

Thailand's Thaksin on his Way Home?
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By Our Correspondent

Sources in Bangkok say the drums are growing louder

The time may well be nearing when Thaksin Shinawatra, Thailand's fugitive former prime minister, will be allowed back into the country, several sources in Bangkok say.

That may be pure speculation. However, they say, one of the keys to the deal may well have been the announcement by Prime Minister Yingluck Shinawatra that she would donate in the Shinawatra family name 1.7 hectares of rice land in the Ayutthaya area north of Bangkok to King Bhumibol Adulyadej. On Friday, the king, his wife and other members of the royal family, took a motorcade to the area as thousands of people clad in yellow and pink, the monarchical colors, lined the roadways.

The land, which the Shinawatra family apparently purchased from four joint owners for Bt20 million, was a historical area from which the king himself harvested rice in 1996. It was the king's first trip outside Bangkok since he was confined to Siriraj Hospital with a lung infection in September 2009. He has rarely left the hospital since that time. The royal family stayed at the village to watch folk performances, including a light and sound show, a boat procession and an elephant procession organized in their honor.

Thaksin himself, in speeches in Laos and Cambodia in April, told thousands of his supporters he expected to be back in Thailand within a relatively short time, possibly around the time of his birthday on July 26. A possibility is July 28, the 60th birthday and the beginning of the Buddhist fifth cycle of Crown Prince Maha Vajiralongkorn, during which a general amnesty for political crimes has been mentioned.

Thaksin fled in 2008 after being charged with conflict of interest in a deal that enabled his wealthy, politically savvy ex-wife to purchase government-owned real estate in Bangkok in 2003. Those charges would have sent him to prison for two years. The new trial would be under different judges amid speculation that even a guilty verdict should result merely in a fine, and not imprisonment.

If he does return, the country should brace for trouble. To outsiders, the country appears to have returned to routine. The bitter divisions appear to have dissipated, with apparent acceptance by both sides that elections are better than the prolonged political crisis that began with Thaksin's ouster by a royalist coup in 2006. But the People's Alliance for Democracy appears to fear that the Thaksin forces may want retribution for the chaos the Yellow Shirts fomented on Bangkok's streets in 2006 and afterwards, bringing down Thaksin proxy governments by occupying Government House and three airports.

The United Front for Democracy against Dictatorship still are clamoring for justice for the 90-odd protesters who were gunned down by military forces in May of 2010. Trial balloons including the possibility of a royal pardon for Thaksin from the king and an amnesty plan raised by Deputy Prime Minister Chalerm Yoobamrung ran into such opposition that they were abandoned.

The Pheu Thai Party, headed by Thaksin's sister Yingluck, suffered three election defeats in two weeks earlier in May in what ought to be its political stronghold and support base. One of those losses was in Chiang Mai, the Shinawatra family base. There are concerns that the Red Shirts may be splitting into factions, with the radicals continuing to demand the release of scores of individuals imprisoned under the country's harsh lese majeste laws, put in place years ago to forestall any criticism of the Thai monarchy.

The country has been pulling slowly out of the morass of political upheaval and the devastating floods that did an estimated US\$45.7 billion in damage, mostly to the manufacturing industry, in the fourth quarter of 2011. The World Bank ranked the floods as the world's fourth costliest natural disaster in history after the Fukushima Earthquake in 2011 and the 1995 Kobe earthquake in Japan and Hurricane Katrina in the United States in 2005.

The economy returned to positive territory in the first quarter of 2011 as domestic consumption, investment and manufacturing have recovered, with gross domestic product growing an impressive seasonally adjusted 11 percent over the previous quarter, which shrank by nearly an equal amount -- 10.8 percent -- because of the flooding. Economists expect the economy to return to 4-5 percent trend growth for 2012 with the car assembly industry, Southeast Asia's biggest, and electronics and electrical appliance production returning to normal.

The societal and political divisions are not as easy to heal as the economy, however. Yingluck has played a fairly canny role, steering between keeping the Red Shirts on her side while appeasing the palace and the military by maintaining a tough line on lese majeste and using the Computer Crimes Act to block hostile Internet sites and arrest those who violate its provisions. Prem Tinsunlonda, the head of the 19-member Privy Council which advises the king, has invited Yingluck to his home and has greeted her warmly and she has received a high royal decoration.

She has increased the minimum wage, handed out ample tax refunds to the middle class and endeared herself to rice farmers via a controversial support price mechanism that has allowed them to sell massive amounts of rice to the government, which is now stuck with it.

But the divisions remain and nothing has been done to heal them.

There have been varying rumors over what the military is up to. Two US-based defense analysts, Steve Sciacchitano and John Cole, recently caused a considerable stir by writing in Asia Times Online that the army has "quietly embarked on a multi-faceted, kingdom-wide program to strengthen internal unity and improve capabilities in a number of key areas" to defend itself against political opponents, particularly Thaksin.

Other sources say that is overly dramatic, that while there has been a military build-up, in fact the military is making peace with Thaksin although they have no intention of returning to the barracks although reconciliation is underway.

Eventually, the deal that would allow Thaksin to come back would probably include assurance to the military that he will have no major political role. Defense Minister Sukumpol Suwanatat said after Thaksin's April foray to Laos and Cambodia that Thaksin would be willing to go through a fresh trial. The deal would probably require Thaksin to abandon his effort to retrieve US\$1.2 billion worth of his assets, which Thailand's highest

court seized in February 2010 in connection to his personally profitable stock market deals after he was driven from power. If he forfeits the cash, Thaksin would probably still be a billionaire based on his family's holdings, so such a deal could be his ticket home.

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