

Searching for a Better Structure Bangkok Post August 1, 1996

Anand Panyarachun: 'Accidental Prime Minister' committed to treating more than the symptoms of Thailand's political malaise

"If we want to have democratic rule we have to earn it. It is something that is not given to you by divine right.... It is something that we have to earn, and it is something that we have to fight for: fight for with our ideas, fight for with our own participation, fight for with our own responsibility to the public at large".

There are those who have never forgiven Anand Panyarachun for agreeing to become Prime Minister in 1991. For these activists and intellectuals. Mr. Anand legitimised the "coup d'etat" in February of that year, by the military group that called itself the National Peace-keeping Council.

Then there are those who have never forgiven him for having stripped the coup leaders of their power, and at the same time treated with disdain the elected politicians who were willing to side with the coup leaders.

Huge numbers in Bangkok and the cities supported him in his efforts as "Prime Minister by accident", as he described himself. Toward the end of his second term - appointed almost on the spur of the moment, to steer Thailand back to normality, after the bloody anti-military protests of May 1992 - Mr. Anand was under such heavy criticism that his supporters rallied around him. A special reception was organised for him at a Bangkok hotel and "I love Anand" car stickers appeared everywhere.

His critics accuse him of having been dictatorial and intellectually arrogant. Some are bored with the media attention given to him. Some admire him for his principles and independence. They accept his weaknesses - such as impatience with the more simple-minded questions of reporters, and intolerance of the tedious "nit-picking" of Thai political debate.

Among many Thais who believe that only charismatic individuals can save the country, Mr. Anand is the 1990s version of "the knight on a white-horse". For them, he personally saved the country twice; from dictatorship in his first term as Prime Minister from March 1991 to April 1992, and then taking Thailand out of turmoil back to electoral democracy from June to September 1992.

"The white-horse knight" is not an image he encourages. His speeches and interviews, during those brief periods as Prime Minister, emphasised structure, rather than personalities. He did not talk much about the need for "good people" to come to power. He did talk about suitable laws to define the proper role of

the military, about freedom of information and the press, and about the participation of the public in politics.

In April 1991, two months after the coup that first brought him to office, Mr. Anand spoke to the Foreign Correspondents Club of Thailand. He urged the Thai public to “wake up to the fact that if we want to have democratic rule we have to earn it. It is something that is not given to you by divine right.... It is something that we have to earn, and it is something that we have to fight for: fight for with our ideas, fight for with our own participation, fight for with our own responsibility to the public at large.”

It was a stirring and surprising performance, a passionate argument for participation and against military dictatorship, by the man the military had put into office un-elected. As if to sum up the contradictions that has characterised his life, it was in English. Communication with the Thai masses, has never been his strong point, even if large sections of the urban population love him.

Many of those who look back favourably on his two terms as Prime Minister, do so out of admiration for his honesty, and for the way he resisted the military that put him in power. Few realise that what he and his colleagues were trying to do was more complex than that. They were trying to set up better structures, that would make Thailand more democratic and open, reduce the power of the military, and reduce opportunities for corruption among military and civilian officials and politicians.

It is surprising that Mr. Anand ever became Prime Minister. His early years were promising enough. He was born on August 9, 1932, the year of the revolution that turned Thailand into a constitutional monarchy. He went to three schools: Amnuay Silpa, Bangkok Christian College, and Dulwich College in London. Then came Trinity College, Cambridge University, an honours degree, and 23 years in the diplomatic service.

Within 12 years, he was Ambassador to the UN in New York and to Canada. In 1972 he became Ambassador to the United States in Washington as well as to the UN in New York. The two postings gave him nine un-interrupted years at Ambassador level in the United States. In 1976 he returned to Bangkok, to become permanent secretary at the Foreign Ministry.

And then his high-flying career stalled. Within months, he was removed from office, accused of communist sympathies, and made Ambassador-at-large. He was grounded. In 1977, he became Ambassador in Bonn, but by then the strain on his family had been immense, and diplomacy was no longer attractive. A year later, Mr. Anand left the Foreign Ministry, and joined Saha Union, at that time a business group mainly involved in textiles.

Mr. Anand was a victim of the extreme polarisation of the 1970s. In 1975, the year the Vietnam War ended, and two years after the overthrow of the Sarit-Thanom military dictatorship, the elected government of M.R. Kukrit Pramoj decided that U.S. bases should leave Thailand. As Ambassador in Washington, Mr. Anand's job was to negotiate the withdrawal. The military and the ultra-

conservative civilians they installed after the bloody “coup d’etat” of October 6, 1976 did not forgive Mr. Anand.

His career since then shows just how absurd the communism accusation was. For the past 18 years, except for his two “accidents” in 1991 and 1992, he has been a businessman. His premiership in 1991 and 1992 included an increased emphasis on privatisation and the outlawing of state enterprise unions.

Mr. Anand’s list of past and present positions includes numerous directorships and Chairmanships of Saha Union companies (including Chairman of Saha-Union Public Co. Ltd. itself since 1991), President of the Federation of Thai Industries, director of many Thai and international companies, including IBM (Thailand) and Sime Darby Berhad of Malaysia, President of the Association of Southeast Asian Nations Chambers of Commerce and Industry, and member of the Board of Governors of the American Chamber of Commerce in Thailand. Since April 1994 he has been Chairman of Post Publishing Public co. Ltd., publisher of the Bangkok Post.

He is also Chairman of the Thailand Development Research Institute, Thailand Environment Institute, and Thailand Business Council for Sustainable Development, as well as Ambassador for Thailand for UNICEF (the UN children’s fund). Among the public figures he admires are former British Prime Minister, Margaret Thatcher, and international media tycoon, Rupert Murdoch.

He summed up his ideological position, in an interview during his second term in 1992, beginning with a joke.

“Who was it who said: “Who was the first socialist in the world?”... The answer is Christopher Columbus. Why? Because he didn’t know where he was going. When he got there he didn’t know where he was, but he didn’t care, because he didn’t have to pay for it!”

Mr. Anand described himself as an “enlightened liberal”, not an enlightened authoritarian. There is a vast difference in that.” That meant distancing himself from leaders like Lee Kuan Yew of Singapore.

“I think it’s all wrong in a way, when you listen to all these foreigners comparing the May events in Thailand to the Tiananmen Square incident in China; or when people try to compare my previous (first) administration with Mr. Lee Kuan Yew’s style of management, because here we have unlimited freedom of the mass media - that was only interrupted during that fateful week (of the May 1992 uprising).”

Democracy inevitably means a risk of instability. The former Prime Minister of Singapore placed development and stability before democratic freedoms, Mr. Anand said. “I do not go that far, but at the same time I would say that Mr. Lee Kuan Yew is partially right, and perhaps in terms of Singapore society, who am I to say that is not right for the Singaporeans?”

Thailand's size and diversity make it quite different from Singapore. "I mean, you can discipline two million citizens, but you cannot really discipline 56-57 million people."

This was June 1992, one month after the May uprising. He described what he thought had gone wrong with Thai democracy and what he thought needed to be done. The fault, he said, lay with the political structure, and this was the ultimate cause of the May bloodshed.

"In the past 60 years we merely dealt with the symptoms of the malady, and we either did not have the courage, or didn't have the vision, to try to undertake some structural adjustments. That doesn't mean that within the next four months I'll be able to do many things with regard to structural adjustment, but at least I hope that by the time I leave, I will have begun a process of structural adjustment."

He spoke especially about the military, and the laws or administrative measures needed to redefine its role. "The objective is to try to lower the army's profile, or lower their role. It is not aimed at destroying the institution, or defaming the institution. On the other hand, I'd rather look at the positive side of the structural adjustment, in the sense that it will enhance the army's professionalism, enhance the effectiveness of their management, and make them into a more efficient fighting force, in defence of the constitution and in defence of our territorial integrity.

"I think in the past 60 years - this is not really the fault of the army, I think it's the fault of the entire system in Thailand - that somehow in-advertently we have either given or we have acquiesced in the acquisition of this very high-profile role of the army. We need time to think, to ponder seriously whether certain roles they have been given, or they have acquired on their own, are really the roles that should belong to them."

Tackling the military, only became his responsibility in his second term. In his first term, the military kept the task of re-drafting the constitution out of his hands completely. He still introduced innovations, to restructure Thai politics, setting up PollWatch, the independent election monitoring commission, and introducing legislation requiring more open and systematic screening of large public projects.

His form of liberalism made Mr. Anand a champion of regional free trade, beginning when he was President of the ASEAN Chambers of Commerce and Industry in 1982-83. A decade later as Prime Minister he signed the ASEAN free-trade Agreements at a Singapore summit.

Many assumed that the coup group chose Mr. Anand as Prime Minister because one of its leaders, Gen Suchinda Kraprayoon, had been military attache in Washington when Mr. Anand was Ambassador. Mr. Anand played down the suggestion.

In any case, his government was soon at odds with the coup group. The first big quarrel was about the three-million-line contract that the Telephone Organisation of Thailand had signed with TelecomAsia, a member of the Charoen Pokphand group. Against the wishes of the army officers on the TOT's board of directors, the Anand government split the contract, leaving TelecomAsia with the two million new lines in Bangkok.

Then came public protests in late 1991 about the coup group's attempt to draft a new constitution, in a way that would improve its chances of retaining power after the March 1992 election. Mr. Anand openly criticised the draft.

Almost half a decade later, it could be argued that the impact of the Anand government has been short-lived. Peace and democracy were restored, and foreign confidence in Thailand was only temporarily damaged. The corruption and petty bickering among politicians seems as bad as ever.

Yet some issues – such as ASEAN free trade, and some aspects of transparency in political decisions – are now taken for granted. The combination of public protests and the Anand government's actions, have probably strengthened Press freedoms, considerably.

It is probably still too soon to judge whether the other legal and structural changes that Mr. Anand and his colleagues introduced, during their brief terms, are having an impact. He has always emphasised the length of time needed for changes to become ingrained. The last long gap between attempted or successful "coups d'etat" was five years and five months from September 1985 to February 1991. That gap is right now being surpassed.

Anand Panyarachun's Biography

Name: Anand Panyarachun
Born: August 9, 1932, Bangkok
Education: Amnuay Silpa School, 1943-45
Bangkok Christian College, 1945-48
Dulwich College, London, 1948-52
Trinity College, Cambridge, 1952-55
Career: 1955: Joined Foreign Ministry
1964: Posted to Thai Mission to UN, New York
1967: Ambassador, Acting Permanent Representative to UN and Ambassador to Canada
1972: Ambassador to U.S. and UN
1976: Permanent Secretary, Foreign Ministry
1977: Ambassador-at-Large
1977: Ambassador to West Germany
1979: Joined Saha Union as Chairman or Director of several Companies
1991: Chairman, Saha-Union Public Co. Ltd.
1991: Prime Minister (March-April 1992, June-October 1992)
Others: 1980-80: Vice President, Association of Thai Industries

- 1982-84: President, ASEAN Chambers of Commerce and Industries
- 1986-90: Chairman, ASEAN Section of ASEAN-US Business Council
- 1990-91: Chairman, Federation of Thai Industries
- 1991-95: Member, Business Advisory Council, International Finance Corp.
- 1993-94: Chairman, Business Council for Sustainable Development (Geneva)
- 1982: Chairman, Star Block Group Pcl
- 1982: Director, Sime Darby Berhad, Malaysia
- 1984: Director, Siam Commercial Bank Pcl
- 1988-: Member, Advisory Council of SASIN Graduate School of Business
- Administration: 1989-: President, Old England Students Association
- 1989-: Chairman, Eastern Star Real Estate Pcl
- 1990-: Member, Board of Trustees, Asian Institute of Technology
- 1992-: Chairman, Thailand Development Research Institute
- 1993-: Chairman, Thailand Environment Institute
- 1993-: Chairman, Thailand Business Council for Sustainable Development
- 1994-: Chairman, The Post Publishing Public Co. Ltd.
- 1995-: Chairman, Kenan Institute Asia
- 1996-: Distinguished International ISIS Fellow, Malaysia
- 1996-: UNICEF Ambassador of Thailand