

*State Reforms under  
the Thaksin Administration*  
Decision-Making System  
and Reforms of Budget Allocation

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# 1. Who and Why Overthrew Prime Minister Thaksin through the Military Coup in Sept 2006 ?

- **Hypothesis 1**: prevailing movement of democratization vs. a vs. Thaksin's dictatorship.
- **Hypothesis 2**: increasing criticism on corruption of the Thaksin administration.
- **Hypothesis 3**: state reforms (the Kingdom of Thailand Modernization Framework: KTMF) vs. a vs. the royalist and the military (menace to the Monarchy Constitution).

Protesting Thaksin, Celebrating the King with yellow shirts !!



## Tanks and Monks in the Morning Sept. 20, 2006



## Military Coup: Tanks at the Front of National Diet on Sept. 20



## 2. What are the Characteristics of the Thaksin system: Thaksinocracy and Thaksinomics ?

- **Company approach:** a country is a company, a company is a country, prime minister is the CEO of country → strong leadership in personnel management and decision making.
- **Strategic approach:** all the government agencies are obliged to set force their own “vision, mission, goal,” and third-party evaluation of their performance.
- **Dual-track policies:** promotion of grass-roots economy (community business) and enhancement of national competitiveness
- **Significant indicators :** popularity of the prime minister and the index of local stock market

### 3. Thaksin's Ultimate Target: State Reforms

- Reform the Kingdom of Thailand in conjunction with the new wave of the world capitalism → globalization, liberalization and IT revolution
- Wide gap between semi-industrialized economy and traditional political and social institutions
- Address of KTMF (Kingdom of Thailand Modernization Framework) in January 2006 →  
K (knowledge), T (Technology),  
M (Management) and F (Finance)

## 4. Major Obstacles to His Plan of State Reforms

- Outline of state reforms: → institutional and spiritual reforms in public, economic and social sectors.  
→ Finally, political institutions
- **Major obstacles to his reforms:**
  - 1) Slow services of inefficient and inward-looking government officers → necessity of public sector reform
  - 2) Traditional budget system under the control of ministry lines by their function approach  
→ introduction of agenda-based budget system
  - 3) Political system → prime ministerialization to realize his political ideas

Table 1 Targets of The Ninth Five Year Plan and Actual Performance, 2001-2004

Items	Units	Targets of the Ninth Plan	Actual Figures under the Thaksin Administration			
			2001	2002	2003	2004
GDP Nominal	Billion baht	-	5,135.5	5,446.0	5,930.4	6,576.8
GDP Actual growth rate	%	*4.0 ~ 5.0	2.2	5.3	7.0	6.2
Current accounts	Billion baht		6.2	7.0	8.0	7.3
Current accounts/GDP	%	*1.0 ~ 2.0	5.4	5.5	5.6	4.5
Consumers' price	%	3.0	1.6	0.7	1.8	2.7
Fiscal balance	Billion baht	-	-	-150.4	-40.8	-69.7
Fiscal balance/ GDP	%	*-1.0 ~ -1.5	-	-2.8	-0.7	-1.1
Public debt	Billion baht	-	2,900.3	2,930.8	2,902.4	3,120.8
Public debt/GDP	%	*60.0 ~ 62.0	56.5	53.8	48.9	47.8
Public debt/Budget expenditure	%	*16.0 ~ 18.0	10.9	11.3	12.5	11.6
Employed persons	1000 persons	-	32,137	32,997	33,815	34,850
Additional employed	1000 persons	230	880	824	817	1,035

Notes: 1) The ninth plan was authorized at the cabinet meeting in September 2001

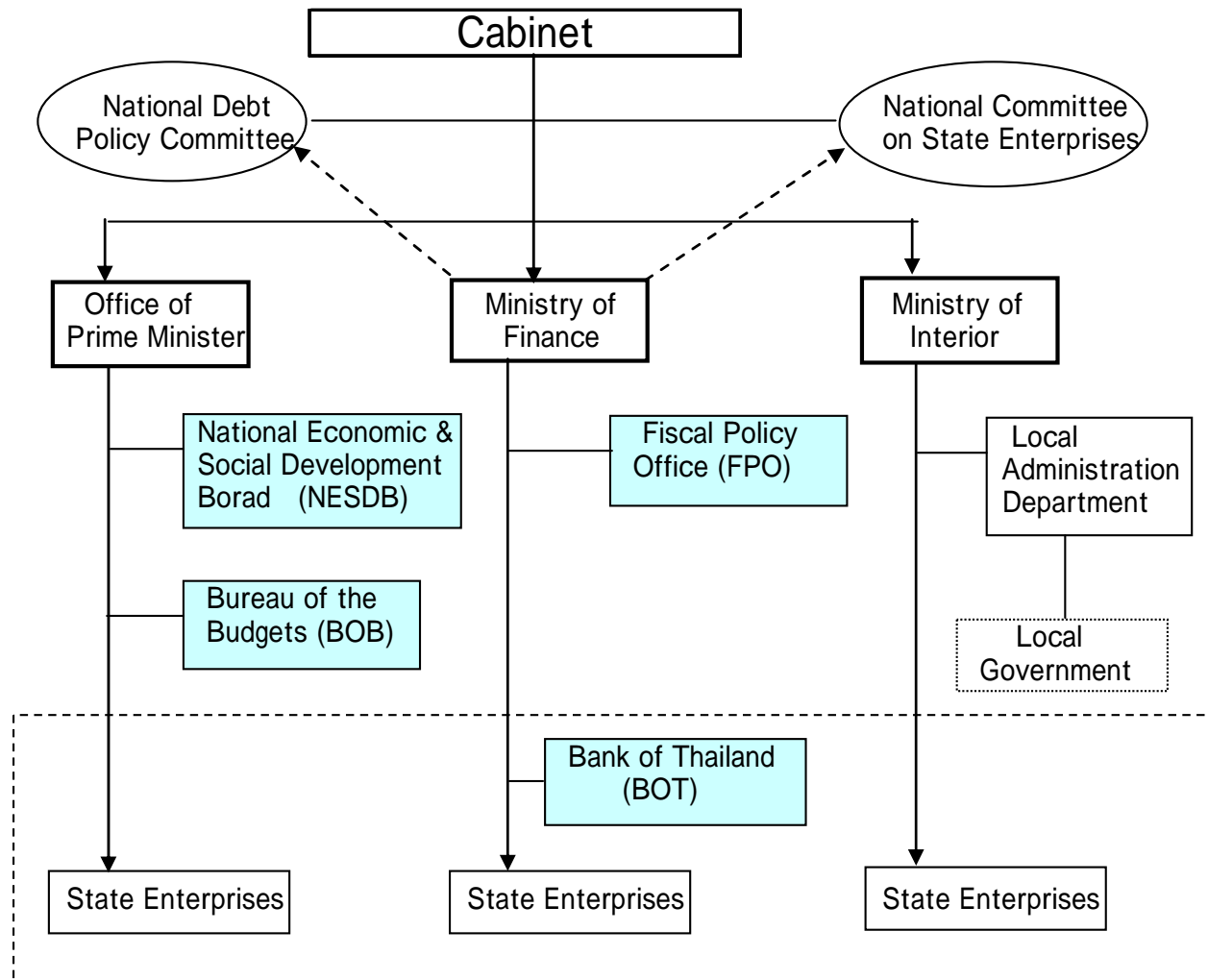
2) Growth rates for 2003 (6.9% 7.0%) and 2004 (6.1% 6.2%) were replaced by latest ones.

Source: Made by the author on the basis of NESDB [2005b, 1/4]

## 5. Changes in Policy-Making Process (I)

- 1960s-1981: Cooperation among the four core economic agencies: National Economic and Social Development Board (NESDB), Bureau of the Budget (BOB), Fiscal Policy Office of MOF (FPO) and Bank of Thailand.
- 1982-87: Increasing authority of NESDB and FPO due to management of public debt.
- 1988-1997: Political party leaders and the two core agencies (NESDB and FPO)

Diagram 1 Policymaking Structure and The Four Core Agencies



Source: Revised by the author on the basis of Warr and Bhanupong (1996), p.70.

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## 6. Changes in Policy-Making Process (II)

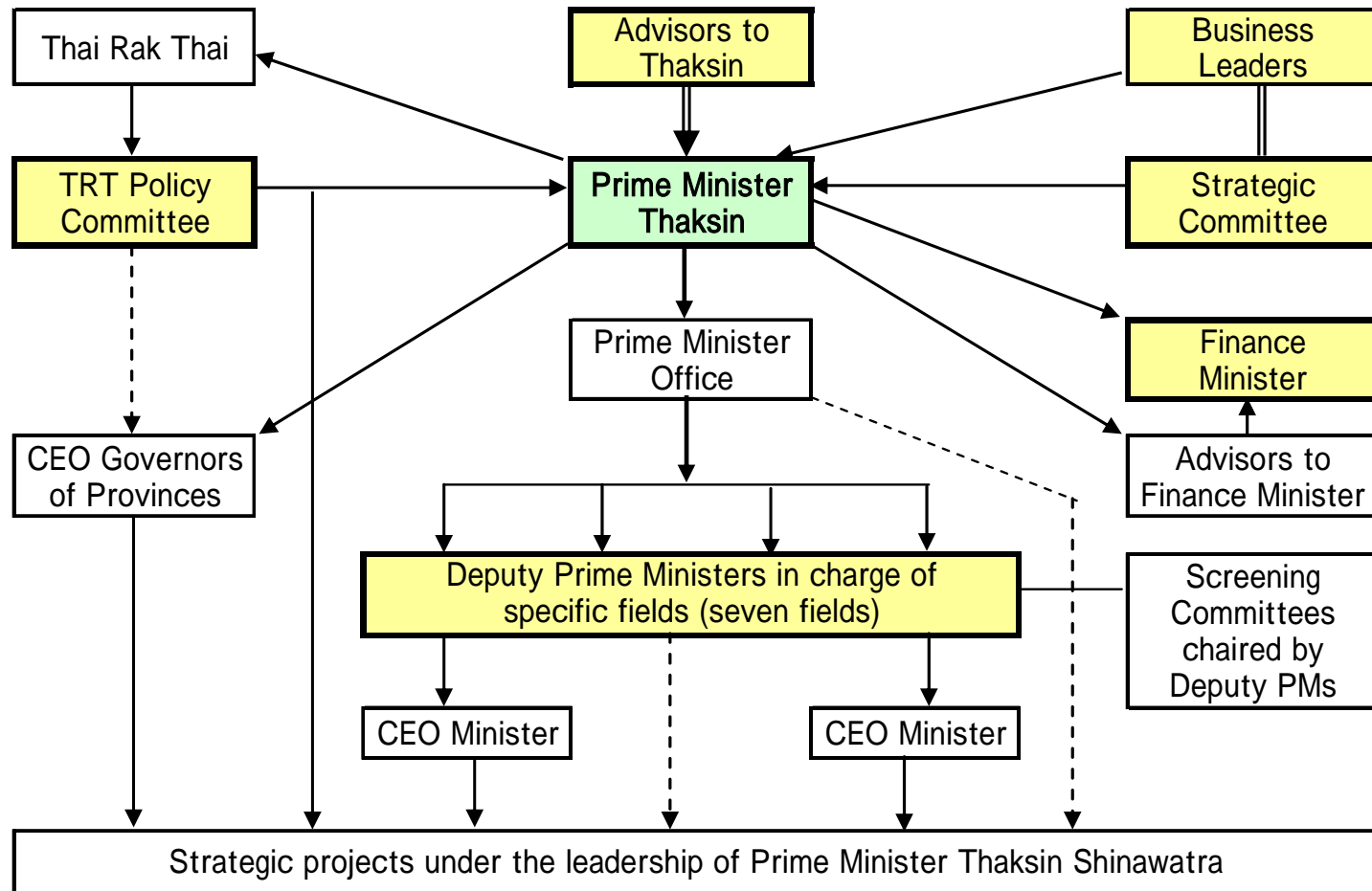
- 1997-2000 (Chuan government):
  - 1) Economic Ministers Meetings (A), 2) Public hearings (B), 3) Finance Minister leadership, 4) NESDB as a coordinator, 5) Deputy Ministers from 8 persons to 24 persons
- 2001-2006 (Thaksin government)
  - 1) Thai Rak Thai party's policy formulation committee
  - 2) Strategic Committee and Policy Screening Committees were set up to replace (A): every Monday
  - 3) Direct dialogue with the people instead of (B): every Saturday morning through radio programme
  - 4) Private advisory groups to the prime minister,
  - 5) Regular meetings with business leaders: every Friday

Table 3 Policy Submissions to the Cabinet Meeting, classified by Ministries and Organizations under the Chuan Administration and the Thaksin Administration

Ministry, Organization, Body	Chuan Admin. (1999-2000)		Thaksin Admin. (2001-June, 2006)	
	Cases	%	Cases	%
Prime Minister Office	404	17.6	1,268	19.1
Prime Minister Office itself	157	6.9	299	4.5
<b>Deputy Prime Minister</b>	<b>25</b>	<b>1.1</b>	<b>206</b>	<b>3.1</b>
<b>Prime Minister Secretary Office</b>	<b>19</b>	<b>0.8</b>	<b>94</b>	<b>1.4</b>
<b>Cabinet Secretary Office</b>	<b>28</b>	<b>1.2</b>	<b>112</b>	<b>1.7</b>
Lecal Office	47	2.1	132	2.0
Civil Service Administration	25	1.1	82	1.2
<b>NESDB</b>	<b>29</b>	<b>1.3</b>	<b>171</b>	<b>2.6</b>
Bureau of the Budget	74	3.2	172	2.6
Ministry of Defense	35	1.5	123	1.8
<b>Ministry of Finance</b>	<b>433</b>	<b>18.9</b>	<b>806</b>	<b>12.1</b>
Ministry of Foreign Affairs	89	3.9	313	4.7
Ministry of Interior	145	6.3	506	7.6
Ministry of Agriculture and COOP	169	7.4	466	7.0
<b>Ministry of Commerce</b>	<b>92</b>	<b>4.0</b>	<b>390</b>	<b>5.9</b>
Ministry of Industry	97	4.2	231	3.5
Ministry of Justice	42	1.8	117	1.8
<b>Transportation, Technology etc.</b>	<b>206</b>	<b>9.0</b>	<b>865</b>	<b>13.0</b>
Labor and Social Welfare	76	3.3	289	4.3
<b>Ministry of Public Health</b>	<b>48</b>	<b>2.1</b>	<b>239</b>	<b>3.6</b>
Education and Culture	105	4.6	341	5.1
Secretaries for the House of Representatives and the Senate	20	0.9	43	0.6
National Police Office	16	0.7	51	0.8
Others	312	13.6	606	9.1
<b>Sub-total Ministries</b>	<b>2,289</b>	<b>100.0</b>	<b>6,654</b>	<b>100.0</b>
Personnel appointments (Head of department and higher positions)	85		232	
Independent bodies under the 1997 Constitution	8		44	
Public Sector Development Office	0		58	
<b>Grand total</b>	<b>2,382</b>		<b>6,988</b>	

Notes: 1) Cover the Chuan administration (1999 and 2000) and the Thaksin administration (February 2001 to 2006).  
2) Transportation, technology etc. include Ministry of Transportation and Communications and Ministry of Science, Technology and Environment. Since October 2002, this column includes four ministries.  
3) Labor and social welfare include new Ministry of Social Development and Human Security since October 2002.  
4) Education and culture include new Ministry of Culture and Ministry of Tourism and Sports since October 2002.  
5) Independent bodies include the Constitution Court, the Administration Court and the Justice Court.  
6) The National Police Office became an independent body from the Prime Minister Office since October 2002.  
Sources; Computed and classified by the author and Kei'ichiro Oizumi on the basis of the records of cabinet meetings between 1999 and 2006.

Diagram 2 Policy-Making and Major Players in the Thaksin Administration, 2005



Sources: Interview research by the author in Bangkok from 2001 to 2006.

**Table 4 Performance of the Populist-oriented Policies  
under the Thaksin Government of Thailand (As of September 2004)**

Programmes	Policy Performance
(1) Village fund	1.3 million farmers jointed the programme with total investment amount of 224 billion baht. Out of them, farmers repaid 127
(2) People's Bank	Government provides financial supports for 850,000 cases (owners of small businesses), and outstanding loans amounted to 17, 827 million baht by September 2004.
(3) Debt moratorium for poor farmers	Government provides moratorium for 2 million cases, amounting to 75,500 million baht.
(4) One tambon (village), one product (OTOP)	26,000 villages jointed the programmes. Total sales by the OTOP accounted for 42,000 million baht including of exports with 5,000 million baht.
(5) SMEs finance	Financial supports by the government for the SMEs amounted to 157 billion baht between 2001 and 2004.
(6) Ban Nua Arthon Project (Special housing project for low-income groups)	Total of 48,000 households obtained houses through this project.

(Source) Ministry of Finance, Thailand (2004) (in Thai).

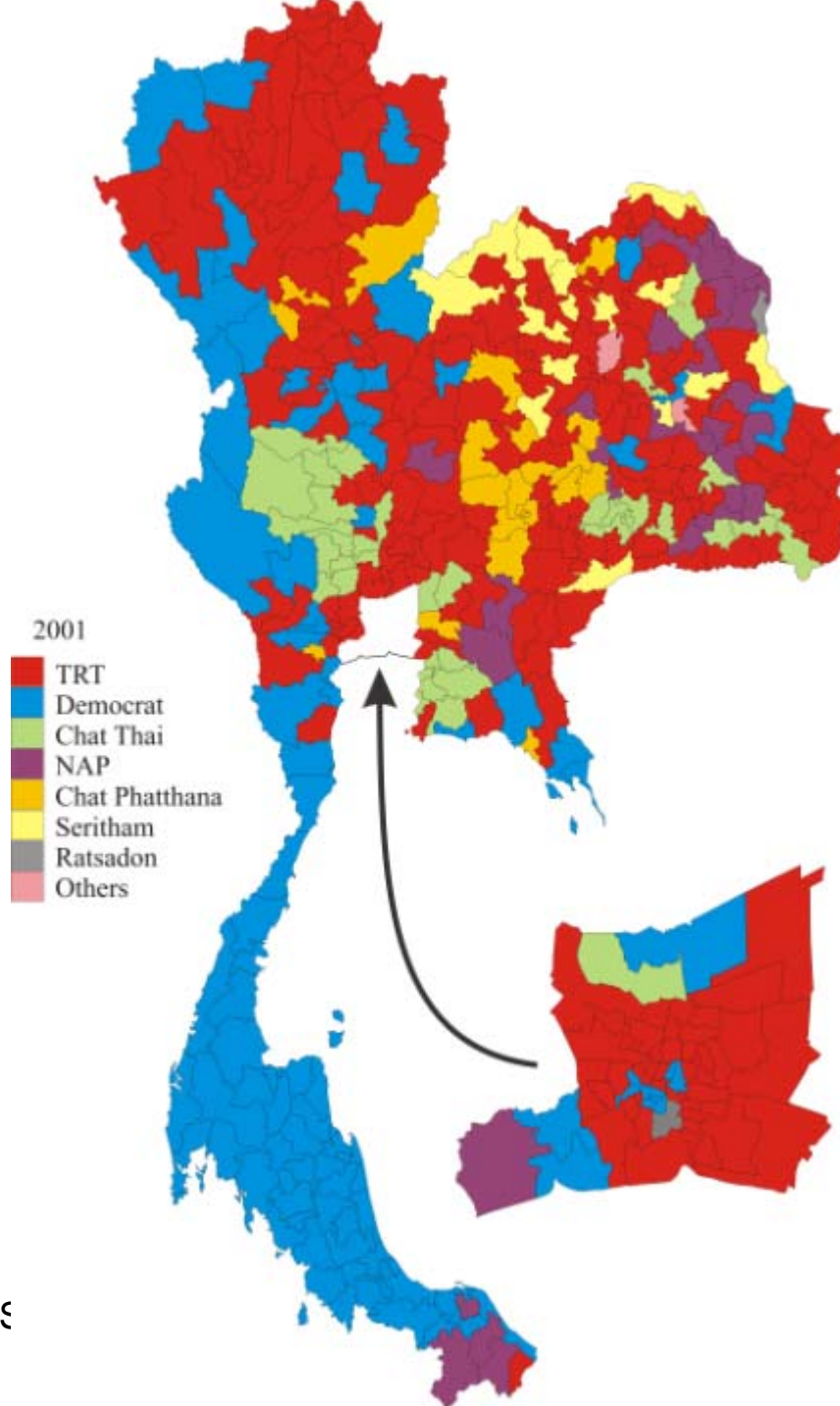
## 7. Shift of Policy Focus in the Dual-Track Policies

- 2001-2002: Populist-oriented policies, promotion of the grass-roots economy.
  - 1) Village funds, 2) people's banks, 3) moratorium of farmers debt, 4) 30 baht medical services, 5) one tambon one product (OTOP), 6) housing program for the poor
- 2003-2004: National Competitiveness Plan and social policies for family development (reconstructing) and support of elderly persons
  - 1) Innovation and industrial cluster approach on the basis of the policy idea of Michael Porter (Harvard Business School)
  - 2) Challenge to the social welfare in reference to ageing society of Thailand.

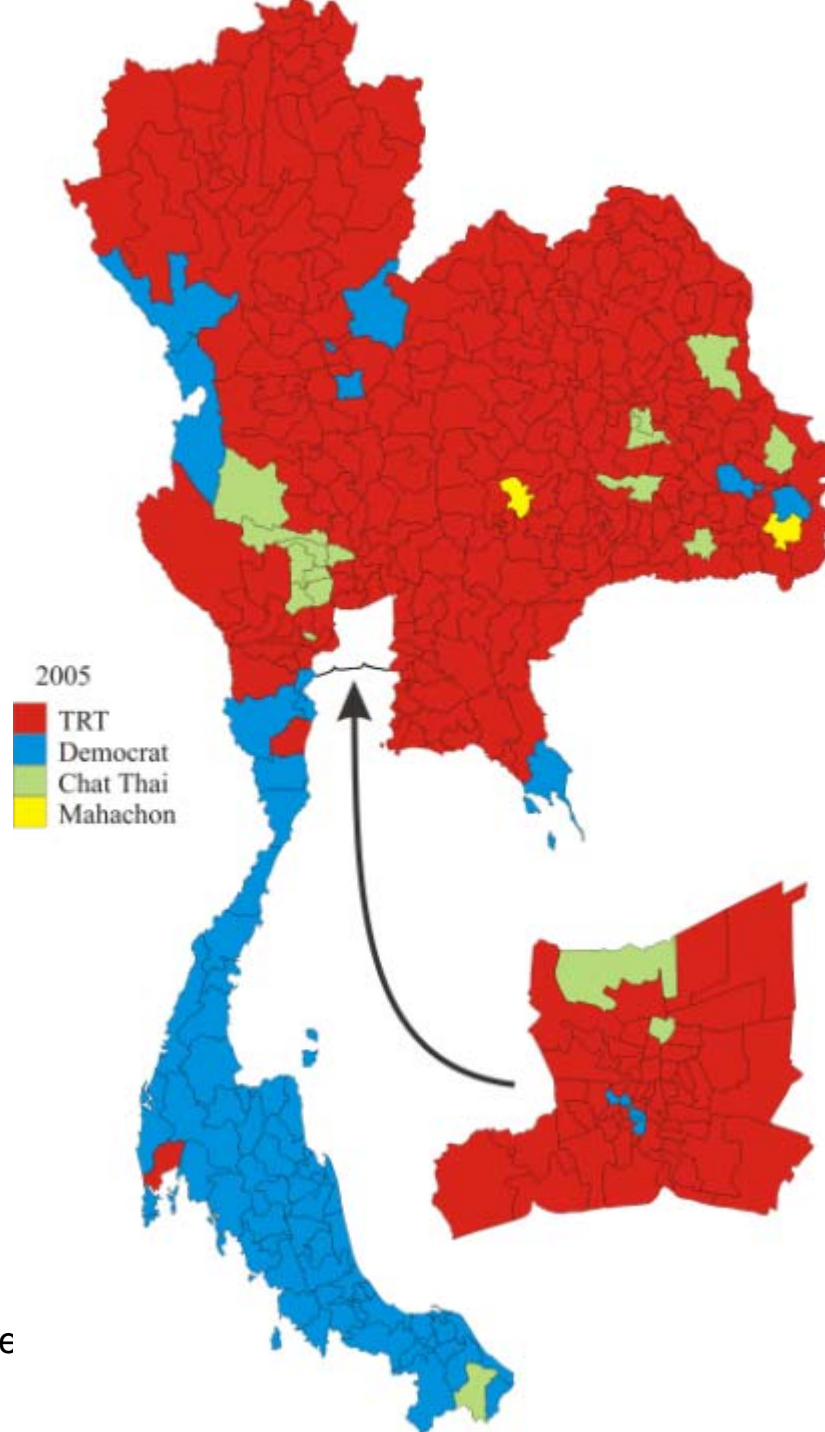
## 8. Projects in Favor of Foreign Investors

- February 2005 election 377 out of 500 seats, Great Victory → 2005-2006
  - 1) Mega Projects (1,800 billion baht for 5 years) for infrastructure, especially mass transport system in Bangkok Metropolitan area.
  - 2) New Five Year Plan aiming at promoting new type agriculture (bio, eco-car, export-oriented products) and provincial clusters.
    - Against the King's sufficient economy.
  - 3) Securitization of national assets and pension funds
    - Revitalization of local stock market.

January, 2001  
Result of Election  
Red is TRT  
Blue is Democrat  
TRT won 248  
out of 500 seats



Result of  
General Election  
in February 2005,  
Red Is TRT and  
blue Is Democrat  
Party  
(Source: Chris)



## 9. Reforms of Public Sector in October 2002

- 1) Reorganization of government agencies, from 14 ministries to 19 ones.
  - Integration of existing departments and establishment of new ministries
- 2) Change in traditional personnel management and promotion system of government officers
  - Neglect of PC system and seniority, promotion in accordance with meritocracy and connection with Thaksin and TRT
- 3) Set up the Public Sector Development Committee (PSDC) under Wisanu Khrua-ngan to modernize the public service
  - Reduction of manpower or service times by 30 to 50% in each section or each service

## 10. Reform of the Budget System (1):Fact-findings

- 1) **Increasing state revenue: increasing actual expenditure**  
→ 869 billion baht in FY2000 to 1,360 billion baht in FY2006
- 2) **Budget allocation by objectives:** increase in subsidies (decentralization) and “other and unclassified”.
- 3) **Budget allocation by function:** declining proportion of national defense and infrastructure, while increasing proportion of community and social service (social security) and “other” economic services  
→ End of military competition in conjunction with the end of cold war  
→ Enhancing economic competition in the world market
- 4) **Budget allocation by institutions:** remarked decline in ministries lines, impressive increase in two categories:
  - a) Central fund: special reserve for extra expenses
  - b) Revolving fund: special account for lending

Table 9 Budget Allocation by Objectives in Thailand, FY 1990-2006

(Units: Million baht, %)

Fiscal Year	Expenditure	Personnel expensens	Operating expenses	Investment expenses	Subsidies	Others	Sources
1990	336,508	28.6	10.6	18.4	3.6	38.4	TBB FY1990, p.56
1991	387,500	24.9	11.3	20.3	4.2	34.1	TBB FY1991, p.30.
1992	460,400	27.0	11.3	21.1	4.6	36.0	TBB FY1992, p.30.
1993	560,000	29.2	10.8	23.0	5.6	31.4	TBB FY1994, p.8
1994	625,000	27.9	10.4	25.6	6.5	29.6	TBB FY1994, p.8
1995	715,000	25.4	10.1	27.7	7.1	29.7	TBB FY1996, p.9.
1996	843,200	27.2	12.5	31.8	13.5	15.0	TBB FY1996, p.9.
1997	925,000	26.9	11.1	34.7	12.6	14.7	TBB FY1998, p.11.
1998	830,000	35.5	10.7	28.6	11.8	13.3	TBB FY1998, p.11.
1999	825,000	32.8	11.1	23.5	16.0	16.6	TBB FY2000, p.9.
2000	860,000	32.9	11.1	20.4	17.6	18.0	TBB FY2000, p.9.
2001	910,000	30.9	10.7	16.6	20.9	20.1	TBB FY2002, p.12.
2002	1,023,000	28.9	9.5	11.9	19.7	30.0	TBB FY2003, p.12.
2003	999,900	30.7	10.3	11.4	20.4	27.3	TBB FY2004, p.17.
2004	1,163,500	27.8	9.2	9.8	23.5	29.7	TBB FY2005, p.18
2005	1,250,000	29.0	8.4	10.5	25.1	27.1	TBB FY2006, p. 25.
2006	1,360,000	28.4	8.5	10.1	25.3	27.7	TBB FY2006, p.25.

Notes: 1) Fiscal Year (FY) means the year which starts on the 1st October and ends on the 30th September of the next year.

2) FY 1990-2001: Personnel expenses included salary and wages, and temporary wages; operating expenses included remunerations, services other than personal and supplies together with public utilities; investment expenses included equipments, properties and construction. All figures are adjusted with new classification in 2002.

3) Government subsidies mostly consist of sbusidies from the central to local administration according to the decentralization

4) Anan administration from March 1991 to September 1991; the fist Chuan administration from September 1991 to May 1995; Banharn administration from July 1995 to September 1996; Chawalit administration from November 1996 to

Sources: Bureau of the Budget ed., *Thailand Budget in Brief* (TBB), each edition.

Table 9 Budget Allocation by Functions in Thailand, FY 1991-2006

(Units: Million baht, %)

Fiscal Year	Total Allocation	General administration		Community and Social Services			
		Sub-total	Defense	Sub-total	Education	Health	Social security
1991	387,500	26.2	16.0	31.3	19.3	5.7	3.1
1992	460,400	25.3	15.4	31.0	18.6	5.7	3.1
1993	560,000	24.5	14.3	33.8	19.3	6.2	3.4
1994	625,000	24.1	13.8	35.5	19.5	6.8	3.6
1995	715,000	22.4	12.6	37.1	18.9	6.9	3.8
1996	843,200	22.8	11.6	38.4	19.9	7.1	4.3
1997	925,000	20.8	11.0	40.5	21.9	7.4	4.2
1998	830,000	20.7	10.0	43.0	24.9	7.7	4.1
1999	825,000	19.8	9.3	42.2	25.1	7.3	4.4
2000	860,000	20.4	8.9	43.6	25.7	7.4	5.4
2001	910,000	19.6	8.4	42.0	24.4	7.1	5.7
2002	1,023,000	18.2	7.5	41.6	21.8	7.1	6.9
2003	999,900	19.1	7.6	42.1	23.5	7.8	7.6
2004	1,163,500	18.0	6.4	40.4	21.6	7.2	6.5
2005	1,250,000	16.9	6.2	38.1	21.0	7.1	6.9
2006	1,360,000	17.8	6.3	40.0	21.7	7.4	7.0

Fiscal Year	Economic Services				Unclassified, others	Sources
	Sub-total	Agriculture, forestry, fishery	Transportation, communications	Other economic services		
1991	23.3	9.4	9.0	3.4	19.3	TBB FY1992, p.34
1992	24.3	10.3	9.3	3.7	19.4	TBB FY1992, p.34
1993	25.5	10.2	11.0	3.4	16.1	TBB FY1994, p.42
1994	26.5	11.0	11.0	3.7	13.9	TBB FY1994, p.42
1995	27.0	9.7	11.9	3.4	15.0	TBB FY1996, p.45
1996	28.9	9.2	14.5	4.5	9.9	TBB FY1996, p.45
1997	29.0	8.4	15.7	4.2	9.7	TBB FY1998, p.52
1998	26.0	7.6	14.0	3.6	10.3	TBB FY1998, p.52
1999	24.2	7.4	11.7	4.2	13.8	TBB FY2000, p.49
2000	22.1	7.9	10.0	3.4	13.9	TBB FY2000, p.49
2001	22.5	8.1	8.4	5.2	15.8	TBB FY2002, p.53
2002	23.3	7.4	6.3	9.0	16.8	TBB FY2002, p.53
2003	20.6	7.3	5.8	6.6	18.2	TBB FY2004, p.48
2004	24.3	5.8	5.4	6.2	17.3	TBB FY2004, p.48
2005	23.7	5.6	6.2	11.1	21.3	TBB FY2006, p.48
2006	25.0	5.2	6.2	12.8	17.3	TBB FY2006, p.48

Source: Made by the author on the basis of the Bureau of the Budget of Thailand, *Thailand's Budget in Brief* (TBB), each edition.

Table 10 Budget Allocation by Institutions in Thailand, FY 1991-2006

(Units: Million baht, %)

Fiscal Year	Total allocation	Central fund	Ministries	Independent public agencies	Independent bodies under the 1997 Constitution	State enterprises	Revolving fund	Sources
1991	387,500	10.2	87.0	0.4	0.0	2.3	0.1	TBB FY 1992, pp. 60-67
1992	460,000	11.8	83.5	0.5	0.0	2.3	1.8	TBB FY 1992, pp. 60-67
1993	560,000	9.8	84.9	0.6	0.0	3.1	1.5	TBB FY 1994, pp. 67-75
1994	625,000	9.8	85.2	0.5	0.0	2.9	1.6	TBB FY 1994, pp. 67-75
1995	715,000	13.6	81.6	0.5	0.0	2.6	1.7	TBB FY 1996, pp. 68-76
1996	843,200	10.6	84.4	0.6	0.0	2.8	1.6	TBB FY 1996, pp. 68-76
1997	925,000	9.3	85.1	0.5	0.0	2.7	2.4	TBB FY 1998, pp. 78-86
1998	830,000	9.5	84.2	0.6	0.0	3.2	2.5	TBB FY 1998, pp. 78-86
1999	825,000	9.3	80.3	5.2	0.0	2.6	2.7	TBB FY 2000, pp. 78-85
2000	860,000	8.9	78.6	5.5	0.2	2.8	3.9	TBB FY 2000, pp. 78-85
2001	910,000	9.6	77.4	5.2	0.4	3.5	3.9	TBB FY 2002, pp. 82-97
2002	1,023,000	18.0	67.6	4.7	0.8	3.6	5.3	TBB FY 2003, pp. 69-82
2003	999,900	14.8	69.1	5.1	0.8	4.2	5.9	TBB FY 2004, pp. 75-91
2004	1,163,500	22.8	62.8	4.8	0.8	3.4	5.3	TBB FY 2005, pp. 76-92
2005	1,250,000	20.0	65.6	4.4	1.1	3.3	5.5	TBB FY 2006, pp. 74-90
2006	1,360,000	18.8	65.9	4.8	1.1	3.7	5.7	TBB FY 2006, pp. 74-90

Notes: 1) Government offices were reorganized from 14 ministries into 19 ministries in October 2002.

2) Independent public agencies include the offices of the His Majesty's Principal Private Secretaru, the Bureau of Royal Household, the National Buddhism, the Attotney-General and so on. As of 2006, the number accunts for 13.

3) Independent bodies under the 1997 Constitution include the offices of the Constitution Court, the Administrative Courts, the Court of Justice, the Election Commission of Thailand, the Ombudsman, the National Human Right Commission, the National Counter Corruption Commission, the Auditor-General of Thailand an so on, which account for 8 bodies in 2006..

4) The number of state enterprises accounts for 18 for 1992, 23 for 1994, 23 for 1996, 22 for 2000, 19 for 2004, and 22 for 2006.

5) For the Revolving Fund, see Table 13.

Sources: Arranged by Akira Suehiro and Imaizumi on the basis of "Summary of Expenditure by Ministry and Department" in the Bureau of the Budget, Office of the Prime Minister, *Thailand's Budget in Brief* (TBB), each edition.

# 11. Reform of the Budget System (2): Resources and Means

- **Thaksin's Policy: Shift from function-based (ministries-based) to agenda-based (national strategy, not the National Five Year Plan)**
- 2003: Strategic Performance Based Budget System (SPBBS)
- Additional state revenue exceeding the initial estimate
- 48 billion baht in FY2002, 146 billion baht in FY2003, and 89 billion baht in FY2004 against the total budget of 1,000 billion baht.
- These additional revenues did not need ordinary proceeding, but were put under the control of the prime minister
- Expenditure for national strategic programs through the “Central Fund” and the “Revolving Fund.”
- Since 2005, he started to discuss the Revision of 1959 Budget Act

Table 11 Budget Allocation of the "Central Fund", FY 1990-2006

(Unit: Million baht)

Fiscal Year	Total Allocation	Central Fund	Central Fund (%)	Government pension	Pension (%)	Compensation to GOs*	Emergency local development*	Early retirement, special bonus	Medical cares for GOs	Debt repayment for village funds	Reserve Economic resuscitation	National competitiveness	Provincial cluster strategy	Development of village community potentials
1990	336,508	30,054	8.9	8,645	20.0	6,144	5,718	-	-	-	-	-	-	-
1991	387,500	39,510	10.2	10,240	25.9	7,300	7,815	-	-	-	-	-	-	-
1992	460,000	54,443	11.8	11,400	20.9	8,500	3,830	-	-	-	-	-	-	-
1993	560,000	55,089	9.8	13,416	24.4	9,807	7,000	-	-	-	-	-	-	-
1994	625,000	61,180	9.8	16,129	26.4	11,182	11,400	-	-	-	-	-	-	-
1995	715,000	97,389	13.6	19,701	20.2	13,092	12,200	-	-	-	-	-	-	-
1996	843,200	89,798	10.6	24,563	27.4	16,915	12,820	-	-	-	-	-	-	-
1997	925,000	85,752	9.3	26,168	30.5	18,090	12,820	-	-	-	-	-	-	-
1998	830,000	79,081	9.5	28,287	35.8	15,500	4,491	-	-	-	-	-	-	-
1999	825,000	76,910	9.3	28,087	36.5	15,500	2,000	-	-	-	-	-	-	-
2000	860,000	76,935	8.9	31,750	41.3	16,000	-	-	-	-	-	-	-	-
2001	910,000	86,912	9.6	37,000	42.6	18,500	-	1,700	-	-	-	-	-	-
2002	1,023,000	183,940	18.0	45,000	24.5	3,000	-	6,950	18,000	11,650	58,000	-	-	-
2003	999,900	147,633	14.8	48,400	32.8	1,980	-	6,450	18,000	12,800	16,600	-	-	-
2004	1,163,500	265,825	22.8	82,040	30.9	1,934	-	16,570	17,000	11,525	-	75,500	-	-
2005	1,250,000	250,190	20.0	55,000	22.0	2,190	-	45,255	18,000	11,242	-	23,400	15,000	9,400
2006	1,360,000	256,220	18.8	60,000	23.4	3,914	-	22,310	20,000	13,035	-	-	40,000	19,100

Notes: 1) If the initial budget allocation was revised due to additional revenue, we employ the revised figures.

2) Emergency polices for local development include: Rural Employment Generation and Provincial Development Programme for FY 1989-92; Rural Employment Creation and Rural

3) Compensation to the government officers include adjustment of salary due to the revision of salary tables.

4) For the FY 2002, 58 billion baht was added to the initial allocation as the Economic Resuscitation Policy, and which was integrated into the Socio-economic Restructuring Policy in FY 2

Sources: Arranged by Suehiro and Imaizumi on the basis of "Summary of Expenditure by Ministry and Department" in the Bureau of the Budget, Office of the Prime Minister, *Thailand's Budget in Brief*, each edition.

Table 12 Budget Allocation of the "Revolving Fund" in Thailand, FY 1990-2006

(Unit: Million baht)

Fiscal Year	Revolving Fund Total	Support for farmers	Employment expansion in provinces	Lunch services 1)	State-sponsored scholarship program 2)	Health services 3)	SMEs supports 4)	Development of political party
1990	497	-	-	-	-	-	-	-
1991	528	-	-	-	-	-	-	-
1992	8,482	6,000	-	-	-	-	-	-
1993	8,361	6,000	700	500	-	-	-	-
1994	9,909	7,000	800	700	-	-	-	-
1995	11,899	8,000	800	500	-	1,194	-	-
1996	13,360	8,000	800	500	-	1,200	-	-
1997	22,111	4,000	500	1,500	8,450	1,362	-	-
1998	20,816	-	500	500	18,300	1,000	-	-
1999	22,320	-	-	500	20,000	1,200	-	200
2000	33,296	-	-	1,000	25,600	2,400	-	300
2001	35,496	-	-	-	28,000	2,400	100	350
2002	54,557	-	500	-	28,000	22,139	-	250
2003	59,328	3,000	-	-	27,000	27,138	1,000	250
2004	62,200	2,000	-	-	27,460	29,727	1,721	250
2005	69,280	-	-	-	27,850	35,797	1,790	300
2006	76,950	-	-	-	25,109	39,667	1,798	300

Notes: 1) Lunch services at school mean provision of fresh milk for students in government's kindergardens and primary s

2) State-sponsored scholarship means public lending with no intersts for poor students. This scheme started in 1996, and 2.6 million students received scholarship from the government by 2005.

3) Health services mean the 30 baht medical services which started in 2001. Budgets are directly allocated to public health centers in each province.

4) SMEs supports include the promotion of "one village [tambol] one product" or OTOP.

Source: Bureau of the Budget ed., *Thailand's Budget in Brief* (TBB), each edition.

## 12. Response to the Thaksin's State Reforms

### 1) Shift of policy focus:

from promotion of the grass-roots economy to promotion of IT services, strategic industries, mega projects, profit-making agribusiness

→ Declining of rural people's interests

### 2) Acceleration of reform of public sector

→ Resistance of tired government officers

### 3) Power concentration and radical approach to state reform (→ Presidency system ?)

→ Menace to the Monarchy Constitution

## 13. Evaluation of the Thaksin's State Reforms

### 1) Thaksin's evaluation:

“Too much quickly in implementing his reforms. People could not catch up his ideas.” in February 2007, Tokyo

### 2) Peoples's response to military coup and the new Surayut government

→ percentage in favoring the new government (63 years old on average) 92% in Sept. 2006; 71% in Nov. 2006.

48% in Feb. 2007 (Thaksin 16% to 22%)

### 3) Restructuring of Thai society on the basis of King's ideology of “Sufficient Economy” or “Setthakit Phophiang”

→ Foreign investors leaving from Thailand

**\*\* Who Manages Thailand in the era of globalization and the ageing society ?**

# Campaign on the King's Philosophy of "Sufficiency Economy" at the Thammasat University Campus, August 2006

