

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Since the early nineties, free trade agreements (FTAs) have been used as rule-based instruments by many countries around the world to foster regional economic integration. After 1995, the use of FTAs has accelerated in number and speed. Out of 250 FTAs notified to the World Trade Organization (WTO) in December 2002, more than 150 FTAs were established after January 1995. (Sen, 2004: 2) Moreover, after the collapse of the multilateral trade negotiations at WTO Ministerial Meeting 2003 in Cancun, bilateral free trade agreements (FTAs) emerged as a “fast-track” option to further facilitate trade liberalization. To establish bilateral FTAs requires two nation-states to enter and conclude negotiations to reduce or eliminate tariff and non-tariff barriers, as well as reform their regulations on trade and investment.

For the past five years, the new FTAs have opened up a new landscape in the dynamics of geopolitics and global economy. The world’s political and economic powers – such as the US, China, India, and Japan - have shifted their strategies from multilateral negotiations towards bilateral FTAs in order to obtain the benefits of free trade while the WTO talks remain stagnate. As one of the leading proponent of FTAs, the United States of America used a legal instrument, the Trade Promotion Authority Bill (TPA), granted by the Congress in 2002, to give the US Administration “fast-track” authority to negotiate bilateral FTAs. Issues related to FTAs have become both controversial among Latin American, African, Asia Pacific, and Southeast Asian countries and regional groupings.

The “fast-track” FTAs are also called “WTO plus” as they cover more comprehensive commitments than those in the WTO and early FTAs. The issues discussed in the negotiations often include issues that remain sensitive in WTO negotiations, such as agriculture, intellectual property protection, liberalization of trade in services, financial services, investment, temporary entry, telecommunications,

government procurement, labor dispute settlement, and the environment. A major reason why the recent WTO negotiations failed is because of disagreement on these sensitive issues between developed and developing countries.

Despite the sensitive issues in the negotiations, one of the most controversial issues relating to FTAs is the rushed and secretive manner in which the negotiations are conducted. It appears that in most FTA negotiations the text and procedures involved are treated as strictly confidential, open only to the trade negotiators. The public and its representatives in Parliament are prevented access to substantial information on the countries' positions and impact assessment. From the results of established FTAs such as the North American Free Trade Agreement (NAFTA), the people who were not prepared or compensated by the states for the negative impacts of FTAs seem to be hardest hit. As a consequence, these conditions have given rise to social movements against FTAs around the world.

In the case of Thailand, the Thai government, under the premiership of Pol. Lt. Col. Dr. Thaksin Shinawatra, quickly jumped on the bilateral FTA bandwagon in 2002. The administration envisioned that FTAs would enhance economic growth and the ability to gain more access to export markets. During the APEC Summit in 2003, the Thai government started to informally negotiate with US and other countries such as China, and India. From that point on, it led to the signing of FTAs between Thailand and China, India, Australia, New Zealand, Peru, Bahrain, and Japan.

The Thai government's FTA engagements followed the same patterns as that of other developing countries. The decision making process and the negotiations were secretive. The government's FTA policy governance has raised a lot of questions, concerns and criticisms. Among the concerned groups are academics, anti-globalization activists, farmers, lawyers, human and consumers' rights advocates, members of Parliament, state agencies, members of independent organizations established under the 1997 Constitution and non-governmental organizations (NGOs). Critics have pointed out that the main problem of FTA policy is the lack of good governance. They criticize the decision making and negotiation process as being

carried out without transparency, people's participation in the decision making process, preparedness and thorough assessment on the far-reaching impacts on the national and public interests.

The Thai public was not clearly informed on the positive and negative impacts of FTAs, as well as the criteria for choosing negotiating partners. There has been little disclosure of the national positions, issues, and content of the negotiations to the public, even to members of Parliament. Studies on FTAs that were available mostly gave a positive picture of FTAs as their emphases were limited to tax reduction and the opening of trade markets. There were no research studies on the costs and impacts on sensitive sectors such as agriculture, intellectual property, the environment and labor protection.

In pushing for the FTA policy process to be transparent, the opponents of FTA policy started to share their knowledge and work in coordination with their networks. They voiced their concerns to the government and the public through academic forums, parliamentary committee hearings, petitions, and media channels. The continuous coordination led to the establishment of FTA WATCH, an independent monitoring group based in Thailand. Since October 11, 2003, the group has collectively worked together to contribute alternative viewpoints on trade-related issues: agriculture, the environment, intellectual property rights, access to pharmaceuticals, consumers' rights, investment and privatization of state enterprises.

The coalition is comprised of experts and researchers from the following seventeen organizations:

1. Drug Study Group (DSG)
2. BIO THAI (Biodiversity Action Thailand)
3. Project Strategy on tropical Resource Base, National Human Rights Commission
4. Focus on the Global South
5. Foundation for Consumers
6. Confederation of Consumer Organization of Thailand (CCOT)
7. Thai Agricultural Alternative
8. Rural Reconstruction Alumni and Friends Association (RRAFA)

9. Thai NGOs Coalition on AIDS (TNCA)
10. AIDS Access Foundation
11. Thai Network of People Living with HIV/AIDS (TNP+)
12. Thai Action on Globalisation
13. NGO-Coordinating Committee on Development (NGO-COD)
14. Campaign for Alternative Industry Network
15. Northern Development Foundation
16. Medecins Sans Frontieres – Belgium, Thailand
17. Forum-Asia

The members' knowledge and expertise on the issues, as well as their roles and experience in networking, advocacy and media relations significantly contributed to the movement's strength. The strategies and tactics were generated from coordinated action by members with different backgrounds and areas of specialization. The academics, experienced journalists, and activists have been extensively working on these particular issues since the beginning of the WTO's Doha Round. They worked on delivering alternative viewpoints on trade liberalization to the government and public through many channels. Some members who have worked for grass-roots and people's organizations within the local NGO networks reached out through the network of FTA WATCH to the grass-roots level.

The emergence of FTA WATCH can be seen as local citizens' reaction to the increasing speed and scope of neo-liberal agendas in the world economy. They call for the policy to be reassessed by considering research on negative impacts, and opened to public debate, including the parliamentary scrutinizing process.

1.2 Statement of the Problem

The topic of this research began with an interest in FTA WATCH's ability in gaining access to information and to influence changes in the government's FTA policy despite lack of political space at the global and national levels. The main challenges of FTA WATCH involve the complex process of globalization and governance of the local formal polity. The research will investigate the contexts and channels that FTA WATCH used to influence, pressure, and connect with the formal polity.

There are opportunities and constraints to the movement's ability to enhance political space at various levels. At the global level, the shifting of trade policy from multilateral to bilateral agreements has become a global phenomenon. The failure of multilateral negotiations at the WTO level, from Seattle in 1999 to Cancun in 2003, is due to the different interests and asymmetrical playing fields of developed and developing countries. A growing concern on the new trend of bilateral trade agreements is that they will not give the developing world equal opportunity to gain access to the necessary resources, choices, and knowledge that many industrialized nations took advantage of to reach their current levels of development.

Therefore, developing countries are in need of policy and political space in order to be able to secure the national and people's interests. It is suggested by the South Centre, a permanent inter-Governmental organization of developing countries, that developing countries need "freedom to choose the best mix of policies possible for achieving sustainable and equitable social and economic development for the country's social, political, economic, and environmental conditions."

In the FTA policy governance in many parts of the world, there has been limited space for people's participation and substantive public consultation. Policy makers and trade experts tend to prevent citizens, academics, civil society organizations, and even other state agencies, from participating fully and openly in FTA policy governance. The heterarchical or multilevel governance on public policy is still not in the mindset of the bureaucratic experts. It is necessary for the people who hold the power in decision making to realize the dynamics in the global context, to put aside differences, and to make policy arrangements as accountable as possible to the local public.

In the case of Thailand, the political space of Thai people shrank during the government's implementation of FTA policy. When the Thaksin administration initiated its FTA policy, the government was powerful and popular. Thaksin's Thai Rak Thai Party (TRT)'s rising control over the administrative and legislative

branches, with an overwhelming majority in the House of Representatives, went hand in hand with the weakening of check-and-balance mechanisms. The government and the bureaucratic agencies not only ignored the criticisms, but continuously pushed for closed-door negotiations with FTA partners. Thailand's negotiation teams refused the argument of FTA WATCH that Parliament should be involved in the approval of the framework or draft agreement.

The article in the 1997 Thai Constitution cited by FTA WATCH states in Article 224, paragraph 2:

"A treaty which provides for a change in the Thai territories or the jurisdiction of the State or requires the enactment of an Act for its implementation must be approved by the National Assembly."

Moreover, the freedom of media and political activity were much suppressed. The government imposed controls on the media, disregarded intellectual and social critics, as well as, ordered an investigation into the funding of NGOs. These attempts decreased the policy and political space for alternative policy options proposed by civil society or people's movements.

To monitor the policy process, FTA WATCH had to seek ways to gain access to information in order to study the implications of the policy, to pressure the government, and to deliver alternative recommendations to the policy. Their goal is to make the decision and negotiation processes on the agreements more open to people's participation, based on well-rounded impact assessments, and accountable to the people's needs.

1.3 Research Questions

How is FTA WATCH able to make political space in gaining access to pressure and influence the policy process on bilateral FTAs?

1.4 Research Objectives

- To analyze the context within which the FTA WATCH's movement is emerged and embedded.
- To examine FTA WATCH's organizational structure and alliance network.
- To examine FTA WATCH's strategies and tactics used in gaining access to pressure the formal polity and effect changes in policy governance.

1.5 Hypothesis/Estimated Outcomes

This research will hypothesize that FTA WATCH can make political space under oppressive circumstances through the use of knowledge, network channels, and a combination of strategies to effect changes in FTA policy governance.

It will formulate a cross-cutting analysis of the movement's actions, and impacts in contesting under oppressive circumstances within both the global economic order and local politics.

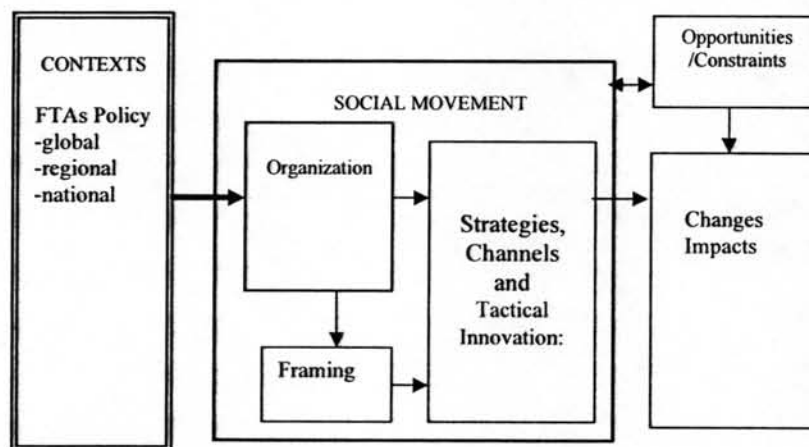
It will identify key strategies and tactics used by FTA WATCH to capture political space and to gain public awareness on implications of FTAs. The research aims to provide understanding of how much FTA WATCH's actions have contributed to the changes in the policy and the delay the negotiation process.

1.6 Conceptual Framework

From the concept of social movement, FTA WATCH is seen as a social movement organization which has emerged and operated within the context of problems of FTA policy governance. Members of FTA WATCH are seen as the movement actors who articulate the collective identity, discourse, and actions that are fundamental to the making of the social movement. The thesis looks at political space as the ultimate goal of the movement which is to integrate people-centered and rights-based model into policy governance.

In doing so, the movement needs to make political space, which can be determined by the movement's accessibility, visibility, and authority, in the institutional arrangement. To make the space, the movement uses its mobilized resources such as human, knowledge, and network, to device strategies and to take actions. The movement's operations lead to different levels of changes, as well as, opportunities and constraints. The movement's development is examined by looking at significant periods of interactions between movement and institutionalized politics, the changes in their relations, and the impacts. (See Figure 1.1)

Figure 1.1 : Conceptual Framework



1.7 Research Methodology

The study will employ a qualitative research method, using a combination of analyses of primary and secondary data.

The primary data will be collected through interviews and personal communications with key informants close to the FTA issue and the FTA WATCH movement. The key informants will be selected based on their expertise and various roles within the movement. Members of FTA WATCH and alliance networks, including former members of parliament, academics, transnational NGOs, and journalists will be interviewed on their perspectives, roles, and experiences with the movement and FTA issues. The questions for each interview will be pre-established

as sets of open-ended questions to suit the conceptual framework and to fill the knowledge gaps in some aspects of the study.

The primary data will also be accumulated through the researcher's experience in participatory observation in parliamentary committee hearings, academic seminars, focus group discussions and mass-mobilized protests. Through this method, in-depth accounts on the group's framing processes, tactical innovations, and protest dynamics will be documented and examined.

In collecting the secondary data, existing research and documents on FTA WATCH and FTA-related issues will be the main focus. The documents will be on the current politics of FTAs, and dissent on the emergence of FTAs. The sources include publications on FTAs produced by FTA WATCH, Government, academics, and NGOs; research papers on FTA WATCH; transcripts of parliamentary hearings, seminars, academic and NGO workshops; Petitions to the Ombudsman; and news archives.

The literature review will be based on theories related to social movements; resource mobilization, political opportunity, organization structure, framing process, tactics and media relations. Documents, testimonies, research and secondary sources on the factors of emergence, impacts at different levels, pros and cons of FTAs from Government's authorities, research institutions, parliamentary committees, and FTA WATCH will also be reviewed.

Mainly, the resources used to analyze the data are agreements, draft agreements, and other publications: analyses, policy recommendations, reports, conference proceedings, transcripts of meetings, books, news archives, statistics, and personal commentaries. The main resources will be publications of the Department of Trade Negotiation (DTN), Ministry of Commerce, Thailand, evaluations and reports by the Fiscal Policy Research Institute Foundation, publications of FTA WATCH and its transnational networks, research papers by the Thailand Development Research Institute (TDRI), research and conference proceedings of the Thailand Research Fund

(TRF)'s project on Knowledge Management on Environment and Trade: Non-Tariff Barriers Studies, as well as the Summary Report of "Fighting FTAs: An international strategy" workshop organized by FTA WATCH in cooperation with bilaterals.org, GRAIN and Médecins Sans Frontières, Bangkok, Thailand, July 27-29, 2006.

1.8 Ethical Consideration

The researcher has explained the objectives of the study and obtained consent from the key informants before starting the interview. The key informants were notified that the interview is for academic purpose. Existing data and research papers are used with the permission and citation of the sources in the research references.

1.9 Scope of the Study

This research seeks to explore the contexts of the problems of FTAs in the global, regional, and national level. The emphasis is on FTAs established and negotiated between Thailand and other countries from 2002 to 2007. It looks at the development of FTA WATCH's movement, in terms of the creation of new channels and tactical innovation, through their actions from October 2003 to October 2007. The actions taken by the authorities are considered opportunities and constraints of FTA WATCH's movement. The key actions of this policy initiative will be identified in the following aspects: 1) policy design and institutional arrangements; 2) policy implementation by proponents of FTAs: the process in decision making, negotiations, public relations, counter-arguments to FTA WATCH; 3) the potential and actual impacts on the national and people's interests.

On FTA WATCH, this research will examine the organization's structure, characteristics and dynamics in capacity building and mobilizing resources: human, knowledge, network, time, technology, access to information and media alliance.

On tactics and strategies, the actions taken by FTA WATCH will be identified and analyzed. It will include concepts and positions towards issues and framework

which FTA WATCH used to set agendas, activities and tactics to counter the government's policy governance and to build alliances. This part includes the identification of channels of power through which FTA WATCH pushed their agendas in order to pressure, to influence, and to connect to the formal polity.

On the outcomes, this research will examine key impacts generated by FTA WATCH. The impacts will be categorized in three areas: 1) internal impacts within the organization; 2) external impacts; 3) sensitizing impacts. The research will emphasize the external impacts of the movement in three aspects: procedural, substantial, and structural.

The 'procedural impacts' are in the areas of access to political and policy-making processes. They will be evaluated based on the levels of participation, access to negotiation forums, acceptance of issues proposed by FTA WATCH in the Government's policy process.. On access, there are two types: ad-hoc access and permanent access.

For 'substantial impacts', two kinds of responses will be looked at: reactive and proactive. The reactive responses will be examined through reactions that the movement generates that can modify the movement's development and impacts. The proactive responses will be analyzed from policy decisions made by Government's officials that supported the recommendations of FTA WATCH.

On 'structural impacts', two aspects will be analyzed: institutional structures and alliance structures. The institutional structures will be analyzed through changes in policy governance, the government's political realignment, and revolutionary changes in the political system. The alliance structures will be observed for changes in political order, such as change of leadership and attitude change of political parties towards FTA WATCH's recommendations that decrease the space between FTA WATCH and formal political organizations.

1.10 Significance of the Study

It is significant to study the contexts and actions of FTA WATCH to understand the problems of the institutional arrangements and policy governance of FTAs. The research will reveal the sensitive issues regarding the global pursuit in establishing FTAs outside WTO, as well as the rise of people's resistance against FTAs. It will provide a structured analysis of the approaches taken by FTA WATCH to gain political space under the circumstances.

The findings of the research will contribute to the understanding and further study on FTA WATCH and issue-based social movements. It will reveal that political movements by academics and grass-root activists can be effective through combination of strategies, resource mobilization, sharing of knowledge, networking, division of labors, and media relations.

The recommendation made in the research will be useful in improving policy governance. It will emphasize that transparency, peoples' participation, and impact assessment should be taken into account by policy makers. It will also stress the importance of engaging stakeholders in policy governance, such as parliamentarians, academics of different disciplines, members of civil society organizations, and other state agencies, because their viewpoints can make the national positions in negotiations strong and accountable to the people's interests.

1.11 Structure of the Thesis

The research will be organized as follows:

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1.3 Research Questions and Objectives of the Study

1.4 Research Methodology

1.5 Limitations of the Research

1.6 Structure of the Thesis

CHAPTER II: Theoretical Perspective on the Social Movement

2.1 Social Movement Theory

2.2 Concept of Political Space

2.3 Resource mobilization Model

2.4 New social movement and

2.5 Strategies and Tactics

2.6 Impact Assessment

2.7 Implications

2.8 Related research papers

2.9 Conclusion and Theoretical Framework

CHAPTER III: Overview of FTAs and FTA WATCH

3.1 Overview on Bilateral Free Trade Agreements at the Global Level

3.2 Thailand's FTA Policy

3.3 Establishment of FTA WATCH

3.4 FTA WATCH's Objectives

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3.6 Conclusion

Chapter IV: FTA WATCH and the Making of Political Space

4.1 The mobilizing structure and strategies

4.2 Phases of the operation

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CHAPTER V: Discussions and Conclusion

5.1 The contextual setting

5.2 Organizational structure and alliance

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5.4 Impacts and outcomes

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APPENDICES

BIOGRAPHY