

Prime Minister Abhisit's keynote address at the FCCT, Intercontinental Bangkok , 14 January 2010

Excellencies, Distinguished Guests, Ladies and Gentlemen,

It's a great pleasure for me to be back here again in this forum. I suppose you want to make it as an annual forum. I wondered about that, I actually asked Khun Panitan, the Acting Spokesman why I should be here today. He said it's like the State of the Union address. But a more convincing persuasion is from a colleague who says that this is like a good dress rehearsal for the no-confidence motion. The one thing that is important for Thai leaders—since we pride ourselves of being in a country which is open, well integrated into the international community, with exports, tourism, and foreign investment all an essential part of or economy---that leader has to be accountable to journalists who come from all over the world to work here. And I don't know whether the questions will be tougher this year, I expect it should be. But that's not the job and that's not what I'm trying to create in Thailand. The spirit, the feeling is that a truly democratic leader must be accountable and be able to communicate not just to the people of Thailand, but to the rest of the world. And I shall try to keep my remarks brief because I think most of you not only enjoy the question and answer session more, but they are also more productive in terms of addressing your interests. But I hope to try my best in a short space of time to take you through what has been happening over the last year from the perspective of the Government.

As your president already mentioned, last year, you were wondering whether I will actually be here this year. A lot of you may be wondering if I will be here next year. But meeting here for the second time for me, is not significant in terms of my own interest, but is significant because Thailand has to put an end to the instability in politics that we had experienced in the past three years. Not last year, but the year before, technically we had four prime ministers, and it's not good for the country. People were actually wondering at the time when I assumed office whether it's possible to govern the country at all.

When I was here last year, a lot of you surely felt that the challenges before the Government for this country were enormous. Political divisions were bad enough but the economy, particularly the global economic environment that we had to face, was already enough on the plate for anybody anywhere in the world.

So it's against that backdrop that I'd like to tell you how far we'd come and how much progress we've made. At the beginning of last year people were projecting a very long recession, even a recession in Thailand and also in the world. A lot of people were hinting that it would go as bad as minus 9 percent for the whole year. With about 700,000 or 800,000 people who were already unemployed, people were assuming that unemployment would certainly go above 1 million. Many felt that it would go as high as 2 million people. But we have a completely different output. Of course, not all of it we can certainly take credit for. But I can certainly tell you that managing the economy last year was, of course, not easy. It was something that we did not just with the immediate problems at mind, but actually in challenging the way people think about how to manage the economy. Also in beginning to try to restructure the economy and also the development strategy for the country. Despite what they call a slim majority, what people think about political divisions and political gridlock, within two to three months we actually implemented the first stimulus package—unconventional in many ways, because we did not focus on mega-

projects. It was actually geared towards putting money into people's pockets to sustain the domestic economy. We recognised that there was no way export and tourism, and income, could be done in a short basis. Free education programme, when we did the programme for the elderly, handed out checks of 2,000 baht. Whatever your views on the merits of each and every single piece that made up the package, the fact of the matter is when we implemented it in late March and early April, what we found was that the economy began to pick up month-on-month in April and May. And that's before the severe turnaround of the global economy. So I would insist that the package worked the way we intended it to. Then of course we followed it up with the second stimulus package which will continue to be implemented for the next couple of years, three years. That is now the focus on the medium- and longer-term challenge of upgrading the country's infrastructure, creating jobs, reducing logistics costs, and increasing competitiveness.

Of course by the time that the fourth quarter came around, we have had a pick up of the global economy. Our trading partners, all our friends...exports picked up very strong. We saw a seventeen percent growth in November year-on-year. And of course the tourists, in December alone we had 1.6 million tourists---an all-time high which meant that the total for the whole year of incoming tourists amounted to 14 million. We were on target for the number of tourists who visited Thailand. This was achieved with what was the most significant politically, which affects people's lives, with the ability for us to take unemployment from about 800,000 for the whole year to less than 500,000. The percentage was something like 1.1 percent, which you would call frictional or normal rate of unemployment. It suggests that we clearly have overcome our economic difficulties and recovery is on the way. I can confirm to you that the 3.5 percent growth projection for this year is something that may happen and we can achieve. That's the progress that we've made in turning around the economy in issues that matter most to the Thai people. At the same time, I would also reiterate that we also addressed some of the medium-and long-term issues --the structure that I've already mentioned.

And of course, now in solving the Map Tha Put problem. We've put in place all the regulations that allow the procedures and process on environmental impact assessments, health impact assessments, public hearings, and also getting views of independent organisations. We are also rebalancing the environmental demands and also continuing expectations of growth and income creation.

At the same time, structurally, we also addressed the issue of distribution because in our first stimulus package, that was followed by other measures, we're actually addressing issues that matter to the poor but not on an ad hoc basis. I think we are on the way towards creating a system of welfare for all people, not just for civil servants and people in the formal sector who enjoy social security and privileges in the civil service, but the whole population. That is an important agenda, one of our significant achievements. We also completely reformed the way of the response as far as the crop crisis concerned. No longer policies and measures that would distort markets, make Thai products less effective, prone to corruption, but a system that is market ready, a system that is fair and so benefits go to all farmers and not just a select few. These are all significant achievements that I can look back on during this last year and safely say that not only did we have a government that can govern, but actually govern for the benefit of the entire country and address issues of those that are most vulnerable in the country.

In other areas, the Southern Border Provinces issue, again is an issue that has interested most of you—there has also been a clear change in the direction of policy. Although we have not yet been able to pass legislation, to set up the organisation that would integrate the work of all the 40 agencies and have a ministerial person responsible for Southern affairs. That legislation is still in the Parliament, but we have set up a special committee made up of members of the Cabinet focusing on the issue of the South. And through the work of that committee, as well as through the policy that we have agreed upon in the security council, we made clear that achieving peace and stability in those provinces should not just be reliant on having tens of thousands of troops in the area, but achieved through the process of development and justice. For the first time we have a comprehensive plan of development in the 5 provinces in the south, but most significantly, clear targets that really matter to all the people and the community. I went down South just last week, this was being worked out at the village level. All the villages have found out how many families are below that line, and are coming up with plans to improve the lives of the people. In education institutions, we are allowing the local people to participate in this development process. It is not top-down. We are welcomed and invited, even in villages that used to be labeled as “red areas”.

This is the perception that I have---just like when the Prime Minister of Malaysia and I went earlier in December---justifies that we are witnessing a change in terms of trust between government officials, government and the state in general, and the local people. The number of violent incidents has been reduced, not as much as we would like, but we have far better cooperation now from the local people. If we keep on this track, I am sure that we are on the way to achieving peace and stability in the area. As far as justice is concerned, yes, special laws continue to be in place in the southern provinces. But we’ve already begun the pilot project in the 4 districts in Songkhla, where we lifted martial law and replaced it with the milder Internal Security law. If that works out well, we will begin to lift martial law or even the emergency decree in the 3 provinces in the area. While these special laws are still in place, we’ve also include the system of accountability. So whenever special powers are revoked, we now have a clear record of which official is using which article, where, when, and for what reason. We are also addressing complaints and grievances in a more systematic way, rather than leave it to the local agencies to deal with these problems, so that the local people see the value of lodging complaints. Every time we extend the emergency decree we have an assessment, surveys, polling, wishes the people, strengths and weaknesses.

The only unfortunate incident in the South was the massacre at the mosque. Again, what I’ve been after is the implication of how it has changed in approach. When the incidents took place, the expectations of the local people were that we would try to shift the blame to separatists. There was the issuance of the arrest warrant. The local people today believe that we were on the right track. Today, that person has been turned into the authorities, so that this could be forwarded to the prosecution and the case will now proceed.

I don’t pretend that we don’t have a long way to go, but there has been a clear change. For me it is to focus and move into the right direction. We have to keep on. The one area of course where you will probably question me a lot is the issue of political divisions. I would say that for me that’s been frustrating for the government as much as it has been and continues to be for the majority. We don’t want political conflicts to get in the way of progress. But we’ve made a number of efforts and we’ve adopted a right approach. For

us, we have not allowed divisions to get into the way of what needs to be done for the people. So when I talked about the economic progress or some policy issues, it is clear that we have not been distracted by political fighting that has been going on this past year. Second, we have always allowed expressions of political views and demonstrations—any exercise constitutional rights. So whether it is the red shirts or yellow shirts, whatever color shirts, they can air their views and hold demonstrations. We have, I think, treated them as any democratic government should. I've also made a point to make sure that my own government is democratic in our practice and spirit. Last year in Parliament you have seen a Thai prime minister regularly attends Parliament to answer questions. A clear break from all other predecessors who felt that they did not need to go to Parliament to answer questions or have access to the media to dictate what they want to say. We went one step further. We now televised the question time to allow air time for the opposition to do their duties. And in case you are wondering, yes, I will grant half an hour on Sunday TV to the opposition leader, if they find a leader. That's been my campaign pledge and I will stick to it. Unfortunately, they have not been able to come up with an opposition leader so they don't have the half an hour to follow my programme on Sunday.

If reconciliation means just pleasing people who make a lot of noise, maybe once, that's not what this government hopes to achieve. If there are legitimate grievances and complaints and views, I can reassure you at least that a recent issue of Khao Yai Tieng--- I will make sure that the Forestry Department acts swiftly as soon as it gets the ruling from the attorney general. He promised that it will be done in seven days, as soon as the Forestry Department receives a formal letter from the attorney general.

I won't compromise principles and sacrifice the country's future, particularly the rule of law, just to please my political opponents, to achieve what people might call "reconciliation". That's not in the interest of this country, certainly for the long term. It is not in the interest of the Thai people and not even in the interest of the people who demand it. All that will follow if I took that approach is never-ending chaos. Believe me, I have tried to achieve what I see as legitimate reconciliation. I have allowed demonstrations, but when they step forward across the line against the law, as they did in April, I used the emergency decree. I restored order very swiftly, but believe me, we took a lot of care to make sure that there were no loss of lives following the work of the army and police and those who work to restore order. The only deaths in the events in April were actually two local people in the community of Nang Lerng who were shot by the people who took to the demonstrations. After I restored order you would recall, I didn't think it was a political victory for us, and instead I reached out and I asked the opposition party to form an all-party committee in Parliament to identify constitutional issues that they want. That committee got to work, spent 2-3 months, and indentified 6 issues, some fairly controversial. So I invited the opposition whip and senators to Government House and we agreed that whatever each political party's key amendments were-and I can tell you Democrats disagreed with a number of those points- we go through with it. Just with one condition, that we put it through a referendum first. So if the people approve of it, we'll do it. Everybody agreed. It was called off by the opposition following the intervention by the former prime minister. So it's not the lack of effort or sincerity on our part, we try to meet demands, but it's clear that there are some people who are interested in something else. Not democracy, not upholding the rule of law, but personal interest and power play. I believe that if we can stick to the approach we have taken, more and more Thai people and society will be stronger and resist any shortcuts or political convenient way to try to achieve what people might try to call reconciliation, but rather go through

upholding the rule of law and laying the foundations for a stronger democratic society.

Even today, I still make that offer of holding elections under 3 conditions. First which I think will be satisfied within a few months time, is that the economic recovery is on firm ground. Second is that we have to make sure that all the parties are satisfying the rules of the elections. It is no good calling early elections and achieving reconciliation then finding that some parties get involved in election fraud. The third condition is that all sides have to prove that they are truly interested in free and fair competition in elections—no violence, no obstruction, that all parties can campaign freely in the spirit of true democracy. I don't know how things will play out politically this year, all I will tell you is that I will still use this approach. I will do all I can to manage the situation so the government can continue to work with the people for peace and stability and order, and my opponents will still have channels to air their expressions and views, as in any democratic society.

Finally, just looking back on this last year, of course, we were also chair of ASEAN. In fact we've been chair for a year and a half. With the exceptions of course of the events in Pattaya in April, I think we delivered on our commitments in terms of implementing the new Charter, in terms of setting up the foundations and pillars for realising the vision for a single community—economic, political-security and also socio-cultural communities in ASEAN. We set up the ASEAN Human Rights body, we are on track on the integration programme and we also make sure that ASEAN is truly a grouping that practices open regionalism by ensuring that the free trade agreements with our dialogue partners are now in place. We hope for Japan, Korea, China, New Zealand, Australia, India. Also as chair of ASEAN I also represented the grouping and other developing and emerging economies at the G20 both in London and in Pittsburg. These were important meetings that helped engineer or coordinate policy that are being implemented as far as making sure economic recovery at a global scale is on the way.

So that's a quick look at this last year, economically, politically, issues like the Southern Border Provinces and also our role on the international stage. I can't say that I'm satisfied with everything that we've done. I know certainly that we have a lot more to do. For the second year, apart from making sure that recovery continues, that politics is not getting in the way of us working for the people, we will also be implementing more structural changes. The Finance Minister, after picking up his reward in London, will now have to do unpopular things like assets taxes. Issues from land distribution to debts of all forms, like informal, agricultural debts—of course we will see the continuation of the Thai Khem Kang programme will also mean that our infrastructure will continue to be upgraded, whether it is water resource management, roads and 3G communication systems. So that's really much it for the last year.

I know that the road ahead continues to be tough. But one thing that I can reassure you is that when I stood here last year, I demonstrated my determination, my commitment, my promise to move the country forward. That determination, that commitment, and all those promises continue to be in place. I am as determined to step up to achieve what I intended to achieve when I joined politics, which is to change the country for the better, work for the Thai people, and lay out strong foundations, economically, socially, and politically for the Thai people. Thank you.
