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Abstract:

A bargaining game between elite groups has the potential to explain a macro phenomena such as a civil war. Literature on civil conflicts has equated the presence of conflict with exclusion of ethnic elites from the distribution of political participation, social services and economic assets –horizontal inequality arguments-. Elites in conflict prone countries also bargain and exchange assets and goods through patronage networks which can be understood as informal institutions. This paper argues that although these research findings have been robustly accepted, there is still a lack of insight into the role and importance of informal institutions as plausible and effective channels for redistribution. By using Process Tracing, this paper will show that in the provinces of Pattani, Yala and Narathiwat within the South of Thailand; the patronage networks provided a stabilizing effect in controlling the use of violence by Malays as a means of achieving demands. The significant change in the patronage network between the governments of General Prem Tinsulanonda and Thaksin Shinawatra ultimately meant that the poorest Malay population which is the one holding arms, was not able to receive any redistribution of economic assets, political participation or social services. Formal inclusionary deals between the elites cannot solely account for the pacifying effect during the government of General Prem Tinsulanonda as most scholars have argued.

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Introduction

A bargaining game between elite groups has the potential to explain a macro phenomena such as a civil war. Political exclusion and horizontal inequality across ethnic groups have been highlighted as strong predictors of ethnic conflict onset (Cederman, et al., 2010; Ostby, 2008; Ostby, et al., 2009; Besacon, 2005; Baldwin & Huber, 2010; Alesina & Papaioannou, forthcoming; Stewart, 2002). These findings have proven robust in comparison to previous research findings attempting to explain conflict onset by measuring the degree of ethnic heterogeneity, ethnic salience, ethnic dominance or ethnic polarisation (Fearon, 2003) (Elligsen, 2000)(Lujala, et al., 2005) (Hegre & Sambanis, 2006)(Reynal-Querol, 2005) (Bahvnani & Miodownik, 2009) all of them reaching inconclusive results. Thus, despite the robustness and agreement amongst the academia in this regard, bargains between the elites for political inclusion and for the distribution of political participation, social services and economic assets are unlikely to be just conducted in a formal realm.

This paper argues that horizontal inequality as a cause of conflict can also be captured through the distribution of patronage to different ethnic groups. The case of Thailand clearly illustrates this principle. The significant change in the patronage network between the governments of General Prem Tinsulanonda and Thaksin Shinawatra meant that the Malay opposition was no longer benefiting from patronage distribution during the Thaksin Shinawatra government. In fact, one of the main objectives of the Thaksin Shinawatra government was the dismantling of the General Prem Tinsulanonda networks (McCargo, 2005) which was thoroughly achieved by the replacement of elites. The degree of informal distribution significantly shifted and the Malay movement was pushed into the use of violence.

By using theory-testing process tracing for the period ranging from 1980 to 2003 when the civil conflict officially started, this paper will show how the elite replacement undertaken by the Thaksin Shinawatra government eradicated all the General Prem Tinsulanonda patronage networks which had previously seal deals with the Malay elites. Ultimately, the dismantling of these patronage networks is what accounts; on the one hand, for the rise of violence during Thaksin Shinawatra’s period and secondly, for the peaceful trajectory achieved during General Prem’s rule.
The remaining of the paper is organised as follows: Firstly, a description of the different elite bargains within the Kingdom of Thailand, a second section with a general background of the Southern provinces conflict and the Malay Muslim community. A third section addressing three periods of analysis: 1980-1988, 1989-1997 and 1998-2003. Followed by some concluding remarks.

Elite bargaining in the South of Thailand: Malay Muslims vs. Thai Buddhist

Since the 1930’s Thailand elites have taken the quest to unify the country under a common national identity. Successive military regimes, have attempted, by the implementation of discriminatory policies; to conceal all different ethnic groups under a common Thai identity. Ethnic fragmentation in Thailand is not extreme as can be appreciated in other Asian countries such as India or China; hence, Thailand is home to at least 5 different ethnic groups: The Thais which are the predominant ethnicity representing 74% of the total population, the Chinese conforming 14%, The Malay Muslims 3.5% settled in the southern region and the hill tribes living in the norther region of the country account for only 1% and the Shan ethnic group with less than 0.5% (EPR, 2014).

The Chinese ethnicity, the second most populous group, is regarded as an immigrant group with no aspirations of power. It has played a great role in the development of Thailand economically, but politically it does not represent a contender party for political bargain, this pattern is reproduced in other countries with high Chinese immigration such as the US, Singapore or Malaysia to name a few. The Hill tribes on the other hand, is a group conformed by many different ethnicities but with no common unification or binding features amongst them. The northern region where they inhabit is the most deprived ad poorest area of Thailand (WB, **). Thus, despite the condition of high economic and social deprivation, political exclusion and cultural discrimination, the Hill Tribes do not represent a challenge to the Thai state due to their high fragmentation which impedes collective action and their condition of minority group (Horowitz, 1985; Fearon & Laitin, 2003; Schneider & Wiesehoimeier, 2008).

The second most deprived area in Thailand is the South, home to the Malay Muslim community. The Malay Muslim territory, previously the Kingdom of Patani was annexed to
the Kingdom of Siam with the withdrawal of the British Empire from Malaysia and the creation of the Thai state.

The Malay Muslims in the south of Thailand are a homogeneous community which has lived under the Thai rule with no autonomy or freedom to practice its own ethnic customs and traditions and no power to decide on its own affairs. They speak Malay instead of Thai and have different religious and cultural practices. The Thai government has repeatedly attempted to impose homogenization of the area with the aim to absorb these communities under a general Thai identity, hence it has also repeatedly failed.

Since the 1960’s Thailand has experienced sporadic ethnic violence predominantly in the Southern provinces of Yala, Pattani and Narathiwat. The effect of the Cold War signified that the Malay armed groups were receiving aid from foreign governments specially from Malaysia. Because of this reason; during this decade the conflict intensified, however, it never reached the status of armed conflict in accordance to academic definitions. Hence, in 2003 the status of the violence reached the battle related deaths threshold of 25+ which gave the conflict the category of armed conflict. In this regard, the present case study analysis aims at explaining the onset of armed conflict in 2003. The process tracing analysis will cover a time span of 23 years ranging from 1980 up to 2003. The analysis is divided in three periods:

1. **A first period ranging from 1980 up to 1988:** the Prem Tinsalunonda inclusive informal elite bargain.
2. **A second period from 1988 to 1997:** Political turbulence and rise of the new economic elites.
   a. **1997 as inflexion point:** Critical juncture characterised by the financial economic crisis, the proclamation of a new constitution and the beginning of the dismantling of the General Prem’s informal elite bargain.
3. **A third period from 1998 to 2003:** Rise of Thaksin Shinawatra to power, replacement of the old elite bargain, and onset of armed conflict in the Southern provinces. Being 2001 the second inflexion point.

**General background**

Violence in the South of Thailand emerged during the early years of the XX century. The Thai attempt to homogenise the country under a common identity has fuelled sentiments of exclusion amongst the Malay communities. The beginning of the assimilation campaign dates back to the 1920’s when the Compulsory Primary Education Act was proclaimed by the Thai
government. As in many cases of ethnic and cultural diversification as for example in India\(^1\) the Thai elites wanted to kick-start the process of assimilation by targeting schools and language. In Thailand the policies were radical, apart from making it compulsory for children to learn the Thai language they also forced the students to adopt Thai names and enforced the inculcation of the Thai ethic (Abdullah, 2010). This sparked rebellions and violence across the Malay Muslim community who did not agree with the new Education policies. During the 1930s the Language policies became even more discriminative, this time putting a ban on the use of Malay and other minority languages, the Thai government does not recognise the existence of regional dialects which highly infuriated the Malays and other minor communities (Weinstein, 1990). Since the 1930s to the end of the II World War the policies of Thai ethnic identity, language and religious assimilation were heavily enforced, thus by 1945 a new Act benefiting Islam was launched.

The Patronage of Islam Act 1945 was a strategy by the Thai authorities to counterbalance the growing Malay nationalism product of the 1920s and 1930s discriminative policies. It created dual ethnic institutions that aimed at co-opting the Muslim elites by providing power in deciding and controlling religious affairs. Thus, the strategy was just a pure *formality* of the Thai government and instead of co-opting the Southern elites it became very unpopular in the South as posts within the south were filled with Muslims brought from Bangkok instead of local elites\(^2\). This gave rise to a series of movements and armed groups which inflicted scattered and sporadic violence. The most affected provinces were Yala, Pattani and Narathiwat in which the repertoires of violence ranged from attacks to police stations to governments schools and targeting of civilians (Croissant, 2007) (Askew, 2007) (Melvin, 2007) (McCargo, 2006). There was not a visible head of the Malay movement for autonomy. Thus, by 1980 the violence significantly decreased with the ascension of General Prem Tinsulanonda but refrained aggressively in 2001 with the rise to power of Thaksin Shinawatra.


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\(^1\) The Bodo case in the North-East region of India is a good illustration of this. The Assamese elites during the 1960’s imposed the use of Assamese as official state language. The Bodo elites bargained for Bodo language not to be abolished in schools. As the Thai elites the Assam elites also attempted cultural assimilation by imposing a common language and attacking schools. Schools can be regarded as the centre of reproduction of ethnic culture and identity. Their aim was to cut from the root the hubs of culture display and education for which schools are a centre pillar.

\(^2\) This is a pattern which repeats itself further on.
General Prem Tinsulanonda is a charismatic leader, a key member of the elite. Historically General Prem has been a strong ally of the Thai Monarchy, in fact, in October 2016 with the decease of King Bhumibol General Prem is appointed Regent at his 96 years (BBC, 2016). His loyal connections with the monarchy have strengthen his power as a player; in fact, without the influence and support of the monarchy, perhaps he would not have been able to surpass the two coup attempts during his Prime Minister period. By 1978 he won the position of Army Commander the most powerful post within the Thai military. Further on, the monarchy also supported his candidacy for Prime Minister, which he undertook for a period of 8 years, the longest a single person has been in power in Thailand (McCargo, 2005). An unprecedented period of political stability and economic growth was experienced during Prem’s rule.

The military in Thailand has a great deal of influence over various aspects, in fact most of the prime ministers since the 1932 revolution have been members of the army (Phogpaichit & Piriyarangsan, 1994) (Bunbonggkam, 1987). The strategic alliance between a strong member of the Thai elite and army and the monarchy reflected a major source of power and legitimacy. Power was dispensed by the military and legitimacy by the crown (MacCargo, 2005), this alliance has been called by Duncan MacCargo as the ‘Monarchy network’.

The strategic alliance benefited both parties, for the monarchy it permitted pulling the strings and retaining decision-making power through the new ‘democratic’ deal. It meant that the monarchical elite could still manipulate relevant issues as it pleased by using the visible hand of the prime minister; some sort of update in how a monarchy could influence politics by using networks (McCargo, 2005) (Wheeler, 2010) (Melvin, 2007). In turn, General Prem’s elite group also benefited as it had the support of the monarchy in decision-making and it acted also as a source of legitimacy amongst the Thai society. Ultimately, because the sympathy of General Prem with the South and his extended power associated with the support the Democratic party had in this area; the monarchy network arrangements accomplished by the strategic alliance between General Prem and the monarchy substantially benefited, and was supported by the Malays in the southern provinces.

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3 He was originally from the province of Shongkhla within the southern region.
4 Local government officials were overwhelmingly supportive of the Democratic Party, In fact, the Southern region has historically been supportive of this party (McCargo, 2006)
Before 1980, the south had experienced significant amount of ethnic violence perpetrated by the Malays with also, a strong military response from the Thai government. By 1980 a shift in the strategy towards the South takes place; General Prem promotes a strategy of co-option of elites, instead of a military attack strategy which had proven unsuccessful in previous decades. In this regard, his strategy was one of cohesion, assimilation and integration of Malay elites (Melvin, 2007). He incorporated Malay Muslim elite members into local politics, giving them representation and access to decision-making within the South. This affected the relations between the two ethnic groups in two ways: firstly, it partially included Malay elites within the South bureaucracy as a symbol of formal inclusion, and it stimulated the sentiments of trust amongst the Malays by creating two key institutions: the SBPAC (South Border Provinces Administration Centre) and the CMP-43 (Civilian Military Police) which solidified bonds as these institutions deal directly with security affairs in the region. Secondly, by having access to positions of power, the Malay elites also had the possibility to establish and benefit from patronage networks which in turn, gave the opportunity to take a share of the spoils.

*Formal structural mechanism: The creation of the SBPAC and the CMP-43 and recruitment of Malay elites*

In 1981 two key formal institutions were created as part of the political strategy of the ‘monarchy network’: the SBPAC and the CMP-43. Ministerial order 8/2524 stated the main functions of the SBPAC, it was a centre which ‘coordinated local administrative tasks and stressed the importance of public participation by co-opting local leaders and scholars in regional development projects (Poocharoen, 2010, p. 188). It also provided a local government or a ‘mini government’ to the southern provinces (Wheeler, 2010) and it attempted to ‘promote local Muslims to positions in the bureaucracy, notably as district officers’ (McCargo, 2006). Firstly, the SBPAC formally represented the initiative to transfer the control of local security issues to this agency; this initiative was very welcomed across the local elites. Secondly, the SBPAC also reflected an attempt to recognise the difference of the Malay ethnicity within the South. For instance, as (Wheeler, 2010) points out, one of the rules of the SBPAC was to train the civil servants into Malay culture and its differentials with the Thai society. Civil servants who work for the SBPAC ought to adjust themselves to the local culture rather than trying to change it. Thirdly, the formal institution aimed at co-opting local elites by holding meetings with local leaders to discuss matters of interest. During these meetings religious, academic, economic or any other type of local leaders could join in and participate (McCargo, 2005). This
stimulated the creation of bonds and links between and amongst the members of the meetings, an event that created and solidified the creation of patronage networks.

It can be said therefore, that the main objectives of the SBPAC were threefold: 1. Transferring security administration and decision-making to the local elites; 2. Provide cultural awareness and recognition of different cultural practices and 3. Empowering and inclusion of local leaders. Thus, the SBPAC in some instances was successful, but it also incurred in partial failures.

One of the most outstanding successes which also works as an agency mechanism is the increase of credible commitments between the elites during this period. The tangible proof of inclusion and willingness to transfer security affairs and co-opt Malay elites into power raised the credibility of the commitments to include and recognise differences as coming from the Thai elite. Likewise, when the Malay groups stopped the use of violence they also raised their credibility of the commitments by providing political support to the ‘monarchy network’ and by providing security. Secondly, the SBPAC was also successful in stimulating the political participation of local leaders not just in security affairs but also in developmental projects (McCargo, 2006). This is a key point in the creation of the patronage networks and the distribution of private goods.

**Figure 1. Terrorist Attacks per year in Yala, Pattani and Narathiwat**

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5 As McCargo argues, between 1998 and 2000, 1354 complains about 1322 officials incurring in abuse of force were reported, leading to 51 officials being transferred (McCargo, 2006, p.44)

6 In this regard, the provision of security was twofold: firstly, violence episodes cease to happen and secondly, an informal network of informants was created which aided the security authorities in raiding or preventing future attacks. This network was a significant part of the security operations as the Malay movement did not have any leadership which could control or refrain to violence as it wished.
On the security side, the political participation of local leaders which was stimulated by frequent meetings, inadvertently created an *informal* intelligence network (McCargo, 2006). This net of informal information sharing played a significant role in stabilising the area. The network spread all over the region, it consisted of informants who fed information to the CMP-43 about potential attacks, plans or movements of the remainder insurgents (Fair & Ganguly, 2008). Secondly, within the engineering of the network, General Prem had the power to select candidates to serve as senior military commanders (McCargo, 2006). Remarkably within the provinces of Yala, Pattani and Narathiwat he selected Malay Muslim senior military commanders and gave them power to foresee the illegal trade through the Malaysia border. This included the collection of rents and commissions (or in some instances persuasion to pay) for those involved in the illegal trade. Some of these funds were used for development funds and regional projects managed by the military, which in turn, stimulated the creation of patronage networks and an efficient share of the spoils.

In this regard, on the development side, allowing local Malays to capture rents and private goods within this scheme, in addition to the input and decision-making power -in terms of development projects- that was harnessed from the SBPAC led to an unprecedented empowerment of local elites in the formal and informal distribution of goods.
However, the SBPAC also had partial failures. As pointed out above, one of the core objectives was also to provide cultural awareness. To do this, the SBPAC set training sessions for Thai civil servants to incentivise the knowledge of culture and ethnic differentials amongst both groups. This was done with the aim not of differentiating per se, but with the aim of recognising the cultural, ethnic and religious differences between Thais and Malays. However, this guideline was not really taken seriously. A great majority of the Thai bureaucrats working within the SBPAC skipped these sessions and, authority from above did not enforce the procedures (McCargo, 2005) (Askew, 2007). Common misconceptions about the Malays remained across the years, despite the initial will to change that.

Another strategy of the ‘monarchy network’ to stabilise the conflict in the Southern region was to increase and improve the level of political participation along the Southern bureaucracy. Despite the willingness and efforts to include, still most the bureaucracy across years remained majorly Thai. In fact, according to census data, less than 20% of the bureaucracy in the Southern provinces of Yala, Pattani and Narathiwat was ethnic Malay (see below) with the ethnic Malay population in these provinces surpassing 70%.

Locally, some other conditions refrained Malays from accessing these jobs. Lack of education product of neglect and discrimination impedes the population to reach positions of power. Furthermore, most Malay population speaks Malay being Thai the official state language. Thus, for that portion of the population with access to education, some refrain from learning Thai as it is seen locally as a legitimization of the Thai discriminative policies.

Data in regards of ethnicity in Thailand is scarce to find. It is relevant to notice here that Malays and Thais are not necessarily Muslims and Buddhist respectively within the whole territory of Thailand. But for the Southern region there is complete reinforcing of cleavages (Gubler & Selway, 2012). This means that within the southern region being Muslim equates with being Malay and Thai equates with being Buddhist and viceversa, hence this principle does not apply for the whole territory.7 In this regard, the following figure shows the number of individuals

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7 Gubler & Selway’s produce a score of crosscuttingness for each country per year. The score of Ethno Geographical Crosscutigness is for Thailand is 0.26 for the totality of the period. This means that there is no crosscuttingness in the southern region but instead perfect reinforcement of cleavages.

**Figure 2. Occupation in public administration by religion in the provinces of Pattani, Yala, Narathiwat**

![Occupation in Public Administration by Religion - Pattani, Yala, Narathiwat](image)


According to these figures, in 1970 when the census was conducted only 7.27% of the individuals surveyed who worked in public administration were Malay, of all the individuals that were Malay only 0.38% worked in public administration. By 1980 this percentage rises from 7.27% to 19% for those working in public administration, for the whole sample of Malays in 1980 only 0.25% of all Malay workforce worked in Public administration; for 1990 10 years after the monarchy network this percentage rises to 0.47% of the whole Malay sample. By 2000, 20 years after the execution of the Monarchy network, this percentage rises to 26%, an increment of 9 percentage points since it was first established in 1981 for those working in public administration. For the general Malay workforce: only 0.59% worked in public administration. This increase meant that the Malays in the bargaining game against the Thai elites were given concessions at least partially in terms of political participation. Hence, it is noticeable that the proportions of Malay vs Thai bureaucrats are staggering. The concessions given by the Thai elites in terms of political inclusion only came to benefit the top elite of the Malay population.
Patronage as an informal institution: stabilising effect during General Prem period in power

As depicted in Figure 1 above, the violent attacks perpetrated by the Malay movement came to a stop when and during General Prem’s period in power. Despite the success of the SBPAC and the CMP-43 in generating trust between the Malay and Thai elite groups and the partial inclusion of Malay elites in the bureaucracy, it is an overestimation to argue that the sole creation of two institutions, and an increment of 7% of Malay workforce which started working in bureaucracy was enough to prevent violence from refraining. This points out towards the existence of other ignored mechanisms that helped prevent violence from reappearing.

Two main points stand as relevant: firstly, the unawareness of patronage as a mechanism of inclusion and distribution, despite its indisputable relevance in Thailand; and secondly, the nature and character of the Malay violent movement.

In Thailand, the proliferation of patronage is outstandingly significant and very common. In fact, traditional politics has implied the non-payment of salaries and instead the legal entitlement of 10 to 30% portion of the money involved in a transaction; basically, as a fee for the services provided (Phogpaichit & Piriyarangsan, 1994) (Warsta, 2004). Within Thailand there is also a tradition of presenting gifts to bureaucrats, it is understood by Van Roy (1970) as cited in (Phogpaichit & Piriyarangsan, 1994) that corruption persists because political institutions which can supersede political practices are slow to develop. This is a statement that illustrates the nature of the patronage networks within Thailand and which aids in identifying it as a limited access order (North, et al., 2009). In fact, the distribution of spoils amongst different elite groups can be beneficial to the poorest communities in which formal distribution is not enough or is simply not efficient. Furthermore, as (Phogpaichit & Piriyarangsan, 1994) point out, patron-client structures exist because everyone concerned sees it as a good structure which can bring benefits in terms of stability, order and the resolution of potentially destabilizing conflicts (p.4).

Furthermore, patronage networks as an informal institution is a hidden part of the spectrum of transactions performed in limited access orders (North, et al., 2009) such as the case of Thailand. They represent a fundamental part of how politics are practiced within this social order. In this regard, these networks and coalitions concede or deny access to valuable
resources; such controlled trade to a selective elite coalition group has the potential to manage the problem of violence. In some instances, informal arrangements are more powerful in keeping content the population, mainly because of the nature of these arrangements. Patronage is efficient and can act instantly while distribution through formal institutions takes longer to produce results. Thus, as shown on Figure 1, the change in violence attacks was immediate.

The success and influence of the SBPAC and CMP-43 is undisputable, however, there were partial failures like the enhancement of cultural awareness and some other issues that remain unexplained by the supporters of this thesis (Askew, 2007) (McCargo, 2005) (Melvin, 2007) and that can successfully be explained by the proliferation, inclusion and strength of the patronage networks that came to be formed.

First and in line with the argument of partial cultural awareness failure, it remains to be explained how and why Malay elites who significantly differ with the Thai crown came to agree to legitimise it by providing political support. Secondly, and focusing on the poor Malay population (as opposed to the elites), how did the SBPAC agreements between the elites integrated the periphery?

For the first point, the ‘monarchy network’ was strategically engineered between General Prem Tinsulanonda and the Thai crown to ‘promote the power and prestige of the throne. That prestige in turn, served to underpin national identity, creating broader legitimacy for those associated with it’ (McCargo, 2005, p. 503). The success of the monarchy network nationally and within the Southern provinces can be associated to a cohesive identity and wide span legitimacy. However, if the Malay elites were unarguably opposed to cultural homogenisation, why did they ‘joined’ and supported the network if it signified accepting and providing legitimacy to the crown, despite the other benefits it produced? Furthermore, why did they ‘obey’ to a crown that they considered opposite to their cultural practices, taking into account the record of discrimination and attempted cultural homogenisation?. Clearly the Malay elites wanted to defend and expand their own identity which had been undermined since the kingdom of Siam in 1932. Highlighting the effect of patronage networks, Malay elites saw an

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8 Whenever a broad coalition of different elites such as in: Bolivia, Ghana, Malawi, Tanzania, amongst others is redistributing rents along the coalition, it enables credible commitments amongst the groups, which in turn, supports the regime, aids them in performing their functions and refrain them from using violence
opportunity to benefit from the repartition of spoils. Being patronage so common and systemic in Thailand it was perhaps the best bargaining deal they could have ever achieved.

Additionally, by joining the network, the coverage and supply of basic needs achieved by informal deals are thought to have reached the population almost immediately. Formal distribution in turn, is associated with more transaction costs, it is less efficient and takes longer to produce noticeable results. Because the cessation of violence with the instauration of the ‘monarchy network’ was instant it could signify that the effect of the patronage distribution is the one accounting for the pacifying effect during this period. If this is the case, then the psychological impact of legitimising the crown drops its place to a lesser important issue. This accordingly leads us to the second point.

How did the SBPAC agreements between the elites integrated the Malay periphery? Also taking into account the dispersed nature of the Malay movement? The initial arguments rests in the above explanation, the efficiency of the informal distribution in reaching the lowers ends of the distributional chain serves as a platform for integration. This however, is also relevant in highlighting the nature and characteristics of the Malay violent movement. The pattern of the violence in the Southern region is one of sporadic, scattered unorganised violence (Croissant, 2007). The only plausible mechanism that can be inferred from the success of the SBPAC and CMP-43 in decreasing the level of violence is the increase of credible commitments between the elites within the bargain. In other examples of bargains for redistribution in which ethnic elite groups are in search for an agreement that both sides prefer to war, most likely the movement has a ‘visible head’ or leadership. This can, on the one hand, allow for general centre agreements that successfully integrate the periphery in enforcing orders that restrain the use of violence. On the other hand, if the orders are not successfully enforced across the periphery of the violent movement, the most likely case is the division between hard-liners and soft-liners which leads to the splintering of groups (Butler & Gallagher Cunningham, 2011).

Thus, for the case of Thailand, this is rather different. As previously mentioned, the violent movement is scattered and unorganised resembling more of a terrorism feature (Croissant, 2007). It is possible to imply therefore, that an effective enforcement of orders to stop the use of violence relies on a somehow organised, hierarchical movement. Because this is not the case in the South of Thailand then, it is inferred that some other mechanism must be operating to
effectively control violence, especially with such a great efficiency. Taking into consideration
the nature of the violent actor, which has been previously ignored in explanations pertaining
the creation of the SBPAC and CMP-43 as instruments of stabilisation, gives support to the
thesis that more than formal institutions is the plausible mechanism helping here to control
violence.


The decade of the 1980s witnessed and outstanding economic boom. Thailand during the 1980s
presented unprecedented economic and political stability. The economy significantly
expanded, passing from GDP growth rates of 5.17% in 1980, to 9.52% in 1987 and peaking at
13.29% in 1988. The financial sector and industry sector were the most benefited by the boom
(Fofack & Zeufack, 1999). Hence rates began to decrease steadily upon 1989, with a final deep
decrease during 1998: passing from 12.19% in 1989 to -7.63% in 1998 when the financial
crisis hit at its hardest. Commencing the decade of the 1990s the country also started
experiencing political turbulence product of the raising economic elites and their push for more
democratic practices (Ansell & Samuels, 2014). During this period, there are 10 different PM
in power and a shuffle of cabinet members, depending on the head of government in place. As
(Uwanno & Burns, 1998) points out, civilian governments in particular after General Prem,
were very unstable. Military coups also influenced the changing patterns in the elite. The rise
of a new economic elite, which increased income inequality were now eager to dispute the
status quo and to protect their economic interests. This new economic elite was willing to
‘invest in changing the political regime’ (p.5) seeking the displacement of the previous elites
and patronage deals.

Because structural changes are not immediate changes, this period is understood as an interim
period that gradually paves the way for the big changes happening in 2001 which represents
the victory of the new economic elite which, within an elite competition approach effectively
displaced old elites obliterating the patronage networks and deals.

Formal structures: Democratisation, inequality and elite competition

As depicted in the previous section, Thailand witnessed unprecedented economic growth and
political stability during the decade of the 1980s. The staggering rates of economic growth
allowed for the rise of a new economic elite. The economic boom benefited the well off the most and impacted differently in the different economic sectors (Fofack & Zeufack, 1999) (Sarntisart, 2000). Because the effects of the economic boom were felt the most amongst the elites and upper classes this produced an increase in income inequality (Kuznets, 1955; Acemoglu & Robinson, 2002; Fofack & Zeufack, 1999). The findings of the Kuznets curve⁹ have been intensively researched and have reached diverse conclusions depending on the countries assessed. According to (Acemoglu & Robinson, 2002) Within South East Asia there are multiple examples of ‘East Asian Miracles’ and ‘Autocratic disasters’, which both do not obey to the Kuznets predictions and principles. Thus, Thailand represents a typical case in which the relationship between economic growth and income inequality, and, democratisation works as theoretically predicted. This further depicts Thailand as an atypical case of the East Asian pattern (World Bank, 1996)

**Figure 3. Income inequality and Economic growth**

![Income inequality and Economic growth In Thailand](image)

*Source: WB Data*

The rise in income inequality not only depicts a potential benefit for the better-off but also signals the up surging of a new elite who is willing to protect its newly acquired interests by

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⁹ Kuznets finds show that when economic growth increases income inequality tends to also increase, peak and then also decrease
intervening in the decision-making of state policies and also by augmenting the size of the coalition or different elites in power, in turn pushing for democratisation (Ansell & Samuels, 2014).

One of the researched contributors to the economic boom in Thailand is the reallocation of production facilities which also increased asset revaluation (Handley, 1997). The new movement of capital and the revaluation made thousands of Thais wealthy and stimulated economic growth. Furthermore, the agriculture sector shrank, while the industry sector expanded considerably, this signals a movement of workforce from one sector to the other which is also evidenced in the total sector employment shares (see for example: Bosworth, (2005)). Thus, this can also reflect a sense of development of the economy which also supports Kuznets theory. In this regard, the new elite product of growing sectors in industry and finance is thought to come into competition with the ‘monarchy network’; the old elite which, within its economic aspect predominantly represents the incumbent land owner autocratic elites (Ansell & Samuels, 2014).

The new economic elite was of course willing to defend and protect its economic interests. In this regard, as opposed to redistributionist explanations of democratisation (Boix, Acemoglu **). The democratisation period of the 1990s in Thailand is better explained by elite competition rather than a class struggle of poor vs. rich. The poor population in Thailand is vast but has never organised or demanded economic or political changes. In turn, the product of the economic boom and the subsequent elite displacement leads me to think that democratisation was a product of elite competition between the old ‘monarchy network’ elites and the new economic elites who were in search of changes in the status quo.

*Elite displacement and democratisation*

The elites in power during this period represent different political and economic interests from those during the General Prem Tinsulanonda government. In 1988, Chatichai Choonhavan rises to power as the first democratically elected head of government. He ran for office under the National Development party, a conservative party which promoted the interest of the new elite. During his government, he implemented financial liberalisation and deregulation policies for the banking sector and pushed privatisation reforms that later in 1998 came to be implemented (Dempsey, 2000) (Handley, 1997). The new government undertook strong measures to reduce
the bureaucratic power of the elite. Chatichai himself was a business man, and his government was widely seen as representing the interests of the business elite (Wingfield, 2002).

Chatichai’s election represents the initial point of elite displacement and the breaking of the General Prem networks. He introduces his allies to positions of power such as cabinet members and shifts elites in economic power positions such as the Budget bureau (Chaianan & Parichat, 1998). Thus, further evidence of the elite displacement and the aim of dismantling the General Prem informal networks is the corruption scandals that the Chatichai’s government was accused of and which were felt to be worse than during the General Prem government (see blow).

In 1991 a military coup against Chatichai was pursued as an attempt to retake the power and reinvigorate the old elites. The NPKC (National Peace Keeping Council) under the leadership of General Suchinda was formed to run the country as a provisional junta. The junta appointed Anand Panyarachun as temporary head of government, he was close ally to the crown and a respected businessman (LoGerfo & King, 1996). The NPKC comprised all the top military commanders, the junta accused the Chatichai government of ‘unprecedented corruption and harassment of permanent civil and military officials (…) attempting to destroy the military and undermine military unity’ (Bhuchongkul, 1992, p. 2). Amidst the coup, a new constitution was being drafted, the scrutiny committee was both close to the NPKC and many of its members were senior militaries themselves. There were some controversial reforms. The manoeuvre of the coup plus the drafting of a new constitution can be interpreted as the preparation for the military to retake power, paving the way for General Suchinda to become PM (Bhuchongkul, 1992). After several rallies and protests in Bangkok organised by seven political parties (including the Democrats) on the 4th of December, the crown pronounced itself. King Bhumibol made a televised speech calling for national unity and for the constitution to be passed (Bhuchongkul, 1992).

The legitimacy given by the crown despite the constitution controversy, worked its magic to retake power on behalf of the ‘monarchy network’. In fact, Bhuchongkul (1992) further

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10 Thus, General Suchinda publicly announced his non-intention to take on as PM due to the controversy around it.
points out that 6.8 million people\textsuperscript{11} signed a petition in favour of the constitution and claiming for early elections, and only 2.141 voted against (p.10). After three shifts in the PM position in September 1992 Chuan Leekpai rises to power.

Leekpai run for office under the Democratic party and served for the period of 1992-1995 (and later from 1997 to 2001). His cabinet was conformed mainly by banking elites. Supachai Panitchpakdi became Deputy Minister of Finance: he was a former banker, the same as Tarrin Nimmanahaemida who being a banker also became Finance Minister (Thoriby, 1997). Nimmanahaemida was the CEO of the Siam Commercial bank from 1984-92, he also served as the Chairman of the Thai’s banker association form 1991 to 1992 (Bloomberg, 2016).

The positions of power were progressively but solidly being filled with the rising elites attached to the financial markets and to the services industry. The democratisation process came about by the pushing of this new elites eager to protect their interests and displace the old elites from positions of power.

Within the Southern provinces, the economic boom benefited the Thai elites the most. Most of the workforce in the provinces of Yala, Pattani and Narathiwat works in agriculture and fishing. Thus, as mentioned above the economic boom increased the GDP share of the industry and financial services sectors, shrinking in turn the agricultural sector. As depicted in the graphs below, a greater share of the Malay Muslim population works the land in comparison to the Thais. For the industry sector, according to the data both ethic groups expanded the workforce in manufacturing as a proxy of the industry sector. Thus, for financial services, the Thais greatly benefited of the expansion of this sector. In 1980 both groups within the sample have the same number of persons working in financial services, by 1990 while the Thais expanded the workforce by 4 times, the Malays remained the same. Furthermore, figure 5 shows the decadal increase on ownership of assets which shows a greater increase for the Thais in comparison to the Malay Muslim group.

\textsuperscript{11} However, newspapers declared that a great amount of the signatures collected in the North-eastern area were fraudulent.
Figure 4. Workforce by sector in Yala, Pattani and Narathiwat


Figure 5. Percentage of households with ownership of assets: automobile, refrigerator, TV and radio for the provinces of Yala, Pattani and Narathiwat
The shifting of elites in Bangkok did not have an immediate impact in the Southern regions. The economic policies which were drifting towards more deregulation and liberalisation of markets were implemented (Sarntisart, 2000). However, the process of impact in the peripheral regions is thought to be gradual rather than immediate. The newly elites were focusing on establishing themselves in positions of power at the centre, rather than being worried about controlling the periphery. The patronage networks within the south continued to operate as there were no major elite displacement within the region, thus, changes were on the go.

Informal mechanism: the dismantling of the old elite’s patronage networks and instauration of non-redistributive patronage

The aim of the new elites was to protect their newly acquired economic interests and prevent the old elites from continuing not only to dictate economic policies in their favour, but also from controlling the redistribution of spoils. As mentioned earlier, patronage networks remain as a significant channel of transaction in Thailand’s politics.

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12 The change in the political economy model of the country from ISI to neoliberalism was already undertaken throughout the 1960s and 70s. During the 90s the policies drifted towards more deregulation and deepening of liberalisation policies.
The establishment of new elites in power in Bangkok disrupted the old elites networks. By gaining the main position of power, the new elites were also capable of appointing their allies to positions in which the ‘old ways of doing’ were displaced. This created fragmentation of the previous patronage deals. Besides this great change, the newly acquired positions of power also changed the nature of the patronage deals from redistributive to non-redistributive. This is proven by the significant increment on corruption scandals in which individuals were accused of pocketing millions of public assets. During the General Prem government in comparison, corruption was felt to be much less (Bhuchongkul, 1992). Appropriation of public assets changed from competitive but legitimate to criminal and monopolistic.

Chatichai’s administration for example was accused of a scale of corruption which was unprecedented. His administration became to be known as the ‘buffet cabinet’ (Dempsey, 2000) (Wingfield, 2002). Because the military and old elites felt the displacement of elites taking over and their patronage deals being overrun by personal appropriation of funds and also by newly assembled networks; during the coup, the junta decided to monitor with jealously the distribution of public funds by establishing an assets examination committee which was chaired by General Jirarochana, minister of interior during General Prem’s government. In this regard, the NPKC ‘appeared to be determined to deal decisively with allegedly corrupt individuals in the Chatichai government’ (Bhuchongkul, 1992, p. 10).

The establishing and functioning of the committee can be interpreted as the old elite’s strike back. The committee had extensive powers, such as the capability of freezing assets in possession of the accused, examining confidential documents of the accused such as bank accounts and expropriation of allegedly ill-gotten wealth. Upon Chatichai’s ousting, 25 of his cabinet members were accused of major corruption practices but only 12 were found guilty of illegal appropriation of public assets (in total around 1 million Baht). As for Chatichai himself, he was also accused of being ‘unusually wealthy’. The committee then ordered the seizure of 266 million baht of his property (Bhuchongkul, 1992, p. 11). The extend of the personal appropriation of public funds by the rising elites in comparison to the previous government signifies the changing pattern in the patronage networks from a redistributive pattern to a non-redistributive in which whomever is in power takes advantage of its position by enriching their personal bank accounts instead of redistributing the assets along patronage lines.
On October 1997, a new constitution is proclaimed product of a Committee specifically gathered for this task. Being the 16th constitution of Thailand it was the first time the population was able to participate in its drafting, a much more democratic approach. By the beginning of the year the constitutional drafting assembly was created – CDA –, its purpose was to unite a diverse group of elites both national and regional in order to design and rewrite the constitution, in line with the new democratic values and respect for civil rights that came with the process of democratisation. The CDA was composed of 96 members, 76 were drawn from the provinces. The rest were experts in public law, political science and public administration. Although the CDA tried to include all the visions from the provinces by electing one member of each province to represent them in the drafting of the constitution, none Malay was elected for this task. For the provinces of Yala, Pattani and Nathariwat Thais were the selected members to attend the CDA.

The 1997 constitution includes some provisions that can be understood as more democratic or more inclusive of regional differences. However, some of the points included in this ‘more democratic’ constitution was already mentioned in the previous constitutions. (Che Man, 2003) argues that for the 1997 constitution the difference was that the provisions were meant to be practiced this time in every sense of the word (p.6). Hence, these new provisions continued to be a pure formality, a de jure mention rather than de facto. For example: the new constitution reads: “All local government organizations shall enjoy autonomy in laying down policies for their governance, administration, personnel administration, finance and shall have powers and duties particularly on their own part” a decentralisation command. Thus, 1997 also witnessed the first attempts to dismantle the SBPAC within the South, which were clear staples of decentralisation and recognition of differences.

During the 1980s the SBPAC operated as an independent department under the Ministry of Interior and responded directly to the fourth army commander, deriving its authority from the Prime Minister himself (Wheeler, 2010). Thus, by 1996 under order 56/2539 the SBPAC was removed from the Fourth’s Army line and a deputy Prime minister replaced the national security council as chair of the committee on solving security problems. This reform added an
oversight on the SBPAC. The Malay elites were confident and trusted the military\(^\text{13}\). However, with these reforms and the removal of the SBPAC from the Fourth’s army line the Malays started to feel vulnerable once again.

These changes ordered by the new elites from Bangkok, despite the credited record of success in the operation of the SBPAC represent the official rupture of the bond between what was left of the ‘monarchy network’ and the Malay elites, as Wheeler points out, ‘coordination between the military and the bureaucracy suffered (...) order 56 disrupted the unified chain of command’ (p.220). The restriction of autonomy soon was realized by the Malay elites which also contributed to major unrest and more importantly to the steady decrease in credibility of commitments.

Thaksin Shinawatra was already maneuvering his way in during his period and also had an influence on the 1997 constitution. He was accused of attempting to influence CDA members by buying some of the commissioners (Bangkok post, 1997). Furthermore, during Chavalit’s period he became a non-MP deputy Prime Minister in 1998. He achieved this position by investing 100 million Baht into Chavalit’s campaign (**)

### 3. 2001-2003: Culmination of elite replacement, patronage networks dissolution in the South and conflict onset.

The rise of Thaksin Shinawatra in 2001 epitomises the culminating point of the displacement of elites associated to the ‘monarchy network’ and the rupture of the pre-established patronage deals. After a period of significant political turbulence, characterised by military coups and constant shifting of Prime Ministers and cabinets (a total of 10 changes in 10 years); the 2001 elections bring to power Thaksin Shinawatra a billionaire product of the economic boom who symbolises the complete replacement of elites and the dismantling of the patronage deals which were effectively gluing together the society. With the rise of Thaksin Shinawatra, the Southern provinces come to effectively feel the full impact of the elite replacement.

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\(^{13}\) This sense of trust is a product of the 8 years of positive relations between the monarchy network and the Malay elites.
His campaign was cemented in populist practices and a rhetoric of rejection of old elites’ interest and mismanagement of the economy. He pictured himself as the new saviour and preyed on the grievances created by the economic crisis (Phongpaichit & Baker, 2008). Thus, son of a prominent business family, his created network comprised significant business allies and also incurred in unprecedented forms of nepotism. In this regard, he benefited holistically of the economic boom and subsequent crisis. On the upper side of the ladder, he secured the strategic powerful alliances to control the bureaucracy and effectively finish displacing the old elites; and on the lower, he secured the popular support of the masses which were affected by the economic crisis by preaching on two clear populist policies: the 1 million baht fund and the reforms to the health care system.

Within the South, the rise of Thaksin Shinawatra significantly affected the relationships between the Malay Muslims and the Thais. Firstly, the two cornerstone formal institutions which had cemented trust between the two groups were dismantled. With their eradication, the informal deals of intelligence and mutual work to keep violence controlled were deterred. Additionally, his strategy of bureaucratic control implied a total replacement of elites in power, the South was not an exception to this mode. Furthermore, his rhetoric of war against drugs effectively masked the real problems in the south and targeted Malay Muslim leaders, a strategy that was counterproductive as the blacklisting of Muslim leaders pushed them into the organised militia strengthening the organisation of the movement and changing the nature of violence.

**Formal mechanism: culmination of elite replacement, within the South: dismantling of SBPAC**

Thaksin Shinawatra understood that the Southern provinces will represent a challenge in the quest for elite substitution. Firstly, the South had always been faithful supporters of the Democratic Party and formal and informal alliances between the military and the Malay elites were strong in the South. His approach to capture and neutralise the area was to attack the military directly by firstly, displacing the old elite from military positions of power and installing his allies; and secondly, by passing the responsibility of conflict management in the area from the military to the police, justified by the visualisation of the conflict are mere criminality instead of an ethnic based conflict (Wheeler, 2010) (Croissant, 2007).
Despite the unprecedented political support which brought Thaksin Shinawatra to power (over 70% turnout) he lost the elections to the Democratic Party in the south (Croissant, 2007). His populist policies failed to persuade the Malay electorate who regarded Thaksin and his allies with mistrust. Thus, Thaksin Shinawatra knew the importance of managing the south as it was regarded internationally as a main issue in the area\textsuperscript{14}, he attacked the problem through the military. In September each year, the military is subject to a customary rotation. Thaksin Shinawatra announced the rotation one month earlier as he saw the event as the perfect opportunity to install his allies in positions of power within the military (Pongsudhirak, 2003).

General Surayuth was the supreme commander, army chief, of the military force, he had extensive support from General Prem Tinsulanonda and by extension, support from the crown. Thaksin Shinawatra announced his replacement by appointing General Sonthat Attanant one of his allies to the position of army chief. He also replaced navy and air forces chiefs with his supporters and even named, one of his cousins Chaiyasit Shinawatra as personal assistant to General Attanant. In 2002 General Chaisayat was officially named army chief of the military forces. Thus, the military elite replacement also was undertaken in lower rank positions and within the police. Within the southern provinces this process was undertaken during 2001 and 2002 when ‘key officials were replaced in the south with his associates and loyalists (Melvin, 2007). By 2004, the network was controlling ‘the military’s high command as well as the police’s and will thus strengthen Thaksin Shinawatra bases of power’ (Pongsudhirak, 2003, p. 284).

The shifting of military elites was a national strategy for replacing the ‘monarchy network’ with Thaksin Shinawatra’s personal network, thus, within the Southern provinces this is represented by the abolition of the SBPAC on 2002 (Melvin, 2007) (Wheeler, 2010) (McCargo, 2006). By order 123/2545 of 2002 the SBPAC was officially closed. As Wheeler (2010) highlights: ‘bewildered employees arrived for work to find the centre closed’ (p.221). There is significant agreement amongst academia in regards of the impact the closure of the SBPAC signified for the Southern provinces.

Thaksin Shinawatra’s justification for closing the SBPAC was centred in arguing that the violence was a product of mere criminality (McCargo, 2005) (Wheeler, 2010). This not only

\textsuperscript{14} As the up surging of terrorism as the new world threat.
justified the closure of the SBPAC but also served as an argument for transferring conflict management powers from the military to the police (Melvin, 2007) (McCargo, 2006) (Wheeler, 2010) (Korff, et al., 2007). The police within the region was regarded with mistrust by the Malay elites, they were highly involved in local affairs (Korff, et al., 2007) (Wheeler, 2010) and they were connected to businessmen and local politicians accused of both illegal practices and high corruption (Croissant, 2007). Thus, the disbanding of the SBPAC not solely affected the security side but also the economic; during the 1980s and early 1990s the SBPAC had the ability to allocate funds by development conclusions reached out by the local leaders’ meetings. With no SBPAC large-scale development projects were allocated without any consultation of the local leaders and their needs.

The dismantling of the SBPAC was a short-sighted and high-handed interpretation of the conflict. The justification of pure criminality was founded in the war against drugs\textsuperscript{15}. Violent casualties on both sides increased significantly, the Malay groups changed their repertoires of violence towards the attack of police rather than Thai civilians (Croissant, 2007). On the side of the police, the war on drugs gave policeman ‘carte blanche to target selected locals for extrajudicial execution’ (McCargo, 2006, p. 15). According to the Crisis Group (2005) those targeted by the state were mainly young, poorly armed individuals. No drug barons were killed or arrested. This justification for extreme violence on the side of the state and violation of human rights in the name of the war against drugs was just a scam to target informal informants who belonged to the General Prem networks during the 1980s and early 1990s (see below). UNDOC figures suggest that the traffic of drugs increased rather than decreased during this period. Drug seizures of methamphetamines and opioids the two most commercialised drugs in this area are reported to be lower on average during Thaksin Shinawatra period than in the early 1990s and 1980s.

\textbf{Figure 7. Drug seizures of methamphetamines and opioids}

\textsuperscript{15} The drug problem however, has always been a topic of debate within Thailand, Laos and Myanmar seen as the golden triangle of production of opium
Note: The 2003 report of 10240 kilograms of opium seized is the only figure provided by the government for the whole period.

Source: UNDOC

Informal Mechanism: rupture of patronage deals as causes of resurgence of violence, more than formal institutions?

Despite the notorious impact on trust between the two groups that came due to both first the creation of the SBPAC in the General Prem government and secondly, the dismantling of it under Thaksin Shinawatra; it is clear to say that the influence and operation of the informal system played a significant role in firstly controlling and secondly encouraging the use of violence.

As mentioned in the previous sections, the agency mechanism that can account for the pacifying effect of the SBPAC was the increase in credible commitments coming from each side of the bargain. Thus, the immediate refraining from the use of violence can only be explained by the existence of the inclusionary patronage networks who were able to supply immediate funds to the poorest. The coverage and supply of basic needs achieved through informal deals reached the population almost immediately, in comparison, formal distribution is associated with more transaction costs.
Thaksin Shinawatra’s strategy to dismantle the SBPAC and transfer conflict management tasks to the police significantly decreased trust between the parties. Thus, most importantly it closed the flow of informal transactions that the Malays had achieved. Being patronage such an important feature of Thailand’s politics, it is undoubtable that the Malays did feel deeply as part of the system when they were invited to take a share of the spoils during the 1980s and early 90s. With the closure of the SBPAC the signalling to the Malays was that of official expulsion from the patronage networks.

The success of the elite replacement strategy had to major impacts informally: the cessation of informal distribution product of the dismantling of the General Prem’s patronage networks and the eradication of informal intelligence networks which were effectively controlling violence during the 1980s. These two consequences of Thaksin Shinawatra’s elite replacement within the South encouraged the use of violence by the Malay groups, furthermore, the grievances created by the increment in extrajudicial killings and violation of human rights contributed to formal organisation of the Malay groups to provide more coordinated action and increase violence as a cohesive mass movement, changing the nature of the groups.

*From redistributive patronage to non-redistributive*

The immediate impact of the elite replacement within the south implied the cut on the flow of informal resources. The links established between the two groups were effectively disrupted and replaced by the new economic elite. The Malays reacted not only to the dismantling of their patronage deals but also were aware of the new elite’s corruption scandals which included two PMs: Thaksin Shinawatra himself and Chatichai the first democratically elected PM after General Prem. Thaksin Shinawatra was accused of assets concealment which should have been declared before taking office\(^{16}\) (Pongsudhirak, 2003) (McCargo, 2005) though he was found not guilty. The nature of the country’s patronage networks changed from redistributive patronage to personal pocketing of public assets with the rise of the new economic elite.

\(^{16}\) Further on, after his ousting by a military coup in 2006, motivated precisely by corruption scandals he is found guilty of a land corruption deal. He aided his wife to buy land from a state agency at a reduced price See The guardian 21 October 2008 URL: https://www.theguardian.com/world/2008/oct/21/thaksin-thailand-corruption
In this regard, from an economic perspective, the cutting of shares from the spoils is thought to have left a big chunk of the Malay population with no access to funds. This, in addition to the decreased credibility product of the major corruption scandals and the evidence of the official take over of a new economic elite, is thought to have motivated the Malay groups into the use of violence.

Furthermore, the dismantling of the pre-established patronage networks not only affected the economic side but also the social. Another cause of the return to the use of violence is the effect that the eradication of the informal intelligence networks had on the ability of the authorities to control violence. The transferring of conflict management to the police opened the door for extrajudicial killings. Thus, most of the individuals which were killed, tortured or disappeared by the police during Thaksin Shinawatra’s government were informal informants during the Prem government and belonged to the informal intelligence network, this left the regime within the South with no possibility of anticipating attacks (Croissant, 2007) (McCargo, 2006). These killings were justified under the war on drugs, furthermore, due to the sudden increase in violent attacks on the side of the Malays, Thaksin Shinawatra’s strategy was also to highly repress; thus, his downfall was the eradication of the informal deals for which he was inadvertently left with nothing.

The increase in extrajudicial killings and violation of human rights product of the transfer of responsibilities to the police and the justification of the supposedly ‘war on drugs’, which in fact targeted Malay Muslim leaders instead of drug barons, aided the organisation of groups in changing the nature of the violence. As mentioned earlier in the text, the pattern of the Malay violence is that of scattered, unorganised, terrorist type form of violence with no ‘visible head’. Thus, this significantly changes with the onset of the conflict.

Human Rights Watch produced a report in 2007 about the state of the violence within the Southern provinces of Thailand. Informants reported that the police had blacklisted Malay Muslim leaders and villagers, people with no mechanism to challenge their inclusion on a list had ‘turned to separatism militants to seek protection from imminent threats of blacklisting, arbitrary arrests, disappearance and extrajudicial killings’ (HRW, 2007). Furthermore, a BRN (National Revolutionary Front) militant declared that Thaksin Shinawatra policies gave the separatists a ‘much needed boost in renewing their insurgency’ He further argues:
There was a period of about seven to eight years of quiet, but that did not mean our movement had given up. Thai authorities thought they had succeeded in pacifying the situation. For us, it was a period of recuperating. After the government launched anti-drug campaigns, villagers were deeply in fear. Out of resentment towards Thai authorities, those villagers were desperate and requested us to give them protection. We gave them training in military and self-defense tactics, in parallel with political indoctrination about the struggle for independence. This is how we reestablished control of the population and stepped up attacks on the government. We truly believe in our cause—that we are fighting to liberate our land and protecting our people from the oppressive Thai authorities.”


The access to patronage which was curtailed by Thaksin Shinawatra’s strategy of elite replacement within the south and the extrajudicial killings of previous informal intelligence informants plus the eradication of trust between the parties product of the abolition of the SBPAC all contributed to the change in the nature of the Southern violence.

Conclusions

Research on the potential causes of the violence in the South of Thailand have cited the dismantling of the SBPAC as the main cause. Thus, it has been shown here that the sole creation of two formal institutions plus their following dismantling under the government of Thaksin Shinawatra is unlikely to be the sole mechanism leading to conflict onset. The effect of patronage networks as an informal distribution channel is undoubtedly relevant in explaining the controlled violence during General Prem’s government and the subsequent destabilisation during the Thaksin Shinawatra period.

It is true that during the General Prem period in power the creation of the SBPAC and the CMP-43 significantly increased the trust between the bargaining parties. Providing an official sign of recognition of differences and willingness to integrate the Malay elites. Furthermore, the General Prem era also showed signs of willingness to integrate by opening the opportunities to the Malays to become members of the bureaucracy. The SBPAC and the increase in Malay bureaucratic posts empowered the local elites. However, because the violence coming from the Malay groups ceased to exist immediately it is unlikely that a formal mechanism of redistribution and integration can account for the pacifying effect. A formal mechanism, given
the grievances associated with the Malay movement and the nature of the violent movement simply do not provide enough explanatory power to justify the sudden stop in violence within the south. This shows that there must be another mechanism operating which has not been acknowledged.

Given the relevance of patronage networks within Thailand it is thought that it is precisely the informal deals that were forged out the SBPAC that can explain the sudden stop in violence as a strategy. Informal distribution is efficient and its effect is thought to be immediate. These transactions are founded on trust and personal bonds. As opposed, formal distribution takes longer to produce results because it involves more transaction costs.

Secondly, the economic boom favoured the most the well-off which in turn gave rise to a new economic elite. This new economic elite became dissatisfied with the status quo and the old elites’ ways of doing. They were ready to protect their newly acquired interests by pushing for democratisation practices. The second period therefore, saw the beginning of the elite displacement in which not only positions of power were taken by the new elite in an elite competition approach but also sees how the patronage shifts from redistributive to non-redistributive as corruption scandals of personal pocketing of funds become predominant in comparison to the General Prem and previous eras. This paves the way for the rise of Thaksin Shinawatra, the evidence of the complete take over of new elites.

Thaksin Shinawatra, a billionaire product of the economic boom incurs in unprecedented practices of nepotism and takes over the military: the main commander of the ‘monarchy network’ which represents the old elites. With the rise of Thaksin Shinawatra all the patronage networks of the ‘monarchy network’ are replaced. The South is no exception. During the interim period the south refrained from feeling any significant change in the shifting of elites, mainly because the new elite was busy taking over the central positions of power in Bangkok. Thus, the dismantling of the SBPAC is the official signalling to the Malay elites of their expulsion from the redistribution of spoils. He also hands in the management of the conflict to the police, a highly mistrusted institution within the South. This, in addition to the dismantling of the informal intelligence nets of information increased the use of violence amongst the Malay groups. Their lines were engrossed by Malay leaders which were targeted under the ‘war against drugs’ and were suffering mass violation of human rights and extrajudicial killings. This curse of events led to the change in the nature of the violence, as the groups
become more organised. In this regard, it is shown here that more than formal institutions explain the resurgence of the violence within the southern provinces, as well as their stabilising effect during the General Prem government and during the early 1990s.

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