

Working Paper in Economics and Business
Volume II No.1/2012

Civil Service Reforms in Thailand: Political Control and Corruption

Prijono Tjiptoherijanto

March 2012

Department of Economics
Faculty of Economics, University of Indonesia

Working Paper in Economics and Business
Chief Editor: Suahasil Nazara
Editor: Djoni Hartono
Setting: Rus'an Nasrudin

Copyright ©2011, Department of Economics
ISSN 2089-2039
Department of Economics Building 2nd Floor
Depok
West Java, Indonesia 16424
Telp. 021-78886252
Email: rusan.nasrudin@gmail.com
Web: <http://econ.fe.ui.ac.id/workingpage>

Contents

Contents	3
List of Tables	4
1 Introduction	1
2 History of Civil Service	1
3 Challenges Ahead	3
4 Corruption Practices	5
5 Administratif Reforms	5
6 Concluding Remarks	8

List of Tables

1	Father's Occupation of the Elite	3
2	Problems Faced by the Thai Public Service	4
3	Behaviours conside red "corrupt" (in percentage)	6

Civil Service Reforms in Thailand: Political Control and Corruption[☆]

Prijono Tjiptoherijanto^a

^a*Department of Economics, Universitas Indonesia*

Abstract

After the 1973 student demonstration marked a changing in Thai political history. The principle of Weberian bureaucracy such as political neutrality becomes the legal framework of the Civil Service under democratic environment. However, given the cultural values and their impact on the bureaucracy, any serious change must come from the top leadership.

Another characteristic of the Thai's civil service is corruption practices. The close personal connections between politician, civil service, and businessmen, are the backbone of networks of corruption that reach from the central government down to local governments.

Keywords: Bureaucratic culture, corruption, democratic environment

1. Introduction

Thailand's Civil Service has gone through a process of development from the time of the old Kingdom of Sukhothai (late thirteenth century). The bureaucracy was formally organized on the premise that it existed to serve the King. The staff comprised close relatives of the King and commoners who rose to high ranking posts on their own merits or through the King personal patronage. The Thai bureaucracy continued relatively unchanged until the second half of the nineteenth century when threats from colonial powers forced first King Mongkut and then his son King Chulalongkorn (1868-1910) to make major changes to strengthen internal unity in order to face this external challenge. However, the First Civil Service Act was only promulgated in 1928. The Act created for the first time a Civil Service Commission of five

members to control and supervise civil servant in all government ministries. Previously, civil servants had been under the separate control of each ministry.

2. History of Civil Service

In 1936, a new Civil Service Act was promulgated to provide for greater liberalization after the country had changed its form of government into a democratic one in 1932. A new Civil Service Commission was also created to replace the old one. The Civil Service Commission consists of the Prime Minister as its chairman with several members who are, or have been, high level government officials or officers of the armed forces. With regards to this development, the civil service laws underwent several changes between 1936 and 1954, but there was no major change in the underlying principles. The October 14, 1973, uprising, which overthrew the Thanom-Prapass regime has marked the development of new bureaucratic system in Thailand, the started of a so

[☆]Based on the field research conducted under the financial support from API-The Nippon Foundation (TNF), Tokyo, Japan.

Email address: prijono@yahoo.com (Prijono Tjiptoherijanto)

called, “democratic system”¹). In the civil servant arena, a major change, therefore, was effected in 1975 when a new Civil Service Act was promulgated. Under this Act, the rank classification system was replaced by a position classification system. Several other features of modern personnel administration were also included in the Act, with the aim of securing greater efficiency and merit orientation in the service and of insulating the career service from political interference.

Under the Civil Service Act of 1975, Thai civil servants are classified into eleven position-levels, each with a clear definition. The Office of the Civil Service Commission (OCSC) is authorized by the Act to be the central personnel management agency. It sends out the Commission rules and standards which other government agencies are required to follow when acting under authority delegated to them by the Commission.

There are several factors which characterized the Thais civil service, especially in the past time. Among these factors are : First, membership in the Thais Civil Service has always been a prestigious profession. The bureaucrats are the *primus inter pares* among other social groups. From a study conducted in between 1973-1974², to be in the government services was the first choice among the respondent. The result of the study is summarized in Table 1 below.

From Table 1 above, it shows that almost 41% or more than two-fifth of the elite have fathers in government services, namely : civil government official, military, police and other official. While 31.44% are from families whose work at the business sector and only 5.6% are

from a peasant and 0.18% from a worker background.

In the prestige of the public service is enhanced by the common belief in the past that it was the occupation of the educated people. While a person who was born and raised in government officials home will usually have a better opportunity to received a good informal and formal education than his counterparts. A good education almost assures success in the bureaucracy because occupational achievement is closely related with educational achievement³.

The second factor, which also relates to the first one, is the basic system of the Thai public services recruitment that places much emphasis upon formal educational attainment. Young people are recruited directly from the universities at early age. This system enables young people to make public employment their careers directly upon graduating from schools or universities. In Thailand education, especially Western education, plays a significant role in determining ones mobility⁴. Once a higher academic degree is obtained, the future elite status of individual is almost assured. Almost all of the Thai public services elite, around 93.29% are college graduates and 33.10% are foreign trained, mostly in the United States⁵.

The third, important factor that encourages young people to enter public service is the security of tenure guaranteed by the Civil Service Act. Thai public servants can be removed only for a cause⁶. Coupled with the security of tenure is the retirement system which at-

¹One writer, Robert Zimmerman, even came out with an article entitled :Student Revolution in Thailand : The End of the Thai Bureaucratic Polity Asian Survey XIV : 6 (Juni 1974).

²Likit Dhiravegin, THAI POLITICS : Selected Aspect of Development and Change TRI Science Publishing House, Bangkok, 1985, Especially Section I, pp. 116 135

³Seymour Lipset and Reinhard Bendix, Social Mobility in Industrial Society, Berkeley : University of California Press, 1967, pp.227ff.

⁴H.D. Evers and T.H. Silcock, Elite and Selection in T.H. Silcock, (ed), Thailand Social and Economic Studies in Development, Canberra : Australian National University Press, 1967.pp. 84.

⁵Likit Dhiravegin, op.cit, p.131.

⁶Chapter 6, Section 112 of the Thais Civil Service Act (B.E. 25357 / A.D 1972) state : “The Service of an ordinary civil servant shall terminate upon following conditions (a) death, (b) retirement, (c)resignation,

Table 1: Father's Occupation of the Elite

No.	Father's Occupation	Number	Percentage
1	Civil Government Official	725	33.57
2	Military	103	4.71
3	Police	41	1.9
4	Other Official	16	0.74
5	Businessman	679	31.44
6	Peasant	121	5.6
7	Worker	4	0.18
8	Others	215	9.95
9	No answer	256	11.85
TOTAL		2.16	100

Source: Likhit Dhiravegin, "THAI POLITICS: Selected Aspects of Development and Change". Table 1, p.121.

tractive to most of public service in developing country since they do not have to worry of their own future. It is likely that, aside of low salaries, the guaranteed future life is very important for most of them.

Lastly, most of the Thai's want to joint the government service in the past because business and industries sectors have not offered much opportunity to them. However, recent development in industrial and business fields has begun to deprive the government of that advantageous position. The bright young graduates seeks the employment in the private sectors recently. This phenomena is not new in Asian countries. For young generations the private sectors seem much more attractive than the government services.

3. Challenges Ahead

The basic challenges to Thai's bureaucracy was changing environment which requires new and innovative responses at a time when the bureaucracy was witnessing weakening power and grip over Thai society. Meanwhile the innovative spirit was not a character of the Thai

civil servant⁷. Using Thai data drawn from 11,751 (out of approximately 20,000) elite civil servants (grade 7-11) of 13 ministries and 124 departments (including 5 independent public agencies) in 1984, it was found that the Thai public service is encountering several problems. These problems, ranked from the most serious (rank 1) to the least serious (rank 11), can be seen in Table 2 below. From the table it is evident that the three major problems are lack of initiative, training and motivation. These problems are at national level since data available is from the federal government. However, when the ministerial and departmental data are analyzed, these three problems also appear to be most serious. Therefore, a civil service reform is becoming an important pillar in Thailand's bureaucratic and public service reform. This is crucial for implementing good governance within the globalization era marked by economic liberalization.

Other problem which should be noted in order to understand the background of the Thais governance is the competition between the mil-

(d)discharge, and e)dismissal or expulsion",. It is similar with the Indonesians Civil Servant Law of 1999.

⁷Tin Prachyapruit, "Thailand's Elite Civil Servant and Their Development - Orientedness : An Empirical Test of National Data," Social Research Institute, Chulalongkorn University, Bangkok, 1986. pp.38-39.

Table 2: Problems Faced by the Thai Public Service

Level of Seriousness	Problems
1	Lack of initiative
2	Lack of training
3	Lack of motivation
4	Too much emphasis on control
5	Lack of teamwork
6	Recruitment problem
7	Organization structure problems
8	Unfair compensation
9	Lack of leadership
10	Unclear organization goals
11	Succession problem

Source : Tin Prachyapruit, Table 4, p.38.

itary and civil servants in the bureaucracy. The 1932 revolution was certainly brought changing of the guards of the Thais democracy. There are obviously two kinds who started and have always dominated Thais democracy, the civil servants and the soldiers. Thai soldiers and civil servants, unfortunately, never think on the same line even though they may studied abroad together. Except for the Navy which always had its own separate traditions and schooling, officers of the Army, Air Force and even the Police at certain times were mostly graduates of the Army Cadets School, which is now the Chulachomklao Royal Military Academy. Chulachomklao graduates are best fitted not only to lead the military, but also to be leaders in all other fields into which they choose to venture. A brilliant cadet might not become a general, but an ambassador, and, many of them did in the post. The civil servants, on the other hand, have always been naturally divided straight down the line between the technicians and the academics. None can claim superiority over the other, but each claims his or her way is the only true way⁸.

Aside for the competition, the civil servants

whether technical or academic, have always been clever enough to know that they are the backbones of government, because it is the civil servants that run the country. They have learned to work with soldiers and politicians and have thus grown to become indispensable to both.

Another feature of the Thai's bureaucracy is the significant role of the bureaucrats in the administration and politics. These career bureaucrats, especially those in the top echelon, have virtually monopolized political and administrative power, running the routines as well as initiating policy. Thus, the bureaucrats assume administrative as well as political power. Therefore, the feature of the bureaucracy in Thailand can also be described as a "bureaucratic polity"⁹.

In sum, functional rationality was not the main organizing principle of Thai bureaucratic norms and practices. Nevertheless, there were some parts of the state machinery that developed a reputation for technocratic excellence, such as the National Economic and Social Development Board (NESDB), the Bureau of the

⁸The NATION, September 15 and 19, 1983; daily newspaper in Bangkok. The situation is similar as in Indonesia during the New Order Government lead by

the late President Soeharto and it is still practiced until the present administration,-

⁹

Budget (BOB), Office of the Civil Service Commission (OCSC) and the Bank of Thailand (BOT). But even these island a apparent technocrat of reforming zeal were something of a mirage¹⁰. The influence of political on the bureaucratic culture is still significant. “..because top official wanted to please politicians in order to keep their position secure”. (Nukul Commission, 1988 : 169-72).

4. Corruption Practices

Another problem faced by the Thai's civil services is corruption practices. The close personal connections between politicians, civil servants, and businessmen are the backbone of networks of corruption that reach from the central government down to local governments.

According to the Asian Development Bank (2001), 70 percent of all business had to bribe Thai officials in order to obtain the desired service or to obtain a contract, and bribery cost were estimated to add 20 percent to the overall costs of a contract. An estimate made by the National Counter Corruption Commission (NCCC) calculates that up to 30 percent of government procurement budgets vanishes because of corrupt practices¹¹.

Van Roy (1970) explained the existence and continuity of pervasive corruption in Thailand as a carryover of patron-client style relationships from the pre-modern *sakdena*¹² period, an especially from the Thai tradition of presenting gifts to high officials. Once appointed to a senior position, a Thai bureaucrat will tend to treat his office as a private domain

and as a legitimate tool for generating revenue. He or she will accept fees and gifts for services rendered. Corruption persist, Van Roy noted, because political institutions which can supersede traditional practices are slow to develop. In addition, the concept of public service as a counter weight to corruption has limited meaning when the public opposition to corruption is weak or non-existent. The people themselves are confused about what is corrupt and not corrupt. They are also not so clear about the concept of what is public good or public service. This perception, in fact, can contribute to the persistence of corruption.

A very comprehensive study on corruption was conducted in 1993¹³. In this study the ways civil bureaucrats make use of government office to acquire private gains through moonlighting, receiving commission fees or kickbacks, abusing government property, and using their powerful position to help friends and relatives, were revealed. Small practices related to using their bureaucratic positions are considered as an administrative corruption in this study. Some samples of this corrupt practices are summarized, with some modifications, in Table 3 below.

The table shows that many Thais do not mind if government officials taking little things from the office to be used at home. They understand that such behaviour is improper, but they do not consider it a serious offence. However, if officials use government cars and petrol for personal use, this practice is considered as a corruption perceived by the people.

5. Administratif Reforms

After the crisis in 1997, Thailand entered a new era of democratic development. Democratization raised expectations for the adoption of new political agenda and the evolution of Thai

¹⁰From discussion with the faculty members of the Faculty of Economics, Thammasat University, Bangkok, Tuesday, March 25, 2008. This situation is similar to what happened in the Indonesians Civil Service even at present.

¹¹BANGKOK POST, Sunday, March 16, 2008, a daily newspaper in Bangkok.

¹²The *tem sakdena* refers to the system of aristocrat officials which existed under the monarchy from roughly the sixteenth to nineteenth century in Thailand.

¹³Pasuk Phongpaicit and Sungsidh Piriyaarangsarn *Corruption and Democracy in Thailand*, Silkworm Books, Chiang Mai, Thailand; 1996.

Table 3: Behaviours consider red “corrupt” (in percentage)

No	Perception of Respondents	Takes paper and pencils from the office to use at home	Uses an official car and petrol for personal affairs	Go to work late, return home early, & use official hours for private affairs
1	Improper behavior (praphuet mi chob)	52.5	48	59.9
2	Dishonesty in his work (thut jarit to nanthi)	15.8	22.1	39.8
3	Corruption (khan khorrachan)	48.6	59.1	17.3
4	Not Corruption	4.9	1.8	3.3
5	No Answer, Others	8.5	6.4	9.6

Source : Adapted and modified from Pasuk and Sungsidh, “Corruption and Democracy in Thailand,” pp.141-150.

politics. The 1997 constitution was a mixture of many conflicting ideas, but it turned out to be a reasonable successful balance among the diverse political forces of the time. The major 1997 constitutional reform was significant, bringing a notable development of democracy to the country¹⁴.

The national elections of January 2001, the first election after the financial crisis of 1997, brought Thaksin Shiniwatra and his Thai Rak Thai Party to power. One of Thailand’s richest men, Thaksin has been a successful businessman in the fields of computer technology and telecommunications prior to entering politics. With his background, the new prime minister campaigned for popular support on grounds that officialdom served as a drag on economic growth, and that businessmen ought to take greater change of the economy. The Thaksin government created an infrastructure for policy making which took the initiative away from the bureaucracy. Thaksin’s predisposition, from his background as CEO of a per-

sonal business empire, was to challenge Thailand’s deep-seated bureaucratic traditions, with their formal, stately and convoluted patterns of decision making. He publicly decried Thailand’s bureaucracy as old-fashioned and corrupt while extolling business virtues and an entrepreneurial style¹⁵. During Thai Rak Thai administration, 2001-2004, Prime Minister Thaksin reshuffled the cabinet ten times.

The administrative reforms during that time was so-called “big bang” bureaucratic restructuring¹⁶. The bureaucratic reform of 2002 created six new ministries (an increase from 14 to 20), each with a permanent secretary and supporting staffs. Since the member of bureaucrats was fixed for the reform, this meant transfer and promotions for many existing bureaucrats. However, before the promotions could be made, the minister and senior bureaucrats were replaced. At that point, the officials lobbied their new seniors (from a different faction) for the promotions they had bought but were refused. It was in that context that the alle-

¹⁴Interview with DR. Pasuk Phongpaichit, Professor of Economics, Chulalongkorn University, Bangkok, on Monday, April 21, 2008.

¹⁵The NATION, daily newspaper in Bangkok, 12 February 2003.

¹⁶The NATION, daily newspaper in Bangkok, 2 July 2003.

gations came to light¹⁷. Another characteristic of the Thaksin reform was his decision in supporting the military and police careers of his old classmates who attended the military and police academy and other associates that his closet ally when he came to office. This decision has met resistance from other officers, since this kind of promotion is simply not in line with professionalism in the army¹⁸. This new model of Thai bureaucracy will be more expensive rather than a cost-saving bureaucratic system. The government must allocate a budget for administration of those new ministries. That include salaries for ministers and their staffs, expensive administrative expenses as well as possible construction costs for new offices.

In 2002, a Royal Decree on Good Governance was promulgated and in March 2003 the Thaksin governments administrative reform program was formally announced as the Strategic Plan for Thai Public Sector Development. The program was put under the charge of a new Public Sector Development Commission, with the support of an Office (OPDC). From that date on, Thailand has two institution in charge of bureaucratic reforms, which are the Office of Public Sector Development Commission (OPDC) for budget and public service overall reforms and Office of the Civil Service Commission (OCSC) which mainly deals with civil servants matters. The strategic Plan is in fact quite similar to the 1999 Program, focusing on streamlining and rationalization; restructuring and reorganization ; budgetary and financial reform, human resource management and compensation reform; work culture and values ; modernization

through e-government; and encouragement of public participation. The creation of the Senior Executive Service (SES) started in 2001, and gathered pace in 2003, was one of the reforms movement. The creation of the SES was linked as well with proposals for performance review, merit pay and lateral recruitment processes.

Thaksin "CEO-manager" style emphasized a "risk and results" orientation as a desirable quality of a public sector executive. The long-term reform agenda favored by the OPDC favored such things as open recruitment, performance pay and contractual arrangements for top executives in order to hone the performance of an elite group of senior executives. In April 2003, a "fast-track" system of senior appointments, proposed by the OPDC, was approved to encourage external applicants. However, due to delays and obstacles in amending the civil service regulations, lateral recruitment from outside the ranks of the civil service was still found¹⁹. Thaksin also supported a proposal to encourage the movement of existing officials between ministries or department when vacancies occurred. Under the new policies, all vacant senior positions were supposed to be openly announced, but in practice permanent secretaries and others involved continued to favor the insiders²⁰. In May 2003, a disappointed senior agriculture ministry official shaved his head in silent protest at the appointment of a commerce ministry official as permanent secretary of agriculture²¹.

¹⁷BANGKOK POST, daily newspaper in Bangkok, 29 March 2003.

¹⁸BANGKOK POST, daily newspaper in Bangkok, 16 January 2003. This conditions is also happened in other Asian's countries. During New Order Government in Indonesia this practice was more common. However, it is still practiced in the present administration.

¹⁹Interview with DR. Nualnoi Treerat, senior lecturer in the Faculty of Economics at the Chulalongkorn University in Bangkok on Friday, April 4, 2008

²⁰BANGKOK POST, 23 April 2003. This practice also can be found in Indonesia. However, in Malaysia this kind of transfer is happened smoothly as part of their bureaucratic reforms.

²¹BANGKOK POST, a daily newspaper in Bangkok, 23 May 2003

6. Concluding Remarks

Historically, Thai bureaucracy had changed from the long-lasting feudalism. The civil service career had always been highly regarded in the Thai society. Factors such as social prestige and respectability had influenced the educated in past to seek official positions. As expected, during the 1970s, the civil service tended to be steadily losing workers to the private sector.

The growth of the private sector itself is the result of various other factors. Among them are Thailand's high literacy rate as well as its proximity to the economic dynamos of new tigers - South Korea, Hongkong, and Singapore, and the Thai governments active development planning of the last three decades. The Civil Service System of Thailand contains many elements of the Weberian ideal-type bureaucracy. However the boundary between politics and administration is relatively unclear. Thailand has a history of military coups in which military-civil bureaucracy alliances has assumed control of political system.

Thus, bureaucrats in Thailand become politicians in an essential bureaucratic polity. However, with increased democratization, especially after the 1973 student demonstrations which marked a changing point in Thai political history, bureaucrats have had to adjust to the new democratic environment. The principles of Weberian bureaucracy such as political neutrality as laid down in the legal framework of the civil service must be taken more seriously under democratic rule.

Administrative reform policy in Thailand has followed the new governance paradigm. However, given the cultural values and their impact on the bureaucracy, any serious change or new idea within a Thai bureaucracy must come from the top. Therefore, if administrative reform in the 1990s was bureaucratically controlled, faltering and self-serving, then under the former Prime Minister Thaksin Shinawatra (January 2001-September 2006) it clearly shifted toward a mandated and increasingly

comprehensive reform program with a managerial banner and some swift result. An important element in the administrative reform program is its managerial rhetoric, which wins the admiration of the international agencies and allows Thaksin to portray it as a modernization strategy. The budget reforms and performance management tools, including the CEO-governor initiative, aided political management by the ministers and prime-minister with its performance management rhetoric. However, the strategy to centralize power and control across the bureaucratic machinery seems to create a system which is fragmented by cliques and which is hard to avoid.

Selected References

- [1] Likit Dhiravegin. *Thai Politics : Selected Aspects of Development and Change*. TRI-Science Publishing House, Bangkok, 1985.
- [2] H D Evers and T.H Silcock. *Thailand Social and Economic Studies in Development*, chapter Elite and Selection. Australian National University Press, Canberra, 1967.
- [3] Seymour Lipset and Reinhard Bendix. *Social Mobility in Industrial Society*. University of California Press, Berkeley, 1967.
- [4] Pasuk Phongpaicit and Sungsidh Piriyangsan. *Corruption and Democracy in Thailand*. Silkworm Books, Chiang Mai, 1996.
- [5] Tin Prachyapruit. *Thailand's Elite Civil Servant and Their Development-Orientedness : An Empirical Test of National Data*. Social Research Institute Chulalongkorn University, Bangkok, 1986.
- [6] Robert Zimmerman. Student revolution in Thailand : The end of the Thai bureaucratic polity. *Asian Survey*, XIV:6 June, 1974.