

**"Localism in Thailand: a study of globalisation and its
discontents"**

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Abstract:

Recent work has suggested that the discontent over perceived negative impacts arising from liberalisation and globalisation need to be more carefully considered. The critiques emanating from non-governmental organisations and social movements are considered to be amongst the most significant. This paper examines one example of such criticism – localism – that emerged during the economic crisis in Thailand. This example of localism is found to be an example of populist reaction to the changes and inequalities generated by capitalist industrialisation. The paper assesses this critique, its political strength and its potential to provide an alternative economic model for Thailand. While providing a useful moral argument regarding the impact of neoliberal globalisation, populist localism is unable to develop a sound alternative model.

Keywords: populism, non-governmental organisations, social movements, globalisation, self-reliance, Thailand.

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Globalisation arouses passionate debate. There are those who extol its virtues, arguing that the imminent 'borderless world' is a pinnacle of progress. These 'globalisers' have been keen to promote corporate capitalism and the advantages of liberalisation and the operation of the market (as one well-known example, see Ohmae, 1990). Those not so enamoured by this prospect portray globalisation as far more problematic and, like imperialism, a product of Western desire to subject and exploit the developing world (see, for example, Chossudovsky, 1998; Mahathir, 1999). But, as Higgott and Reich (1998: 1) have pointed out, 'globalisation' is a 'most overused and under-specified' term, and there is now considerable academic debate regarding the nature of globalisation (see Higgott and Reich, 1998; Woods, 1998).

Much recent academic discussion appears to agree that 'globalisation' catches the essence of a historical movement, a triumph of a neoliberal and characteristically Anglo-American ideology, a more intense stage of capitalism, a confluence of events and technologies, or some combination of these. It is agreed that there is something novel about the rapid processes of change that is having significant impacts for business, government and, indeed, ordinary people. The debate however produces competing perspectives regarding the nature of these processes, how recent they really are, the impact they will have on the state, and especially on the power of the nation-state (Gill, 1995; Evans, 1997; Hirst, 1997; Weiss, 1997).

This paper does not attempt to engage arguments concerning the nature and meaning of globalisation. It accepts that, old, renewed or new, the processes and ideologies identified

with globalisation have real impacts, both positive and negative. Rather, the paper examines a specific example of discontent regarding the impact of globalisation, and attempts to assess the strength of this critique. This challenge emerged from an attack on neoliberalism and globalisation in Thailand following the devaluation of the baht in July 1997 and the resultant recession. The approach to recovery supported by the International Monetary Fund (IMF) and implemented by the Thai government demanded enhanced liberalisation. This resulted in a massive restructuring of ownership and control of the economy and significant social costs. The domestic reaction, especially that emanating from significant elements of non-governmental organisations (NGOs) and social movements, was vigorous in its rejection of liberalisation and globalisation, and proposed a rural localism as an alternative. Prior to the consideration of this approach, a brief examination of the manner in which the impacts of globalisation have been assessed in the literature will be presented.

Resistance to globalisation

Much of the triumphalism of the globalisers has concentrated on the benefits they identify as flowing to investors, companies, producers and consumers (Woods, 1998: 6). Typically these are claimed to be associated with the efficiencies said to derive from the unfettered operation of the global market. Even where globalisers identify losers, they tend to see this as temporary, believing that globalisation will eventually bring rewards to the majority of the population.

Not surprisingly, other commentators have placed greater emphasis on those identified as potential and actual losers (Woods, 1998: 9). One group argues for greater efforts to

integrate social safety nets or welfare within market-friendly policies and for wider participation in policy-making, nationally and internationally (Hirst, 1997: 435).

Dependency and Marxist approaches have emphasised the inequalities seen as inherent in the global expansion of capitalism. Strongly influenced by dependency perspectives, Walden Bello and his colleagues, writing of Southeast Asia, have consistently argued that the capitalism of the region, and the nature of globalisation, is flawed. They have insisted that increased liberalisation results in misery for the majority, while enriching a minority and benefiting business in rich countries (see, for example, Bello and Rosenfeld, 1992; Bello et al., 1998). While Marxists have debated the political ramifications of globalisation, they have tended to view it as a further extension of the power of capital over labour. In this stage of development the discipline of the capitalist market and the exploitation of capitalist relations of production are seen to have extended to every corner of the globe (Gill, 1995: 406). However, the Marxist debate has been around their political response to globalisation (see Tabb, 1997a, b; Wood, 1997; Herman and DuBoff, 1997). But such critiques have been marginal to the mainstream globalisation discourse.

Following the Asian financial crisis, however, mainstream discussants have been giving increased attention to globalisation's opponents. Amongst the most vocal critics has been Malaysia's Prime Minister, Dr Mahathir Mohamad. He identifies globalisation as a conspiracy of Western capitalists, international financial and regulatory institutions, Western governments, and international NGOs to '... cause developing countries to become mere production centres for the globe-girdling agents of the richer, ethnically European nations. The current interpretation of globalisation is devised entirely in the West ... to serve their own good' (Mahathir, 1999).

While Dr Mahathir tends to the extreme and strident, as Higgott (1998) has demonstrated, his views are reflective of a wider unease about the impact of globalisation on Asia. Higgott and Phillips (1999) see the Asian crisis and consequent world economic instability as resulting in considerable resentment of the role of international financial institutions, as evidence of a crisis for the neoliberal orthodoxy that underpins globalisation. As they assess it, ‘... we are experiencing the first serious challenges to the hegemony of neoliberalism as the dominant form of economic organisation since the end of the Cold War’ (Higgott and Phillips, 1999: 5).

These challenges are essentially reformist. For example, there are calls for a greater re-regulation of finance capital and for a new architecture of such regulation. It is unlikely that such restructuring will seriously challenge the ideological hold of what Gill (1995: 405) calls ‘oligopolistic neoliberalism’ however. Even Dr Mahathir seems to believe that there could be an acceptable face to globalisation, if developing countries only had the opportunity to decide their approach rather than having globalisation foisted upon them (Mahathir, 1999).

More fundamental objections to globalisation and alternatives to the neoliberal approach are identified by Devetak and Higgott (1999: 485) as being associated with NGOs and social movements. These emphasise justice in the international system and within individual nation-states. While Dr Mahathir sees NGOs and similar groups as part of the Western conspiracy, he mistakenly conflates criticisms of his government’s human rights and environmental record with the attacks of finance capital and the strictures of international financial organisations.

In fact, most NGOs are anything but lackeys of Western neoliberal ideology. Indeed, Dr Mahathir's approach to capital controls has been loudly applauded by some NGOs.¹ Higgott (1999: 30) is correct to observe that international NGOs are

‘... at the core of the alternative approach, exhibit behaviour which is normative, prescriptive, increasingly internationalised and highly politicised. They attempt to change the organising assumptions of the contemporary global order and thus alter the policy outcomes.’

He considers the concerns of such groups genuine, and not necessarily driven by protectionist ideology or narrow interests. In this context Higgott is referring specifically to international NGOs. However, at the country level, national and local NGOs and social movements are also significant participants in this process of resistance to neoliberal globalisation.

One of the lessons from the academic debate is that the national state retains significant power even in a globalising world (Evans, 1997; Hirst, 1997). If this is accepted, then the role of national NGOs and social movements must also be significant in shaping any alternative discourse. There has been limited critical analysis of the policy and role of NGOs in particular sectors (see, for example, Green and Mathias, 1995). However, there have been few discussions of the kinds of alternative discourses developed by various national groups and movements in response to the issues of equity and justice raised by the impact of globalisation.

¹ As an example of this support by NGOs that have been in dispute with Dr Mahathir in the past, see Khor (1998), and other articles of the Third World Network at <http://www.twinside.org.sg/souths/twn/crisis.htm>

Following a brief background to the economic crisis in Thailand, the remainder of this paper will critically examine localism as an example of the discontent over the perceived deleterious impact of neoliberal economic strategies, and the globalisation that is identified as their inherent outcome.

Thailand's economic recession

Until the economic crisis erupted in July 1997 Thailand's economy had experienced almost four decades of uninterrupted growth. The period from 1987 to 1997 was one of unprecedented economic boom, with Thailand achieving some of the highest growth rates in the world, and real increases in per capita GDP. These growth rates were indicators of the industrial transformation of the society. Thailand attracted enormous foreign investment, especially from East Asia, and the economy grew rapidly (Jansen, 1997). The boom saw confidence brim, employment opportunities grow, absolute poverty decline, although wealth inequalities increased, and fabulously wealthy magnates and business empires created.

The results of the transformation were spectacular. In 1960 agriculture accounted for about 40 percent of GDP, most exports, and employed more than 80 percent of the population. By 1997 just 48 percent worked in agriculture, some 35 percent of GDP was attributable to manufacturing, and industrial growth saw manufactured exports expand from one percent of total exports in 1960 to 80 percent by the mid-1990s (Economic Section, 1998: 9; Mingsarn, 1998: 3-4).

This transformation coincided with a political reformation. Until the 1980s, Thailand's system of government was usually authoritarian. The country had experienced long periods

of military rule since 1932, and while there had often been space for political opposition, this was routinely narrowed by the military and the civil bureaucracy. However, during the 1980s and 1990s, while these conservative and authoritarian forces remained strong, there was a transformation to a system where the constitution appears more significant, elected civilian politicians rule, and civil society has flowered. Indeed, the media and various NGOs have played significant roles in challenging each of these governments, pointing to corruption and abuses of power (see Hewison ed., 1997).

But the boom did not last, and after early warning signs were ignored, and devaluation resisted, the bust was spectacular and the recession deep. The details of the financial and economic crisis have been discussed elsewhere (see Hewison, 1999: 28-34), so there is no need to elaborate here. In any case, it is the response to the impact of the resulting recession that has been of most significance for the emergence of localism.

The contraction of the economy that followed the baht devaluation was spectacular. Bangkok Bank (1999) figures show economic contractions of 1.3 percent in 1997 and over nine percent in 1998. Whole business empires collapsed, bankruptcies doubled as thousands of companies closed in 1998, and hundreds more followed in 1999. Investment fell significantly, especially in the property, construction and manufacturing sectors, and the resulting unemployment exceeded two million, the highest ever recorded. This had a significant impact in rural areas due to the strong links between rural incomes and urban employment. Rural remittances from urban workers have been substantially reduced or have ceased. The poor saw incomes reduced by up to 25 percent while the cost of living rose by as much as 40 percent (*Nation*, 26 September 1998, 22 March 1999). In education, the crisis

saw dropout rates increase. More than 45,000 students dropped out in 1997, a record, with 69 percent at the primary level (*BP*, 18 February 1999).

The downturn has thus had a major impact on ordinary Thais. The social consequences have been significant, with many of the income and other gains of the period of economic boom having been rolled back. A massive restructuring of Thailand's business class is also underway, and has seen a large part of the domestic capitalist class struggling to retain its businesses. Foreign capital has made large gains, buying up joint venture partners and increasing investments in a range of sectors (see Hewison, 1999: 31-3). National pride has been seriously damaged.

The initial IMF-organised response to the crisis was highly focussed on economic and fiscal targeting. While more attention was given to social safety nets as the recession deepened, the strict controls demanded by the IMF were a further challenge to nationalist sentiment. It was in this atmosphere that discontent with further liberalisation became significant. Many identified Thailand's economic problems as emanating from the economic boom, when liberalisation meant Thailand's further economic integration with world production, trade and finance. In short, while the boom had seen some champion globalisation as a panacea for Thailand's problems (see Chai-Anan, 1997), it was now seen as problematic.

Responding to globalisation in Thailand

Following a brief period when the government led by Chavalit Yongchaiyudh demonstrated its inability to respond to the crisis, a new coalition, led by Chuan Leekpai took office in late 1997. At that time, Thailand announced its 'full commitment' to the IMF's economic programme. It has generally accepted the IMF diagnosis of the problems, and its emphasis on the need to restore investor confidence through (initially) tight monetary policy, increased financial liberalisation, greater economic openness and foreign investment, and the reform of public and private governance. In short, it accepted a neoliberal response to the crisis.

Keeping the IMF and Western governments on side has meant reforms that demonstrating that Thailand has learnt its 'lessons'. Despite some debate with the IMF, the Chuan government's efforts at recovery and further liberalisation have been supported by Western governments, foreign investors and the major international financial institutions.

However, the reaction in Thailand has not been entirely supportive. Big domestic business was, for a time, critical of the IMF programme for its negative impact on liquidity, but its relationship with the Chuan government has been solid. Small and medium business has been less sanguine, reflecting the differential impact of the crisis and the measures for ameliorating its impact.

But there has also been vocal opposition to the government's responses, and especially to the role of the IMF and World Bank. Initially, this emerged as a nationalist reaction to the realisation that large parts of the economy were likely to end up in foreign hands. It was also

recognised that thousands of other companies would collapse under the burden of debt and interest rates. The impact on employment was also a concern.

The nationalist response was a desire to 'save' the country and its businesses from foreign control. It involved NGOs and some business leaders criticising IMF policies and opposing liberalisation, Buddhist monks collecting gold and dollars for the nation, workers opposing privatisation, and a rush of anti-IMF publications. For a time it looked like this movement was gaining strength, forcing the government to provide limited and lukewarm support, including assigning a Deputy Prime Minister to oversee a Committee for Thai Helps Thai. While a few of these activities continue, their intensity has waned. However, an NGO and social movement-based opposition has remained active, and has been most coherent in developing and sustaining an alternative discourse.

This discourse has not only reacted against the capitalist triumphalism of the boom and the response by the IMF and the Chuan government to the crisis, but has drawn attention to perceived weaknesses in the country's social and political make-up emanating from the very nature of its development. Pasuk (1999: 1) has characterised this as a 'localism discourse'. It asserts the significance of the rural community as an opposition to economic growth, urban and industrialism.

This approach builds on several earlier debates regarding NGO development strategy and ideology, much of it related to the cultural perspective perspective (CDP) on village development of the 1980s (see Chatthip 1991; Rigg, 1991; Hewison, 1993). The contemporary discussion – characterised here as localism – is more diverse than the earlier NGO debate, and gained particular poignancy from the impact of the crisis. It is

characterised by its interest in the following issues, each to be examined below: self-sufficiency; self-reliance; the rejection of consumerism and industrialism; culture and community; power; rural primacy; and nationalism.²

The re-emergence of the debate on localism gained considerable momentum from the Thai King's 1997 birthday speech, where he suggested a return to a self-sufficient economy (Bhumibol, 1998).³ The new localism discourse, like the CDP before it, advocates rural self-sufficiency in basic needs – food, health care, housing and clothing. An important element in this was the view that production for family and community consumption meant that farmers would not be so reliant on the market. Hence, the damage caused by the vagaries of domestic or international markets was reduced. In this perspective, self-sufficiency denotes a 'moral economy' (*Bangkok Post*, hereafter *BP*,⁴ 2 February 1998; Sangsit, 1998a: 42). The notion of self-sufficiency is applied not just to the individual and family, but to the nation as a whole. The suggestion is that a self-sufficient nation does not need the outside world, and may choose its links rather than be forced into international markets and trade.

Self-sufficiency builds self-reliance, for it constructs strong communities with the confidence to resist external pressures. Self-reliance is the ability of a community to take control of its destiny by making informed decisions about the future (Seri, 1989: 4-5). This

² In the discussion of the concepts involved, the sources utilised will also include materials produced prior to the economic crisis, but which reflect the localism discourse.

³ The King's observations drew on his 'new theory' of self-sufficient and contented agriculture, meant to help people make a living at subsistence level, bringing new direction and hope to their lives (Chai Pattana Foundation, 1995, 1997). While he pointed to agriculture, arguing the importance of 'having enough to eat ... enough to get by on', he also applied this to factories, where self-sufficiency was seen to involve lower wages and benefits for workers during the crisis (Bhumiphol, 1998: 4, 7).

⁴ References to the *Bangkok Post* are to stories reporting the views of people involved in the localism debate.

approach can apply to individuals as much as communities, with Prawase⁵ (1999) arguing that self-reliance is being able to stand on one's own feet, and sustainable development deriving from one's own initiative. This perspective can include an anti-development position, suggesting that farmers de-link from the market economy and return to subsistence (Prawase in Chatthip 1991: 124). The idea of de-linking is based on the assumption that it is debt that prevents farmers from overcoming poverty (Thaworn, 1987). The answer to this is to cut the rural community's ties to the 'mainstream economy' (*BP*, 24 May 1999).

Localists often define self-reliance in Buddhist terms. For example, Prawase (1999) suggests that the greed inherent in modern development has led to chaos, and that solutions need to be grounded in Buddhist teaching. He thus gives particular attention to elements he identifies as the bedrock of Thai culture and values – Buddhism and agriculture (Kitahara, 1996: 92-3).

A strong message in localism is that liberalisation and market economics has failed.

Evidence for this is found in the economic crisis and recession (Sangsit, 1998a: 33). The market, consumerism, materialism, urbanism and industrialism are seen as the interconnected outcomes of rampant capitalist development, injurious to rural communities.

'Modern agriculture' is identified as having destroyed the assumed abundance of the past.

Production for the market and export, the introduction of cash crops, land clearing, and the use of Western concepts in farming are seen as responsible for 'food shortage, low production, financial loss and indebtedness' (Ruang, 1996: 24-5). The attraction for these Western methods is driven by consumerism. The identified rural malaise and the economic

⁵ Dr Prawase Wasi is a respected medical doctor, rationalist Buddhist, author, commentator, campaigner for human rights, and has long-established links to NGOs. In addition, he has often been asked to advise and work with government, most recently and importantly in developing the 1997 constitution. For comments on this latter role, see McCargo (1998: 11-27).

crisis derive from the rural population's false and created need for consumer goods (Set Sayam, 1997: 52). This perspective includes a deep suspicion or rejection of development approaches seen to promote industrialism and urbanism (Sanitsuda, 1998).

The antidote to the 'lust for consumption' is the self-reliant economy. Once established, its proponents argue, peace and happiness will emerge in rural communities, and the problems of 'migrant labour, ... crime, narcotics and gambling ... [will] become less severe' (Sangsit, 1998a: 45). For many, this involves the end of the market, for where there is no cash economy there can be no greed and no debt (Kitahara, 1996: 93).

The localism discourse is not entirely comfortable with urban life. It emphasises values derived from the rural community, its culture and religion, and the need to reinvigorate, rediscover or create community values. Rural society is seen to have been 'full of generosity, compassion, and mutual assistance, which are all disappearing...' especially in the urban situation (Rewadee, 1996: 22). 'Community' is a term imbued with particular values: solidarity, equality, ruralism, popular wisdom, environmental concern, and the like. It is money, trade, the market and commerce that have brought the deterioration of these values, and there is a call for their rediscovery.

For localists the community is not simply a source of empowerment for really existing villagers. Rather, the community is an ethical construction. The community and its values become a means of resistance to globalisation and for reasserting values identified as appropriate. Indeed, this ethical or moral community is identified as the rootstock for a new, self-reliant, self-sufficient society (Pasuk, 1999: 6-7, citing Saneh Chammarik, a respected activist academic).

The localist analysis of power emphasises rural-urban dichotomies. Urban culture, identified with capitalist industrialism and consumerism, is seen as responsible for the destruction of the rural community and devastating local cultures (see *Thai Development Newsletter*, 34, 1997: 49). In this, industry is a 'curse', having 'disintegrated communities, broken family ties, and destroyed the very root of the rural society' (*BP*, 24 May 1998). Much is made of the fact that capitalists and powerful political elites have squeezed the village economy. Farmers must work hard just to survive, and labour has been pushed into the city, to the detriment of the village (Chang Noi, 1997: 44; Chatthip, 1991: 131). Further, industry is seen to have provided few benefits for the agricultural sector as industrialists and urban classes have grown wealthy while the peasantry has been left in poverty (Sangsit, 1998b: 52).

This exploitation of the rural sector derives, in part, from the neglect of agriculture in the state's development strategies, resulting in a fundamental ignorance of the potential economic significance of the countryside (Saneh in Pasuk, 1999: 9). Hence the localists call for a return to basics through an increased emphasis on agriculture. For some, agriculture and small, community businesses are considered the only economic sectors that are 'real'; certainly, finance and big business are seen as 'fake' (Prawase in Pasuk, 1999: 13).

While the CDP included nationalist elements, localism, coming to prominence during the economic recession, includes a far more vocal nationalism. In part, this is a corollary of its localism, but it also draws strength from its public opposition to the liberalising reforms demanded by the IMF and World Bank, and implemented by the Chuan government.

There is a strong view that Thais have been misled and made slaves of financially strong countries (see Pasuk, 1999: 5). This slavery includes the desire to consume all that emanates

from the West (*Thai Development Newsletter*, 34, 1997: 49). Director of the Project for Ecological Recovery Srisuwan Kuankachorn (1998) argues that the model of rapid, large-scale development dependent on foreign capital is wrong. It was foisted on Thailand by the US, which, through aid and education, brainwashed the elite and technocrats to implement an American development model. This approach encouraged resource destruction, brought no benefits to the majority, and entrenched consumerism. The IMF and World Bank now reinforce this model, which threatens 'Thailand as a culture' (Pasuk, 1999: 12).

In this context, globalisation is perceived as a particular threat for it is seen to emphasise money and capital 'at the expense of the nation and nationalism' (Sangsit, 1998a: 34).

Globalisation used as shorthand for Westernisation and its negative associated outcomes for Thailand. For example, well-known rationalist Buddhist and human right campaigner Sulak Sivaraksa often uses 'globalisation', 'consumerism' and 'Westernisation' interchangeably, with the latter identified as a new colonialism (*Nation*, 21 March 1999). This is seen to threaten Thai values, so there is a call to protect Thai culture, and especially the agricultural sector. Liberalisation is firmly opposed, with the government accused of selling out the country to foreigners, at the behest of the IMF (*BP*, 8 and 14 March 1999).

Assessing localism as resistance to globalisation

If NGO and social movement resistance to globalisation is to be taken seriously, then it should offer a realistic interpretation of the threats and negative impacts of globalisation, and should be capable of providing a feasible alternative to globalisation. Such an alternative will need to be robust in both its political and economic analysis.

In the 1980s there was considerable debate regarding the efficacy of the CDP. Much of this revolved around its appropriateness as an approach to village development. For example, Rigg (1991) criticised the CDP for being alien, unrealistic, privileging an elite, misconceiving the cultural picture of the village, and for being populist and backward looking. While Rigg was taken to task for misrepresenting the CDP (Hewison, 1993), the nature of the new localism suggests a need to revisit some of his criticisms. To begin attention will be given to the populism of the localism discourse.

Populism has been a major theme of development theory and practice (Kitching, 1982). It is also a notoriously imprecise term (Canovan, 1981: Ch. 1). However, drawing on a range of assessments, populism's defining elements can be identified. These are: (i) tradition is revered and organic models of society are preferred; (ii) it is conservative, with change deriving from the inner growth of existing community institutions and practices; (iii) the past is seen as a 'golden era', with the pristine, idyllic village and its traditions having been diluted; (iv) agricultural development is given priority; (v) if industrialisation is proposed, then labour intensity is emphasised; (vi) justice, equity, and equality are emphasised; and (vii) outsiders are seen as exploiters, and urban exploiters are responsible for removing the surplus from rural areas. From these characteristics it is clear that Thailand's localism discourse is populist.

In a recent paper sympathetic to the localisers, one of Thailand's leading political economists, Pasuk Phongpaichit (1999: 13-4) notes that, in addition to challenging its assumptions, logical inconsistencies and conservatism, there have been three major criticisms of localism. First, viewing the community as a source of morals and values is a 'hopeless idealisation'. If there ever was such a moral community, it has been irreversibly

transformed. Second, rural community values, rather than being based in egalitarianism and co-operation, derive from the patronage system. It is patronage that has permitted the political and economic exploitation of the rural community. Third, the salvation of the rural community is not to be sought through a reactivation of local wisdom but through a more thoroughgoing transformation of the community and countryside. These are important criticisms. As might be expected, however, the localists do not accept them. They do not exhaust the criticisms that can be made of this renewed populism. Here we can outline seven of these.

The first relates to the ‘anti-capitalist’ nature of the populist arguments. A number of critics misconceive the capitalist society that they oppose. For example, Pasuk (1999: 15) argues that the localism discourse has gained currency because ‘of the social division and environmental damage which are features of the development of urban capitalism all through history and all around the world’. Capitalism is seen here as an imposition on, and external to, rural areas. This is not the trajectory of a capitalist system that has a relatively short history and is only now becoming universal. This position also suggests that any analysis of exploitation must be based on a rural-urban dichotomy. Implicit in this is a privileging of a particular kind of work – agricultural production. As an editorial in the *Bangkok Post* (23 June 1998) observed, the ‘farmer may be the backbone of the nation but is no more important than the truck driver, the computer programmer, the doctor and the business executive’. This anti-urban bias can and does preclude political alliances across the supposed rural-urban split. It is especially dismissive of the potential of a political role for organised labour. As Ungpakorn (1999) has indicated, to ignore labour is to misunderstand its significance in the Thai political economy.

Second, it is useful to remember that the intellectual notion of 'community' is a product of modernity, created as a reaction to modernity. 'Community' and 'modernity' are thus constructed as opposites, with 'community' defined in functionalist terms, where the organic whole is composed of essentially inseparable parts (Kitahara, 1996: 77-8). This reinforces the conservatism of localism. It also suggests that it is essentially grounded in a romantic construction of an imagined past. Such reactions to neoliberal globalisation are not suggestive of dynamic alternative visions of social or economic organisation.

A third point is to note that while discussions of community are a mixture of empirical description and normative positions (Kitahara, 1996: 16), localism is essentially normative. In response to empirical criticisms, localists have argued that their position on community is not a description of any reality, but an ethical proposition (Pasuk, 1999: 15-6). However, this defence cannot be used for its critique of modernity. It is remarkable that, in their opposition to industrialism, many urban-based intellectuals ignore positive aspects of industrialisation. It has yet to be demonstrated that such advances are possible without industrialisation and accompanying urbanisation (Kitching, 1982: 2-3).

A fourth issue for populist localism is in the broad area of representation. In his critique of the CDP, Rigg (1991: 204) argued that it was externally constructed and elitist. He suggested that 'selective notions of village self-reliance, cooperation and participation have been coopted by academics (and then by the state) and placed within an entirely new, alien framework.' While the CDP maintained strong village roots, this is not clear for the new discourse. The impact of intellectuals on the localist discourse has been significant, with the economic crisis prompting many intellectuals to take up the localism cause. The problem is that they tend to alienate it from its roots in village-level development practice, re-

establishing it in a context where it offers little that is different from past forms of populist rhetoric. As an intellectual discourse, removed from its grassroots, it is likely to promote backward-looking strategies.

The fifth problem relates to the involvement of state officials. When they take up localism, especially when the King's ideas are included, notions of self-reliance and self-sufficiency are effectively hijacked into an official state development discourse. This sustains Rigg's criticism that localism is an alien framework masquerading as village-based, and little different from orthodox development strategies. For example, the Ministry of Interior (1997: 15-30) has managed to manipulate self-sufficiency into a top-down strategy. And, academics who support the Ministry produce development blueprints that reproduce state paternalism (Mongkol, 1997).⁶ In other words, the co-opting of the discourse by the state, while seen as a victory by some localists, is more likely to herald the decline of the strategy.

Sixth, the relationship between populism and nationalism should be considered. The Thai case is interesting, as nationalism has been identified with the authoritarianism of monarchs and the military. Remarkably localists appear to have developed a discourse that now includes all elements of the right-wing nationalism of 'Nation, Religion and Monarchy'.

According to Pasuk (1999: 1) a groundswell of support for self-reliance grew from the King's birthday speech. Moreover, the emphasis on community has seen Buddhism linked to village culture.⁷ Buddhism's perceived association with local culture, has seen the populist localism imbued with considerable Buddhist chauvinism. While such nationalism might be

⁶ It should be noted that there is considerable opposition to the perceived opportunism of the Ministry of Interior in its adoption of self-reliance (Pasuk, 1999: 14-15).

understandable in the context of the economic crisis and the IMF's unpopular remedies, it is not simply an outcome of the crisis. For example, Chatthip (1991: 133) argues that the 'community culture discourse' is 'unique to Thailand'. Here he wants to nationalise a populist discourse that has been a common historical reaction to the inequalities brought by capitalist industrialisation in many historical settings.

Nationalist rhetoric can be utilised by a range of causes, and some politicians have been keen to adopt localism and its nationalism (*BP*, 12 March 1999). Thitinan (1998) contends that '... it was not surprising that the very same individuals and coalitions who earlier pushed for financial liberalisation were now trying to erect nationalist fences to shut out foreigners,' and notices that many of those who oppose liberalisation are those who created Thailand's economic problems. Thitinan warns that '... NGOs and pro-democracy groups ... should not allow their hardship and disenchantment to be manipulated and co-opted...'. He adds that this is naïve politics, for the real 'enemies' in the economic crash were not outsiders.

Finally, it is important to examine the economic potential of populist localism. It is obviously critical that this be established if the approach is to be considered as a viable alternative to capitalist production and neoliberal globalisation. The economic model at the heart of populist localism does not necessarily reject notions of material progress. Rather, it sees this as deriving from agriculture based on the smallholder farm and the community of smallholders. There is no place for large-scale industrialisation or urbanisation, and rural society and culture can be maintained and recreated.

⁷ In fact the CDP had roots in Catholic development thought (Chatthip, 1991: 126-33).

In his analysis of similar approaches, Kitching argues that there is no example to support the thesis that living standards can be raised and inequality reduced while maintaining the rural family household as the basic production unit. Further, it seems that there may be a limit to the levels of welfare that can derive from agricultural production (Kitching, 1982: 136, 180). While there are arguments against this, the localist's tendency to see the market and trade as only exploitative demands that agriculture be small-scale.

Populist localism provides a vision of equality and freedom from the ecological destructiveness and human exploitation of global capitalism. But it presents few insights as to how this vision could be implemented through localist development strategy. As Kitching (1982: 180) argues, an 'attractive utopian vision is not an adequate basis for a theory of development, nor does the desirability of a state of affairs guarantee its possibility.'

Conclusion

Populist localism offers is a moral critique of capitalist industrialisation, liberalisation and globalisation. It has a powerful appeal because it challenges neoliberalist development dogma. The recognition that the rural sector has been ignored or exploited is a salient corrective to capitalist triumphalism. As Pasuk (1999: 16) notes, during the crisis, populist criticisms have seen some state and society 'initiatives to moderate free-market liberalism', and the localism discourse has been a 'source of hope' for some. This may be true, and it may be sufficient in itself. However, if Thailand's localism is to provide an alternative to the globalisers neoliberal vision, then it needs to go further than this, disentangling itself from the populist rhetoric of the past.

But there is no politically sound nor a viable economic alternative proffered by the localists. Thailand's new populism has not wrenched itself free of the issues that have bedevilled populist politics everywhere: it is reactionary, romantic, is anti-urban, and encourages chauvinism. In any case, where populist ideology has been converted into national development practice, the outcomes have been poor (see Kitching, 1982: Ch. 5). While it can be agreed that there are gross social and economic injustices involved in Thailand's development, the localist alternative appears no more viable than previous forays into populist theory and practice.

To reject populism is not to condemn the poor to the worst excesses of globalisation and capitalist exploitation. The point is to note that populist ideas are a frequently seen response to industrial development and the expansion of capitalist methods of production, and that populist alternatives have been found wanting, politically and economically.⁸

To date there have been few attempts to appraise the alternatives to neoliberal globalisation offered by NGOs and social movements. That the dominant neoliberal perspective on globalisation needs to be challenged for its neglect of equity and other negative outcomes is clear. That NGOs and social movements should have a significant role in this challenge is not in doubt. While this paper has addressed only one challenge from these groups, it does suggest that not all will be realistic. It indicates that some will fall back on utopian visions, repackaging old ideas to face the significant challenges posed by capitalist globalisation.

⁸ The argument here is with populist localism as a national development strategy; is not to argue that the CDP, as a village-based rural development strategy, has no merit – for its strengths see Hewison (1993). There is a risk, however, that an approach, once firmly rooted in development praxis, is transformed into a middle-class intellectual exercise when it becomes a political discourse.

While offering succour for some, such approaches represent a limited political strategy and risk diminishing the impact of NGO and social movement critiques of globalisation.

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