The Political Economy of the Agri-Food System in Thailand

Power, Accumulation, and the Search for Sustainability

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Abstract

This paper argues that the mainstream agricultural and food system in Thailand is characterised by unequal relations and ecological unsustainability. Transnational actors, the Thai state and agri-businesses have played important roles in establishing and maintaining this hegemonic agri-food system so that it mainly aids capital accumulation. Nevertheless, the hegemonic agri-food system has been consistently challenged by counter-hegemonic forces at ideational, institutional and material levels, such as by the sustainable agriculture movement (SAM) in Thailand. This paper also argues that promoting an alternatively more equitable and sustainable agri-food system at broader scales requires supportive policies at the state level. The Thai political system, however, is defined by highly centralised and concentrated political economic power as well as patron-client relations, not to mention co-optation attempts and polarised politics, which continue to hinder counter-hegemonic alternatives. Despite some limited counter-hegemonic successes, recent Pracha-raat agricultural policies have massively increased the power of large agri-businesses and reinforced the hegemonic agri-food system. This points to an urgent need for the SAM and other like-minded counter-hegemonic movements to re-think and revitalize their efforts, perhaps by forming a new progressive green economy agenda that will receive broad-based support from wider society.

Keywords

Corporate agri-food system; sustainable agriculture; Thai state; agri-business

Bio

Prapimphan Chiengkul is a lecturer at Faculty of Political Science, Thammasat University in Thailand and her research interests include the international political economy of development and progressive green politics. She is the author of The Political Economy of the Agri-Food System in Thailand: Hegemony, Counter-Hegemony, and Co-Optation of Oppositions (Oxon and New York: Routledge, 2017).
Introduction

Thailand is a major exporter of agricultural and food products with some powerful transnational agri-businesses. Thais also tend to be proud that their country is often referred to as “the kitchen of the world”. However, the highly unequal power relations and ecological unsustainability in the agricultural sector are serious causes for concern. In Thailand, it is difficult to escape news reports, discussions and first-hand observations of problems facing small-scale farmers, as well as stark inequalities between rural and urban areas. Polarised politics in Thailand in recent years also bring to attention the complicated associations between Thai political economic elites, agrarian development thoughts, and agrarian social movements.

In this paper, an “agri-food system” is defined as being comprised of the set of activities and relationships that interact to determine what and how much, by what method and for whom food is produced, processed, distributed and consumed (Fine 1998). This paper is based on my book *The Political Economy of the Agri-Food System in Thailand: Hegemony, Counter-Hegemony and Co-optation of Oppositions* (Chiengkul 2017), which adopts a critical neo-Marxist and Gramscian international political economy theoretical approach to analyse the social, political economic and ecological ills of the agri-food system in Thailand, focusing on the period between 1990 and 2014. Core to this system is an interplay between forces that try to sustain the hegemonic status quo and forces that seek counter-hegemonic alternatives to the current agri-food system. The neo-Marxist and Gramscian approach allow one to analyse the agri-food system in Thailand as part of the global corporate agri-food system, suggesting that its structural problems are rooted in ideational, institutional and material structures, and also that transformation of the agri-food system requires extensive changes across local to global scales.

Overall, 87 interviews from 7 provinces in the North, Central, South and Northeastern regions of Thailand, as well as English and Thai primary and secondary sources, were used in this book. Aside from some selected materials from the book, this paper will discuss recent developments between 2015 and 2018, particularly the reinforcement of the hegemonic agri-food system through the military government’s “Pracha-raat” scheme.

This paper starts with discussing structural problems of the hegemonic agri-food system and the roles of transnational actors, the Thai state and agri-businesses in establishing and maintaining the hegemonic agri-food system that mainly aids capital accumulation. The following part will then discuss counter-hegemonic attempts by the sustainable agriculture movement (SAM) to create a more equitable and sustainable agri-food system, focusing on its attempt to lobby for nation-wide state support. It will also discuss the SAM’s limited success and also the dangers of co-optation of opposition by elites. Lastly, the final section will discuss recent Pracha-raat agricultural policies that strengthen the hegemonic agri-food system, and also contemporary counter-hegemonic attempts to promote fairer, more equitable and ecologically sustainable agri-food system.

The Hegemonic Agri-Food System

The hegemonic agri-food system in Thailand reflects many characteristics of the globalized corporate agri-food system, and also face similar structural problems including: unsustainable industrialized production methods; land grabs; the food-fuel nexus; financial speculations of agri-food commodities; and monopoly power in the agri-food sector. These problems are
summarily explored below, follows by a discussion of the roles of transnational actors, the Thai state and agri-businesses in establishing and maintaining the hegemonic agri-food system.

Since the Second World War, the Green Revolution helped transfer techniques such as plant breeding and the dissemination of High Yielding Variety seeds (HYVs) throughout the world (Goodman and Redclift:151-152). In Thailand, the Green Revolution causes soil degradation and the reduction of biodiversity (such as loss of traditional rice, fish and plant genes), toxin in soil, water and food, which have negative impact on local food security (Lienchamroon and Thaankitchanukit 2008:156). However, these costs are not reflected in the costs of production of agri-food products. High Yielding Varieties (HYV) and genetically modified (GM) seeds may promised increased yields but prices can be rather high under corporate monopoly control (BioThai 2009:18-20). Overall, by ignoring socio-ecological costs, the hegemonic Green Revolution production paradigm helps capital accumulation by systematically under-valuing the costs of agri-food products.

In recent years, the 2007/2008 spikes in global agri-food commodity prices, as well as concerns over energy and financial problems around the same period, have prompted international investment projects in land, food and agro-fuels (McMichael 2012, 690). Since the early 2010s there are many reports by farmers, real estate businesses, government officials and others which suggest that both Thai and non-Thai capital groups have invested in land and at various points along vertical agri-food chains to gain integrated systemic control Nakwibulwong, interviewed February 14, 2013; Post Today Newspaper 2010; Manager Newspaper 2009; Matichon Newspaper 2012). Although non-Thais are prohibited by the Foreign Business Act of 1999 to purchase land for agricultural purposes, in practice, there are non-Thais that manage to control land for agricultural purposes through Thai nominees. Land grabs can take various scales, such as from ten rai to over a thousand rai (rai is a unit which is equal to 1,600 square metres) (Dailynews 2009; Manager Newspaper 2009; Post Today 2010), and they can also occur through networks of several small firms that were established to purchase land in different areas (Prachachat Turakij 2014).

There are also other arrangements similar to contract farming which allow non-Thais to control what is being produced, how it is produced and processed (for example, which company’s hybrid seeds to use), and where products are distributed (Bangkok Business Newspaper 2009; Dailynews 2009). In the North, Northeast, Central, and South regions of the country, non-Thai investors are not only interested in land grabs for food productions but also cash crops and energy crops, which are usually directly exported back to their countries of origin (Manager Newspaper 2009; Prachachat Thurakij 2008). Various sources have reported that increased demand for land drove up purchase prices of land and rental prices of agricultural land in many areas, which further stimulated large-scale purchases for speculation purposes (Manager Newspaper 2008, 2009; Matichon Newspaper 2011; Minister of Agriculture and Co-operatives 2008). Overall, the recent spurs of land grabs in Thailand can increase the scale of dispossession of small and medium scale farmers, or transform them into semi-farmers/semi-workers through contract farming arrangements.

Concerns over food and energy scarcities have also prompted financial speculations on agricultural commodities by non-commercial speculators, which arguably help to exaggerate prices beyond supply-demand fundamentals (Burch and Lawrence 2009:271; Clapp 2009: 1187; McMichael 2012:690; Rosset 2008:461). On the one hand, speculations can quickly increase
prices of food, which has similar effects to reductions in real wages of average consumers and may lead to forced under-consumption. On the other hand, rapidly falling prices after the speculation bubble bursts can harshly affect producers (Rosset 2008:461). As an example, in early March 2011, prices of rubber in Thailand dropped drastically in the same direction as in futures markets of Tokyo and Singapore, which was a response to concerns in the Middle East and other factors. This caused further speculations and a downward spiral in prices. Drastic drops in prices (22 US dollars/ton in one week) caused small and medium rubber co-operatives and other players in Thailand to lose over 10,000 million baht (Pherk Lertwangpong, President of the Rubber Co-operatives' Association of Thailand, quoted in Prachachat Tharakij 2011b).

Farmers whose revenues are already uncertain due to volatile prices of agri-food commodities are also subjected to monopoly power in the markets, which dictate prices and pass on the burden of depressed prices to smaller players. At the global level, there are monopoly controls over inputs such as seeds (ETC group 2005a, 2005b; Wield et al. 2010:347), while agri-food trade, processing and retail are also subjected to business concentration and monopoly power (Busch and Bain 2004; ETC group 2005a). Similarly, the Thai agri-food system is ridden with monopoly power that exercises control over productive resources, trade channels, and credit. Integrated monopoly control can be observed through many contract farming arrangements. Aside from having to carry disproportionate shares of production risks, a study in 2011 found that over 70 percent of small-scale contract farmers' costs of production were in different forms of payment to agri-businesses (Lienchamroon 2011:8). Pig and chicken farmers, for example, often entered into such contract farming arrangements because they had no capital to set up independently. If they signed contracts with the company, the company would provide inputs and access to bank loans. In addition, there was no market for independent farmers who wanted to raise chicken broilers as contracting companies controlled the majority of the trade channels (Delforge 2007:9, 12).

Participants in other agri-food commodity chains also face unequal market power. For example, in the rice commodity chain, rice mills and exporters received major shares of total profits between 2005 and 2008 (around 73 to 77 percent of total profits of rice exports) (Rodmu 2009: 42-43). In 2010, five companies exported 50 percent of total rice export (Thai Rice Export Association quoted in Prachachat Turakij 2011a). There are also monopolies in the modern retail trade sector where agri-food products are important components. Studies suggest that, with increased vertical concentrations along agri-food chains in both developed and developing countries, supermarkets now play a huge role in product development, branding, supplier selection and distribution. They can also use their market power to specify how products should be grown, harvested, transported, processed and stored (Busch and Bain 2004; Humphrey 2006, 574–575). In the Thai modern retail sector, three of the largest domestic capital groups dominate; the Charoen Pokhand (CP) group, the Central group, and the TCC group associated with Thai Beverage (Manager Newspaper 2013; Thairath Newspaper 2016; Than Settakit Newspaper 2010). CP and Thai Beverage are also two of the largest landholders in Thailand (Local Act Organisation's study based on the database of the Department of Land, quoted in Prachachat Turakij 2014). Often, agricultural products such as rice were sold at very low prices to promote sales of other products, which further depressed market prices for rice (The Parliament’s Committee of Commerce 2003:9). The CP group also uses their retail outlets as market channels for their agri-food products such as poultry and frozen food (Pananont and Karnchuchat 2006:329; Pholnoi 2003:65). One estimate suggested that CP controlled over 20
percent of the market in chicken production, 20 percent in the pork retail sector, 40 percent in animal feed, and 20 percent of the total export markets in the broiler sector in 2001 (FAO 2003). The following sub-section discusses in greater detail the roles of transnational actors, the Thai state, and agri-businesses in supporting capital accumulation through the agri-food system.

The roles of transnational actors, the Thai state and agri-businesses

Transnational actors have played a crucial role in supporting the integration of Thailand into the global agri-food system, and also in encouraging exports of Thai agricultural commodities to meet world market demands. Through the advice of the Food and Agriculture Organisation of the United Nations (FAO) in 1947 and loans from the World Bank in 1952, the Thai government started to invest in infrastructures such as large-scale irrigation projects to help transform the agricultural sector and encourage exports of agri-food products such as rice (Kraiyoowarong et al. 2008:101; Lienchamroon and Thankitchanukit 2008:61). Moreover, around 1957 and 1958, the World Bank published a report on a public development program for Thailand which became an important influence for the first Thai National Economic and Social Development (NESD) plan in 1961. The plan outlined a nationwide transformation of agricultural production in different regions; rice production was to be expanded in the Central Plain while the production of sugar cane and other cash-crops was encouraged in the Northeast (Rojanapraiwong et al. 2004:46-48). In the South, the spread of rubber plantations was an initiative of the Thai government, but it was also encouraged by international factors such as the Korean War which increased demands for rubber (Lienchamroon and Thankitchanukit 2008:80 and 88-89). After the Asian economic crisis of 1997, the International Monetary Fund (IMF) imposed many austerity measures on Thailand as part of the conditions for its loan, resulting in cutbacks of public investments in the agricultural sector which further reinforced the status of agri-businesses as the “nexus point” between world market and farms (Goss and Burch 2001:981).

The Thai state has also consistently promoted capital accumulation through the agri-food sector. It favours large agri-businesses at the expense of small-scale farmers and consumers, and also favours the industrial sector over the agricultural sector. In the past, the Thai state depressed prices of some agricultural commodities to keep industrial workers’ wages low (Puntase and Preedasak 1998:90-92), such as through rice premium or ad valorem tax on rice exports (Bello, Cunningham, and Pho 1998:135). Arguably, using agriculture to subsidise industry was not a transitory policy like in some other countries. Instead, it is a permanent policy, as substantial parts of government revenues do not go back to improve agriculture (Bello, Cunningham, and Pho 1998:136). Since the early 1960s, agri-businesses could secure packages of tax breaks, duty privileges and other promotional measures (Phongpaichit and Baker 1995:59-60), and agricultural export promotion policies were clearly adopted since the 1970s (Bello et al. 1998:133-135; Goss and Burch 2001:978; Puntase and Preedasak 1998:92). It has been suggested that the domination of agri-businesses in Thailand, starting in the 1970s and 1980s, can partially be seen as a “symbolic political victory” of the elites, following violent repressions of agrarian movements in the 1970s which weakened the rural population politically. Farmers were also weakened economically due to the decline of primary commodity prices in the 1980s (Goss and Burch 2001:979). Vertical integrations of farming, processing and high value-added exports are also encouraged by the state, such as through the Office of Agricultural Economics (OAE) and the Department of Agricultural Extensions (DAE) (Prachason 2008:41; Sriboonchitta 2008:1-2). Nevertheless, little has been done to ensure fair and equitable contracts
between agri-businesses and farmers. Moreover, food-energy scarcity concerns that put upward pressures on energy crop prices are also often portrayed simplistically and positively as economic opportunities for both agri-businesses and small-scale farmers in Thailand (Matichon Newspaper 2009).

It has been observed that large agri-businesses in Thailand have built connections with political parties, educational institutions, the bureaucracy, and other prominent institutions in Thailand through financial support and by giving other aids. These businesses, in turn, benefit from state concessions and public research (Lienchamroon 2011:12-13). Relating to this issue is the central role of patron-client relationships in Thai politics that has been discussed by many scholars (for example, see: Bjarnegård 2013:145). Owing to patron-client relations, elections are often seen by many Thais as means to support their patrons or leaders to gain national political power. The leaders are then expected to share the spoils of political victory within their patron-client networks, rather than to prioritise national policies that would benefit the whole country. Patron-client relationships can also be seen as historical-cultural legacy of the “Sakdina” absolute monarchical Thai state (Keyes 1987:136) where the Sakdina attitude – the consciousness of hierarchical social structure – affect all kinds of social relations in Thai society (McCargo 2000:136). Notably, the Sakdina attitude has become infused in the working culture of the Thai bureaucracy as can be seen from the top-down nature of rural development and agrarian promotion policies, as this paper will discuss in the following.

One of the largest and most influential transnational agri-businesses based in Thailand is the Charoen Pokphand (CP) group, which started out as a seed company and grew into a leading transnational company based in Thailand with over a hundred companies around the world, with businesses in many sectors aside from agro-industry, such as petrochemical, communications, real estate, etc (CorpWatch-Thailand and BioThai 2008:11-20; CP's website, accessed April 30, 2014). CP has been noted to have strong political linkages with the Thai state since the late 1970s (McCargo and Pathmanand 2005:33), and also strong ties with various institutions in Thailand such as the bureaucracy, political parties, and educational institutions (CorpWatch-Thailand 2008, 27-31). Thai and non-Thai transnational capital groups also often have joint co-operations. For example, CP tried to learn from Tesco (British company) as it expanded its operations in countries such as China and also used connections with Tesco to export its poultry products to the UK (Karnchuchat 2006:239; Pholnoi 2003:137), while Tesco benefited from CP’s cultural and political linkages in Thailand and China (Karnchuchat 2006:337; Pholnoi 2003:55).

Domestic and transnational actors also sometimes joined forces in lobbying the Thai state to sign free trade agreements (FTAs) and accept strict property rights regime that enhance monopoly controls over seeds. There have also been constant pressures, such as from some researchers, US officials, and the private sector, for the Thai state to support GM research, field tests, and commercial plantation of GM plants (Iewskul 2013; Lienchamroon and Thankitchanukit 2008:266-269). Representative groups of the Thai population are usually not involved in free trade agreement (FTA) negotiations, and the Thai state tends to involve representatives from industries and agri-businesses in FTA negotiations (Terd-udomsap 2008:140). Pressures to sign FTAs with China and the US in the early 2000s, for example, have been argued to come from some domestic and transnational companies (Lienchamroon and Yaimuang 2011:307-309). Thailand-EU FTA negotiations in the early 2010s that have been
criticised for their lack of transparency (Assoc. Prof. Jirapon Limpananont, member of the National Economic and Social Development Board, quoted in Prachathai 2013), and for putting pressures on Thailand to modify domestic laws to enforce a stricter property rights regime on plant genetic materials in accordance with the International Convention for the Protection of New Varieties of Plants (UPOV) of 1991 (Kannikar Kitwetchakul, FTA Watch Thailand, quoted in Isra News 2013). Recently, there is a concern that Thailand is being pressured by Japan to adjust domestic laws in accordance with UPOV 1991 if Thailand is to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) (Prachathai 2018a). The following section will also discuss more recent attempts to combine the power of the state and large agri-businesses to support capital accumulation through the agri-food system in Thailand, particularly “Pracha-raat” institutions and large-scale farms policy being promoted by the military government.

Counter-hegemony in the agri-food system

The hegemonic agri-food system has been criticized and contested by many groups of people in Thailand, including by some academics and the land reform movement in Thailand. This part of the paper, however, focuses in particular on the sustainable agriculture movement (SAM)’s counter-hegemonic attempts to create a more equitable and sustainable agri-food system. SAM does not refer to established organizations in Thailand, but is a broad term used in this paper to refer to a heterogeneous variety of groups in Thailand that try to provide alternatives to the mainstream agri-food system and priorities health, social ties, self-reliance, and ecological sustainability over profit maximization (Decha Siripat, interviewed October 14, 2012; Pakphum Inpan, interviewed December 20, 2012; Pat Apaimool, interviewed November 1, 2012). It can be seen as a loosely-held network with core members that include the Alternative Agriculture Network (AAN) organizations such as BioThai and SATHAI (Sustainable Agriculture Thailand). Although the SAM engages in counter-hegemony at ideological, production-distribution and institutional levels, due to a lack of space, this paper focuses on the movement’s attempt to pass laws and alter state policies to support sustainable agriculture in Thailand. The next section provides a brief overview of the SAM and discusses how scaling-up counter-hegemonic production-distribution practices are likely to require the support of the state. The following sections then discuss limited success in getting the state to support sustainable agriculture, and also the dangers of co-optation of oppositions by elites.

An overview of the sustainable agriculture movement in Thailand

As previously discussed, the SAM consists of a heterogeneous variety of groups. Some promoters of sustainable agriculture use religious and traditional cultural beliefs to inspire counter-hegemonic ideas and to promote sustainable agriculture, while others prefer transnational ideas and terms such as those from the food security and food sovereignty discourses. Despite strong emphasis on community empowerment and traditional knowledge, SAM members also learn from international experiences such as that of organic farming in Europe, and have also formed transnational trade linkages and other forms of co-operation (Chomchuan Boonrahoong, interviewed November 3, 2012; Ubol Yoowah, interviewed December 22, 2012; Witoon Lienchamroon, interviewed April 5, 2012). Some people in the movement also see sustainable agriculture’s way of thinking as starting points to re-think
relationships between humans, society and the ecological system (Decha Siripat, interviewed October 14, 2012; Phra Promma Suphatto, interviewed December 23, 2012).

Many forms of sustainable agricultural production methods and alternative market arrangements in Thailand have been developed to challenge the hegemonic agri-food system. SAM groups promote various forms of sustainable agriculture, such as organic agriculture and integrated farming, to challenge the unsustainability of conventional agriculture. They aim to preserve biodiversity and encourages different varieties of agri-food crops to be grown in a farm, partly to reduce economic and food insecurity risks of small-scale farmers; so that they can rely on sales (and personal consumption) of a few crops instead of just one or two crops. Instead of being fixated on only small-scale farms, there are also practical examples of many different sizes of agricultural farms and arrangements, such as organic contract farming, which are accepted as long as they embodied counter-hegemonic principles. An example includes Khao Kwan Foundation that agreed to work with local rice mills to develop a contract farming system to create Suphanburi province's own brand of organic rice (Decha Siripat, interviewed October 14, 2012). Many sustainable agriculture groups also try to expand their activities so that members can benefit from value-added opportunities along agri-food chains, and also from job creations that come with processing and marketing agri-food products (Supha Yaimuang, interviewed October 3, 2012). Aside from formal alternative market governance such as organic labels, some SAM members recognize the importance of fostering counter-hegemonic individual behaviours and informal social relations, such as between consumers and producers, to support their sustainable agricultural production and distribution practices (Arpakorn Krueng-ngern, interviewed November 1, 2012; Prachason et al. 2012:285).

The capitalist market-led nature of the current agri-food system is criticized by many people in the SAM. However, they do not reject the market per se. Instead, SAM members try to develop market governance mechanisms which are embedded with counter-hegemonic values, particularly that of environmental sustainability and fairness to both producers and consumers. This can be seen as a challenge to conventional agri-food markets dominated by monopoly power, where prices are volatile due to various factors including financial speculations. Distributional channels of sustainable agri-food products in Thailand range from small-portion sales in local green markets to large-scale exports of certified organic and fair-trade products. Another main difference between conventional and sustainable agricultural practices is how sustainable producers have opportunities to increase their bargaining power in the market and embed values in their agri-food products (This view was put forward by many sustainable agriculture farmers such as Thamma Sangkalee, interviewed December 22, 2012, and farmers from Kammad group, Yasothon, quoted in Prachason et al. 2012:151-152). For example, by selling through socially conscious enterprises such as Green Net Co-operative, members of Naso Rakthammachart producer co-operative in Yasothon province can discuss their production problems and participate in price setting, which give them more power compare to selling through conventional business channels (Prachason et al. 2012:151). Similarly, at the Rice Fund Surin Organic Agriculture co-operative, members have some shares in the co-operative and can participate in paddy measuring and other activities, which makes the paddy selling process more transparent compared to some private rice mills (Prachason et al. 2012:195). At Surin green market, a committee (consisting of people from different areas and professions) discusses fair prices for both producers and consumers based on the costs of production (Nanta Haitook, interviewed December 20, 2012).
There is evidence to suggest that sustainable agri-food practices, if properly managed and implemented under supportive conditions, can yield many material and non-material benefits. Sustainable agriculture activists and farmers suggest that sustainable agricultural production leads to lower costs of production and similar levels of yield as conventional production (Decha Siripat, interviewed October 14, 2012; Kiatsak Chatdee, interviewed October 31, 2012; Sompoi Jansang, interviewed December 19, 2012), especially after a few transitional years (Decha Siripat, interviewed October 14, 2012; Losirikul and Karnchan 2006, Executive Summary; Thamma Sangkalee, interviewed December 22, 2012). Interviews with sustainability-oriented farmers in Surin and Yasothon, for example, suggested that average organic rice paddy yield is comparable to that of conventional production (Pakphum Inpan, interviewed December 20, 2012; Thamma Sangkalee, interviewed December 22, 2012). If they sell their products through fair trade channels, they will also benefit from fair trade premiums (Prachason et al. 2012:278). Some producers of rice mills such as Bak-rua and Naso also provide welfare benefits and monetary aids to their members and local communities (Prachason et al. 2012:133, 148-149; Somwang Chomchuen, interviewed December 24, 2012). In addition, alternative green markets have been credited as positive forces for job creations and as important additional sources of income.1

Despite some progress, sustainable agricultural development in Thailand is still very limited from a national perspective. In 2012, the share of organic farmland in total agricultural land in Thailand was estimated to be only around 0.2 percent (Research Institute of Organic Agriculture and International Federation of Organic Agriculture Movements 2014:186). In a well-known organic rice production area such as Surin, it is estimated that organic agricultural practices constitute only 1 percent of all agricultural activities in the province (Sompoi Jansang, interviewed December 19, 2012). In the first few transitional years toward sustainable agriculture, many technical problems may appear and a substantial drop in the yield might be the consequence before the soil quality can improve (Assist. Prof. Ampapan Pongpladisai, interviewed December 21, 2012; Hutanuwat and Hutanuwat 2000:91-92; Kiatsak Chatdee, interviewed October 31, 2012). Since sustainable agriculture requires a lot of time and labour to change the whole production system, some farmers tend to back out when they start to face serious obstacles (Suwonasart Konbua, interviewed December 24, 2012). Difficulties in changing the production system to a more sustainable one can also be attributed to the lack of agro-ecological knowledge and research in Thailand. There are very few academic courses which teach sustainable agricultural practices (Witoon Lienchamroon, interviewed April 5, 2012). Moreover, some sustainable agri-food producers and retailers suggest that interests from domestic consumers are too few to support the expansion of sustainable agri-food production in Thailand (Pisit Werawaitaya, email date January 18, 2013; Piyanat Na-Nakhon, email date January 16, 2013), so they rely a lot on exporting to organic and fair trade markets in the US and in Europe. These alternative market channels, however, are not without their problems. Similar to conventional agri-food markets, Thai organic and fair-trade exporters still have to engage in price competitions with lower-costs countries, which constrain the possibilities of getting high premium prices.2

The problems facing sustainable farmer groups discussed above suggest the importance of having supportive policies, laws and institutions to help scale-up sustainable agriculture, instead of merely leaving local groups to develop sustainable agriculture on their own and for them to have to mainly rely on niche alternative markets. Many people in the SAM have also tried to shape the policy and legal structures governing the agri-food system in Thailand with some limited success, as the next section discusses.

Engagement with the Thai state

At the national level, there have been attempts to introduce sustainable agriculture as part of Thailand's national development agenda, notably in the 8th National and Economic Social Development (NESD) plan written in 1996, which explicitly suggests that 20 percent of agricultural land in the country or at least 25 million rai should be transformed to sustainable agricultural areas (Siripat 2011:96-97). The plan was steered by public intellectuals to reflect people-cantered development philosophy and incorporated some ideas from civil society groups such as the AAN. However, resistance from the bureaucracy meant that the plan was never effectively implemented (Decha Siripat, interviewed August 8, 2001, quoted in Unno 2003:157-159; Lienchamroon and Yaimuang 2011:295). This led the AAN to demand a national pilot programme for sustainable agriculture to be managed by civil society groups (Siripat 2011:96-97).

The AAN joined the Assembly of the Poor – a loosely structured umbrella organisation established in 1995 to represent voices and demands of different marginalised groups of people in Thailand – to increase its bargaining power (Siripat 2011:96-97). In early 1997, the Assembly of the Poor staged a large sit-in protest where 20,000 people camped outside of the Government House for 99 days. They presented 125 demands to the government, mostly regarding conflicts over the usage of land and forests. The Assembly of the Poor managed to gain some concessions from the Thai state, but some of these concessions were revoked later on (Phongpaichit and Baker 1995:408-411). As part of the Assembly of the Poor, the AAN proposed the establishment of a fund to promote sustainable agriculture to the Chavalit Yongchaiyut government in December 1996. Finally, the AAN received a small fund for a pilot programme to develop sustainable agriculture by themselves between 2001 and 2003 (The Pilot Project to Develop Sustainable Agriculture for Small-scale Farmers, 2004; Unno 2004:231-233 and 237-238). Arguably, there were special circumstances which explained why the Chavalit government made the concessions: his party relied on votes from poor Northeastern farmers who formed a major part of the Assembly of the Poor movement; and also, the government's legitimacy and credibility were almost non-existent during the Asian Economic crisis of 1997, so the government felt the need to do whatever they could to appease the population (Suksut and Jarusomboon 2004:195-236; Unno 2004:235-236).

The pilot programme operated in 9 areas in 37 provinces and covered 27,100 rai of land (The Pilot Project to Develop Sustainable Agriculture for Small-scale Farmers 2004, 12). It aimed to encourage self-reliance of small-scale farmers through sustainable agriculture and sustainable management of coastal resources to ensure food security, environmental sustainability, and economic security at household and community levels. The fund received was used to develop production, processing and marketing techniques of sustainable agri-food products, as well as to support the organisation of small-scale farmer networks and to campaign for the public's support. Depending on local needs, the funds were used to, for example, sponsor farmer
trainings, to build small-scale irrigation, and to sponsor research on traditional rice strands (Rojanapraiwing et al. 2004:73; The Pilot Project to Develop Sustainable Agriculture for Small-scale Farmers 2004:11, 35). Surin green market also received some funding from the pilot programme between 2002 and 2003 and started to become more established by 2003. Rice Fund Surin Organic Agriculture Co-operative also received some funding from the pilot programme in 2002 to build a 24 tons capacity rice mill and 500 tons capacity warehouse (Prachason et al. 2012:167-168, 177). A self-evaluation report suggests that the pilot programme yielded many positive benefits and allowed more farmers to make transitions to sustainable agriculture. For example, surveys indicated that after the programme, farmers in the network used less chemical fertilisers (from 65.6 percent to 36.7 percent) and instead use organic fertilisers. In addition, households had greater food security due to diversified farms (The Pilot Project to Develop Sustainable Agriculture for Small-scale Farmers 2004:89-90).

The pilot programme should be credited as a significant step for the SAM as it is the first time the movement was able to push for some decentralisation of the state's developmental budget to civil society. In addition, the funding has helped to propagate counter-hegemonic ideas and sustainable production-distribution, at least in the AAN circles and within the limits of the budget. However, the pilot programme had limitations not only in terms of budget, but also in terms of short implementation period and lack of personnel, not to mention that they were closely monitored by the Thai government for any slight mistakes that would allow the pilot programme's work to be discredited (Decha Siripat, interviewed October 14, 2012). Overall, the pilot programme was mainly beneficial in terms of providing needed funding to grassroots projects, but it could not address macro-level hegemonic governance structures.

Co-optation of oppositions? Elite agenda-setting and patron-client relations

There are some departments within the Thai bureaucracy that promote sustainable agriculture. However, they tend to focus on quantifiable outcome such as the number of households that they can claim to be covered by their projects (Techa-artik 1995:174-175). There are also some local administrations that are sympathetic to sustainable agriculture which managed to provide supportive policies, such as in Mae-ta in Chiang Mai where the local SAM group managed to support one of its member to a local administrative position (Kanoksak Duangkaewruan, interviewed November 1, 2012). However, such cases are arguably rare. It has also been noted that the bureaucracy tends to promote diluted versions of alternative agriculture with only mild changes in the production system (Unno 2005:228). There are some interests in the Ministry of Commerce to promote organic agriculture, but this is mainly because the Ministry sees opportunities to export organic products to serve growing niche markets in advanced capitalist countries, not because the Ministry is motivated to transform the agri-food system in Thailand as a whole (Sittipon Bangkaew, interviewed December 21, 2012).

As a national policy, the Thai state is more interested in food safety and good agricultural practice (GAP) standard which allow the use of pesticides (Wibulwan Wannamolee, interviewed January 31, 2013). Moreover, the Thai state's publications often conflate sustainable agriculture with late King Bhumipol's sufficiency economy philosophy (Office of Agricultural Economics 2013:1 and 11), and there is cause to be concerned that the bureaucracy often uses its sufficiency programmes to impose some moral values on the locals, uses the people's fear of authority to force them to co-operate, or uses the King's name to legitimise their projects (Thaotawil 2008:86). Often, standardised sustainable agriculture or sufficiency
programmes are implemented on every region without taking into account local differences nor involve local farmers in the decision making process (Adisorn Puangchompoo and Kittithanet Rangkaworaset, interviewed January 13, 2013; Decha Siripat, interviewed October 14, 2012; Thaotawil 2008:86), which suggest a markedly different understanding of sustainable agriculture to that of many SAM groups. These instances can be seen as examples of co-optation of oppositions where the bureaucracy subsumes potentially counter-hegemonic ideas and practices into Sakdina patron-client mentality and relations through implementations of their development projects.

Polarised politics in Thailand also distract people’s attention from structural problems of the agri-food system and the importance of building ecologically sustainable and equitable alternative agri-food systems. Contemporary political polarisation in Thailand is often simplified as having two sides; the yellow shirts or the People's Alliance for Democracy (PAD) and more recently (2013 to 2014) the People's Democratic Reform Committee (PDRC), versus the red shirts or the United Front for Democracy Against Dictatorship (UDD). Polarised political debates often lead to the narrow framing of rural development issues, where rural development is portrayed as having only two opposing paths. Rural populist policies of Phua Thai party (the successor of Thai Rak Thai party) are generally portrayed by the red shirts as modern globalised choices compared to the backward path of development offered by some people in the SAM who often utilise terms associated with Thai localism, such as community rights and self-reliance, and also King Bhumipol’s sufficiency economy ideas. Justifiable environmental concerns from increased usage of pesticides to produce rice and other attempts to promote sustainable agriculture are also sometimes ridiculed as middle/upper class elitist concerns (for example, see Iewsrwong 2012a, 2012b; Kam Pakha 2011). Moreover, red shirt intellectuals and supporters sometimes perceive demands by other social movements as “minor” and that Phua Thai party’s policies alone are sufficient. Even some civil society networks that have built themselves up over the past two to three decades are often dubbed by red shirt intellectuals as being part of the “ammart” (feudal) elitist network (Assoc. Prof. Prapart Pintoptang, interviewed October 16, 2012).

It is argued here that such a narrow framing of rural development can be seen as a form of co-optation of oppositions, engineered by certain groups of elites to solicit support from the people by directing their attention and attributing some grievances arising from the hegemonic agri-food system to the vaguely defined “ammart” class, which came to include whatever institutions and people (often portrayed as the middle/upper class) that criticise Phua Thai government, including academics who criticised Phua Thai policies and the Supreme Court. Such discourses mask structural problems of the hegemonic agri-food system and distract the public’s attention away from social and ecological problems posed by the hegemonic agri-food system discussed in the beginning. At the same time, they also reinforce patron-client relations between Phua Thai party and their supporters.

Pracha-raat, large-scale farms and concentration of power

At the time of writing (October 2018), Thailand is still under authoritarian military rule. This part of the paper will briefly discuss some recent developments in the past few years that

3 Also see the discussion of "ammart" in Nishizaki 2014:2.
reinforced the concentration of power in the agricultural sector and strengthen the hegemonic agri-food system. It will also discuss some conflicts between Pracha-raat agricultural policies and the development of sustainable agriculture in Thailand.

General Prayut Chan-ocha’s military government has been in power since the 2014 coup d’état, and one of its flagship development policy is the formalisation of public-private collaborations through the creation of “Pracha-raat” scheme. Pracha-raat (“people-state”) supposes to refer to collaborations between the government, the private sector and other groups in society such as civil society groups (Prayuth Chan-ocha quoted in Government Spokesman Bureau 2017). Aside from 12 Pracha-raat working committees at the national level and Pracha-raat Rak Samakki Thailand Co. Ltd. (now Pracha-raat Rak Samakki “social enterprise”), there are also Pracha-raat provincial-level companies in all provinces across the country. In particular, the Committee to Develop Grassroots Economy and Pracha-raat is supposed to help generate income for local communities through three key areas: agriculture, agro-processing, and tourism (The Government Public Relations Department 2016:2 and 6; Isra news 2018; Prachachat Turakij 2017). The establishment of Pracha-raat was criticised for being led by Thai Beverage group, Charoen Pokphand (CP) and Mitr Phol, which are some of the largest Thai transnational conglomerates with agro-industry business interests (Lienchamroon et al. 2017). Leading the Committee to Develop Grassroots Economy and Pracha-raat include General Anupong Phaojinda (Minister of Interior) who is the leading representative from the government, and Mr. Thapana Sirivadhanabhakdi (president and CEO of Thai Beverage) who is the leading representative from the private sector (Rukhamate 2018:58). As of January 2018, Thapana Sirivadhanabhakdi held 84,998 shares (84.99 percent) of Pracha Rak Samakki Social Enterprise Thailand, while a few other large Thai companies held 1 percent of shares each (Isra news 2018).

A recent research focusing on pilot Pracha-raat projects in 5 provinces (Phuket, Phetburi, Burirum, Chiang Mai, Udonthani) suggests that, under the corporatist arrangement of Pracha-raat, the private sector is meant to have leading roles in driving Pracha-raat activities while the state mainly provide some support, and that businesses do not merely lobby the government for specific policies, but also implement policies on behalf of the state (Rukhamate 2018, 65-66). Although this research mainly focuses on the framework to evaluate Pracha-raat policy, it notes that Pracha-raat provincial companies chose to work with already well-off groups. Other concerns include the lack of participation by civil society, the possibility of long-term dependency of community enterprises on the private sector in Pracha-raat scheme, and how the locals were often at the receiving ends of information diffusion/instructions, which infers non-horizontal power relations (Rukhamate 2018:88, 90-91, 98, 101-102, 121). In addition to these concerns, it is argued here that Pracha-raat gives too much power to large corporations, putting them in positions where they can utilise state mechanisms and resources to aid their own agenda in the agri-food system, and there is also a lack of accountability in agenda-setting. Moreover, while Pracha-raat is portrayed as a policy for inequality reduction through socially-conscious assistance from large companies (Prachachat Turakij 2017), other actions by these large companies that support the entrenchment of political economic inequality and unsustainability in the agri-food system, whether their role in land grabbing, monopoly control and political lobbying to maintain the hegemonic agri-food system, are left unaddressed. The following paragraphs elaborate on these points.
One key Pracha-raat agricultural policy is the promotion of large-scale farming of key agricultural commodities (The Ministry of Agriculture and Co-operatives and The Bank of Agriculture and Co-operatives 2016:2). Large-scale farms policy in Thailand does not mean supporting large-scale plantations, but it infers supporting a large number of small-scale farmers to co-operate on certain issues, particularly by purchasing inputs and selling outputs in bulk through organizations such as co-operatives. Farmers will still be responsible for individual production in their own land, but there will be central management systems to increase efficiency and reduce costs (TCIJ 2017). As explained by vice Prime Minister Somkid Jatusripitak, the main principle underlying Pracha-raat agricultural scheme is that of “market-led” production planning (Deputy Prime Minister Somkid Jatusripitak quoted in Siamturakij 2018). The Ministry of Commerce and Ministry of Agriculture see their roles as first collecting data on what large agro-industry and retail companies want to purchase, before encouraging farmers to produce such required products then connecting them to those who want to purchase these products (Minister of Commerce and Minister of Agriculture and Co-operatives quoted in Thairath, 2018). The focus is also on matching producers with modern trade operators such as Tops supermarket, Big C, Lotus, Makro through these co-operatives. In September 2018, the emphasis is on promoting maize production in irrigated areas in 33 provinces, with the goal of producing 1 million tons of maize from 2 million rai of farmlands. This policy direction is clearly driven by the needs of agro-industrial companies that require a large amount of maize for animal feed production (3 million tons next year), and the concern that heat waves and droughts will reduce the supply of important good grains next year, which will significantly increase the price of maize (Prachachat Turakiij 2018). It is important not to forget that diverting such a vast amount of farmlands to maize production has opportunity costs that ought to be considered, such as less diverse range and quantity of other agri-food products, and there is also a question of fairness regarding who gets to decide how to utilize farming resources and for what purposes.

The government also subsidises 3.0 to 3.5 percent interest rate per year for farmer groups who joined Pracha-raat agricultural projects through the Bank of Agriculture and Co-operatives (BAAC), so that farmers only have to pay interest rate of 0.01 percent per year (The Ministry of Agriculture and Co-operatives and The Bank of Agriculture and Co-operatives 2016, 1). While the companies benefit from their control over guaranteed increases in domestic maize supply, facilitated through state mechanisms and low interest rates offered by the BAAC, it is uncertain how maize seed prices (market shares of maize seeds are dominated by CP and Monsanto (BioThai 2016b)) and farm purchase prices will be set, and also who will get to participate in the rule-setting and other negotiations. The Ministry of Agriculture and Co-operative suggested that the farm purchase price will reflect market mechanism but that there will be a minimum price of 8 baht per kg. (Kom Chad Luek Newspaper 2018). However, the president of Animal Feed Producer Association mentioned that increased supply means that prices in the market will be lower, and that if purchase prices are too high then that might decrease Thailand’s total export of animal feed (Prachachat Turakiij 2018). There are currently 13 companies and roughly 97,000 farmers that have joined the project that involved around 850,000 rai of farmlands (Kom Chad Luek Newspaper 2018). Over 250 co-operatives throughout the countries are also being utilized by the government to serve this project (Naew Na Newspaper 2018).

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4 An urgent letter has been sent to provincial governors to speed up project implementable and some have set up “War Room” (Naew Na Newspaper 2018).

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Pracha-raat agricultural policies do not merely run against the ideas and beliefs of those in the SAM, but they also hinder attempts to promote an alternative sustainable agri-food system. In recent years, the SAM has been focusing on lobbying the state to ban dangerous herbicides such as paraquat, campaigning against stricter property rights laws on seeds, and for state support of more sustainable production methods (BioThai 2018; Matichon Newspaper 2018). However, large agri-businesses have been resisting their attempts through many lobbying efforts (Matichon Newspaper 2017), and BioThai is also concerned that transnational agri-businesses are trying to block the passing of a new law – the Sustainable Agriculture Support and Development Act (Thai Post Newspaper 2018). Moreover, while farmers who joined Pracha-raat projects received low interest loans from the BAAC, sustainable farmers and non-Pracha-raat farmers usually have to pay 5-7 percent interest rates to take out loans from the BAAC, not to mention that Pracha-raat projects tend to help promote sales of chemical fertilizers and pesticides of large agri-businesses that dominated Pracha-raat (BioThai 2016a). There are also some conflicts between Pracha-raat and sustainable agriculture groups, such as between organic farmers, some local communities and Pracha-raat capital in Yasothon and Amnat-jaroen provinces. Some locals have been protesting against the construction of Mitr Kalasin company’s sugar factory and Mitr Phol Bio-power company’s biomass power plant. They are also concerned about competition between local organic farms and the power plant to use water from nearby Saybai stream, and also pollution from the power plant that might negatively affect fisheries and local communities (Khaosod Newspaper 2018; Prachathai 2018b). Amnat-jaroen has a strong sustainable agriculture movement presence, but through Pracha-raat and official support, Mitr phol has successfully promoted large-scale expansion of sugar cane plantations in the province in recent years (Siamrath 2017), and there are also many sugar cane farmers who mobilized in support of the sugar factory as they hoped to benefit from short-distance sales (T News 2017).

Conclusion: the search for equity and sustainability continues

The beginning of this paper discussed structural problems of the hegemonic capitalist agri-food system in Thailand. It then argued that to support an alternative agri-food system which is fairer and more sustainable, scaling-up sustainable production-distribution practices requires supportive policies at the state level. The Thai political system, however, is characterised by highly centralised and concentrated political economic power as well as patron-client relations, among other problems, that continue to hinder counter-hegemonic alternatives. As has been discussed, the AAN was able to push for some supportive policies in the past, but state concessions were often only possible under very particular historical conditions, and also depending on the strength of social movements. It can be argued that at the present time, there are many contemporary conditions that hinder the SAM’s counter-hegemonic projects, including co-optation attempts and polarised politics. Civil society groups (and Thai society in general) are also still divided along colour-coded lines, which makes broad-based cooperation difficult to achieve. Finally, recent developments in the past few years were discussed that have increased the power of large agri-businesses and reinforced the hegemonic agri-food system.

Given such a bleak outlook, it is more important than ever to revitalise and empower counter-hegemonic projects to promote a fairer, more equitable and ecologically sustainable agri-food system. The Thai state and corporations should not be the ones who control the agenda, prioritising productivity and market values over other goals, such as biological diversity and
fairness to producers and consumers. Unequal power to influence the decisions of what and how agri-food products are produced and distributed should be contested. The state ought to be held accountable when it does not pursue policy options that promote the safest, fairest and most sustainable agri-food system to the benefits of the majority of the population, and especially when it merely acts as an extension arm of large corporations. To strengthen itself, the SAM might need to link-up with other like-minded movements and form a new progressive green economy agenda that will receive broad-based support from wider society. This, however, requires a very difficult task of moving beyond the polarised red-yellow political divide that has plagued Thailand for far too long, while at the same time avoiding co-optation attempts by any elite groups.

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