Labour, Politics and the State in Industrializing Thailand

Andrew Brown

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Capitalist industrialization in Thailand has had a revolutionary impact on the organization and structure of the society. New classes, groups and interests have emerged, including an urban-based industrial working class who are essential to the new capitalist procedures. This book examines how industrial workers have come to occupy a strategic place in the contemporary political economy and charts their long-term activism in seeking redress for a range of industrial, social and political problems.

Labour, Politics and the State in Industrializing Thailand, unlike previous studies, does not argue that the political exclusion of organized labour is the result of an immature working class, but focuses on how the state has become entangled in the processes through which workers have been organized, reorganized and disorganized as social and political actors in different historical periods. By critically examining the themes of labour weakness, political exclusion and insignificance of 'class factors', this book aims to bring back workers from the margins by demonstrating that both in the present and past the state has been involved in processes that determine the forms of their struggles.

Utilizing new empirical data and largely neglected historical material, Brown highlights how the working class has emerged as an enduring facet of Thai society. Providing an innovative approach to workers and politics, this book will appeal to scholars of South-east Asia as well as those with research interests in politics and employment in rapidly developing countries.

Andrew Brown is a Research Fellow in the Department of Political and Social Change in the Research School of Pacific and Asian Studies, Australian National University.

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Series editors' preface

The Asian Economic Crisis that began in 1997 struck down some of the major economies of the region and had global economic and political consequences. In Hong Kong, the economic downturn also caused economic instability and coincided with the end of colonialism as Hong Kong became a Special Administrative Region of China. The conjunction of these events meant that the launch of the South-east Asia Research Centre at the City University of Hong Kong in late 2000 was propitious.

This new book series reflects the Centre's research agenda that seeks to advance research and understanding of the political, economic and social forces that are shaping contemporary South-east Asia. This series reflects the Centre's emphasis on multi-disciplinary, comparative and holistic research. It also recognizes that the Asian Crisis marked a further watershed in the often turbulent development of the constituent nation-states of South-east Asia.

Through the turmoil of the Second World War, decolonization, independence and the cold war, great power rivalry and nationalist aspirations shaped the development of post-colonial South-east Asia in significant ways. The long struggle for national unification in Vietnam exemplifies the significance of the local in global contestation.

As the region emerged from these turbulent times, rapid economic development reconfigured the societies of South-east Asia. From the mid 1970s, a number of South-east Asian economies entered extended periods of significant economic growth. The economies of Singapore, Malaysia, Thailand and Indonesia benefited from a more generalized development in East Asia, and made rapid advances, becoming some of the most dynamic economies and societies in the world. Huge flows of foreign capital and the development of relatively powerful domestic capitalist classes transformed these societies in just two to three decades. The World Bank and other international financial institutions celebrated the region's economic success and urged a continued unfettering of markets.

But the 1997 economic crash, and especially its negative social consequences, posed new challenges for the development models of the region. This led to increased questioning of the processes of capitalist globalization.

Further, the economic crash confronted the region's political regimes with significant challenges. The most notable of these was the collapse of the New Order in Indonesia. This confluence of economic and political turmoil stimulated a reassessment of the multiple impacts of globalization and associated ideas about regionalization. Nowhere has this reassessment been more vividly revealed than in the rise of China as an economic power. The regional reconfigurations that are under way indicate that multiple globalizing and regionalizing processes must be conceptualized to encompass economic, political, social and cultural processes.

Understanding how South-east Asians are negotiating the broad and multiple challenges posed by globalizing forces, and how they are reinventing their societies, are elements of the South-east Asia Research Centre's research agenda. Another focus is the divisions of class, ethnicity, gender, culture and religion that appear as fault lines underlying South-east Asia's post-colonial nation. Such rifts shape diverse patterns of conflict and fragmentation in the region. While much recent attention has been directed to Islamic 'fundamentalism', this is but one type of conflict in the region. A third area of interest involves regional interactions, including those between states, civil society, business, labour and migration. Finally, attention is given to the ways in which South-east Asian political economies are being reinvented following the Asian Crisis, examining new patterns of accumulation and allocation, and how these are shaped by political struggles in the region.

In this context, Andrew Brown's analysis of the development of Thailand's working class is an appropriate first book in this series. Dr Brown's study is the first English-language study that focuses on the history and politics of labour in Thailand. Thailand's working class emerged over a long period. Initially, the working class was small and dominated by Chinese immigrants. However, as the economy has grown, so the working class expanded and diversified. In 1960, more than 80 per cent of the economically active population worked in agriculture. Four decades later, this had declined to just 45 per cent. The expansion of the manufacturing workforce was especially rapid. The working class is now dominated by ethnic Thais, with women prominent in the export manufacturing and service sectors. Of course, these developments were associated with Thailand's rapid economic development that brought many benefits to its participants. However, as the economic crisis demonstrated, capitalist globalization also means that workers are increasingly tied to the vagaries of international markets.

While the economic significance of Thailand's working class has increased, it is common for these workers to be considered insignificant actors in pressing for political change. Utilizing new empirical and important historical data, Dr Brown indicates that workers and their struggles should be located at the centre of our understanding of political change in Thailand. This book shows that the long-standing struggles between

labour and capital have been central to the development of capitalism and the forms of political activism in Thailand. Dr Brown also draws attention to the interactions between labour and the state, and reveals that the state has been entangled in processes that have determined labour's economic and political struggles. This is reflected in the logic of the state's operations, the development of its administrative and bureaucratic structures, and in the very nature of the political regime and associated political space.

Kevin Hewison, Director
Vivienne Wee, Associate Director
Southeast Asia Research Centre
City University of Hong Kong

Preface

Few would argue against the proposition that Thailand's capitalism is having a revolutionary impact on economic, social and political life. Despite this, scholarly analyses of the relationship between capitalism transformation and processes of political change have largely ignored the economic and political role of the industrial working class. This book aims to partially redress this situation via an examination of the contested political processes through which industrial workers in Thailand have become organized, reorganized and disorganized as social and political actors in changing socio-historical contexts. Through this focus, the study draws attention to the manner in which the political control and accommodation of industrial workers and their activism have emerged as enduring historical concerns for that specific amalgam of social forces and interests involved in the struggle for political dominance through the agency of the state. From the period of the absolute monarchy, through military dictatorship and into the era of parliamentary rule and globalization, the question as to whether and how labour should or should not be accorded an organized and legitimate political voice will be shown to have attracted the recurring entanglement and interest of all. This fact suggests that, rather than being of peripheral importance, an understanding of the politics of the working class has much to contribute to the political science of Thailand's transition to capitalism.

An appreciation of the enduring historical and problematic character of the state's relationship with the politics of the working class is particularly timely given the contemporary Thai political environment. Thaksin Shinawatra and the *Thai Rak Thai* Party electoral victory in January 2001 signalled the rise to state power of a new complex of economic, political and ideological interests. Dominated by big domestic capital, Thaksin's administration has over the past two years been involved in a process of entrenching a new developmental 'social contract' that replaces that established by the government of Sarit Thanarat over four decades ago. Under the old developmental model political stability and security would be guaranteed by military government, private capital would be encouraged and domestic entrepreneurs would generate growth with the working class and

peasantry benefiting through a trickle-down effect (Hewison 2003: 11). However, rapid industrial expansion in the broader context of globalization, the emergence of a more complex society and pluralistic social structure, together with changes in the political area, marked especially by the growth of a civil society and the embedding of a parliamentary system, have combined to fundamentally transform the conditions that gave rise to the older development model. The final nail in the coffin of the model was the onset of economic crisis in 1997 (Hewison 2003: 12). It is in this environment that Thaksin and his government have been confronted with the challenge of dealing with the lingering socio-economic effects of the crisis and reigniting domestic processes of capital accumulation. Although yet to be fully established, a new social development model is emerging where a government dominated by the wealthy will provide assistance and protection to a reformed domestic capital class while at the same time offering increased social assistance to the poor (Hewison 2003: 13).

It is in this general context of entrenching a new social contract and development model that Thaksin's government appears to be on the verge of reorganizing the state's relationship with the industrial working class. To date, the government has moved slowly on matters of labour reform and the older exclusionary and repressive policies geared to providing a cheap, disciplined and weakly organized industrial labour force remain very much in evidence. However, pressures are building and substantial change seems inexorable. Internationally, competition from cheaper wage-labour competitors as well as trends that link market access to support and respect for labour rights and standards are forcing a rethinking of past labour relations policies and practices. At the same time, sections of big domestic capital, in their bid to engage in higher-value-added production and develop a more sophisticated globally engaged economy, are cognizant of the need to create a more highly skilled and motivated workforce. In this the question of better wages, improved and safer working conditions and a reformed and more efficient industrial relations system are becoming issues for significant policy debate. Alongside this are also pressures being exerted by workers and their families, as they have been challenged, particularly since the 1997 economic crisis, by an ever-widening gap between the theory and practice of industrial labour laws and the political promises of greater inclusion and participation within a system of parliamentary rule (Brown, Bundit and Hewison 2002). Just how the Thaksin government will respond to these pressures in the building of a new social contract is not clear. Nonetheless, very recent undertakings to establish an unemployment benefits fund in early 2004 (*Bangkok Post*, 27 February 2003), moves to finally ratify the International Labour Organization (ILO) 1973 Minimum Age Convention (*Bangkok Post*, 7 March 2003) as well as the provision of extra budgetary resources to labour skilling and training would appear to presage a period of substantial change. In all this the question of how labour organization might also be reformed to have an improved institutionalized

voice in industrial and political arrangements also looms large (Athibodi krom sawatikan 2003: 10–14).

This study places these contemporary problems in a broader historical context, demonstrating that, while some issues are new, others represent dilemmas that have been part and parcel of the politics of the working class for over a century. If an understanding of this past sheds some light on present dilemmas then this book will have served a useful purpose. In Chapter 1, the study is located in the context of a body of research and a number of themes are discussed that serve to structure the narrative contained in subsequent chapters. Chapters 2 to 7 provide an empirical examination of the interplay between processes of working-class formation, the state and politics. The demarcation for each of these chapters is established by events that mark significant changes in the character of the political regime. Within each of these periods, the nature of working class struggle is explored, focusing especially on workers' attempts to build their organizational capacities. These struggles are located in the broader political dynamics of the time. In essence, each of the chapters examines working-class politics in action within specific episodes of regime transition, emphasizing a more central place for workers, but at the same time showing how different regimes have created varying opportunities for labour's political space and hence its organization and/or disorganization as a legitimate social, industrial and political actor. In Chapter 8, some of the main arguments contained throughout the study are drawn together and concluding comments are made.

Essentially this book charts the rise of a working class politics and suggests that an understanding of this politics enriches broader scholarly knowledge of Thai political history.

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Finally, my love and appreciation go to the Brown and Wijeyewardene families, particularly to Ingrid, Kestin and Angus, who have had to endure all the ups and downs associated with the research and writing of this book.

Abbreviations

AAFLI	Asian-American Free Labor Institute
AFL-CIO	American Federation of Labor – Congress of Industrial Organizations
AUWB	Association of United Workers of Bangkok (Samakhom sahachiwa kammakon nakhon krungthep)
AUWT	Association of United Workers of Thailand (Samakhom sahachiwa kammakon haeng prathet thai)
BMA	Bangkok Metropolitan Area
CAKE	Committee for Assisting Kader Employees
CCP	Chinese Communist Party
CFD	Confederation for Democracy
CLU	Central Labour Union
CPT	Communist Party of Thailand (Phak kommunit haeng phrathet thai)
ECOT	Employers' Confederation of Thailand
EOI	Export-oriented industrialization
FES	Friedrich Ebert Stiftung
FLAT	Free Labour Association of Thailand (Samakhom seri raengngan haeng phrathet thai)
GTU	Group of Thai Unions (Klum sahaphaphraengngan haengphratet thai)
GTUA	General Trade Union Association
HSCC	Health and Safety Campaign Committee (Khana kammakan kanronarong phua sukaphap lae khwam phlot phai khong khon ngan)
ICFTU	International Confederation of Free Trade Unions
IDL	International Division of Labour
ILO	International Labour Organization
ISI	Import substitution industrialization
ISOC	Internal Security Operations Command
LAT	Labour Association of Thailand (Samakhom lukcang haeng phratet thai)

LCCT	Labour Coordination Centre of Thailand (LCCT) (Sunprasanngan kammakon haeng chat)
LCT	Labour Council of Thailand (Saphaongkan lukcang sapha raengngan haeng phratet thai)
LRA	Labour Relations Act 1975 (Kotmai raengngan samphan po so 2518)
NA	National Archives
NACFLD	National Advisory Council for Labour Development
NCTL	National Congress of Thai Labour (Saphaongkan lukcang raengngan haeng phratet thai)
NESDB	National Economic and Social Development Board
NFLC	National Free Labour Congress
NGO	Non-governmental organization
NPKC	National Peacekeeping Council
SEC	Siam Electric Company
SERG	State Enterprise Relations Group
TCWERPN	Thai Council of Work and Environment Related Patients' Network
TLA	Thai Labour Association (Samakhom kammakon thai)
TNTUC	Thai National Trade Union Confederation
TTA	Thai Tramway Men's Association (Samakhom kammakon rotrang thai)
TTUC	Thai Trade Union Congress (Saphaongkanlukcang sahaphan raengngan haeng phratet thai)
USOM	United States Operations Mission
WFTU	World Federation of Trade Unions
WWAB	Workers' Welfare Association of Bangkok (Samakhom kammakon songkhro krungthep)

1 Introduction

Labour has not figured prominently in the scholarship concerned with the political consequences of Thailand's transformation through capitalist industrialization. For much of the twentieth century, absolute monarchs, and later military leaders and civilian officials, presiding over a state that was insulated from extra-bureaucratic interests, figured in the academic literature as the principal shapers of historical and political changes (Wilson 1962; Riggs 1966). In these elite-focused analyses, industrial workers and their struggles were deemed largely irrelevant and often simply ignored. Over the last two or three decades, however, alongside industrial expansion, the development of a more complex division of labour and pluralistic social structure, it has been the bourgeoisie and middle class that have attracted the attention of political commentators. It is argued that the domination of the state machinery and policy processes by small coteries of civilian and military bureaucrats has now passed into history. A vibrant civil society comprised of diverse social interests, led by representatives of the aforementioned classes, has emerged and demonstrated an intention to bring the bureaucratic state to heel and force it to take account of popular aspirations for a more open and participatory political system. While no longer entirely ignored, labour's involvement in, and contribution to, these recent political transformations is seen to have been peripheral (see, for example, Vichote 1991).

Not surprisingly, for that relative handful of scholars who have focused their intellectual energies on labour history, the thrust of research has been directed towards accounting for the enduring weakness of organized labour and the underdeveloped character of a working class politics. As Samrej (1987: 2) has noted, in addressing themselves to this task, researchers have built their studies on models that posit a certain inevitability about the political forms, roles and demands that working classes are assumed to develop during the transition to industrial society. While there is considerable variation in the literature, two broad clusters of views predominate. The most influential of these is a liberal-pluralist perspective, associated with broader modernization approaches to the study of development processes. This approach has projected a role for Thailand's workers that

would more or less conform to the historical path taken by working class movements in western liberal democracies. There organized labour was accorded a legitimate, albeit contested, place in both industrial and broader political structures and arrangements via the granting of a range of rights guaranteed and enforced by the state itself. A second approach, linked with a more radical scholarship on Thailand's political economy, has drawn heavily on Marx's class-in-itself/class-for-itself model. Through the experience of capitalist exploitation and domination, workers are projected to emerge as a united class-for-itself confronting employers and the state and in the vanguard of a progressive and emancipatory politics. A range of positions that draw upon a mix of these two broad approaches may also be identified. The problem is that, in neither case, has the Thai experience conformed to such theoretical models. Scholars have thus been confronted with the task of identifying those economic, social and cultural factors that have formed impediments to the realization of the projected outcomes.

As a research strategy, constructing an historical account of Thailand's working class politics via the employment of models that embody notions of the course and forms that a labour politics has either taken elsewhere or might otherwise be expected to take, is not without its merits. In an academic context, where workers and their activism have been largely neglected, many of the studies conducted along such lines have produced pioneering investigations into Thai economic, social and political history and brought to light invaluable empirical material in what is an inherently difficult and complex area of intellectual research. More especially, this research strategy has indeed drawn attention to some of the very real difficulties that have confronted Thai workers as they have strived to build and maintain collective industrial and political responses to the challenges of class, and has thus accounted for, at least to some extent, why the liberal or more radical outcomes have not been historically realized. In doing so, these studies have effectively highlighted the very different levels of organizational and political capacities that have accrued to workers, the state and other classes as a result of the particular character and course of Thailand's industrialization experience.

Nonetheless, in building their analyses upon certain normative views as to what a real, proper or developed form of labour organizing and struggle should or should not look like, scholars have been limited in their ability to identify and explain the occurrence of labour activism in the Thai context that may not have assumed or corresponded with such forms. Moreover, this particular research strategy has also promoted a tendency to decentre the concept of class and, in extreme cases, has led to a denial that class and class analysis have any relevance whatsoever to an explanation of the historical relationship that has emerged between Thailand's workers, the state and broader processes of political change (Wilson 1962: 51, 57; Mabry 1977: 932; Sungsidh 1989: 264).[1] A major consequence of this is a fundamental inability to appreciate the way in which labour's

organizational weakness and exclusion from formal political arrangements and policy-making processes may be understood not as marking the absence, distortion, immaturity or underdevelopment of class, but rather as the product of a class politics as this has manifested itself in the specific Thai context. Moreover, rather than being of peripheral importance, it could be argued that an analysis of this politics is necessary if not sufficient to explain and account for the occurrence of patterns of social conflict and contestation that, as this study will empirically demonstrate, have emerged as enduring structural features of Thai political life.

Class as structure and process

In advancing these views, this study draws a distinction between the notion of class as a particular kind of relation and process that is the object or source of struggle, and a class formation, that is, an organized, conscious and collective social and political actor, which is the subject or agent of struggle. As a relation and process, class is defined by the specific manner in which 'surplus labour is pumped out of the direct producers' in capitalist societies (Wood 1995: 76). It was, of course, a fundamental proposition of Marx's method that it is through an understanding of the structure and dynamics of class relations and the struggles they generate that we are able to explain processes of social and historical change in specific socio-historical contexts (Isaac 1987: 47; Dow and Lafferty 1990: 24). Thus, as Wood writes, the view of class as both structure and process stresses:

> that objective relations to the means of production are significant because they establish antagonisms and generate conflicts and struggles; that these conflicts and struggles shape social experience 'in class ways' even when they do not express themselves in class consciousness or in clearly visible class formations; and that over time we can discern how these relationships impose their logic, their pattern, on social processes. (1995: 82)

Such observations are especially germane for approaching the Thai case. Because of the apparent absence of 'class consciousness' or a 'visible class formation', writers have questioned the relevance of class and class struggle for understanding the relationship between industrial workers, politics and the state. Implicit in this is the view that, in order to 'make history', workers must become a self-consciously constituted, corporate entity; unless and until they reach this stage, workers will remain a 'mere mass', something still not properly formed or mature (Miliband 1988: 23). This assumes that, in the absence of classes acting as 'quasi-individual' subjects (Metcalfe 1988a: 132), class conflict does not exist and hence there has been a tendency to argue that class per se is an irrelevant category of analysis in the Thai context.