was no surprise that Thailand was the first country to publicly support Twitter's new policy, ahead of the Communist Regime in China, with the country's information and communication minister Anudith Nakornthap stating, "It's a good idea that Twitter has this policy to take care and prevent its users from violating the law, because freedom of expression must not violate other people's rights or the laws in each country." (The Independent) Thailand itself is already implementing some of the toughest censorship laws, ranking 153rd out of 178 countries in Reporters Without Borders' 2011 Press Freedom Index. The Government contacted Facebook last year with a request to remove more than 10,000 pages arguing the pages violated its lese majeste law and was successful in removing 225 Youtube videos. Some members of the opposition Democrat Party supports taking censorship a step further, as last year's campaign by deputy spokeswoman Mallika Boonmetrakul illustrated, when she asked for an outright ban on all western social media websites, citing the Chinese model as exemplary. Recently Mallika asked for legal action against the Prime Minister, Deputy Prime Minister Chalerm Yoobamrung and Information and Communications Minister Anudit Nakornthap for negligence, due to the fact that 280 websites she reported since December 1, which allegedly insult the monarchy, are still operating. However, analysts are reporting on the ineffective censorship system, as 60,000 websites that were shut down were reopened under different names and networks. (Mcot) (The Next Web) (The Sydney Morning Herald)

Thammasat University's decision to ban campaigning by the Nitirat Group, a group of law professors at Thammasat University (TU), split opinions within Thailand on both amending article 112 as well as on free speech. TU rector Somkit Lerpaithoon clarified that campaigns from both sides will not be permitted on University premises but academic-oriented events are allowed, saying "The ban only covers campaigns of a political nature about Article 112. If the CCA 112 wants to hold an academic seminar about Article 112, I will give them permission. But I won't allow them to hold a signature campaign inside the TU compound." (The Nation) Differing opinions were represented by all types of groups within the University. A series of journalism students opposed Nitirat and their campaign to amend article 112 while the Students Union called on the University to lift the ban, but also clarifying they would not agree with Nitirat's amendment plans. Former Chiang Mai University lecturer and member of the Campaign Committee for the Amendment of Article 112 Nidhi Eoseewong even called democracy itself into question. As the TU rector cited violence as one of the reasons for the ban, Mr. Nidhi claimed democracy was at stake if fear of violence was cited to curtail the freedom of

expression. Additionally, Mr. Nidhi stated that this ban would also bring up the question of who determines the definition of a dangerous idea. (Bangkok Post)

More than 200 international academics, Thai and foreign, signed an open letter to PM Yingluck in support of Nitirat's amendment plans for the lese majeste law, with American linguist Noam Chomsky and Princeton University Professor Cornell West as the most prominent signatories. Foreign Minister Surapong Tovichakchaikul commented that there was no need to reply to the international academics letter as the government has made its position clear, having no interest in amending Section 112, subsequently accrediting the academics with a lack of knowledge for the Thai people and their way of life. (Reuters) (The Nation) (Bangkok Post)

As reported in the Review last week, water management experts are warning officials about too much water being held in the Bhumibol and Sirikit dams. PM Yingluck reacted by instructing the Irrigation Department to discharge water in preparation for the rainy season. The amount of water in the aforementioned dams was thus far reduced from 99.4% of capacity earlier this month to 85% at the Bhumibol dam and from 99.8% of capacity to 83% at Sirikit. Science and Technology Minister Plodprasob Surasawadee was put in charge of outlining the natural disaster warning system and Deputy Prime Minister/Interior Minister Yongyuth Vichaidit was assigned to work with the Bangkok governor to dredge canals and ditches. In this instance Mr. Yongyuth already warned the Bangkok administration, saying "Bangkok must understand we have to work things out together. The government isn't pressuring City Hall. But as a local administration organization, it is under the government's supervision. It is not an independent state." (The Jakarta Globe) (Bangkok Post) (Mcot)

Economics

Fiscal Policy Office (FPO) director general Somchai Sujjapongse announced this week that the economy has already risen above its lowest point since the flooding. Somchai stated many national figures showed signs of improvement including public consumption and value-added tax collection. Additionally, auto sales were less negative, exports and imports expanded well, unemployment is low, the amount of reserves is high, and inflation is projected to decline. Contrastingly, Thai Office of Industrial Economics reported that Thailand's industrial production fell for the fourth consecutive month last month. The industrial production index fell 25.8% from a year earlier, after a revised 47.2 percent contraction in November. The median of 11 company's estimates in a Bloomberg News survey reported a 30% decline. The Bank of Thailand also stated this week a recovery in output might be continued to be delayed until the third quarter because the floods had caused more damage to factories and supply chains than previously estimated. Despite the interest rate cut last week, Benjarong Suwankiri, an economist at TMB Bank PCL in Bangkok claimed "There is still room for the central bank to lower the key rate further if the European economy deteriorates." Overall Asian shares decreased this week as markets waited for confirmation of a likely debt swap deal for Greece to reduce the likelihood of

default. Energy shares also weighed down the SET due to the weak oil market. Domestic institutions sold shares worth a net 310 million baht (\$9.94 million) but foreign investors bought a net 159 million baht (\$5 million). (Taipei Times) (Bangkok Post) (Reuters)

Prime Minister Yingluck Shinawatra attended the World Economic Forum (WEF) in Davos, Switzerland at the end of last week, including a night dedicated as “Thailand Night”, to encourage investors that Thailand has remained a good place for investment and an economic gateway to the region. Yingluck met with several business leaders and CEOs to discuss “Public-Private Interaction on Thailand” to seek ways to develop Thailand's economic potential, policy on water management and long-term reform measures in Thailand. Yingluck assured the various leaders in attendance that with effective water management, there will be no repeat of last year's flood crisis. Following the forum, Yingluck warned that Thailand urgently needs to upgrade its investment attractiveness, as the decline in foreign direct investment contrasted with a rise in neighboring countries. According to a study by the Economist Intelligence Unit, Thailand's share of FDI in the region fell to 6% during the 2010-11 periods, as compared with 17% during 2004-09. In order to achieve the predicted 5% growth rate this year, Thailand needs to focus on exporting to Asian market and encourage domestic consumption after corporate tax cuts and infrastructure upgrades. (Bangkok Post) (MCOT)

The Bank of Thailand is reviewing its policy plans for the upcoming year and has announced its plans to focus on making the economy more resilient and improving the Thai standard of living. The BoT indicated that monetary policy may continue to be eased if moderate inflationary pressure remains including a shift in focus to promote private sector's growth. The BoT will be pushing to support exchange-rate management which will adhere to principles of flexible movement in line with economic fundamentals. There will continue to be support for the Capital Account Liberalisation Master Plan which will allow Thai entrepreneurs and retail investors more flexibility in managing overseas investment. A public hearing is expected to be held in the near future to discuss overseas investment flexibility more thoroughly. A second goal of the central bank is to increase the competitiveness of financial institutions, improving the financial-system infrastructure, including actions such as developing payment systems to prepare for cross-border transactions involving regional currencies. The BoT is hoping to be a part of the ASEAN system of “Qualified Asean Banks” which allows qualified financial institutions to expand their businesses within the region. BOT Governor Dr Prasarn Trairatvorakul has encouraged both the private and public sectors to make headway towards improving financial strategic frameworks and work to overcome the current transitional period. For the public sector, the BoT is encouraging policies that promote efficient investments related to infrastructure, education, and governance. The private sector is being encouraged to learn more about the complexity and risks of various financial products in relation to costs and competitiveness. (The Nation)

Operators of four software parks have adhered to the principals the BoT is encouraging by aligning to form the Thailand Software Park Alliance. The aim of the alliance is strengthen the local sector to prepare for the ASEAN Economic Community (AEC) in 2015. The alliance currently

includes 100 ICT companies plus 500 IT resources which are working to build the local job market and attract foreign investment. Software Park Thailand has now signed a memorandum of understanding with E-Saan Software Park, Software Park Phuket and Korat Software Park to cooperate on technology transfer and business matching. The MOU intends for each park to use its strengths to protect the local software industry, as the AEC will soon allow free flow of ICT workers. Kongkiat Kespechara, the director of Software Park Phuket, said by the second quarter he hopes to collaborate with a SET-listed land development firm to invest 2 billion baht to expand the park from 1,000 square meters to 160 rai (63 acres) by June. (Bangkok Post)

Security

The Southern Insurgency made significant headlines this week after troops killed four suspected insurgents during a gunfight. The four men were killed and three others were wounded on January 29th when a gun battle broke out during an inspection of a pickup truck at a checkpoint in Pattani province. Following the attack, Yingluck Shinawatra ordered an investigation into the shooting, directing army chief Prayuth Chan-ocha to investigate the incident and report on his findings immediately. Yingluck claimed that if those killed and wounded were found to be innocent villagers, the government would fully take care of them. Gen. Prayuth also stated that if the authorities were found to be at fault, those responsible would be punished through the justice process. Residents reported that the villagers were only on their way to a funeral and were not contributing to unrest. A committee of inquiry is being formed and will fully investigate the incident for the next 30 days. "This shooting will make it more difficult for the government to win the trust of the people. Gen Yutthasak and the Region 4 Internal Security Operations Command must come out and admit a mistake was made, and declare publicly that the culprits will be punished within the justice system. They should not talk only about reparations" stated Angkhana Neelapaijit, chairwoman of the Justice for Peace Foundation. Additional violence this week included a paramilitary ranger being shot to death in a drive-by shooting, a woman was killed, her husband and young son seriously injured and other villager was shot dead in Pattani. A policeman was seriously wounded by two gunmen in Narathiwat

Additionally concerning the South, the delegation of Thailand led by Ministry of Social Development and Human Security (MSDHS) attended a treaty body session to discuss the Optional Protocol on Involvement of Children in Armed Conflict of which Thailand is a party. The Ministry attended together with representatives from governmental agencies concerning child rights protection and promotion. The Cross Cultural Foundation raised the issue about the recruitment of children under 18 years as part of the Village Defense Volunteers (VDVs) under the charge of Ministry of Interior. The subject of holding children under the age of 18 years in custody together with adults in military barracks was also discussed as a serious concern. CRC claimed that since Thailand states the Southern Border Provinces are only experiencing "acts of criminal violence" and not armed conflict, the martial law and Emergency Decree should be removed. CRC is pushing for officials to become more careful in enforcing the special laws to

enhance the protection of children's rights overall. In conjunction with CRC, Prince of Songkhla University, Pattani Campus, Deep South Watch and partner organizations jointly organized a photo exhibition regarding children and youth and public discussions on "The Rights of Children and Youth in Justice Process and the Enforcement of Security Laws". (Chanel 6 News) (Reuters) (Cross Cultural Foundation (CrCF))

Energy security continues to be a staple issue pertaining to Thailand's future. A Thai energy expert has predicted that 10 member countries of the Association of Southeast Asian Nations (ASEAN), including Thailand, will integrate their electricity grids by 2020 for regional power security. A recent seminar on the ASEAN Power Grid was held in Thailand, for the purpose of promoting the use of abundant sources of energy in several ASEAN member countries, namely Myanmar, Vietnam, Laos, Malaysia and Indonesia. One of the main benefits of integrating power grids is reduced need to import fuel from suppliers outside the 10-nation bloc, while maximizing the commercial use of electricity in the region. Power expenses are expected to be cut by as much as US\$1.87 billion and the integration would reduce costs of electricity generation, regional investment funds on power development projects and even power reserves. (MCOT) (The Borneo Post)

The use of illegal substances within the prison system was the major security debate this week. Opinion leaders are still supporting Thailand's investment in the nationwide campaign against drug trafficking run by the Royal Thai Police Office and the Office of the Narcotics Control Board since last October. Despite acquiring a few large quantities of methamphetamine pills and arrest of suspects, drug syndicates have remained active. Efforts are being taken to push for a new law which will authorize the Anti-Money Laundering Office to seize the assets of drug traders retroactively. Additionally, the Corrections Department plans to ask for more than 1 billion baht in the 2013 fiscal year to build the first super-maximum security prison in Thailand. The "supermax" prison will be meant to accommodate the most dangerous and most hardened prisoners which pose a threat to international and national security. Thirachai Wutthitham, secretary to the Justice Ministry and the ministry's spokesman has announced that prison is part of a four-step plan drawn up to curb drug trafficking in prisons. The department has already planned to relocate the first group of 500 drug convicts from prisons nationwide to Ratchaburi's Khao Bin Central Prison by the end of this month in an effort to clamp down on drug dealing inside jails. Kobkiat Kasiwiat, the department's deputy director-general, has stated that new designated areas would also be established for drug convicts in all prisons to separate them from other inmates, who are frequently paid to act as drug couriers, or to smuggle in mobile phones and other contraband.

In other country related drug news, a non-commissioned Army officer, Sgt-Major Venus Srijai, was in court custody this week after being accused of aiding an Army major in a large drug transfer. Sgt-Major Venus Srijai reportedly worked closely with Major Piyanat Ketjamras who is currently in custody after crystal methamphetamine and amphetamine tablets worth 1 billion baht were found at his Bangkok home. Separately in Chiang Mai, an Army anti-drug unit killed three foreign drug couriers in a gunfight, before seizing 5 kg of heroin. In this same area two

weeks ago, two foreign couriers killed and resulted in the seizure of 100,000 amphetamine tablets and 8 kg of crystal meth. (Asia One) (Bangkok Post)

Headway for refugees is being made as the Senate finally passed a law to grant the Thai Diaspora citizenship this week. Tens of thousands of stateless refugees within Thailand have previous family ties and documentations to prove they belong in Thailand but have lived without any legal rights their entire lives. Changes in territorial demarcation a century ago lead King Chulalongkorn to relinquish vassal states to British-ruled Burma and to French-ruled Cambodia. Following the territorial changes, some Thais moved to other provinces while many others stayed because they did not want to lose hereditary lands and property. "We are Thai by blood. We speak Thai. We observe Thai customs. How come we are not recognized as Thai?" stated Bantom Sommai, who fled to Trat Cambodia during the period of Khmer Rouge control. Without citizenship, the stateless have no access to education or health care nor the freedom to move around as they please. They cannot hold driver's licenses and do not receive social security. They are also routinely extorted by the police. According to the new law that was passed, the beneficiaries must be Thai by family bloodline and must have been affected by the territorial changes a century ago. They must have been living in Thailand for an extended period of time and they must be already included in state surveys of the Thai Diaspora. However, experts are reticent that the law will actually be implemented. The law will be effective only after the Interior Ministry has issued regulations to carry out the mandate, yet the Interior Ministry is known as one of the most ardent opponents of granting citizenship to the stateless to avoid attracting more illegal immigrants. The future for the Stateless remains unseen. (Bangkok Post)