Bringing Non-governmental Actors into the Policymaking Process: The Case of Local Development Policy in Thailand

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Bringing Non-governmental Actors into the Policymaking Process: The Case of Local Development Policy in Thailand

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Abstract
During the past two decades in Thailand, non-governmental actors, such as NGOs, intellectuals, and people's organizations, have found widening opportunities to participate in policy formation and in the implementation of local development. The government has facilitated the formation of civil society forums, in the expectation of influencing local-level governance. The last two national five-year development plans were formulated after taking into account the voices of people in the provinces. Even though they may seem petty, some state funds are now transmitted through non-governmental institutions for policy implementation at the grassroots level. These changes have their origin in a reformation of rural development administration in early 1980s. This reformation in due course led to policies that have allowed the participation of non-governmental actors. Meanwhile, rural people have proved their ability to engage in participatory development by forming various local organizations, while NGOs have grown to be proficient facilitators of local development. This paper describes the process whereby three leading actors, namely the government, local people, and the NGOs, have interacted to bring about a more participatory system of local development administration.

Keywords: social movements, local development, Thailand, NGOs, civil society

JEL classification: O20, R10

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Shinichi Shigetomi

INTRODUCTION

In the 1960s, the Thai political system was described as a typical bureaucratic polity (Riggs, 1966) and one in which the government decided on and implemented its policies without considering extra-bureaucratic actors (ibid., pp.319-320). Until the 1980s, it was still rare for non-governmental actors to participate directly in decision-making and in the implementation of national administration, even though these actors were able to wield political influence as outsiders, for example through elections and street demonstrations (Prudhisan, 1992). The same system of governance was applied to the field of rural and local development.

It was after the 1990s that changes began to appear. Nowadays, we can observe some mechanisms through which non-governmental actors, such as non-governmental organizations (NGOs), civic groups, academics, and grassroots leaders, participate directly in local development administration. Some government funding goes to grassroots organizations through non-governmental channels. Even in official governmental projects, some government agencies have been bringing non-governmental actors into the planning and implementation process.

This change has its origin in the early 1980s when the government undertook a reformation of rural development administration. Even though the reforms began and ended within the government sector, they paved the way for further changes in later years. Helped by new rural development projects, rural people began to organize themselves at the grassroots level. When effectively organized, people have enjoyed stronger opportunities for participating in local development administration. Some bureaucrats, who were in charge of the new rural development planning, persuaded the NGOs to form a single national network. Soon, Thai NGOs became noteworthy actors in participatory

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local development. Three main actors, namely the government, grassroots organizations, and non-governmental facilitators for development, have been the main participants in the changes that have occurred since the 1990s. This paper discusses the ways in which the interactions among these three actors have brought about a more participatory system of local development administration during the past three decades.

**RURAL DEVELOPMENT POLICY IN THE 1980s**

Under the Thai bureaucratic polity of former years, the voices of non-state actors were oppressed by the military dictatorship. Political parties were banned from 1959 to 1967, and the government did not allow freedom of association and expression. In the early 1970s, the students challenged this situation. They demonstrated in mass protests, and this stimulated poor farmers and workers to express their demands too. As a result of a clash between the demonstrators and military forces on October 14, 1973, the military dictators were exiled from the country. This event led to the establishment of a comparatively democratic system and created an atmosphere in which farmers' organizations were able to actively raise their demands with the government. However, the situation was reversed when the military and the right-wingers strengthened their grip again and went on to violently crush a students' demonstration on October 6, 1976. Many student activists and farmer leaders took refuge in the Communist Party of Thailand (CPT) and created bases in rural areas. The government of the extreme right-wing leader Thanin Kraivichien exacerbated the political unrest. Subsequently, military leaders took over the government in 1977 and reached a compromise with the dissidents. This caused many activists to leave the CPT and militant anti-government movements until the early 1980s.

From the events of the 1970s, the government learned the lesson that rural poverty can be a potent cause of political instability. Prime Minister Prem Tinsulanonda, who used to be the military commander of the northeast region, a strong base of the CPT, put the eradication of rural poverty at the top of the agenda of the Fifth National Economic and Social Development Plan, which ran from 1982 to 1986.

At the end of the 1970s, some bureaucrats of the National Economic and Social Development Board (NESDB), the planning agency of the government, started thinking about reform of the administration of rural development. With the strong support of Prime Minister Prem, they proposed setting up a national committee to coordinate most of Thailand's rural development projects. This committee was named the National Rural
Development Committee (NRDC) and had the Prime Minister as its chairman. The NESDB had responsibility for the administration of the committee. It set up a unit called the National Rural Development (NRD) Center, and the entire system came to be called the NRDC System or Ko Cho Cho in Thai.

The NRDC System was regarded as an innovation in rural development administration. “Coordination” was the key word. The NRDC supervised and coordinated the rural development projects of four related ministries, namely the ministries of Agriculture and Cooperatives, Public Health, Interior, and Education. The NRDC System was designed to prevent a village having overlapping projects or projects that undermined one another. Before the introduction of the NRDC System, each ministry decided on its own projects and project sites without consulting the others.

The NRDC System also aimed to coordinate local people’s demands with the government’s policies. Officials of the four ministries summarized local people’s demands and arranged for governmental projects to meet these demands. Thus, the system involved two types of coordination: horizontal (between the related ministries) and vertical (between local and national agencies). However, the government put more emphasis on horizontal coordination, at least during the early stages of the NRDC System.

The actual process worked as follows. The NRDC decided what range of projects to offer in which areas and through which agencies. Local leaders at the village level chose some projects from those available. Local officials then summed up their demands at a sub-district level and sent the lists of chosen projects to a district-level coordinating committee composed of representatives of the four ministries. The committee screened the lists and sent them to a provincial coordinating committee. Finally, the provincial plans were coordinated by the ministries and the NRDC.

Since local officials of the four ministries would share information about the projects that were implemented in any given village, it was easier to avoid the overlapping of projects. Moreover at national level, the NRD Center could take a strong lead in coordinating the policymaking process, since the center had the firm backing of the prime minister and also had the authority to advise the Budget Bureau about the allocation of funds to projects under the NRDC System.

One weakness of the NRDC System was that participation by local people was limited (NESDB, c.1985, p. 195). Local people were only allowed to “choose” projects from a list prepared by the government. In fact, it was officials rather than local people who proposed the projects (NESDB, c.1987, p. 256).

In spite of this limitation, the NRDC System provided a platform for the future development of rural development policy. First, it provided a center in the government for coordinating policymaking for rural and local development. The NESDB, which
coordinated the entire system, was comparatively free of political maneuvering and its staff emphasized social development and distribution rather than macroeconomic growth. The NESDB, especially the section in charge of rural and local development planning, became a contact point for extra-bureaucratic agents.

Second, the NESDB staff recognized the need for popular participation (Pairot, 1985). As a result, they made popular participation an important part of the agenda of the rural development plan in the Sixth National Economic and Social Development Plan (NESDB, 1986).

Third, as a tool for people's participation, the NRDC in 1984 established the Rural Development Fund (RDF) (Wuthiloet, 1998). This initiative came during the first five years of the NRDC System. The NRDC System included some projects which encouraged villagers to pool and manage a fund for a specific purpose. These could be savings groups, rice banks, or medicine procurement funds. Recognizing that these projects bore satisfactory results, the secretariat of the NRDC hit upon the idea of providing additional funds for villagers (NESDB, c.1984, pp. 22-23; Kitisak & Chaiyong, 1984). This meant that the villagers could use money from the national coffers for projects they designed by themselves. This was fundamentally different from the previous system, in which the government decided how projects should be implemented. Although the performance of the RDF was unsatisfactory until the mid-1990s, this fund laid the basis for another funding institution, which at present extensively supports popular participation in local development.

**DEVELOPMENT OF LOCAL ORGANIZATIONS AND NGOs**

**Self-organizing activities of rural people**

When the government began its reform of rural development administration, an important change was under way in rural people's organizations. Traditionally, when Thai rural people cooperated with each other, they relied on their dyadic and personal relationships rather than on formal collective organizations. For example, a farmer would personally ask his relatives, neighbors, and friends to offer free labor when he needed additional labor for a certain piece of farm work. However, from the mid-1970s, a new form of organization appeared among villagers who wished to secure economic resources cooperatively.

The new organizations bound their members with collective consent rather than dyadic agreements (Shigetomi, 1998a). For example, villagers formed a savings group in which
they pooled their money and made loans to members at an interest rate lower than that of informal moneylenders. They agreed the basic conditions, such as the interest rate and the terms of repayment, and established them as the group’s collective rules.

Various similar organizations emerged in the 1970s. A rice bank pooled villagers’ paddy and lent it to members who faced shortages for their own consumption. Villagers set up a cooperative shop by collecting small amounts of money and managing it by themselves. These new organizations was mostly disseminated to villagers by government agencies and NGOs. In some cases, outside agencies put some funds and materials into villagers’ collective management. For example, the government gave one village some materials for making water jars. The village administration let some villagers use the materials in return for money that would revolve within the village for distributing the water jars. The “buffalo bank” project was of a similar kind. A farmer who received a female buffalo as part of this project would keep it for farm use until it had two calves. The farmer would then keep one calf for his or her own use and hand over the mother buffalo and the other calf to another villager. In some cases, the villagers themselves began to use their communal resources of their village more effectively and efficiently. For example, some villages began to raise fish in the village communal pond, while others drew up new regulations for the conservation and local collection of nearby forest resources including fuels and foods.

In the 1980s, there was a visible increase in the variety and number of organizations that local people managed for their mutual economic assistance. The number of savings groups, for example, increased from 1,345 in 1980 to 9,099 in 1990 (CDD, 1997). In 1990, 22% of villages had a rice bank, 11% had a buffalo bank, 50% had a drug fund, and 15% had a savings group.

Some examples showed that such local organizations could bring a tangible improvement to a village’s economy. For example, one savings group in the southern province pooled more than four million baht and lent members enough money to purchase a rubber plantation (Shigetomi, 1998b). Although most groups were much smaller than this, they helped villagers to secure funds and materials at lower costs than would have been possible otherwise.

The success of these organizational activities has had three important effects. First, it has revealed the organizational capabilities of local people. Some NGO leaders and academics have asserted that rural communities in Thailand contain social mechanisms that explain people’s success in organizing themselves. The success of these projects in both quantitative and qualitative terms has lent validity to such assertions.

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2 According to data collected from all villages in the National Rural Development Survey (Ko Cho Cho. 2 Kho).
Second, organizational activities have made some local leaders known outside their villages, since some successful cases have been publicized along with the names of the leaders. Some leaders had not assumed any formal position in local administrative units, and prior to their involvement in organizational activities, their leadership was known about only in the localities concerned.

Third, local success has attracted the attention of the government. In the mid-1970s, CDD was the sole agent for forming groups such as savings groups, rice banks, and village shops. Subsequently, other governmental agencies initiated similar programs. For example, the Department of Internal Trade and the Accelerated Rural Development Office promoted village stores, while the Ministry of Agriculture and Cooperatives persuaded farmers to establish collective paddy storage facilities similar to rice banks. The buffalo bank was promoted by the Department of Livestock. Funding for the setting up of public health facilities, including the provision of medicines, water jars, tanks, and toilets, was provided by the Ministry of Public Health and by the CDD. The fish-raising project in village communal ponds was launched by the Department of Fishery. The Rural Development Fund (RDF) of the NESDB also emerged out of this trend. These various projects mostly got under way in the early 1980s as an outcome of the NRDC System. Later, in the 1990s, the government established some institutions specializing in funding activities such as these.

**Development of the NGO sector**

In Thailand, organized philanthropic activities of a private sector kind can be traced back to before the Second World War. However, it was not until the 1960s that voluntary organizations for assisting underprivileged people began to emerge and to offer an alternative means of development. In the rural development sector, the first organization to appear was the TRRM (Foundation of Thailand Rural Reconstruction Movement under the Royal Patronage of H.M. the King), an institution that was established in 1967. The establishment of the TRRM was initiated by Puey Ungpakorn, who was the then director of the Central Bank of Thailand. Most of the founding members and executives were high-ranking government officials and well-known business leaders. The field workers were recruited from among low-ranking government officials. However, soon after TRRM started to implement projects in the field, its workers developed an identity as non-government actors and adopted a critical perspective towards government policies.

During the period without military dictatorship, between 1974 and 1976, at least 15 NGOs

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3 The buffalo bank of the Livestock Department, the drug fund, and the village fishery project all started in 1982. However, some of them had pilot programs or other programs that were implemented by other agencies.
emerged in the field of rural development in Thailand (TVS, 1986). All of these NGOs ceased their activities after the military coup of October 1976. However, when the government eased its oppressive strategy towards dissidents, most NGOs resumed their activities and new NGOs emerged in this field. There were at least 87 NGOs in the rural development field in 1986 (ibid.).

Most NGOs worked without any coordination or cooperation with each other. The field workers, however, had some personal contact with each other. From 1978, they started holding annual meetings to exchange their experiences (EFORD, 1985).

When the NRD Center recognized the lack of popular participation in the administration of rural development, it thought that NGOs might be able to make a useful contribution. The bureaucrats of the NESDB, especially those working in the rural development section, had a positive view of NGO activists. Puey Ungpakon, the founder of the TRRM, used to be an executive of the NESDB. Pairot Suchinda, who had been the secretary general of the NRD Center from 1981 to 1992, used to observe the activities of the TRRM.

In 1984, the NRDC established a working group to bridge the gap between the government and the NGO sector (Khana tham ngan, 1986). Sumet Tantiwechakul, who assumed the post of NRD Center chief from May 1984, became the head of this working group. The NESDB needed a national center of NGOs in order to mobilize NGOs for more successful rural development. Before starting to cooperate with NGOs, the NESDB persuaded NGOs to form an organization for mutual coordination. In 1985, the NGOs held regional-level seminars, which NESDB staff also attended, and chose their representatives for a national conference. In December 1985, these representatives and the NRD Center co-hosted a national conference with 106 NGOs as participants and established the NGO Coordinating Committee on Rural Development (NGO-CORD) (ibid.)

The main characteristics of NGO-CORD as a national center have been as follows. First, NGO-CORD brought together NGOs from fields other than rural development. The list of those who attended the founding conference contained diverse groups whose concerns covered public health, women, children, human rights and religion. Hence, NGO-CORD developed as a national center that accommodated NGOs in every field of activity.

Second, even though NGO-CORD was established with the support of the NESDB, a government agency, it developed independently of the government and government policies. NGO-CORD has never been a tame partner of the NESDB or of any other government agencies and has been unwilling merely to supplement the work of the government agencies. The notion of the NRD Center bringing NGOs into the NRDC System has never been realized.

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4 An NGO directory in 1986 listed 142 organizations (TVS, 1986); this means that three-quarters of the NGOs participated in the conference to establish NGO-CORD.
Third, NGO-CORD has been a sort of network of NGOs rather than an organization that has exerted a strong grip over its constituent members. It held national assemblies once in two years. The attendance rate was not high: about half the members in Bangkok attended, corresponding to about one-fifth of the national membership\(^5\). Decisions were made by a small number of active organizations or leaders. However, its wide network has given NGO-CORD sufficient authority to represent the NGO sector in Thailand.

The number of NGOs listed in the various directories in Thailand increased from about 140 in 1986 to 370 in 1990, 460 in 1997, and 570 in 2003 (CUSRI, CMUSRI & KKURDI, 1990; Anusorn & Supapan, 1997; Anusorn 2003). The field of their activities expanded too. NGO-CORD set up sector-wide sub-organizations that functioned as networks of NGOs in the same field. NGOs by themselves formed various networks of organizations working on the same theme. Themes included women, slum problems, the environment, alternative agriculture, hill tribes, and public health issues (Benchamat & Suraphon, 2002). In 1994, NGO-CORD erased the word “Rural” from its name and became NGO-COD (NGO Coordinating Committee on Development).

Some organizations connected foreign donors with domestic NGOs that were not able to secure funds by themselves (Amara, c.1998). Among them, the LDAP (Local Development Assistance Program) was quite important. This program was funded by the Canadian government’s Canadian International Development Agency (CIDA) and supervised by the Thai government’s Ministry of Interior and Department of Technical and Economic Cooperation (DTEC). Among the members of the program’s executive committee were NGO leaders and academics who were close to NGOs. From 1984, the program started funding NGOs. The project proposals were screened by a project reviewing committee consisting of CIDA, DTEC, the NGOs, and academic institutions.

The inauguration of this program marked a new era, since the program’s funds were larger than those of past mechanisms for funding Thai NGOs. Under the program, a sum of 85.3 million baht was granted to 55 rural and urban development projects\(^6\) (Pimjai, 2001). The program’s money made LDAP a center of networking among local and small NGOs.

In 1991, LDAP became the Local Development Foundation (LDF), with an agency for implementation, known as the Local Development Institution (LDI). The representative of the LDF was Prawes Wasi, a medical doctor who had received the Magsaysay Award\(^7\) and who had worked to disseminate the idea of participatory public health. He had received a King’s scholarship when he studied abroad and often expressed royalist ideas.

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\(^5\) Calculated from the record of the 1997 national assembly of NGO-COD (Anuson, 1998).

\(^6\) Of the 92 NGOs that disclosed their annual budget in the years around 1986, 85 percent had annual budgets of less than 10 million baht (calculated from TVS, 1986).

\(^7\) This is a prestigious award for individuals and organizations in Asia who have achieved distinction in their respective fields and who have helped others.
He was a government official (a medical doctor at a government hospital), an NGO leader, and a person who claimed to have a close relationship with the King. Such personal attributes gave him considerable scarcity value. Indeed, he was unusually well qualified for a post that steered governmental funds towards the NGOs.

Another notable institution was the Urban Community Development Office (UCDO) which came under the administration of a governmental agency known as the National Housing Authority. Following an organizational struggle among the slum dwellers, the government established a fund of 250 million baht and set up UCDO as a managing agency (Praphat, 2000). The scheme was designed to assist people's organizations rather than the NGOs. However, the NGOs saw the fund as an important resource for supporting their target groups.

The first managing director of UCDO, Paiboon Wattanasiritham, worked in the Central Bank of Thailand when Puey Ungpakorn was its director. After occupying some important positions in the monetary and financing sector, he became the director of TRRM in 1988. He was highly qualified in fund management and, at the same time, in acting as an intermediary between the government and the NGO sector.

**IMPACT OF ECONOMIC AND POLITICAL EVENTS OF THE 1990s**

In the 1990s, several important events changed the environment of governance in Thailand. These included a series of developments, following the military coup of 1991, that culminated in the promulgation of a new constitution and the establishment of related institutions at the end of the 1990s. Another important event was the economic crisis that abruptly broke out in 1997.

**Political reform**

In February 1991, the military leaders toppled Chartchai Chunhawan's government and set up the National Peace Keeping Council (NPKC) to control the government. The NPKC nominated Anand Panyarachun, a progressive businessman and ex-bureaucrat, as Prime Minister. In the general election of March 1992, Prime Minister Anand established a poll-watching volunteer organization. He invited Gothom Ariya, an academic who had been a leader of the human rights and democratization movements since the 1970s, to oversee this organization. The organization brought together more than 30,000 volunteers. Students made up the largest portion of this total (45%). People from the
state sector also played an important role. They accounted for 18% of the total number of volunteers, while NGO workers made up less than 1% (Ongkon Klang, 1992, p. 172).

In the election, pro-NPKC political parties formed a majority and elected Suchinda Prakrayoon, the Army Commander in Chief and the leader of NPKC, as Prime Minister. This betrayed the hopes of the public, who had looked forward to non-military leaders in government. Some NGOs and the opposition parties started to campaign against Suchinda. From the end of April, huge crowds gathered to call for the resignation of the Prime Minister. Matters came to a head with clashes between the protestors and government forces between May 17 and May 21. Suchinda stepped down and Anand assumed office for a second time.

In preparation for the coming general election in September 1992, Anand set up a poll-watching organization and had Gotom supervise it again. This time, the number of volunteers surged to more than 60,000 (Pollwatch, 1994). Half of the volunteers who worked as coordinators were government officials and employees (Table 1).

As a result of the general election, the former opposition parties came together to form the government. The amendment of the constitution to make it more democratic became an important political topic. Some intellectuals succeeded in drawing public concern to this issue. Prawes Wasi chaired a governmentally installed committee for political reform and opened up the way for the amendment of the constitution by non-state actors. At last, a constitution-drafting assembly was set up, its members being elected partly from the general public and partly from law specialists and political scientists. Some NGOs worked hard to put their ideas into the draft (Shigetomi, 2004). The assembly held public hearings about the draft in every province, a development that brought many local people together to talk about politics and governance.

<table>
<thead>
<tr>
<th>Table 1: Distribution of Pollwatch Volunteers, by Occupation, for the General Election, September 1992</th>
</tr>
</thead>
<tbody>
<tr>
<td>Person</td>
</tr>
<tr>
<td>Farmers</td>
</tr>
<tr>
<td>Teachers, lecturers, and researchers</td>
</tr>
<tr>
<td>Lawyers, medical doctors and other medical workers</td>
</tr>
<tr>
<td>Business people and entrepreneurs</td>
</tr>
<tr>
<td>Workers</td>
</tr>
<tr>
<td>Government officials (excluding teachers) and state agency employees</td>
</tr>
<tr>
<td>Students</td>
</tr>
<tr>
<td>NGO workers and development volunteers</td>
</tr>
<tr>
<td>Others</td>
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<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Encapsulating as it did a philosophy of political reform, the 1997 constitution gave more weight and power to the non-state sector and restricted the power of the state sector’s bureaucrats and politicians. The Upper House was reformed and became a watchdog of the Lower House. Many measures were put in place to prevent vote-buying by politicians. Independent bodies were set up to detect any corruption or misuse of authority by bureaucrats or politicians.

**Economic crisis**

In July 1997, the Thai government announced that it would float the exchange rate of its currency with the dollar. Immediately, the baht’s market exchange rate fell by more than half. Many enterprises that relied on foreign loans became unable to repay them, and bankruptcies, construction stoppages, and layoffs hit the Thai people. People were told that the reason for the crisis was the “bubble economy” brought about by excessively rapid growth, too much unproductive investment, and over-reliance on the world economy.

In the midst of this turmoil, the performance of the rural sector looked better than that of other sectors. Many agricultural commodities were export-oriented and domestically value-added products. The drop of the baht meant higher prices for exports, while production needed few imported goods. Many of those who lost their jobs relied on their home villages for temporary relief. The King, in his annual birthday speech, emphasized the need for a sense of contentment in the economy.

In this social context, the strengthening of the rural economy was regarded as a means of stabilizing the national economy. The concept of community was now more than a matter of rural development. It was generalized into a notion of mutual help, beneficial association of any kind, and even an amicable atmosphere. Prawes Wasi described the community as the basis of health, happiness, democracy, and development (Prawes, 1994). In this context, the word “community” took on stronger legitimacy after the crisis.

Another important consequence of the economic crisis was the introduction of the Social Investment Fund (SIF). As part of its efforts to ease the deficit of dollar reserves, the Thai government took out loans totaling 482 million dollars from the World Bank and other institutions (Chaturong, 2000). Of these, 120 million dollars from the World Bank were earmarked for the SIF to strengthen the social safety net. The SIF was designed to be managed by the non-governmental sector and to be distributed to numerous groups of local people across the nation. We shall discuss the impact of SIF in more detail later.
ATTEMPTS AT PARTICIPATORY GOVERNANCE IN LOCAL DEVELOPMENT

Participation of non-governmental actors in national development plan

Even though NGO-CORD was established with the support of the NESDB, there was little collaboration in rural development and economic planning between the NESDB and the NGOs until the mid-1990s. The concept paper for the rural development plan of the Sixth Five-Year National Development Plan (1987-91) described the participation of local people and NGOs as an important strategy (NESDB, 1986). However, there was no NGO activist on the committee that was to draw up the plan. For the Seventh Five-Year National Development Plan (1992-96), NGO-CORD took a seat on a sub-committee for drawing up the rural development plan (NESDB, 1989). However, the basic form of the plan was decided by the NESDB and the Thailand Development Research Institute (TDRI), a non-profit research institute. When the NESDB invited about 80 people to a public hearing about the plan, it transpired that only four were from the NGO sector.

A drastic change occurred during the process of drafting the eighth plan (1997-2001). In 1994, Sumet Tantiwechakul, then the director general of the NESDB, invited Paiboon Wattanasiritham, then NGO-CORD representative, to the National Committee on Decentralization Policy for Provincial and Local Development (NCDP) and listened to his ideas about how the plan should be drafted. The NCDP was the NRDC’s successor. It dealt not only with rural development, but also with all other issues relating to provincial development. For purposes of designing the eighth plan, Paiboon proposed a hearing of social thinkers rather than economists. Sumet adopted this idea and held a brain-storming meeting of about 40 prominent social thinkers early in 1995 (NESDB, 1995). Then, the NESDB asked NGO-CORD to organize a regional-level public hearing relating to the plan. As mentioned before, NGO-CORD had already enlarged its network to include more than 400 members, and had also created a sector-wide network as its sub-organization. It was not difficult for the NGOs to bring some local leaders from various fields to the public hearing. After the nine regional-level meetings, the NESDB held a national conference which attracted more than 1,200 participants. The participants were divided into small groups of 10 people, and their discussions were recorded by NESDB staff. All these procedures were designed under the leadership of Paiboon.

The eighth plan was quite different from its predecessors. It made human development its main target rather than material or economic development. Rather than proposing an economic strategy for development, it put forward a desirable image of society. It therefore attracted the criticism that it failed to offer concrete targets and strategies.
This unique feature of the eighth plan might have stemmed from several factors. First, Sumet was a political scientist by training and a person who worked for grassroots development rather than macroeconomic growth. The public hearing, involving as it did broader sectors of society, fed a variety of views into the plan. As a result, the plan took on an abstract character that no doubt reflected its attempt to satisfy everyone. Moreover the opinions of the NGOs led to the plan being more socially oriented and less concerned with economic growth. Since the plan was designed when Thailand was experiencing a high rate of economic growth in the late 1980s, there was a feeling among the participants that the nation should solve its social problems rather than develop its economy further.

Preparations were more extensive for the public hearing for the ninth plan (2002-2006). This time, however, the NESDB asked the Local Development Institute (LDI) to organize the province-level meetings. The LDI cooperated with SIF’s office and used the networks of both institutions to hold 100 meetings in all 76 provinces during 2000 (NESDB, 2000). NGO-COD was unhappy with this development since its role had been taken over by the LDI.

**Funds for people’s organizations and network formation**

We have already seen that the government established two funds that were designated for the organizational activities of local people. One was the Rural Development Fund (RDF), while the other was the Urban Community Development Fund (UCDO).

As has already been explained, the RDF was established by the NESDB as a part of the NRDC System and supervised by the Prime Minister’s Office (PMO) until 1991. The fund was not fully used because of the excessively strict conditions set by the government on its use. People were required to deposit 30% of the loan amount at state banks and have the district chief as the underwriter of the loan (Wuthiloet, 1998). After the NESDB took over the management of the fund in 1992, the amount of loans began to increase. However, the NESDB did not have local offices to spread the fund more widely throughout the country. Then, from 1994, the fund was transferred to the Government Savings Bank (GSB). Since the GSB had local branches throughout the nation, it was hoped that local people would have easier access to the fund. The number of organizations that received loans jumped from about 30 per year during the period under the PMO and the NESDB to 166 in the first year under the GSB.

In the public hearings for the Eighth National Development Plan, there was a proposal to

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8 The internal data of GSB obtained in 1998. The number increased to 763 in 1996 and 622 in 1997. The main borrowers were savings groups (50% of all kinds of groups in around 1998).
establish a national finance institution to support local organizations (Kong prasan ngan phatthana chonnabot, 1997). One year before the economic crisis, the NCDP decided to establish the Community Organization Development Institution (CODI) by combining the RDF and the UCDO. This intention, however, was realized only after the economic crisis. The Finance Minister, Tarrin Nimmanahemin, who struggled to revive the economy from the crisis, pushed the proposal to his cabinet colleagues.

Before the CODI was set up, Thailand had received aid through the Social Investment Fund (SIF). Since this fund was a rescue program for economic crisis, Finance Minister Tarrin took responsibility for project management design. He consulted some intellectuals, including Paiboon Wattanasiritham, who was the managing director of UCDO. Paiboon led the discussion about how to use the fund coming from the World Bank. In the end, the government ordered the Government Savings Bank (GSB) to manage the fund and later assigned Paiboon Wattanasiritham as the Director General of the GSB. The government chose the GSB because it had experience of managing the RDF (Paiboon, c.1998). Paiboon was named because he was a key person who designed the project. Paiboon proceeded to hire Anek Nakabutr, an NGO activist who had formerly served as the LDAP coordinator and the LDI director, as the manager of SIF’s office (SOFO).

The SIF program was different from past funds. First of all, the size of fund was enormous; at 120 million dollars, it was equivalent to about 4,700 million baht. It was more than 50 times larger than LDAP’s grant for development projects, 15 times larger than the RDF that was transferred GSB, and four times the UCDO’s fund. Second, the fund had to be swiftly distributed since the World Bank had set the project period at 40 months and the purpose of the fund was to alleviate the impact of the economic crisis at the grassroots level. Third, the fund had to be distributed to every part of the country. The impact of the economic crisis was so extensive that the program needed to be disseminated throughout the whole country.

From the outset, the SOFO encountered several management difficulties. The World Bank required a high level of transparency and set strict conditions for releasing the funds to local organizations (Anida, 2002). In the beginning, most project applications were turned down because they did not satisfy the conditions. At the same time, local people, who were not used to writing project proposals, received little assistance in drawing up the applications. This was partly because the NGOs, which had been working to assist people’s organizational efforts, severely criticized the policy of accepting the loan from the World Bank and were not willing to support the program. In its report, the SOFO

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9 Interview with Paiboon Wattanasiritham in September 1998.
described the NGOs as an “obstacle” (ibid., p. 22). For its part, the SOFO was criticized by local people for being too rigid and by the World Bank for being slow to disseminate the funds.

Table 2: Distribution of SIF’s Provincial Committee Members by Vocation or Organizational Affiliation

<table>
<thead>
<tr>
<th>Affiliation</th>
<th>Person</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business, media</td>
<td>60</td>
<td>4.8</td>
</tr>
<tr>
<td>Civic groups, NGOs, community organizations</td>
<td>196</td>
<td>15.8</td>
</tr>
<tr>
<td>Farmers</td>
<td>15</td>
<td>1.2</td>
</tr>
<tr>
<td>Government officials</td>
<td>597</td>
<td>48.0</td>
</tr>
<tr>
<td>Community Development Department (CDD)</td>
<td>106</td>
<td>8.5</td>
</tr>
<tr>
<td>Other offices of the Interior Ministry (MOI)</td>
<td>46</td>
<td>3.7</td>
</tr>
<tr>
<td>Education (MOE)</td>
<td>40</td>
<td>3.2</td>
</tr>
<tr>
<td>Public Health (MOPH)</td>
<td>78</td>
<td>6.3</td>
</tr>
<tr>
<td>Agriculture and Cooperatives (MOAC)</td>
<td>84</td>
<td>6.8</td>
</tr>
<tr>
<td>Public Relations Department (PRD)</td>
<td>24</td>
<td>1.9</td>
</tr>
<tr>
<td>Police (NPO)</td>
<td>6</td>
<td>0.5</td>
</tr>
<tr>
<td>Local government (TAO, thesaban, PAO)</td>
<td>35</td>
<td>2.8</td>
</tr>
<tr>
<td>Labour and Public Welfare (MOLPW)</td>
<td>22</td>
<td>1.8</td>
</tr>
<tr>
<td>Bank of Agriculture and Agricultural Cooperatives (BAAC)</td>
<td>40</td>
<td>3.2</td>
</tr>
<tr>
<td>Government Savings Bank (GSB)</td>
<td>99</td>
<td>8.0</td>
</tr>
<tr>
<td>Others, category unknown</td>
<td>17</td>
<td>1.4</td>
</tr>
<tr>
<td>Teachers, lecturers</td>
<td>114</td>
<td>9.2</td>
</tr>
<tr>
<td>Abbots and priests</td>
<td>26</td>
<td>2.1</td>
</tr>
<tr>
<td>Officially assigned volunteers</td>
<td>116</td>
<td>9.3</td>
</tr>
<tr>
<td>Retired government officers</td>
<td>5</td>
<td>0.4</td>
</tr>
<tr>
<td>Local people</td>
<td>80</td>
<td>6.4</td>
</tr>
<tr>
<td>Lawyers</td>
<td>8</td>
<td>0.6</td>
</tr>
<tr>
<td>Politicians</td>
<td>1</td>
<td>0.1</td>
</tr>
<tr>
<td>Category unknown</td>
<td>25</td>
<td>2.0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,243</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Social Development Fund Office

Note (1) Total number of committee members in the original data is 1,442, of which 199 are without data on vocation and/or affiliation.

(2) The date of recording the original data is not specified. It is likely to be later than September 1999 since the affiliating organizations of some members were established after September 1999.

The solution was to set up regional and provincial committees which could closely support and adequately screen the proposals coming forward from local people. Government officials and governmentally assigned volunteers became an important human resource once the fund decentralized its management. As shown in Table 2, 48 percent of
provincial committee members are government officials (excluding teachers) and state enterprise employees. Among the government agencies, the Community Development Department of the Ministry of the Interior, the Ministry of Agriculture and Cooperatives, and the Ministry of Public Health all played important roles. These agencies have direct contact through their field-level officers with local leaders and volunteers in every village of the entire nation. When the SIF needed to expand its coverage within a limited time frame, the extensive networks of governmental agencies turned out to be highly useful (ibid., 22).

These governmental networks, however, were mobilized through personal contacts rather than through top-down hierarchical orders of the bureaucracy. When the staff of SOFO personally contacted a government officer or a governmentally assigned volunteer, the latter would be local-level organizers. The governmental network would then be used to find someone who would volunteer for the project. The government agencies might promote or facilitate “personal” or “voluntary” activities of this kind.

Since the network expanded through personal contacts, the fund office was able to find people from various sectors of society. For example, in Surin Province, people who worked for NGO projects were involved in this program through personal contacts with the staff of SOFO. In this way, the regional and provincial representatives were quite diverse: they included university lecturers, lawyers, government officials, leaders of community organizations, and NGO workers.

By the end of the project period (January 2003), SIF money had been distributed in respect of about 7,000 organizational activities (SOFO, c.2003). This number was about one-tenth of the total number of villages in Thailand. When the fund was distributed, regular contacts emerged between the provincial-level committees and local organizations. Some provincial committees hired personnel to coordinate fund allocation and management. Such full-time staff facilitated more regular and stable contacts among the individuals and organizations in the networks.

The CODI (Community Organization Development Institution) began to operate fully in late 2001. With the establishment of CODI, the financial support for people’s organizations became more institutionalized. The CODI was an independent agency with about 20 permanent staff and a state budget (CODI, 2002). It succeeded in securing about 2,850 million baht from UCDO, RDF, and other organizations, while the government provided 270 million baht for project implementation. Some of the fund was distributed to the provincial level coordinators. Loei Province, one of the provinces with a strong coordinating organization, hired full-time staff with the money from CODI11. The CODI claims to include 21,273 local organizations in its network (CODI, 2001, p. 21).

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11 Interview with some local leaders in February 2004.
Formation of civil society forums

In the process of drafting the Eighth National Development Plan, Prawes Wasi chaired a sub-committee on the rural development part of the plan. This committee continued to meet even after the start of the eighth plan and proposed the idea of a provincial civil society forum, or Prachakhom Changwat as it is called in Thai. While the eighth plan gives only an abstract description of popular participation, the committee expected the forum to be a mechanism for ensuring actual participation.

The rural development section of the NESDB, which had been taking care of the NRDC and later the NCDP, became the secretariat responsible for designing the forum. According to the concept paper prepared by the NESDB, the forum was to be a loose network or a circle gathering people together from various parts of society within a province (NESDB, 1996). The forum was meant to emerge as a natural consequence of informal exchanges among various people in the governmental and non-governmental sectors. It was envisaged that the core might be made up of academics from tertiary education institutes, NGOs, or other volunteers. The forum was expected to present ideas on local development to the government agencies at a provincial level.

The forum had to be a voluntary organization; it could not be formed by a governmental bureaucracy or by orders of the state. That being the case, how could the NESDB, a governmental agency, promote the formation of the forum? The NESDB asked an academic institution to draw up model scenarios in four provinces in which it was possible to find a coordinating organization or individual. After recognizing the validity of the models, the government, in 1998, decided to set up a forum in every province.

However, according to the terms of reference of these forums, the government could not be act as the agent responsible for their foundation. Therefore, the government transferred the task to an NGO, the Local Development Institute (LDI). The LDI had already developed its own network through distributing funds to local NGOs. Prawes Wasi recruited Poldej Pinprateep, a medical doctor, as its new director in 1998. In the same year, the funding program of the Canadian government came to an end; however, the LDI could continue to secure financial resources by accepting projects from the government. For example, it received 40 million baht from the government for disseminating provincial forums.

Now, the LDI did not have to rely solely on its own funds and networks. SIF had already begun its work, and had developed its nationwide network of local leaders and people’s organizations. Soon after, CODI was established for a similar purpose. Since the leaders

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12 Interviews at LDI (January 2004) and NESDB (September 1999).
of LDI, SIF, and CODI shared similar ideas and were sometimes the same people, it was easy to ensure cooperation among these organizations. In 2001, the government established another huge fund called the Thai Health Promotion Foundation (ThaiHealth) obtained through transferring two percent of the revenue from liquor and cigarette taxes. This fund was also used for strengthening civil society.

With the support of these national-level institutions, some forums tried to influence provincial and local governance. For example, the forum of Roi-et Province suggested to the police effective traffic control measures for the prevention of road accidents. They held a seminar on this issue and invited the police chief and the district chief to attend, their intention being to use the opportunity of the forum to communicate their ideas directly to the government. The dominant members of the forum in this province were officials of the Ministry of Public Health, since Red Cross people been the pioneer core members and had persuaded people to join through their personal networks.

The forum of Surin Province was based on a network of local NGOs. The leaders were NGO activists, government officials, lawyers, teachers, and local leaders. They raised various issues, including political ones. The forum had a full-time coordinator whose salary was paid from governmental funds including SIF money. The forum invited the provincial governor to a conference to discuss the province’s development plan. Some members of the forum became advisors to the governor.

The forum of Chaiyaphum Province plans to promote organic farming through its network. The leading members are local school teachers who have been assisting community development activities. The SIF program officials visited people’s organizations in their localities, and in this particular case, the officials found a teacher who was working closely with the people. This teacher subsequently became the core member of the forum.

In Uthai Thani, a public health official is a key figure coordinating the forum. She is allowed to allocate some of her time to the forum, since the LDI officially asked for the cooperation of the government. The central office of the forum employs four full-time staff whose salaries are paid by funds from the LDI and ThaiHealth. The forum has held an open meeting with local government about environmental issues and the rural economy.

As can be seen from the above cases, the provincial forums remain unofficial agents in the formal governance system. Some of them can influence provincial governance through social mechanisms, for example through raising issues in public, and through exploiting opportunities to exchange ideas with the government. In cases where high-ranking government officials in the provincial administration are sympathetic to such movements, the forums may enjoy a stronger connection with government agencies. Even in such cases, however, the connection relies on personal contacts rather than on institutional mechanisms.
CONCLUSION

In Thailand, opportunities for non-governmental actors to participate in the process of governance have been increasing over the past two decades. When the NESDB designed the NRDC System and tried to alter the governance system as regards rural development policymaking and implementation in the 1980s, the main target was coordination between governmental agencies. Opportunities for local people’s participation, even though they were greater than before, were nevertheless limited, and took the form of choosing from a list of projects provided by the government. The scope of reform did not take non-governmental actors into account as agents of governance.

However, the system, staff, and ideas that were developed in this reform brought some important changes after the 1990s. Firstly, NGOs and other non-governmental actors have had opportunities to express their views in the process of planning national social and economic policy. Those who introduced this new practice were the NESDB bureaucrats who worked for the NRDC System in the 1980s. These bureaucrats called on NGOs to form a national network in the mid-1980s. Second, in the policy formation process, non-governmental actors have sought opportunities to express their ideas at provincial level. This idea was proposed and enriched by the people who succeeded in utilizing the administrative framework of the NRDC System. Third, in policy implementation, local people have been able to gain access to funds that have been available for implementing their own projects. This principle was first proposed and implemented in the NRDC System.

These developments were made possible by changes in the Thai political and economic environment during the 1990s. The political reforms that followed the May 1992 Event created institutions and an environment that promoted popular participation. The economic crisis of 1997 also generated conditions that strengthened local communities. Such external impacts have to some extent legitimized the participation of non-governmental actors in governance.

The capabilities of the various actors have also been important in this transformation. First, the human and material resources of the government were indispensable in expanding the opportunities for participation by non-governmental actors. Since the government’s network was naturally the most extensive, it proved especially useful when the participatory system of non-governmental actors expanded its area of coverage. Many government officials joined the SIF committees as private individuals. They also joined...
the civil society forums at provincial level. Since the government could provide much funding, non-governmental actors were able to expand their networks extensively. The funding also made the networks, which relied on personal relationships at first, more stable and institutionalized.

Second, the local people themselves have created the conditions in which the extra-bureaucratic network has been able to penetrate to the grassroots. As a result of active promotion by governmental and non-governmental organizations since the mid-1970s, there are now many people's organizations that are active in local communities. This has allowed external agents, governmental and non-governmental, access to local leaders without having to rely on the official local administrative structure.

Third, NGOs have provided some important ideas for this system of participatory governance. It was the NGOs that started creating networks involving themselves and local organizations. NGOs also discovered the capability of local people to organize themselves. NGOs were advocates of popular participation in the development process. However, when the government started to change its system of governance, as discussed above, the mainstream NGOs were sidelined from the process. Their networks and resources were not as extensive as those of the government. Only NGOs or NGO activists who were willing to collaborate with the government entered the mainstream and benefited from the changes that have been discussed in this report.

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