

# How Globalization Elicits the Illicit: Liberalization and Crime in Thailand

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## Introduction

Globalization, over the course of the last decade, has had a profound effect on the economies of nations worldwide. It has been responsible for fundamental, structural adjustments in the political and economic formats of most, if not all, developing countries during the 1980s and 1990s. In light of the truism that economies, political systems and social/cultural positionalities are interdependent entities, the effects of globalization on nation-states are felt in all sectors of society. Thailand, over the course of the last twenty years has embraced the global economy, and the impact of this relationship is seemingly ubiquitous in Thai society. Globalization has acted, and continues to act, as a catalyst for sharply rising levels of industrialization and urbanization. Moreover, Thailand's Anglophile attitude has not only produced an influx of multinational corporate activity and foreign direct investment, but also omnipresent western media radiating insidious, cathode homogeneity, and a veritable flood of western tourism. These phenomena are highly problematic for Thailand's general societal health. They have limited Thailand's ability to foster political capacity. They have wreaked havoc on Thailand's physical environment. They have stripped away the rich layers of Thailand's Buddhist and agrarian cultural legacies, and they have a causative relationship with the perpetually worsening state of crime in Thailand. This exegesis is concerned primarily with the latter of these impacts. Crime in Thailand takes four main forms; all of which have been informed, and exacerbated, by globalization. These four forms are; political/corporate corruption (graft),

prostitution/child prostitution/sex slavery, organized crime and tourism related crime. By examining these four types of crime and their interactivity with the trends of industrialization and urbanization, one should recognize the direct relationship between the agency of globalization in Thailand and the extremity of the various types of crime perpetrated there. Possible remediation of the ill affects of globalization in Thailand lies in a renewed emphasis on locality, micro-level community, agro-economics and religious traditionalism. While the "village level solution" is not without its ideological and logistical challenges, it is the only humane and culturally appropriate alternative to the jarring, prescriptive logic of economic globalization.

### **Review of the Literature and Definition of Key Terms**

Globalization is a new term. It has come into popular favor in the last seven years to refer to the post-Cold War international economic paradigm. This model is characterized by corporate "meta-mergers" and by almost universal acquiescence to principles of free trade, deregulation and "democratization." Globalization's political counterpart is the notion of multi-polarity (as opposed to bi-polarity). However, with the inculcating resonance of American popular culture and the exertion of American economic, political and military virility, the system of international relations is ever more unipolar.

David Korten characterizes the effect of globalization on the world's population with the phrase "race to the bottom." He argues that the global economy has made space for transnational corporations to move about with such liberty that nation-states have to compete vigorously to host them.<sup>[1]</sup> This has made the use of child and slave labor virtually mandatory in many parts of the world. Korten is one of the most prominent critics of globalization. He argues that increasingly, the fundamental decisions affecting the lives of the world's citizens are being made by a few corporate executives with no interest whatsoever in human welfare or environmental sustainability. Globalization has been described as, "...the nearly unstoppable spread of markets, ideas, and communication technology" which is, "weakening governments, leveling trade barriers, and empowering corporations and activists with the speed and force of a tidal wave."<sup>[2]</sup> One of the stated traits of globalization, the weakening of governments, will arise

thematically throughout the following pages. Indeed, one could even argue a certain culture of weakness endemic to nations, which have shown themselves to be particularly vulnerable to economic globalization. To a certain extent, it is this revision of sovereignty and influx of foreign capital that has fostered corruption in countries such as Thailand. Thailand was particularly vulnerable to globalization's adverse side effects because of the sudden transition from protectionism and import-substitution, to free trade and foreign direct investment. The increasing weakness and superfluity of the state in the global era is in part the result of the International Financial Institutions (IFIs) namely, the World Bank, the World Trade Organization (WTO) and the International Monetary Fund (IMF). The growing influence of these IFIs, even while globalization touts "democratization" along with liberalization as a hallmark of "development," is undermining the democratic process internationally. This manifests itself in the way that un-elected bureaucrats at the IMF and World Bank dictate to democratically elected governments in countries like Thailand, which policies to abandon and with what to replace them.[3]

Through the variegated case studies of Mauritania, Thailand, Brazil, Pakistan and India, Kevin Bales illustrates the way in which the global economy has fostered a disturbing resurgence of an archaic evil, slavery. Bales, writing on a specific manifestation of Korten's "race to the bottom" conservatively estimates the world's slave population at twenty seven million.[4] Two other noteworthy, outspoken critics of globalization are Jerry Mander and Ralph Nader, who, respectively, concern themselves with the failure of mainstream media and the failure of the democratic process, to address globalization as a problem (or even just as a development of dubious merit). In fact, not only has there not been any popular discourse around globalization's tragic flaws, just the opposite has happened. Mander laments the popular reading of globalization as a wholesale curative measure for international poverty and inequality, and he crusades for increased interrogativity on the part of the mass culture.[5] These authors are representative of the critics of globalization; however, they represent a minority of thought on the subject. As Mander asserts, politicians, corporate executives and even journalists are overwhelmingly supportive of what Mander cynically refers to as "the rising tide".[6] Even in cases where the evidence is not entirely supportive of the global economy, one finds the typical

perspective to be at best, torpid resignation. This is the position articulated by Thomas Friedman.

...I feel about globalization a lot like I feel about the dawn. Generally speaking, I think it's a good thing that the sun comes up every morning. It does more good than harm. But even if I didn't care much for the dawn there isn't much I could do about it. I didn't start globalization, I can't stop it-except at huge cost to human development-and I'm not going to waste time trying.  
[\[7\]](#)

This is the very same soporific attitude that Mander and Nader work to counter in their writing. It is the unfortunate perspective attributable to a majority of the world's residents. In keeping with Friedman's metaphor, in Thailand the dawn brings a sun of such unbearable intensity that the landscape is figuratively (and sometimes literally) scorched beyond the recognition of the Thai masses. Although a diminutive minority, the anti-globalization movement, as Mander asserts, can reverse the tack of globalization. It's might versus mite in the battle for the future of the planet.

Pasik Phonpaichit, a prominent Thai economist articulates another problematic dimension of globalization, the inexplicability of this phenomenon in the field of economics. He believes there is not an *economic* crisis, but an *economics* crisis, that textbooks and academia contain no provisions for explanation of the global economy, and that bankers, not economists hold the key to the changes taking place.[\[8\]](#)

Another motif in the current literature regarding globalization examines questions of its origins and its novelty. A common contention is that, as Mander writes, "...the global economy is new, but less so in form than in scale."[\[9\]](#) On this point, he and Friedman agree. Friedman refers to "this new era of globalization" as "Globalization Round II"[\[10\]](#), and Joseph Nye says, of globalization, "It's as old as history".[\[11\]](#) In other words, the industrial revolution, endured by the West around the turn of the last century, was also a globalizing phenomenon. The Industrial Revolution developed types of mass transportation that connected remote corners of the globe for the first time. In addition, it oversaw a great rise in the quantity and quality of manufactured goods with which to capitalize on the new temporal and spatial definitions rendered by planes, trains and automobiles. Today, the technology is not transportation technology, but communications technology, and it has even further reconfigured our understandings of time and space.

In the above discussion, an effort was made to refrain from using the terms "globalization" and "global economy" interchangeably, as is often done. This analysis adheres to a much broader definition of the term than allowed for by strict economic connotations. Globalization may have reached a zenith of sorts in the post Cold-War era, but the foundation for this system was laid decades prior. The roots of this phenomenon date back to the 1950s. The terms *modernization*, *development*, and *industrialization*, as practiced by the IFIs are genera of globalization. At points during the course of this text, the terms *globalization* and *industrialization* will be used almost synonymously. This is not an entirely accurate equation. The fact is, that during the period of import-substitution economics, which predated Thailand's grand entrance into the global economy, the focus was also industrial. However, the breadth of industrialization under this sort of an economic paradigm is quite limited because the size of the domestic sector is fixed.

Under globalization, it is virtually infinite. Therefore, under globalization, the adverse effects of excessive industrialization began to pronounce themselves, and it is with these effects, that this study is concerned, hence the linkage between globalization and industrialization. The ubiquity of western media, styles, products, technology and attitudes are also dimensions of globalization. While this analysis focuses predominantly of the scope of economic globalization, parts of the ensuing study are concerned with the phenomenon of "cultural globalization" insofar as economic policy, relative to tourism in Thailand, has spurred such cultural confusion. The primacy of free market movement, deregulation, privatization of parastatals and deification of the IFIs are important components of globalization, but they are not a gestalt. It is the broader, inclusive definition of globalization that informs this study.

So as to avoid the appearance of dogmatism, it warrants mention that globalization, particularly in its cultural capacity, has not been an entirely deleterious actor. The intersection of world music and Western audiences, for example, has extensively served the ends of cross-cultural understanding and constructive, inter-hemispheric dialogue. In the other direction, Western notions of human rights, civil liberty and gender equality have been positive influences on the ideological architecture of various cultural cosmologies. Thus, in certain, rare circumstances, there can be a certain

symbiosis and synergy between disparate cultures under these culturally globalizing forces.

Literature on the Thai polity, economy, history and culture is a relatively slight and conventional body. The literature tends to be narrow in scope. In other words, too seldom are links proposed and investigated between features such as Thailand's tenuous democracy and the exhaustion of natural resources or the peculiar character of Thailand's military (i.e., the lack of any interest in national defense) and economic growth. The literature is somewhat myopic because of its tendency to compartmentalize and its failure to consider the integrated whole. Historically, writing about Thailand has focused on its political evolution, from monarchy to dictatorship to democracy and back again. However, the recent scholarship has been overwhelmingly concerned with the incredible rate of economic growth from the late 1980s through mid 1990s. Most recently, the literature has focused on the crash of the Thai Baht in 1997 and the subsequent international financial mayhem. Entirely independent of this political and economic scholarship is a body of work that deals with agricultural production, environmental degradation and the depletion of natural resources in Thailand. In addition, there have been some cultural studies and ethnographies written about Thailand. One of the best known is Charles Murray's study in which he attempts to discern what features enabled a village to respond well to the demands of modernization and thrive, while other, similar villages were ravaged by the community and economic development processes. He ultimately found that "quality of life" was difficult to quantify, but more importantly he argued for the centrality of tradition in the modernization process.<sup>[12]</sup>

Malcolm Falkus has written repeatedly on the connections between regime, regime change and income distribution. Falkus invokes the prevalence of patron-client relationships and vote buying as indicators of weak government and poor representative democracy. He then illustrates the way in which the weakness of Thailand's political parties result in an improper intimacy with Thailand's business elite, thus eliminating the working class from the equation and greatly aggravating income disparity. Falkus concludes that as Thailand has moved away from military autocracy the inequity of income distribution has worsened.<sup>[13]</sup> Similarly, a 1997 World Bank study pinpoints the

rising middle class as largely culpable for the rising income disparities experienced in Thailand.<sup>[14]</sup> Another contributor to the literature on Thai industrialization is James Ockey. He too finds faults rather than favor in Thailand's recent rapid economic growth. According to Ockey, the new levels of disposable capital have had a negative effect on political capacity and on sustainability at the village level.<sup>[15]</sup> All of these writers share a fundamental concern with assessing Thailand in terms of its would-be "tiger" status, or locating its place on the "development" continuum. The conventional scholarship on Thailand generally examines the issues through the lens of globalization and/or economic development. Therefore, much of this literature is operating from within a perspective limited by unchecked assumptions based on conventional wisdom. The emergent issues would appear more salient were this yoke removed.

### **Globalization and the Thai Political Economy**

The history of the Thai polity throws the fact of, and the reasons for, the rampant corruption endemic there, into sharp relief. This section discusses the modern history of the Thai political economy, military and culture as they inform concerns surrounding inequity of income distribution and corruption. In addition, it looks at issues of globalization and the consequent industrialization as they have shaped the status of income distribution and corruption in Thailand. In conjunction with the discussion of income distribution is a brief investigation of issues of industrialization and environmental sustainability. When recounting the relevant history of Thai politics, there are three important themes that characterize the story and deserve in-depth attention. They are military strength and influence; the relative weakness of democracy and instability of political parties; and Thailand's receptivity to globalization (e.g., economic liberalization, privatization, foreign direct investment, western culture, dress, media, products, and so forth).

It is possible to consider Thailand a democracy, although it is debatable whether or not a truly representative political model has ever been realized. The preeminence of the military, even during periods wherein a legitimate Parliament has been elected, is crucial. Additionally, the constant redrafting of constitutions, the central role of the military, the

virtual absence of labor unions and the powerful legacy of vertical, patron-client relationships all contribute strongly to the argument that Thailand has never really experienced “true” democracy. Nevertheless, since the 1970s, the duration of Thailand’s quasi-democratic interludes have been increasing.

...following the long military rules of Sarit and Thanom between 1957 and 1973. Subsequent periods of military domination have seen at least the attempt to achieve legitimacy and quasi-civilian rule. The government elected in July 1995 was the first in Thai history where one elected prime minister was succeeded by another.[\[16\]](#)

In fact, there hasn’t been a military coup in Thailand for nearly a decade. Additionally, Thailand has long boasted impressive levels of press freedom, and a handful of incidents of military violence against civilian protesters notwithstanding, Thailand exhibits a relatively strong human rights record.

1932 is commonly acknowledged to mark the birth of modern Thailand. This was the year that the monarchy lost absolute political control under pressure from the military. The monarchy was replaced by constitutional military rule. Since this transition, the military has remained the dominant force in Thai politics. A military coup occurred in 1947, wherein Field Marshall Phibul overthrew the civilian government. Phibul had been an authoritarian ruler in the latter part of the 1930s and once he regained control, he remained there for an entire decade. It was not until 1957 that he was overthrown by another military figure, General Sarit.[\[17\]](#) Sarit’s tenure extended until 1963 when he was forcibly replaced by yet another military leader, Thanom. In 1973, Thanom was forced out. His administration was followed by an ephemeral and ill-fated period of pseudo-democracy. Once again, three years later, there was a bloody, military takeover. Throughout the following decade and a half, Thailand’s political leadership was characterized by intermittent bouts of transitory parliamentary rule and dictatorial, military-style governance. Even the Prime Ministers throughout the 1980s who weren’t directly involved in the military, were indirectly affiliated with it; however, there were still relatively free elections held in 1979, 1983, 1986 and 1988 and the government was buttressed by a number of party coalitions.[\[18\]](#) The 1980s witnessed various types of factionalization and the development of deep schisms within the armed forces. Moreover,

there were rancorous coups d'etat against General Prem's governments in 1981 and 1985.<sup>[19]</sup> In February of 1991, the military staged their latest, and least successful coup against the Chatichai government. The military rule of general Suchinda, who became unelected Prime Minister after elections in March 1992, was overthrown after a popular uprising in Bangkok led by former Bangkok governor, Prime Ministerial Candidate and devout practitioner of Buddhist abstinence, Chamlong Srimuang in May 1992. After considerable bloodshed and a dramatic intervention by the King, civilian rule was firmly and finally restored. Further elections in September 1992, July 1995 and November 1996 appear to have actualized the long promised parliamentary rule.

Surveying the mix of united regimes, constitutions and political practices in Thailand, five salient themes emerge repeatedly throughout modern political history. The first of which is the common consideration of the legislature as subordinate to the executive even during the rounds of parliamentary democracy. Power has been concentrated in the Prime Minister and Cabinet but, until around 1992, it was not only not necessary, but discouraged for the Prime Minister to be an elected member of the Parliament. Commonly, many prominent cabinet positions were offered to non-elected officials, sometimes to Westernized technocrats, sometimes to the military.<sup>[20]</sup> After the bloody demise of 1976's fleeting democracy, there were no elected Prime Ministers in any of Thailand's regimes until Chatichai Choonavan succeeded General Prem in 1988. Even then, the Prime Minister was not devoid of military connections. Choonavan was a former general and hailed from a military family. This historical account is richly illustrative of the fact that the practice of appointing, rather than electing governing bodies (i.e., Prime Ministers and member of Cabinet) has effectively disabled the formation of any type of opposition party to galvanize and mobilize itself. Moreover, the legislature functions below capacity as a result of the staggering military command of the Senate. It stands to reason that healthy democratic expression and debate would be stymied by the fact that appointed Senators exist alongside of the elected representatives and on critical issues, vote jointly with the House. Therefore, what little democracy there is, is stilted and lacks the sense of free competition that characterizes effective and stable democratic rule.

The second of the four themes is the significant budgetary freedom bestowed

upon individual ministries under the Thai system. In addition, the military has a fund which allows them a certain fiscal freedom and power as well. This permits the military, as well as other ministries, especially those with many employees, an important pool of economic potency and leverage from which to draw. More importantly, for purposes of this study, it provides them with the means and incentive to establish and cultivate patron-client relationships. The influence of the military and its effects on corruption will be discussed in more detail below.

Another major pitfall of Thai democracy has been the weakness of political parties. This fact is brought to the fore by the examination of Thailand's modern political history. Wealthy men often form their own political parties, which represent personal interest rather than sociopolitical ideology. As long as one has the means to establish a firm, regional base, one can buy his way into politics in Thailand. As a result of this ephemerality, there is a distinct lack of historical continuity and/or rational organization, two characteristics central to political stability. Generally speaking, the developing countries with the strongest democratic institutions are those who have historically central political parties around which the people could unite. Moreover, dynamic individuals who further cohere the constituency generally lead these parties. Two clear examples of this phenomenon are Nehru and India's Congress Party and Nelson Mandela and South Africa's African National Congress (ANC). Thailand lacks these cornerstones of vital democracy. Often in Thailand, political parties materialize around a single issue for a single election. These ad hoc parties generally disintegrate as quickly as they take shape. Furthermore, because parties have little historical basis, there is much less adherence to general notions of loyalty in Thailand than in other, more integrated democracies. As a result, politicians often change their party affiliation as they find it convenient or useful. More often than not, government administrations in Thailand are comprised of several different parties as a sort of "coalition" government. Generally, this tactic is employed so as to expand the breadth of the platform enough to achieve a majority of votes and thus secure election; however, when several parties operating with several differing platforms surface, collectively, as one administration, conflict is bound to develop. These conflicts can evolve into schisms and fissures so wide that the low levels

of legislative activity that proceed from such a rift render the governing coalition largely ineffectual. For example, there is often inadequate agreement to even pass a single bill. In fact, a majority of the legislation in place in Thailand today, was passed during the authoritarian era prior to the current period of democratic stalemate.

In another dubious feature of the current Thai political system, cabinet positions are awarded to parties, predicated on the strength and size of their voting base, rather than individuals. The evanescence of political parties in Thailand, as illustrated above, has contributed substantially to the decomposition of executive authority, the advancement of corruption, and the promotion of patron-client relationships within Thailand's national political arena. The fact that the Thai system leaves a lot of room for patronage and graft is no coincidence.

The fourth major weakness of the Thai democratic system is, in fact, institutionalized corruption. Some would argue that the origins of corruption in Thailand harken back to the sixteenth century when civil servants charged with collecting revenue, in the form of taxes, for the King, would turn over only a small portion of what was collected, so as to supplement their meager salaries.<sup>[21]</sup> It is also commonly argued that the negative connotations of bribery and patronage are entirely absent from the Thai cosmology.

'the idea of corruption, meaning that the external world should not be exploited for personal gain because it constitutes the public interest' was 'so baffling [to the Thais] that it lames all Anti-Corruption Commissions at the outset.'<sup>[22]</sup>

The entrenchment of patronage and graft has manifested itself in Thailand through incidence of vote buying at elections, through the sure regional control of local mafia "godfathers", through the abuse of ministerial monies and through "dirty" handling of national enterprise, through interference with the smooth execution of the judicial system, and in numerous other ways which have underscored and galvanized the relationships of patrons and clients.<sup>[23]</sup>

The fifth and final motif in modern Thai political history is the relative strength and activism of the civil sector. This is a somewhat debatable proposition. Historically, civil sector strength has not been the rule. However, beginning in the late 1980s and

culminating in the wake of the financial crisis of 1997, the student movement, as well as NGO activity, has gained momentum and credibility. The factors which prompted the rapid rise in NGO activity were, "the return to normalcy in the countryside after the communist insurgency," the garnering of support from, and building of coalitions with, international NGOs (primarily of an environmental bent), and the growing freedom of the civil sector from military suppression.[24] Another perspective on the growing strength of the civil sector cites the Army's agreement to a power-sharing deal in the late 1970s as marking the inception of modern Thai activism, and the student uprisings against the military coup of 1992 as the pinnacle citizen involvement in political affairs.[25] The Thai financial crisis of 1997 has further encouraged awareness and policing from within the civil society.[26] The trend is the same irrespective of whichever incident was the true agent of change. The Thai civil sector now has more influence than it has ever had. Unfortunately, the depth of Thai corruption is such that the effect of social advocacy has been somewhat negligible. However, with the legitimacy and popularity of activism on the rise, the level of efficacy among civil organizations will also climb.

The features of Thai "democracy" outlined above clinch the argument that Thailand's state apparatus and political parties are historically unstable and generally insecure. Understanding that, in general, globalization weakens political systems by undermining national sovereignty and replacing the authority of the state with that of IFIs and multinational firms, it is clear that Thailand's decision to alter its trade policy to embrace free markets has contributed considerably to the fragility of its democracy. Thus, the tenuousness of Thai democracy is directly linked to the high incidence of corruption and the difficulty encountered in combating it. It has been shown, empirically, that the weakness of political will and commitment to the enforcement of anti-corruption strategies, on the part of Thai politicians and bureaucrats, has resulted in increased corruption.[27] The work of the National Counter-Corruption Commission (NCCC) exemplifies this contention. According to the NCCC, seventy percent of cabinet ministers, sixty percent of parliamentary deputies and between thirty and forty percent of Senators are, to some extent, corrupt.[28] Given the NCCC's limited funds, staff and other resources, the task to which they have been assigned is virtually insurmountable. This

suggests that perhaps the establishment of such a commission was largely for appearance's sake, further buttressing the argument that a weak political system is inherently soft on graft. When "democracy" is only representative of the interests of the military, big business and organized crime, in short, its funders, then corruption is a fundamental and intractable element of politics.

Intertwined with all of these elements is the perennial and pervasive role of the military. This stems from the depth of their legacy starting with the end of the monarchy in 1932, as much as with the contemporary military domination of the Senate. In addition to their strong entrepreneurial legacy, the military's historically proven capacity to successfully execute coups d' etat against the government is a tenet of the system, which allows them to retain their position at the fore of Thai politics. It is said, of the military, that national defense is but sixth in their list of priorities, and that their first priority is establishing and maintaining business connections.[\[29\]](#)

[M]ilitary leaders controlled the boards of many state enterprises, letting them flounder while they squeezed commissions from military-linked suppliers. The creaky telephone network is a legacy of the military because chairmanship of the phone company is a perk reserved for the army commander-in-chief. Private companies also appoint military officers to their boards, blatantly exchanging salaries, gifts, and kickbacks for influence.[\[30\]](#)

The fact that the military in Thailand is primarily a profit-making institution (and only peripherally concerned with issues of national defense) is indicative of the "culture of capital" intrinsic in the post-globalization Thai world-view. This cultural orientation has led both to economic liberalization and political corruption. These features of Thai life are understandably interrelated, since they are born of the same ideology. Of this ideology, a former Thai Deputy Prime Minister stated, "What we have is a commercial democracy. We have simply applied capitalism to everything".[\[31\]](#) Additionally, it is important to note that the military enters politics in a number of ways. As has already been established, many of the political parties are strongly connected with military leaders depending on financial support from the military and including military figures among party officials. Several former military leaders have formed their own parties garnering reputes from military owned newspapers and television and radio stations. The largest political party elected in July 1995, Chart Thai was long associated with the military, while the second

largest member of the 1995 ruling coalition, the New Aspiration Party, was founded in 1990 by General Chavalit, the former army supreme commander.<sup>[32]</sup> It is also noteworthy that military commanders have, in the past, sat on Thailand's Board of Investment (BOI). The Promotion of Industrial Investment Act of 1960 created the BOI, a quasi-governmental entity established to promote investment and trade.<sup>[33]</sup> This act also provided powerful incentives for private investment (both foreign and domestic). Among these incentives were guarantees against nationalization and competition from the state, exemptions on import tariffs, capital goods and raw materials, and income tax breaks.<sup>[34]</sup>

The Thai economy boasted an estimated rate of 8.5 percent in 1994 and maintained a growth rate above 8 percent for 1995 and 1996. This impressive rate of growth followed a twenty-five year period of sustained GDP growth at an average annual rate of nearly 8 percent. In fact, the economy grew at 9.0, 13.2, 12.0, and 11.6 percent in 1987, 1988, 1989 and 1990, respectively. There were two primary factors, which motivated this exceptional economic expansion. There was a sharp increase in manufacturing exports of durable goods, which grew by twenty-nine percent per annum in volume terms. In addition, Thailand witnessed a jump in private investment, especially Foreign Direct Investment, in the export-oriented manufacturing sector.<sup>[35]</sup> Text from an advertisement sponsored by the Thai Board of Investment exemplifies the assertion that Foreign Direct Investment was (and still is) at the forefront of the Thai structural adjustment agenda.

The BOI, with its close contact to local and foreign business communities in Thailand, is in an ideal position to expedite business networking. The office can locate appropriate partners, make introductions, and arrange appointments with promoted companies for prospective investors wanting a firsthand knowledge of Thailand's industrial conditions.<sup>[36]</sup>

This advertisement goes on to list lengthy and variegated guarantees, protection measures, permissions as well as tax and other incentives, which await transnationals interested in "setting up shop" in Thailand. As an interesting caveat, the cover of the volume from which this ad was cited shows a metal ratchet radiating light into a treasure chest full of fluorescent gems and two burlap sacks. One of the bags features the symbol for Baht on the front and the other boasts a dollar sign. In the background is a metal ornament with the letters "NIC".

One of the most conspicuous effects of industrialization in Thailand has been its aggravation of the inequity of income distribution. It is acknowledged that quantification of the connection between industrialization and income distribution is particularly difficult; however quantification is not necessary to illustrate the resolute, direct-proportionality of the level of industrialization and the disparity among income distribution in Thailand.[37] In the past decade and a half, Thailand has experienced extraordinary economic growth. Rapid growth is known to negatively affect income distribution.[38] Moreover, industrialization is known to positively affect the rate of economic growth. Therefore, it follows logically that industrialization bears directly on income disparity. Such is clearly the case in Thailand. As industry replaced agriculture over the course of the last twenty to twenty-five years, the incidence of poverty among farmers and landowners has undergone striking jumps. This has taken place while the overall poverty rates for Thailand are on the decline, largely because of the sudden appearance of an urban middle class. During the two decades between 1975 and 1992, poverty in urban areas decreased from around ten percent, to a mere one percent. Viewed in a vacuum, this datum might appear promising. However, in 1992, farm workers faced the highest incidence of poverty, and nearly sixty percent of these rural poor were concentrated in the Northeast region of the country.[39] The particulars of the Northeast region of Thailand will be discussed in more detail in the following section. These data are somewhat disturbing insofar as they illustrate the stark regional and sectoral biases of the Thai system. As this trend continued, Thailand became ever more two separate countries; a prosperous, modern, urban population, and a systematically disadvantaged, ignored and desperately poor, rural underclass. The prices for agricultural commodities have steadily dropped in Thailand since 1986, and to add insult to injury, the Thai government has fixed the price of rice (Thailand's major agricultural commodity) below market value to insure affordability to laborers in Bangkok. This has had the consequence of effectively eliminating the possibility of deriving a living wage from rice farming.[40]

As total poverty declined over time, it became increasingly concentrated in rural areas, the rural Northeast, uneducated households, and more generally households that depended on agriculture for their livelihood.[41]

This quotation reiterates the fact that decreases in the incidence of poverty overall is not necessarily suggestive of economic improvement or stability across the board. In fact, quite often when the poverty rates improve, there are other, darker data, which shade in and fill out the economic landscape. Elsewhere the same sentiment is couched slightly differently.

Although high growth is a desirable macroeconomic objective, it does not necessarily lead to a higher standard of welfare for everyone. It is quite well known that GDP and its affiliates (such as GNP and per capita income) do not measure environmental damage, change in the quality of products, underground and unrecorded activities and so on, all of which affect the welfare of the people in society.[\[42\]](#)

In general, there are four reasons why industrialization caused an increase in the inequitable distribution of income in Thailand. First, agricultural production was not employee-efficient. In other words, the number of workers required to produce a percentage of GDP through agriculture was many times higher than the number of workers required to produce a comparable amount of income through industry, second, industry in Thailand was concentrated in Bangkok and its environs, thus there was a geographical disparity which exacerbated the income disparity. Third, the Thai government gave myriad privileges, protections and incentives to large industrial investors. This had the effect of creating virtual monopolies in quite a few areas of the economy, functionally bankrupting smaller, independent firms. Lastly, the government built several dams to provide added electricity to the greater Bangkok area. In the process of building these dams, however, the water supply to some rural areas was rerouted, forests were uprooted and whole villages were displaced.[\[43\]](#) In addition to its implications for corruption, the sudden and dramatic growth of industry following Thailand's World Bank-prompted move toward export-oriented industrialization in the mid 1980s, upset agricultural communities. Rural families, in the wake of industrialization, face poverty on the one hand and profound environmental degradation on the other. The situation is dire.

The earlier phases of stable, but less rapid, growth during the 1960s and 1970s were characterized largely by import-substitution policies and an agriculture led economy. During this phase agriculture was expanding in terms of the amount of land it consumed.

In other words, the frontiers were rapidly shrinking. Thai agriculture today, however, is not to be confused with the village-level, community-based sustainable agriculture that was the norm just a few decades prior. The agro-sector, as FDI was emphasized, became more and more the domain of multinational corporations.<sup>[44]</sup> During the 1960s and 1970s, the industry that did exist was predominantly tied to agricultural production. Products such as food processing, beverages and tobacco complemented the demand for and production of rice, sugar cane and cassava.<sup>[45]</sup> In the early to mid 1980s Thailand's economic emphasis began the shift to that which is practiced presently. The growth taking place at present is designated and differentiated from the previous epoch by two aspects; divergence from the import substitution trajectory in favor of an export-led focus on production for the international market, and the abandonment of agriculture as the leading sector of the economy in favor of industrial production. The exhaustion of available land for cultivation, in concert with a newfound passion for materiality and competition in the global marketplace, catalyzed these changes, both of which are significant factors in the rise in incidence of various types of crime.

The above historical account indicates a number of critical weaknesses in the Thai political system, which have either been produced, or exacerbated, by Thailand's entrance into the global market. Among these are frequent military coups, strong military influence and interference, weak political parties that fail to represent the interests of anyone outside of Bangkok's middle and elite classes, and historically institutionalized and sanctioned graft and patronage. In addition, there is a history of intimacy between the state and the corporate elite in Thailand. While this relationship fostered industrialization and economic growth, it also served to promote corruption.

In recent years, there has also been an resurgence of civil sector activism, primarily in the form of Non Governmental Organizations. While this trend is positive, the impact thus far has been dubious in light of the extent of the entrenchment of corruption. Lastly, there is marked inequity of income distribution, and agriculture has been practically abandoned/altered at the expense of the environment and the farming community. These features of the Thai polity engage mutualistically with Thailand's modern emphasis on economic liberalization and Foreign Direct Investment. In the following section, the

history of the various forms of crime in Thailand will be examined and the interconnectedness of Thailand's political, economic and criminal compositions will emerge.

### **Globalization, Industrialization and Crime**

The above discussion dealt adequately enough with the important issues of political corruption, that, in order to avoid repetition, the topic is omitted from the following section. Nevertheless, political corruption is one of the four basic categories at issue herein, along with, the sex industry, tourist-oriented crime, and organized crime.

In Thailand, prostitution, as well as slavery and polygamy, are illegal. Technical legality aside, however, these crimes are all widely accepted and practiced. The sex trade in Thailand is a mammoth industry and is growing exponentially. Conservative estimates put the number of prostitutes in Thailand at between 500,000 and one million, and the number of enslaved prostitutes at around 35,000. In a population of sixty million people, these figures suggest that more than one percent of the total population is involved in the sex industry.<sup>[46]</sup> There are two fundamental explanations for the acceptance, and even promotion, of this type of behavior. These reasons are: 1) various features of Thai cultural history and social structure, and 2) the recent, dramatic industrialization and urbanization.

Buddhism, in a sense, is a more powerful "opiate" than other world religions. The notions of *Karma* and *reincarnation* provide powerful rationale for disinterest, for one to resign oneself to a particular lot in life and to ignore thoughts of ambition or the possibility of upward mobility.<sup>[47]</sup> The principle of *Karma* suggests that one's societal position is in direct proportion to the virtue exercised in one's past life or lives. Consequently, the way to ensure good life-quality for the next life is to accept one's position in this life as deserved and inevitable, regardless of the level of deprivation and despair, and concentrate on maximizing one's goodness and devotion to the spirit. This has the effect of, very quickly and effectively, breaking the will of girls sold into sex slavery.<sup>[48]</sup>

Another way in which the particulars of Thai culture make space for a vigorous sex trade is the emphatically patriarchal character of Thai Buddhism. In Thai Buddhism

women are considered deeply inferior to men. The profundity of this inferiority is such that women are often completely objectified, and in the new product-oriented Thailand, commodified.<sup>[49]</sup> This further explains the traditional readiness of Thai families to sell their daughters into slavery or prostitution. Moreover, this explains, in part, why there is no taboo among Thai men when it comes to patronizing brothels. Connected with the “women-as-instruments” motif, in the larger Thai culture and in Thai Buddhism, is the historical role of polygamy as a status symbol. The Thai people, since long before Siam became Thailand, have revered and even deified their monarchy. Even today, after seventy years of constitutional rule, the monarchy “is still considered the foundation stone of legitimacy”.<sup>[50]</sup> When the royal family travels, whatever road they take is shut down completely by the police. Thai citizens literally grovel on hands and knees in the presence of a member of the royal family. Bitterly ironic is the fact that while fourteen-year-old females are enslaved as prostitutes with the consent of the police, the slightest criticism of the monarchy can result in arrest and even jail time.<sup>[51]</sup> Historically, Thai Kings and lesser nobility kept vast harems of wives. Thai Buddhism also sanctions this. Because of the influence of the monarchy, many Thai men desire multiple wives in a gesture imitative of the revered rulers of the past. However, since taking on additional wives involves increased financial responsibility, most Thai men consider purchasing sex an adequate substitute.<sup>[52]</sup>

The second reason why the sex trade in Thailand is so prolific is the fact of globalization. In fact, industrialization has spurred growth of the sex industry from both the supply and demand sides of the equation. First, conspicuous amounts of capital, concentrated in the country’s urban centers, have given Thai laborers the disposable income necessary to make solicitation affordable. Second, industrialization has resulted in a grossly inequitable distribution of wealth, leaving rice farmers in the northern, mountain regions desperate. In 1992 the percent of urban dwellers living in poverty was around one percent, while ninety-four percent of those in rural areas were below the poverty line.<sup>[53]</sup> Whereas in prior eras, keeping one’s daughters as farm workers was, in the long run, financially wiser than selling them, today such is not the case. As industrialization further marginalizes village-based agriculture in Northern Thailand, it also inculcates these

villagers with images of televisions and kitchen appliances creating intense demand for the trappings of middle class-dom. Thus, young girls from the northern regions are being sold into sex slavery more commonly than ever before.

The small number of children sold into slavery in the past has become a flood today. This increase reflects the enormous changes in Thailand in the past fifty years as the country goes through the great transformation of industrialization- the same process that tore Europe apart over a century ago. If we are to understand slavery in Thailand, we must understand these changes as well, for like so many other parts of the world, Thailand has always had slavery, but never before on this scale.[\[54\]](#)

Industrialization and the consequential widening chasm between rich and poor is a dark backdrop against which the reality of the sex industry in Thailand is disturbingly apparent. There is also a point at which the effects of industrialization, the omnipresence of prostitution and the prevalence of graft intersect. It is at this point where the inextricability and complexity of the myriad problems associated with industrialization and globalization are underscored. In Pattaya, a tourist destination in the Gulf of Thailand, johns, pimps, pedophiles and even murderers can readily buy their way out of a jail sentence. This is because, "The local police force seems to have adopted a market based approach to law enforcement".[\[55\]](#) The new economy in Thailand has produced conspicuous collusion between law enforcement and the proprietors of the incredibly lucrative brothels. This collusion, however, is not limited to government employees on the local level by any means. The federal government, to a certain extent, encourages the sex industry, insofar as it actively promotes tourism (of which sex tourism comprises a significant percentage).

Thailand's economic boom included a sharp increase in sex tourism tacitly backed by government...Because they feared it would diminish the large foreign exchange earnings gained from sex tourists, government officials consistently denied the 'rumor' of a worsening AIDS crisis throughout the 1980's.[\[56\]](#)

As with the suspect relationships between the military, political parties and big business at issue earlier, here is another example of the triumvirate of crime, economics and politics that globalization has produced to the detriment of the Thai people.

In accordance with its typically complex nature, industrialization is both a trigger for, and a result of, tourism. In other words, the development that has occurred in

Thailand, post-liberalization, has made modern Thailand more genial to westerners accustomed to luxury-as-normalcy. On the other hand, however, much of the development and modernization that has taken place in Thailand in the last decade and a half has been designed with the tourism industry in mind. The federal government has invested large sums of capital into efforts to woo western travelers to Thailand. Development planning for each major tourist area will be carried out. These development plans will incorporate details on land use, environmental protection, town planning, control of building plans, private investment and the provision of basic infrastructural facilities. These specific plans will be formulated for Pattaya, Phuket, and Haad Yaik-Songkhla in accordance with regional and urban development plans.[57]

Tourism in Thailand, therefore, is very much a phenomenon of globalization and will be understood as such herein. Tourism and tourism-sponsored "development" have had a number of different implications for traditional Thai society and have acted as catalysts for new types of crime, as well as for a new attitude towards crime and criminal behavior. Western tourism in Thailand is responsible for an emergent new genre of crime: confidence trickery.[58] One prevalent scenario involves a conman befriending a group of tourists, gaining their trust, and leading them to gem dealers who then sell them flawed and essentially worthless stones for astronomical sums. The conmen are commissioned by the gem dealers, as are, oftentimes, the local police.[59] Therefore, if the tourist were to have the gems appraised or otherwise become aware of the fraud, there is very little recourse available to them. Again we see the pattern of large influxes of foreign capital having a debilitating effect on the integrity of law enforcement officers or others in positions of authority (e.g., politicians). This framework is applicable whether the capital comes from prostitution, tourism or from FDI.

A paper by scholar Eric Cohen inadvertently creates space for an important discussion of "coping mechanisms" employed by Thai villagers in the wake of western cultural imperialism. These strategies, including civil disobedience and sabotage, echo the actions of threatened communities everywhere throughout history. Cohen, writing on issues of crime and tourism in Thailand, proposes three characteristics endemic to Thai culture to explain the incidence of crimes against tourists and the inherent difficulties

westerners face in trying to combat them. These three features are "ambiguity", "opacity" and "duality".<sup>[60]</sup> In his self-described attempt to get away from tourism scholarship's tendency to victimize the tourist, Cohen has made generalizations about Thai culture without any credible or empirical support, and while he doesn't exactly overcome the tendency to victimize tourists, he manages quite successfully to vilify Thais. "Duality" is Cohen's term for what he perceives as the intrinsic deceptiveness and dishonesty of the Thai people and he invokes this "duality" to explain the prevalence of Thai conmen preying on western tourists, as well as the ease with which these criminals succeed in their "grifting." "Ambiguity" refers to Cohen's perception that Thai culture lends itself to hypocrisy and a lack of integrity. "Opacity", the most reasonable of the three concepts, refers to the tortuous bureaucracy that characterizes Thai administration, thus rendering it virtually un navigable by westerners. This line of argumentation is problematic, not only for its ethnocentricity, but for its "essentialization" and oversight of the issue's complexity. This "duality" is not innate in Thai culture. Rather it is a type of cultural "immuno-response" to the invasion of a land by alien peoples and the imposition of alien structures (both physical and societal).

When Thailand first started courting tourists, the belief was that "promotion of tourism required improvement of living facilities to meet Western standards."<sup>[61]</sup> In other words, the type of development taking place in the designated tourist destinations was decidedly western in style. This attempt to recreate a western "feel" in Southeast Asia constitutes a simulacrum under which the sense of place and belonging, in indigenous residents, is crippled. In effect, they become strangers in their own land. Additionally, the promotion of tourism undermines native industry, such as fishing, in favor of a tourist-oriented service sector. It is this type of fundamental reordering that facilitates the "duality" observed by Cohen. Furthermore, with the loss of traditional means of employment, so go traditional cultural identities. The alternative means of employment are in tourist service and in "grifting." A common example of the former is conversion of fishing boats into sightseeing vessels for tourists. This transformation is problematic for the Thai individual since, "Fishermen who convert boats into tourist boats have to accept foreign practices and may have to reject or neglect their own customs

when they come into conflict.”[62] For example, there is a taboo in Thai culture regarding wearing shoes on a fishing boat; however, when the fishing boat is converted to accommodate westerners, the tour guide must overlook the tourist’s ignorance of the custom at the expense of tradition.[63] The other work alternative, confidence trickery, in light of the cultural sacrifices that necessarily accompany legitimate adaptation to the new economy, begins to seem less criminal and more like “poetic justice.” The recent financial crisis in Thailand has created forums for a lot of people dissatisfied with industrialization and westernization to articulate their views. The religious community in particular is critical of the “development” that has taken place. The common conception among Buddhist monks is that capitalism is incompatible with Buddhist values and that the commercialization of Buddhism and Buddhist culture, through globalization, has led to a decline in morality, which in turn sparked the financial crisis.[64] Whether or not this argument is economically sound, it illustrates the sort of cultural atrophy that globalization sponsors in non-western cultures.

There is yet another level of complexity in the relationship between tourism, Thai culture and development. Following the initial push for tourism on the part of the Thai government, The Tourist Organization of Thailand (TOT) began campaigning to encourage the “revitalization of traditional cultural practices as part of its program to attract tourists”. [65] This then indicates phenomena of meta-simulacra at work, all the more complicating the relationship of Thai people to Thai culture by reducing indigenous cultural practice to the level of minstrelsy. Globalization is responsible for these ruptures in the fabric of Thai ethnic, cultural and individual identity. Understanding the impacts of globalization on the psychology of the Thai citizenry explains, and to a certain extent, legitimizes confidence crimes against western tourists.

Just as the United States underwent a sharp increase in industrial production in the late 1800s and early part of the twentieth century, which made space in the new metropolis for unprecedented organized criminal activity, so too has Thailand with its own “industrial revolution” seen its mafia presence grow. Furthermore, as in the United States, mafia figures in Thailand carry a certain prominence and clout. In many cases, they have achieved celebrity standing, and like Al Capone did, they mingle, free from

taboo, with the elite of Thai society. The dubious integrity of Thai politics, the endemic web of patronage, the industrialization which brought a sudden influx of foreign capital (albeit to the Bangkok elite alone), and the mass migrations into urban centers with the effective end of Thailand's agro-economy in the last decade and a half, were all sponsors of the rise in organized crime.

As in the cases of corruption, prostitution and confidence crimes, there is an historical, as well as an economic rationale for the growing activity of organized crime rackets in Thailand. Firstly, there is a legacy, in Thailand, of regional "influential men" who protect their respective villages, and serve as patrons for the villagers. These people, historically, have been involved in dubious activities, and through the years, that role has developed into something tantamount to the role of the "godfather" or "Mafia Don" in the American culture. In fact, the Thai term for these individuals, *chaophu*, is a literal translation of the word "Godfather".<sup>[66]</sup> This value influence. Arguably, one's ability to influence others and the breadth of one's personal following is of supreme importance to Thai people, particularly those Thais from bucolic, regional backgrounds. This feature of the Thai value system is what initially actuated the development of these regional crime bosses and eventually paved the way for their ability to integrate into elite Thai culture free from taboo.<sup>[67]</sup> Again, in the case of organized crime, the notion of *Karma* becomes relevant. Thai Buddhism allows one to compensate for transgressions committed early in life by entertaining charitable pursuits later in life. In other words bad Karma can be counteracted with heavy doses of good Karma, therefore there is essentially very little to lose by engaging in criminal activity as long as some of the wealth amassed through said crime is later donated charitably.<sup>[68]</sup> This propensity, on the part of mafia bosses, to donate charitably within their communities, positions them to engage the villagers in patron-client relationships, thus imbuing them with even more influence.<sup>[69]</sup>

It was the exertion of this leverage over the citizens in their regions that first allowed these *chaophu* entry into the political arena. As Thailand made its most recent transition from dictatorship to parliamentary "democracy," politics became the domain of those who could afford to campaign and to buy votes. These "godfathers" at the regional

level were powerful enough to swing elections in favor of one candidate or another, and sometimes to win election themselves.<sup>[70]</sup> Also, urbanization, associated with industrialization, created a need among business elites to have representation in the more remote regions of the country. They too, for that reason, found it in their best interests to affiliate with the mob.<sup>[71]</sup> Globalization, then, gave significant popular import to the role of these "Godfathers" since they were often sought after by politicians, cabinet members, business tycoons, and the like. Moreover, as globalization further skewed the distribution of income, with the *chaophu* on one end and their clients on the other, vote buying became increasingly easier and further embedded the patron-client paradigm into the social infrastructure. In tandem with the political restructuring of the early 1990s was the economic transition. This too has had profound effects on the visibility and the legitimacy of practitioners of organized crime. As liberalization brought industry and FDI into Bangkok and its environs, the new wealth sponsored an emergent middle class and restructured the existing classes. With the growth and integration of the "Nouveau Riche," one's background and the origins of one's wealth were no longer relevant to social standing, thus the mafia could move with complete freedom among the ranks of the elite. The combination of even more wealth, political and corporate leverage, and a veritable celebrity status has had the effect, in recent years, of causing the numbers of mafia associates to jump significantly and of causing their realm of influence to expand much more widely in scope.<sup>[72]</sup> Once again, in the case of Thai organized crime, we see the boundaries between criminal, political and corporate spheres growing increasingly fluid as Thailand is seduced by the promises of the free market.

## **Conclusion**

Globalization weakens governments. To a certain extent, it is this revision of sovereignty and the accompanying influx of foreign capital that fosters crime, in all its forms, in countries such as Thailand. Thailand was particularly vulnerable to globalization's adverse side effects because the sudden transition from protectionism and import-substitution to free trade and Foreign Direct Investment left its economy shaken

and “off-guard”. The transmutations in Thai culture under globalization are myriad and diverse. The growing monopolization of agriculture in Thailand by multinational corporations, and the replacement of sustainable rice farming with western, factory-style beef ranches constitute significant environmental damage.<sup>[73]</sup> Thailand’s city-centered, urban orientation has further resulted in deforestation, negative trends in soil quality, pollution, and so forth. Additionally, the commercialization of Buddhism, the demise of village-level agriculture, the “lucid eye” of western media, advertising, and products, and the tourist oriented development taking place in port areas, have all contributed conclusively to the erosion of Thai culture and tradition.<sup>[74]</sup> The rapidly widening gulf between income levels (wherein income distribution and spatial distribution are directly related) is also the result of globalization. The desperate poverty of the rural citizenry, in juxtaposition to the mirthful wealth of the urban middle class, is stark and telling. Furthermore, it has been shown that globalization has reinforced the legacy of corruption that is active and extensive in the police force, the military, the business elite, the bureaucracy and the elected officials of Thailand. Lastly, globalization is largely culpable for the prevalence of organized crime in Thailand and for the exponential expansion of the sex industry in recent decades.

The problem is clear. It is the formulation of viable solutions that is the challenge. The problem of globalization is not, by any means, Thailand’s alone. Universally, in the tripartite societal architecture of market, state, and citizenry, the market has become preeminent. Markets are vehicles of profit, conceptually driven by “acquisition”. They are inherently inhumane, and in a human world, the body of governance must rightly practice humanity. Humanity exists at the level of individual interaction. It thrives at the micro-levels of family and community. Markets are biased against the small, thus markets and humanity mutually exclude one another. A statist society, however, is little better. States have the tendency to become autocratic and invasive.<sup>[75]</sup> When state apparatuses are allowed to develop untempered, media freedom and individual expression are often sharply limited. Moreover, both free market capitalism and democracy are emphatic of competition and individualism. Notions of political and economic liberalism run counter to the development of integrated, harmonious communities. In other words, before

humanity can ensure its preservation, the operative point of view must switch from "I" to "We". The entity which must "take the helm" in Thailand, and elsewhere, is the village-level civil sector. The emphasis must be on the family and community levels where the incremental decisions that affect daily life are made.

Education, also, must be practiced at this level. Education should be functional and culturally specific, and pedagogy should not be a force for individualism or cultural homogenization, but rather should incorporate and utilize the strength of diversity. Curricula must also develop, in their students, the capacity to critically read media, advertising and product packaging. With this knowledge, one can appropriately grasp the potential tedium of "monoculture" and the dynamism of variety. The goal of fostering this kind of "critical consciousness" is to elucidate, critique and eventually overcome the way in which popular media manipulates the consumer through omission, euphemism and imagery, thus arming students with the ability to strip away the layers of social condition and develop free and true identities, be they individual, "tribal" or cultural. Education must also recognize and convey that new technology creates a false sense of proximity and intimacy, and that spatial and temporal distance is purposeful and necessary. Finally, It should be an objective of education, at the village-level, to debunk the "culture of convenience" that modern technology has created.

Thailand, in particular, must resurrect Buddhist tradition because spirituality and virtue are values that normatively preside over economics and politics. Village-level society must also encourage agriculture over industry. It is a caustic irony that the global economy is so biased against the very practice that sustains us as humans. Farming nourishes human life on the most fundamental level; therefore agriculture should naturally compel these community-based economies. It is also imperative that humanity recognizes the growing scarcity of natural resources. With the expansion of the human population and increased pockets of consumption due to increased concentrations of wealth, the limits of the natural environment are rapidly being reached. Finally, genetic modification and cloning are not reasonable alternatives to natural agriculture because these creations are nutritionally poor.

Small communities can, infrequently, tend to exclude and breed certain biases

which run counter to the larger designs of the "village level solution" proposed herein. The goal of a renewed focus on the micro-level is not to foster internally bonded communities with narrow ideologies, but to develop small-scale communities, which interact, symbiotically, with similar neighboring communities and share resources in a "bridging" fashion. Nevertheless, while the potential for such narrow-mindedness threatens the village level solution, to some extent, the alternative world-model breeds a bias of a considerably more venomous variety. Globalization is, in effect, a "hate crime" perpetrated by the West against the people of the global South. Simply because of their respective spheres of influence and scope, no "small town mentality," however, entrenched and prejudicial, could compete with globalization in terms of potential for harm.

In order to reroute the ominous tack in which humanity is headed, people must live on a local level, think on a local level, work on a local level and trade on a local level. Humanity stands at a crossroads facing what is maybe the most significant decision of its history. The choice is between sustainability and exhaustion, between the longevity of humankind and imminent self-destruction, between the local and the global.

If Gandhi were alive today he would have been in Seattle, smiling, taking a faceful of tear gas in protest of the World Trade Organization. His vision of village-level home rule and home economy, *swadeshi*, is the normative model for a post-globalization era construction of society. Just as Gandhi argued that village-level foci were imperative for Indian survival, so too must Bangkok be undone, and independent, spiritual, agricultural communities, such as Ban Meo Non Hoi in Northern Thailand, be brought to the fore, to preserve Thailand's "soul."

### **Postscript**

A few passing references aside, the above text fails to take into account a major, recent intersection of globalization and the Thai economy; the devaluation of the Thai Baht in 1997 and the ensuing financial crisis. Therefore, as an epilogue of sorts, it seems pertinent to include a few words relating to this event. The crash of 1997, while a fine example of the extent of global interconnectivity and the primacy of markets over state

and civil actors under the current framework, neither directly supports nor contradicts the above argumentation. Nevertheless, it warrants discussion. Thailand and globalization have a long and complicated rapport. Globalization, in its various era-specific incarnations has affected Thailand profoundly. Most recently, globalization was responsible for the forced devaluation of the Thai Baht in 1997.[76] The contention is that the Thai financial crisis was spawned not by corruption, nepotism, financial risk-taking, and so forth, as are typically thought to be the case, but rather by the liberalization of the Thai economy and the establishment of an international banking center in Bangkok.[77] These two developments, in connection with Thailand's high domestic interest rates, fixed exchange rates and an influx of short term capital that rattled the economy led to the devaluation of the Baht and the consequent financial "shot felt 'round the world." The level of global, proximate complexity that this incident articulates can be observed in the fact that when the Thai government reneged on its promise to maintain a fixed exchange rate against the U.S. dollar, investors worldwide were affected.[78] In this one example, that of the new interactivity of financial markets, we see the most current manifestation of globalization at work.

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