

CHAPTER III

OVERVIEW OF FTAS AND FTA WATCH

3.1 Overview on Bilateral Free Trade Agreements

The FTA WATCH movement is embedded in the dynamic global context driven by the current, rule-based, global economic integration process. In recent years, the process has shifted from multilateralism to bilateralism.

In order to analyze the context, including the factors of movement's opportunities and constraints, it is necessary to look at the current proliferation of FTAs, the institutional arrangement of third generation FTAs, existing anti-FTA movements in other part of the world, and the Thai government's policy on FTAs.

3.1.1 Global Context

The major shift from multilateral free trade agreements at the WTO towards bilateral FTAs has occurred due to the stagnation of the multilateral negotiations in the WTO since 2001. On November 2001, the 4th WTO Doha Round was launched as the "Development Round." The Doha Round is important as it sets the scope for global trade negotiations for the next decade. It was said that the negotiation took the concerns of developing countries into account. The issues being negotiated are called Doha Work Programme (DWP) which includes the followings:

1) Market access:

i Agriculture market access aims to improve market access by phasing out all forms of export subsidies; and reduce trade-distorting domestic support.

ii Non-agriculture product market access (NAMA) means to reduce tariffs, as well as non-tariff barriers, particularly on products of export interest to developing countries.

2) Trade facilitation aims to negotiate better border procedures and facilities to expedite the flow of export and import.

3) Rules and mechanisms:

i Dispute settlement mechanism: to improve the implementation of rulings and participation of developing countries.

ii Regional trade agreements: to clarify and improve disciplines and procedures under existing WTO rules on regional trading agreements.

iii Antidumping measures: to clarify and improve disciplines, while preserving the basic concepts, principles, and effectiveness of these agreements and their instruments and objectives.

4) Services: to liberalize services sector and modes of supply.

5) TRIPS (Trade-related aspects of intellectual property rights): to establish a multilateral system of notification and registration of geographical indications.

6) Special and differential treatment (SDT): to negotiate on how to implement special and differential treatment for developing countries.

The politics regarding the issues DWP has been on-going. The agenda of DWP had been carried onto 5th WTO Ministerial Meeting in Cancun in 2003. But, the members have failed to deliver any consensus since the Cancun Meeting. Until now, not much progress has been reached as the developed countries, especially the US and EU, are not willing to reduce their agricultural protection and subsidies. Moreover, the US and EU have pushed the direction of DWP from a development-friendly outcome to a market-

access direction by demanding developing countries to liberalize the areas of agriculture, NAMA and services. (Khor, 2006) But, the developing countries have rejected to negotiate further on the “Singapore Issues.” These issues were proposed at 1996 WTO Ministerial Meeting in Singapore, four issues: competition, investment, trade facilitation, and transparency in government procurement were examined and known as “Singapore Issues.”

The developed countries also undermined the proposals of the developing countries in other aspects. The “implementation issues”, one of the two “development issues” incorporated by the developing countries into DWP at Doha was pressured to drop by the developed countries. The developing countries also expected to resolve the issues of the relationship between the TRIPS Agreement and the Convention on Biological Diversity (CBD) by amending TRIPS to incorporate requirements for the disclosure of the source of origin of genetic materials and traditional knowledge. But, the developed countries are blocking progress in the TRIPS negotiations on disclosure on genetic resources and traditional knowledge. (Khor, 2006)

Due to the cause, many developed countries such as the US, the EU, Japan, India, and China, have turned to engage in regional and bilateral FTA negotiations with by grouping and pairing up with potential partners. Many observers view that the phenomenon has already begun since the beginning of the Doha Round. At Doha, WTO Members recognized that regional trade agreements RTAs can play an important role in promoting trade liberalization and stressed the need for a harmonious relationship between the multilateral and regional processes. (*Regional Trade Agreements Section Trade Policies Review Division WTO Secretariat, 2003*)

The common rhetoric of FTA proponents is vested in the belief that “markets with trade creation would generate national welfare while the markets with trade diversion may generate national welfare loses” and ‘if an FTA causes more trade creation than trade diversion, then the FTA is welfare improving.’ (Sen, 2004) It is also suggested that the trend to enter bilateral or

regional trade deals among countries was due to the fears of trade diversion that might occur by the loss of trade share to others, if they are not participate in the deals. (Auansakul, 2007) (Siriprachai, 2005) Trade diversion does occur when an FTA leads to the shift of a country's import sources from a low-cost and more efficient supplier to a high-cost, less efficient supplier.

3.1.2 Institutional Arrangement of FTAs

Under Article XXIV of the WTO/General Agreement on Tariffs and Trade (GATT), WTO members are allowed to negotiate on preferential free trade agreements (PTAs) through regional trade agreements (RTAs) and bilateral trade agreements (BTA.) There have been 312 FTAs notified to the WTO in January 2005. (*ECLAC Sub-regional Headquarters for the Caribbean, 2006*) Establishment of FTAs is considered as an attempt of two or more polities to set a formal rule which constrains and governs the interaction of the involving partners.

Initially, FTAs were used as the building blocks for regional political and economic integration. In the early 1990s, the first generation of FTAs, such as Caribbean Community and Common Market (CARICOM), Central American Common Market (CACM), ASEAN Free Trade Agreements (AFTA), was motivated by political integration.

After 1995, there was a significant increase of the FTAs. There are 130 out of 250 FTAs notified to the GATT/WTO in 2002 that were established after 1995. (Sen, 2004 : 2) These FTAs marked the emergence of the second generation of FTAs. Their focuses were on setting preferential treatment for trade in goods such as custom unions and tariff reduction between the signatory members in RTAs.

RTAs give rise to FTAs according to a survey of the 215 RTAs covering trade in goods and services in force in October 2003. It shows that such RTAs give rise to some 2,317 bilateral preferential relationships.

(*Regional Trade Agreements Section Trade Policies Review Division WTO Secretariat, 2003*) These new FTAs are considered as the third generation. It is the present-day FTAs which cover a wider scope than tariff reduction. The new form of FTAs has been developed as “fast-track” agreements to facilitate and accelerate the trade liberalization agendas. Such FTAs are called “WTO+” as they cover comprehensive commitments in a higher degree than that in WTO and the early FTAs. The issues discussed in the negotiations include sensitive issues in WTO negotiations such as agriculture, intellectual property protection, trade in services, financial services, investment, temporary entry, telecommunication, government procurement, dispute settlement labor, and environment. Some FTAs impose the alternative dispute settlement procedures bypassing the WTO dispute settlement. The evolution of FTAs can be seen in Table 3.1.

Table 3.1 : Evolution of FTAs

FTAs	Implications
<ul style="list-style-type: none"> • First generation : - CARICOM - CACM -AFTA 	Political integration
<ul style="list-style-type: none"> • Second generation - NAFTA - G-3 - Andean Community - Mercosur 	Regional Economic Integration focuses on trade in goods by specifying preferential treatment such as rules of origin (ROOs), tariff reduction, custom unions.
<ul style="list-style-type: none"> • Third generation - Free Trade Agreements 	Comprehensive liberalization or WTO+

Leading proponents of FTAs have set the policy design in line with the comprehensive liberalization. For example, the US bilateral agreements are known to be comprehensive as its framework covers a wider scope than that of WTO commitments. As for the governing system, the US has also set a legal framework to facilitate FTAs. The US used Trade Promotion Authority Bill (TPA) granted by the Congress in 2002 to give the US Administration the “fast-track” authority to negotiate bilateral FTAs with other countries. Under

TPA 2002, the Office of the U.S. Trade Representative (USTR), a part of the Executive Office of the President, acts as the agent to develop and to coordinate international trade, commodity, as well as, to direct investment policy and to oversee negotiations with other countries. By law, USTR has to notify the Congress the trade frameworks with other countries and seek approval from Congress after 90-day period for consultations with Congress and the private before negotiations can actually commence. After negotiations are concluded, the Congress will receive notification on the results in order to either approve or reject the concluded texts. The congressional approval grants the President the authority to announce the success of bilateral agreements.

The US negotiating strategy is based on a concept of “competitive liberalization.” The Administration under President George W. Bush explains that this strategy is designed to push forward trade liberalization on multiple fronts: bilateral, regional, and multilateral, as well as, and to put pressure on other countries to negotiate in the WTO. (Fergusson, 2006)

3.1.3 Geopolitical aspect of FTAS

For the past five years, the new FTAs have opened up a new landscape in the dynamics of geopolitics and global economy. World’ political and economic powers – such as the US, China, India, and Japan, have shifted their strategy towards the bilateral FTAs in order to increase their economic and geopolitical influences.

Pascal Lamy, the WTO Director General, commented that the recent FTAs contain political or geopolitical considerations. "For developing countries negotiating with more powerful developed countries, there is usually the expectation of exclusive preferential benefits, as well as expectations of development assistance and other non-trade rewards. They are also viewed as an instrument to get ‘brownie points’ and gain an advantage over other WTO members" (Choudhury, 2007)

It is known that the US pursues FTAs purposely to expand its markets that were dramatically escalated after economic decline in 2002 and to deepen relations with its strategic alliance in Asia, the Middle East and Latin America after the events of September 11, 2001. In the report to the Congress in 2006, the US's criteria of choosing negotiating partners can be seen from the US partnership with Mexico in NAFTA which has "a geopolitical rationale to encourage stability in the U.S. neighbor to the south." Further, it explains that the FTA with Israel can be seen "as an affirmation of U.S. support for the Jewish state, while the FTA with Jordan can be seen as a reward for Jordan's cooperation in the Middle East peace process." (Fergusson, 2006)

Geographically, the Association of Southeast Asian Nations (ASEAN) has been one of the regional blocs that have attracted the economic and regional powers' in the FTA contest. Before the proliferation of FTAs, the only existing FTA in the region was ASEAN Free Trade Area (AFTA.) The dynamism can be seen through various initiatives towards deeper integration between ASEAN and the US, China, India, and Japan. Singapore was the first country in the ASEAN which entered the negotiation and concluded FTA with the US in order to break through from the post 1997 crisis. (Sen, 2004 : 3) Suthiphand Chirathivat (2005) notes that after the East Asian economic crisis in 1997-98, bilateral FTAs has become the policy option for members of ASEAN, such as Singapore, Thailand, Malaysia, and the Philippines, to engage in trade liberalization with regional partners. The FTAs are used as "fast track" mechanisms of the ASEAN+3 (Japan, Korea, and China) Framework.

On November 4th, 2002, ASEAN and China signed the Framework Agreement on ASEAN-China Comprehensive Economic Cooperation during the APEC Summit. It is the first agreement that China entered after joining the WTO. The ASEAN China Free Trade Area would be the world's largest with a combined market of nearly 1.8 billion people, a regional gross domestic product of US\$ 2 trillion and international trade worth \$1.2 trillion. ("Thaksin to discuss bilateral FTA with China", 2002) The agreement features "early

harvest” program which commits ASEAN and China to reduce tariffs within the span of three years.

Comprehensive Economic Co-operation between ASEAN and India was signed during the ASEAN-India Summit in Bali on October 2003. Rahul Sen (2004 : 56) states that India’s FTAs with individual ASEAN members are instrumental for the Cooperation. Since the end of cold war, the economic cooperation between ASEAN and India has increased in progress. India’s Look East policy formulated since 1991 aims to increase political and economic engagement with ASEAN. India and ASEAN have set institutional arrangement for cooperation in various multilateral and regional levels such as ASEAN Regional Forum (ARF), G-15 group of developing countries, Indian Ocean Rim Association for Regional Cooperation (IOR-ARC), Mekong-Ganga Cooperation (MGC), and Bangladesh, India, Myanmar, Sri Lanka, Thailand Economic Cooperation (BIMSTEC).

Japan has been negotiating with ASEAN under the framework of Japan-ASEAN Comprehensive Economic Partnership (Japan-ASEAN CEP.) The framework was also signed during in ASEAN Summit in Bali, on October 8th, 2003. Japan has engaged in Economic Partnership Agreements (EPAs) with Singapore, the Philippines, Malaysia, Thailand, Indonesia, and Vietnam. It is important to note that Japan uses the term “Economic Partnership Agreements” or “EPAs” instead of FTAs, on purpose, since the word “FTA” has become sensitive. EPA is used to avoid resistance from farmers and local trade protectionists. (Prasirtsuk, 2006)

The government of Japan announced in 2004 that the policy on EPAs would contribute to the development of Japan's foreign economic relations and the multilateral free trade system centering on the WTO by facilitating the process of structural reforms of Japan and its partners. EPAs are beneficial to Japan from the politically and diplomatically in fostering the establishment of an East Asian community.

Between ASEAN and the Closer Economic Relations (CER) of Australia and New Zealand, the AFTA-Closer Economic Partnership (CEP) was the first cross-regional engagement of ASEAN. The AFTA-CER CEP aims to expand the scope of relationship from political and security issues to a greater trade and investment flows between ASEAN and CER. The CEPs are comprehensive as they include cooperation in eliminating trade and non-tariff barriers, customs, capacity building, trade and investment promotion and facilitation, standards and conformity assessment, electronic commerce, and small and medium enterprises (SMEs).

3.1.4 Problems of FTAs

1) Conflict between bilateral and multilateral arrangement

There have been on-going debates on the effects of FTAs on the negotiations in the multilateral system. The central concern is whether FTAs would create trade diversion or the so-called "spaghetti bowl" effect or not, if the agreements are highly liberalizing and comprehensive. When there was a sign of acceleration of FTAs in 1995, Jagdish Bhagwati, a prominent economist, predicted in 1995 that "inconsistent, overlapping and partial agreements would be inefficient to negotiate and undermine multilateralism." Later, WTO is concerned that some FTAs have led to an ever-increasing number of criss-crossing and overlapping regimes, each with its own tariff liberalization schedules and distinct rules of origin scheme. (*Regional Trade Agreements Section Trade Policies Review Division WTO Secretariat, 2003*)

Another concern is that FTAs tend to contradict with the non-discrimination principle of the WTO. WTO Director General Pascal Lamy questioned the claim of FTAs proponents who view FTAs as the means to facilitate the negotiations in the multilateral liberalization, by saying "if so, why are so many countries ready to accept rules and disciplines at the bilateral level that they are not prepared to accept at the multilateral level?" (Choudhury, 2007)

KIM Hyun-chong, Minister for Trade of Republic of Korea (2005) argued that FTAs do not necessarily hold back multilateral trade liberalization as “the conclusion of the Uruguay Round took place around the time of the advent of the EU and NAFTA.” However, he agreed to the concern that FTAs could pose a significant challenge to WTO “because FTAs derogate from the most favoured nation (MFN) principle, the very foundation upon which the WTO system is based.” Sen (2004 : 6) viewed that such comprehensive FTAs could be the “testing ground or pilot project for exploring complex trade issues” that set benchmark for negotiations in regional and multilateral levels. WTO Secretariat suggests that it is the most important challenge, to seek ways to maximize their compatibility with the WTO while minimizing their negative effects. (*Regional Trade Agreements Section Trade Policies Review Division WTO Secretariat, 2003*)

2) Asymmetric Alignment between negotiating partners

It has become a growing concern that comprehensive FTAs will not give the developing countries 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. It is known that uneven development levels and economic structures between developed and developing countries, namely the North and the South, still exist and indicate their asymmetrical relations. The economic impact of RTAs and FTAs depends on the particular economic structure of the parties involved and the degree of liberalization undertaken, particularly with regard to sensitive sectors. Therefore, comprehensive rule-based regimes driven by the interests of developed countries simply put weaker countries in the unequal economic and political power relations.

In FTA negotiating process, asymmetric relation between developed and developing countries is more visible than it is in multilateral level. Negotiations on sensitive issues that were collapsed among 150 countries in WTO are easier to achieve in bilateral level as resistance from one or two negotiating parties is weaker than group pressure. Moreover, the dispute

settlement mechanisms in FTAs increasingly weaken the multilateral dispute settlement framework by narrowing weaker nation states to adhere to more sophisticated dispute settlement procedures

3) Shrinkage of Policy Space

Due to the asymmetric power relation, developing countries which are committed to international rule-based regimes, such as WTO and FTAs, have to trade-off between the benefits of the increased interdependence of national economies and the constraints posed by the loss of policy space at the national level. Nation states' roles in policy governance are reduced as the scope for domestic policies is framed by international disciplines, commitments and global market considerations. (*United Nations Conference on Trade and Development, 2004*)

It has occurred in many countries that, not only states lose the policy space, but the citizens in the countries have also lost their political space in FTA governance. According to activists, researchers and parliamentarians who gathered in the international workshop "Fighting FTAs" in September 2006, it has appeared in most cases that FTA negotiations that the content and procedures have been regarded as strictly confidential for only the trade negotiators and business sectors. (*Summary report, 2006*) The public and parliamentarians are prevented from access to substantial information on the countries' positions and impact assessment. Even, the WTO Secretariat is concerned about this issue as the existing WTO rules which require RTAs to be transparent and to provide for deep internal trade liberalization and neutrality. (*Regional Trade Agreements Section Trade Policies Review Division WTO Secretariat, 2003*)

One of the main reasons is because the policy governance of many FTAs is designed with limited space for people's participation and substantial 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. In consequence, the

people who were not informed, prepared, nor compensated by the states on the negative impacts of FTAs seem to be those who are hard hit. These conditions have cause people to face marginalization, grievances, dissent, and emergence of social movements against FTAs in the national and international levels.

3.1.5 Anti-FTA Movements

FTAs have become conflicting sites between subordinated governments and people's movements. Governments commonly seek to consult with business sectors rather than to involve the civil society or grass-root organizations in the decision making process.

Some FTAs such as Free Trade Area of the America (FTAA) have been seen as containing neo-colonial agenda and sparked concerted local struggles against them. Social movements across Latin and Central America, from Brazil, Argentina, Venezuela to Bolivia, have united to fight against FTAA as they view FTAA as the US imperialist strategy. Hugo Chavez, President of Venezuela proposed "Bolivarian Alternative for the Peoples of America" in May 2006 to challenge the US-model as an alternative people's trade agreement toward development with social justice in the framework of genuine fraternal Latin American and Caribbean integration'. In Asia, growing struggles to stop FTAs in South Korea, Thailand, and the Philippines resonate with historic struggles against exploitation and foreign occupation in the past.

The linkages between social movements across countries and issues are gaining strength as the people involved in the movements have known or come across each other through mass mobilization during WTO meetings, strategic forums, media, and internet channels. The more they share their experiences, the more they see the common patterns of FTAs or related trade liberalization arrangements, common grievances, as well as, common strategies and goals in their struggles.

3.2 Thailand's FTA Policy

The economic policy of Thailand has been "outward oriented" and depending on "export-oriented industrialization" for the past thirty years. Government's agenda on free-market liberalism has leaned towards the global economic agenda. It has been the tradition that policy is made through top-down approach from political polity to the highly-centralized bureaucratic agencies. The term, "bureaucratic polity", is used by Fred Riggs to describe the power of the bureaucracy over Thai politics since 1960s. (Connors, 2007 : 10) It is said to be a traditional "system of closed inputs lacking the institutional mechanisms of Western democracies" which explains the "inability of the Thai masses to form a counterweight to the bureaucracy. (Connors, 2007 : 11)

During the period of FTAs proliferation, the FTA policy has been carried out by two administrations, under the premiership of Pol.Lt. Dr. Thaksin Shinawatra during February 9th 2001 to September 19th 2006, and General Surayud Chulanont during October 2006 to present. Although the Thaksin's administration was strong and able to extend executive power to the bureaucracy, FTAs policy is still highly influenced by bureaucratic polity which believes that FTAs will bring an increase in market access in good and services from the reduction of trade barriers, as well as, and foreign direct investment. The bureaucratic polity sees that bilateral or regional trade arrangements are complementary to the multilateral trade goals towards free trade.

"Thaksinomics" is the dual-track policy which the Thaksin's government devised as a set of strategies "to drag Thailand out of 1997 economic crisis and to make a leap towards first-world status." (Phongpichit & Baker, 2004; 128) It was the driving force of Thaksin's administration which did not want to be missed out from the global trend. It quickly responded to shifting from multilateral to bilateral negotiations since 2002. The administration envisioned that FTAs would enhance economic growth by gaining more access to export markets.

On the side track of APEC negotiations in 2002, the Thai government started to informally negotiate FTAs with the US and the Early Harvest programs China, and India. From that point on, it led to the signing of FTAs between Thailand and China, India, Australia, New Zealand, Peru, and Japan.

In the government's Trade Policy Review 2003 report to the WTO, the Thai government stated its FTA policy as following:

“For Thailand, the multilateral trading system remains a priority. At the same time regional cooperation is seen as an important instrument in complementing one another's strengths and cushioning regional economies from external shocks. Thailand views free trade agreements as stepping stones towards free trade at the multilateral level as it allows gradual increase in market access for FTA partners, while granting domestic industries time to adjust and exposure to gradual increase in the level of competition.”

Pimchanok Vonkhorporn, Head of Bilateral Services Negotiations for Thailand, Ministry of Commerce, explained in a workshop organized by the European Commission on FTAs in 2005, the reason why Thailand had engaged in a number of FTA negotiations. She noted that Thailand was concerned on “the slowness of WTO negotiations, but also had strategic reasons for strengthening commercial links to key neighbours, securing export markets, inward investment and new technologies.” Somboon Siriprachai (2005 : 2) adds that Thailand wants to follow Singapore's footprints. He also comments that the government sees if Thailand does not jump on the band wagon of FTAs proliferation, it would have to bear the cost of non-participation.

3.2.1 Governing Bodies

There are several bureaucratic bodies that are responsible for FTAs. The Department of Trade Negotiations (DTN), Ministry of Commerce, is responsible for tasks related to international trade negotiations, both in multilateral and bilateral levels. Their main tasks are to propose the national positions and strategy for international trade negotiations, and to conduct international negotiations. Their tasks also include to study the economic policies of trading and impact of international trade negotiations on Thailand's interests, as well as, to publicize the information on Thailand's involvement in international trade negotiations. (Klandeema, 2007)

International Economic Policy Committee (IEPC) is the inter-ministerial committee set under the Cabinet Ruling dated December 26th, 2003, as a decision making body to set the national position, framework, and strategy on international economic policy, international trade negotiations, border trades, and export policy. It coordinates among the governmental and private sectors in order to pursue the policy design. IEPC is chaired by Prime Minister or the Deputy Prime Minister. The vice chair is the Minister of Commerce. The committee members include Minister of Finance, Minister of Foreign Affairs, Minister of Agriculture and Cooperatives, Minister of Industry, and the Secretary General of the National Economic and Social Development Board (NESDB). The Permanent Secretary of the Ministry of Commerce is the secretariat of the IEPC.

On January 21th, 2004, IEPC, chaired by the Deputy Prime Minister and Finance Minister Dr. Somkid Jatusripitak, assigned seven committees to be responsible of FTA negotiation with the US, China, Bahrain, Japan, Peru, Australia and New Zealand, and India and the BIMSTEC (Bangladesh, India, Myanmar, Sri Lanka, Thailand Economic Co-operation). ("One agency for trade deals," 2004) IEPC also assigned three working groups to draw up "roadmaps" to boost trade through FTAs comprised of representatives of government agencies and private sector bodies such as the NESDB, Board of

Trade of Thailand, the Federation of Thai Industries, Thai Banker's Association. ("Commerce ministry - Three work groups set up for FTAs," 2004) The re-structuring of IECF took place to set a more unified international trade negotiating positions as, before, there were several committees and agencies involved with FTA talks and there were no representatives from the private sector to provide inputs to the committees.

3.2.2 The criteria of Thailand's establishment of FTAs

DTN has specified the criteria of the Thailand's FTA initiatives as follows:

- 1) FTA should be comprehensive in scope covering trade liberalization in goods, services, and investment, as well as the elimination of non-tariff barriers and cooperation to facilitate trade and development.
- 2) FTA should be based on reciprocity by taking into account the distinct levels of economic development of each country, and flexibility, such as a longer liberalization period, should be granted to accommodate necessary adjustments.
- 3) FTA should be consistent with WTO rules and conditions, which indicate that FTA must cover substantially all the trade in goods and services between the FTA partners.
- 4) FTA should incorporate mechanisms to prevent/annul the negative effects on domestic industries, such as Anti-Dumping (AD) and Countervailing Duties (CVD) measures, Safeguards, and Dispute Settlement Mechanism (DSM)
- 5) FTA should be implemented timely which may involve "Early Harvest" negotiations and conclusions.

3.2.3 Thailand and major FTA initiatives

The major FTAs and related bilateral agreements that the Thai government has engaged in are as follow:

Table 3.2: Status of FTAs with Thailand's engagement

FTAs	Types of FTAs	Dates of Signatory	Implementation
Bahrain	EHS	Concluded in 2002 but postponed by Bahrain	---
China	EHS	Signed on June 16, 2003	October 1st, 2003
India	EHS	Signed on August 2004	September 2005
Australia	Comprehensive	Signed on July 5 th , 2004	January 2005
New Zealand	Comprehensive	Signed on April 19 th , 2005	July 2005
Peru	EHS	2005	---
Japan	EPA - Comprehensive	Signed on April 3 rd , 2007	November 1 st , 2007
US	Comprehensive	Signed Framework in 2004 but postponed by US	---

- **Thailand-China Early Harvest Scheme under Thailand-China Free Trade Agreement and ASEAN-China Free Trade Agreement**

After China has entered the WTO, Thai government has seen China as an important trading partner and competitor for foreign direct investment and export markets, particularly in the areas of agriculture, computer hardware, and textiles. Despite of the ASEAN-China Free Trade Agreement (ACFTA), Thaksin's administration actively proposed a separate Thailand-China FTA under the early-harvest program that has set to eliminate tariffs on 200 fruit and vegetable products to 0 percent. The early-harvest program, contained in Article 6 of the Framework Agreement, allows the Parties to agree to implement an early harvest program for trade in goods in order to accelerate the implementation of the Agreement.

The Thailand-China early-harvest program was initiated during the former Prime Minister Thaksin Shinawatra's visit to China during February

18-19, 2003. The trade deal was signed on June 16, 2003. The implementation has started since October 2003. The early-harvest program is part of the Framework Agreement on ASEAN-China Comprehensive Economic Cooperation which has been set to established ACFTA in 2010. It incorporates the issues of trade in goods, trade in services, investment, and cooperation.

- **India-Thailand Early Harvest Scheme under Framework Agreement for Establishing Free Trade Area between the Republic of India and the Kingdom of Thailand**

Under the Comprehensive Economic Co-operation between ASEAN and India, Thailand and India signed the Framework Agreement for Establishing Free Trade Area between the Republic of India and the Kingdom of Thailand on October 9th, 2003. The Early-Harvest Scheme was signed and implemented in August 2004. It has led to the tariff reduction regime of in 82 products, mostly electronic components and auto parts. The official implementation of Thai-India FTA starts in September 2005. The negotiations have been carried out by the India-Thailand Trade Negotiating Committee (TNC) and Working Group. The two governments have envisioned a full free trade regime in 2010.

- **Thailand-Australia FTA (TAFTA)**

Thailand and Australia concluded negotiations on the Australia-Thailand Closer Economic Relations Free Trade Agreement (TAFTA) in October 2003, signed on July 5th, 2004 and came in to force on January 1st, 2005. The negotiation was first launched in August 2002 after the completion of a joint feasibility study on Thailand-Australia FTA. It is Thailand's first comprehensive FTA and first with a developed country, while it is the Australia's third FTA.

Under the Agreement, the tariff barriers will be eliminated by 2010, with the exception of some textiles and clothing imports from Thailand which do not achieve free trade status until 2015. Thailand's tariff reduction occurs

over a longer period as tariffs on Australian imports are not completely eliminated until 2025.

- **Thailand-New Zealand FTA (TNZCEPA)**

The Thailand-New Zealand Closer Economic Partnership agreement (TNZCEPA) was signed on April 19th, 2005 and implemented on 1 July 2005. It was initiated by the two leaders, Prime Minister Helen Clark and former Prime Minister Thaksin Shinawatra during the APEC Summit during October 17-21, 2003. The negotiation framework was based on the Australia-Thailand FTA framework.

- **Thailand-US FTA (TUFTA)**

The former Prime Minister Thaksin Shinawatra proposed the idea of Thailand-US FTA during his US visit in November 2001. During the 2002 APEC Summit in Los Cabos, Mexico, Trade and Investment Framework Agreement between the United States and the Kingdom of Thailand (TIFA) was signed. In following year, President George W. Bush and former Prime Minister Thaksin Shinawatra announced the intention to negotiate FTA on October 19th, 2003 and to enter negotiations in 2004. The negotiation team has divided into twenty two groups based on the issues. At the present, the official negotiation rounds have been halted. But, the talks on issues are still on-going.

- **Japan-Thailand Economic Partnership Agreement (JTEPA)**

Japan-Thailand Economic Partnership Agreement (JTEPA) was signed in Tokyo on 3 April 3rd, 2007 by the Thai Prime Minister General Surayud Chulanont who leads the interim Government after September 19 coup in 2006 and Japanese Prime Minister of Japan, Shinzo Abe. It is hoped to come into force in November 2007.

The initiative was again proposed by the former Prime Minister Thaksin Shinawatra during the visit to Japan in November 2001. At the Boao Forum for Asia in Hainan Province of China in April 2002, the former Prime Ministers of Thailand and Japan, Thaksin Shinawatra and Junichiro Koizumi, agreed to set up the Working Group on Japan-Thailand Economic Partnership (JTEP) to propose the framework for bilateral FTA by referring to Japan-Singapore for a New-Age Economic Partnership Agreement (JSEPA).

3.2.4 Problems with the Policy Governance and Implementation

Thailand has encountered a number of major problems while undertaking FTAs. In Thailand Development Research Institute (TDRI)'s research report on "Check and Balanced Mechanisms on the Executive Power in FTA Negotiations", it is suggested that the problems lie not only on the lack of basic economic and social data necessary for the negotiations, "the crucial problem is bad governance—the intransparency and the secrecy of the FTA process, and inadequate opportunities for the public and their representatives to cooperate with the administrators during the process." The report concludes that "overall, this problem can be called the anti-democracy of the FTA process." (Iammayura, 2006)

Since the beginning of the policy implementation, there has been criticism of Thailand's FTA policy among wide-ranging groups of academics, activists, farmers, lawyers, human and consumers' rights advocates, members of Parliament, state agencies, members of independent organization established under the 1997 Constitution, non-governmental organizations (NGOs), as well as, some people in business sector.

The concerns and criticisms reflect the problems that TDRI and several reports have mentioned on these following areas:

1) Lack of transparency

The question on transparency has emerged due to the confidentiality of the text or drafts that contains the positions of Thailand and the negotiating parties. The Thai public has not been clearly informed on the positive and negative impacts of FTAs, as well as, the criteria of choosing negotiating partners. There has been a little disclosure of the national positions, issues, and content of the negotiations to the public, even to the members of Parliament.

Before the signing of TAFTA, Kraisak Choonhavan, former senator and former chair of the Senate Committee on Foreign Affairs, revealed that “the Committee has been trying to ask for details of FTAs which the Government is negotiating with other countries, but we have not received cooperation from the Government. The officials claim that the details are regard as “confidential”. It is absurd because the Australian Government has revealed the framework agreement to the public. So, their people can prepare for adjustments and be aware of the benefits.” (FTA WATCH, 2004) Later, the draft text agreement was placed on the DTN's website after cabinet endorsement of the negotiation's conclusion. Jacques-chai Chomthongdi, a member of FTA WATCH, commented that “not only that the Government does not disclose the information, it made no attempts to consult with the public at large, nor translate the text in Thai language for people in each sector to study it.” (WTO WATCH, 2006 : 47) The secretive manners in negotiation procedures have become the most controversial issues regarding the negotiation process of FTAs.

2) Lack of preparedness on thorough impact assessment

Critics question if the decision making and negotiation process are based on information from thorough assessment on sectoral impact. The studies on FTAs that were available mostly gave a positive picture FTAs as their emphases were limited on tax reduction and the opening of trade markets. But, there were no research studies on the costs and impacts on sensitive sectors such as agriculture, intellectual property, environment and

labor protection. Research in these areas will help the government to set strategy and framework in negotiating process. (Sithi-amorn, 2005) were limited on tax reduction and the opening of trade markets.

During the seminar “Who Wins, Who Loses in Japan-Thailand FTA?” organized by East Asian Studies Center, Ramkhamhaeng University on September 13th, 2006, Dr. Vilawan Mangklatanakul admitted that “we had been working on JTEPA since 2002 silently. Our mission was to negotiate for the best interests of “Thailand”. But, what does “Thailand” signify? It was beyond the knowledge and authority of small officials to define. Firstly, we did not what exactly we wanted from JTTEPA. It was difficult because we sat on the negotiating table with the partner who knew exactly which sector they wanted to benefit and who was weak and strong in their society.”

3) Lack of adequate adjustment plans

Critics questioned the government on the lack of prior preparation on budget compensation, support mechanism, or adjustment measures for the sectors which will lose out from the impact of FTASs.

It has occurred in the case of the Thai-China early-harvest program that Thai farmers in the North and Northeastern regions who grew garlic and red onion cannot compete with the low-priced produce imported from China. Teerapong Chatwattananajorn, a farmer who grew garlic in Chiang Mai, voiced out that farmers were facing difficulty from the influx of imported garlic from China which were cheaper than the Thai-grown garlic. He said the Government did not warn them before hands and the government would help the farmers on the condition that farmers would have to substitute to other crops, not orange, garlic, onion, lychee, and longan.(Thai Action on Globalization, 2005) There are still problems with the Farmers’ Aid Committee (FAC) as the study “The FAC’s Formula for Solving the Problem of Low Commodity Prices” pointed out that FAC’s aid comes slowly because of the bureaucratic protocol and benefits the middlemen. (FTA WATCH, 2005)

4) Acceleration of FTA negotiations

The accelerated process, from the proposal to enter negotiations with the partner to the attempt to reach conclusion, also raise concerns. Kiat Sithi-amorn, former chair of the International Chamber of Commerce in Thailand and former member of Parliament notes that it is most dangerous for negotiators to pressure themselves with limited timeframe and work on too many FTAs at the same time.” (Sithi-amorn, 2005) The issues include in the negotiations are sensitive to the interest of the Thai people, the government should facilitate better coordination between governmental agencies and prepare adjustment plans prior to enter negotiations.(Pongmakapat, 2005)

5) Lack of participation

The critique on public participation has pointed on the lack of participation in many levels.

Government made attempts to inform and to consult with a few interest groups, such as the Federation of Thai Industries and the Thai Chamber of Commerce. Pimchanok Vonkhorporn, Head of Bilateral Services Negotiations for Thailand, Ministry of Commerce admitted that the decision-making was done in top-down approach and “guidance was given only occasionally and implementation and adjustment programs were crucial.” She was quoted as saying that the drawbacks to Thailand’s FTA negotiations were that “consultation with business was comprehensive, but the general public had little interest to participate in the process.”

However, it is often seen that the critics, academics, and sectoral groups voice out the demand that the government should include the people who will be affected by the policy. Jacques-chai Chomthongdi sees that “constructive debates are necessary in the policy process. But, it still does not exist because of the previous and the present Governments still keep the draft in secret.”(“International dumping ground?,” 2007)

Critics argue with the Government that the Parliament should be involved in the policy process and the framework or draft of negotiation contents should be made available for Parliamentary scrutiny and approval. They often refer to the 1997 Thai Constitution, Section 224, paragraph two that:

“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.”

However, the Government and Thailand’s negotiation teams denied the argument of FTA opponents on the involvement of the parliament as FTAs does not cause *“a change in the Thai territories or the jurisdiction of the State.”* However, Nitya Pibulsonggram, the former chief negotiator for the Thailand-US Free Trade Agreement (TUFTA), stated in his speech during meeting with the American Chamber of Commerce in Thailand on May 25, 2005, that *“this comprehensiveness also implies that Thailand will have to make monumental changes and adjustments in various sectors, be it the regulatory system, the legal system, and the way of doing business in general.”* The former Prime Minister Thaksin Shinawatra responded to the criticism by saying *“even though the government did not inform Parliament in advance or have Parliament scrutinize these deals, we have been very discreet in negotiating and concluding the agreements.”* (PM flouts Parliament over FTAs, 2006: 1A)

3.2.5 Impacts of FTAs

DTN reports the overall outcomes of the implementation of FTAs have been reported by DTN as follows:

- 1) Trade with the trading partners mostly has increased higher than the establishment of FTAs

- 2) Products, such as mangosteen, longan, peeled durian that were not aimed for export purpose, can now be exported.
- 3) Export has expanded in the products of canned food, rice, rubber, rubber products, auto parts, electronic parts, electronics products.
- 4) Tariff reduction has lead to structural adjustment in some sectors such as livestock and dairy products
- 5) The increase in investment and trade in services in Thailand by Australian investors. Australian investors requested for Board of Investment (BOI)'s incentives from 551.2 million baht in 2004 to 907.9 million baht in 2005.

3.2.6 Grievances and potentially negative implications of FTAs on Thailand

1) Thailand-China Early Harvest Program

As the FTA came into force on October 2003, the tariffs on fruit (item 08 in the Harmonized System) and vegetable produces (item 07 in the Harmonized System) were eliminated to 0 percent.

According to the studies on impact of Thai-China Early Harvest Program conducted by the Senate Committee on Economics, Commerce, and Industry and FTA WATCH, it is proved that there are two major groups suffered from the acceleration of FTA policy implementation. They are the Thai produce exporters and secondly and the fruit and vegetable farmers in Thailand.

The exporters face problems both in Thailand and China due to the lack o preparedness of the authority to inform them and the lack of access to information on the China's import-export procedures. In Thailand, the exporters have to obtain export permits and have their produce inspected on sanitation. As the procedures are complicated, expensive, and time consuming, the fresh produce cannot remain fresh enough to export.

As for China, the difficulties in exporting fresh produce to China were due to the local manner in China and different administrative system of each province. Importers must obtain import permits and hygiene certificates which can take more than one week to thirty days to process. The regulations in China require imported produce must be traded by Chinese distribution companies or companies with all shares held by Chinese nationals. The export route to China is expensive and time consuming as there is only one direct cargo ship from Thailand to Guangzhou. Otherwise, exporters have to send their produce via Hong Kong which is much more expensive and time consuming due to the quarantine measures. Chinese authority uses strict hygiene standards and blacklist importers whose produce do not meet the standards. When the produce reaches to provinces, each province collects separate value-added tax by 13-17 percent. Chinese importers repackage produce from Vietnam, specifying that the goods are from Thailand and enjoy duty free benefits from FTA.

Small-scale farmers are in the second group which has suffered from the influx of the imported produce from China. For less than one year of FTA implementation, the Thai import value from China increased 142 percent and it was mostly from fruit produce, such as apples, pears, grapes, and oranges, according to the Office of Agriculture Economics, Customs Department. (FTA WATCH, 2005) (FTA WATCH, 2005 : 86-87) For vegetables, there is a major increase of fresh produce, mostly garlic, red onions, and temperate crops from Yunnan Province to Thailand.

During June 10-11, 2004, the Senate Committee on Foreign Affairs of Thailand called on discussions with farmers, the local authorities, local NGOs - Northern Development Foundation, FTA WATCH, and the researchers from the Royal Project Foundation on the impact of cheaply priced imported produce from China on local produce.

From the field study, it found that farmers' produce could not compete with the cheaply priced imported produce from China. A study by Chiang Mai

University lecturer, Aree Wiboonpong, revealed that the price of locally grown garlic had slumped 69 percent in the last quarter of 2003, while garlic imports from China jumped 87 per cent. The farmers' initial investment capital to grow garlic was 20,000 THB per Rai. The selling price for fresh garlic is 7 THB per kilogram and 20 THB per kilogram for dried garlic. However the price gradually dropped down in 2004 as the selling price is 17–18 THB per kilogram, compared to the price of 30–35 THB per kilogram during previous year in June 2003. While, the Chinese imported garlic is sold for 11–12 THB per kilogram.

In result, it caused 40 percent or 50,000 farming households in vulnerable situation as the Government did not have efficient mechanisms in coordinating with China's internal trade regulation nor adequate adjustment program for the Thai farmers. The Thai Ministry of Agriculture and Cooperatives (MoAC) offered an adjustment program in 2003 to promote the reduction of planting areas of crops that cannot be competed with the ones from China. MoAC offered farmers 1,500 THB per Rai for farmers who substitute from garlic to other crops with the conditions that the new substituting crops have to be in the non-competitive in the markets. The procedure to compensate was also complicated as farmers had to verify agreements between farmers and distributors that guaranteed the new crops would be sold in order to receive the compensation money.

Other crops that were competing with the Chinese crops are temperate crops grown in the Northern provinces of Thailand. Nibhond Chaimongkol, an academic who conducted research for various Royal Projects, presented the statistics below in Table 3.3. The temperate crops from China are similar to the crops grown in the Northern part of Thailand under the support of the Royal Project Foundation. But, the price of Chinese imported crops is much lower than the crops grown in Thailand.

Table 3.3: Comparison of vegetable prices

No.	Items	Average Price (BHT/Kg)	Supported Price* (BHT/Kg)
1	Broccoli	11.67	40.95
2	Green pea	11.85	53.45
3	Spinach	8.63	34.77
4	Sweet pea	10.82	57.02
5	Celery	10.51	25.13
6	Lettuce	9.07	16.22
7	Cabbage	4.38	4.83
8	Chinese kale	12.26	60.00

* Notes: Supported price is the price which the Royal Project Foundation gives to farmers.

Nibhond Chaimongkol also commented that there were no serious inspection measures of imported produce from China to Thailand, but the use of test kit. Compared to the inspection in China on Thai produce, it was unfair. He added that if the un-inspected produce entered Thailand for transit to other countries and found defected, it could be claimed that the produce was from Thailand.

From the proceeding information, it shows that the Government's acceleration to conclude FTA with China was lack of information on China's procedures and regulations, lack of coordination among Thai government agencies to prepare for trade facilitation and compensation, and lack of non-tariff measures to protect local market before and after the FTA.

2) Thai-Australia and Thai-New Zealand FTA

The policy implementation on TAFTA is one of the cases which the internal restructuring is not made in time with the accelerated liberalization. The accelerated and intransparency process of the Thai-Australia and Thai-New Zealand FTA caused an immediate uproar from the local dairy farmers, another group of small-scaled farmers in Thailand. As tariffs reduction scheme in the FTAs include dairy and milk products, the products from Australia and New Zealand which would be imported to with lower tariff barriers Thailand.

Australia and New Zealand are the world's most competitive dairy producers. Even the US negotiators withdrew dairy products and sugar in the last minutes of their talks on the US-Australia FTA.

The dairy farmers called for the withdrawal of dairy and milk products from the negotiation. The Thai trade negotiators claimed that they put dairy and milk products on a sensitive product list. The tariff will be reduced gradually and eliminated by 2025. But, the dairy farmers argued that the livelihood of around 150,000 dairy farmers are still being put under threat even though tariffs would drop to zero after 15 to 20 years. (Hongthong, 2004) Adul Vangtal, president of the dairy farmers association, who was sending petitions to Australian Ambassador and the Thai Government, said dairy farming is one of the country's fastest-growing industries, generating revenue of about 8.76 billion baht each year. He insisted that losing dairy farming would affect the co-operative system and economic sustainability. ("Dairy farmers to petition King," 2004) In the letter to the Australian ambassador, Adul stated that "dairy farmers would not recognize the FTA because its negotiations lacked transparency and a proper democratic process." (Hongthong, 2004)

Karun Kittisataporn, permanent secretary of the Commerce Ministry, argued on the issue during the meeting organized by the Senate Committee on Foreign Affairs. He said raw milk was currently in short supply, with imports of skimmed powdered milk at around 70,000 tonnes per year would help meet production of 700,000 tonnes of ready-to-drink milk. He claimed that Thai people's demand on milk consumption had reached 1.2 million tonnes per year and the local dairy industry could only produce 500,000-600,000 tonnes per year. He said that in this case he would not discuss on the nutritional value as he saw it was not an issue. (Senate Committee on Foreign Affairs, 2004)

However, the dairy farmers did not succeed in forcing the Government to remove meat and dairy products out of the Thailand-Australia Free Trade Area (TAFTA) and FTA with New Zealand. They decided to co-operate wit

DTN to work on adjustment program and compensation. ("Dairy farmers make U-turn on FTA plan," 2004)

In November 2006, the dairy farmer association issued a statement to request the Government to increase the standard price of raw milk from 12.50 THB to 14.50 THB due to the decline of economic situation. They also requested the Government to increase tariff on imported powdered milk under FTA quota by 12 percent and 20 percent for the non-fat powdered milk. They also demanded that the collected tariff be transferred to development fund for local dairy industry. Lastly, they proposed the Government to set measures requiring dairy products processors to indicate on the package the amount of the raw products, whether it contained 100-percent fresh milk or imported powdered milk. The Government responded by allocating of 27-million-baht loan to the farmers.

3) Thailand-US FTA

Thailand-US FTA (TUFTA) is considered as the most controversial FTA. The geopolitical agenda appears to be the priority of the US' choice in entering negotiation with Thailand. In October 2003, the Thailand-US FTA was substantiated, at the same time, when President Bush designated Thailand as a "major non-NATO ally". The US views Thailand as "a long-time American ally in Asia" since the Cold war era. It was stated in the Congressional Research Service Report that the US-Thai relationship has been further strengthened since Thailand sent troops to join the US-led operations in "war on terrorism" after September 11, 2001 attacks and committed to fight terrorism in Southeast Asia. The Report also pointed out that "the current logistical facilities in Thailand could become more important to U.S. strategy in the region in the context of the Pentagon's transformation and realignment initiatives."(Chanlett-Avery, 2005)

On January 25, 2006, the US Ambassador to Thailand, Ralph L. Boyce reaffirmed the significance of TUFTA at the American Chamber of Commerce

meeting in Bangkok that TUFTA was a “hope of maintaining and building on the achievements of the past.” He stressed that “institutional arrangements” that the two countries have benefited through their economic relationship are “outmoded.” In this case, he was referring to the 1966 Treaty of Amity and Economic Relations which the US businesses already enjoy equal treatment to Thai firms in many sectors of the economy, with a few exceptions. These existing privileges will be greatly expanded and transformed into TUFTA.

The comprehensive US bilateral framework has posed particular concern as it covers sensitive areas and expands the scope of liberalization wider than that of WTO. On intellectual property rights (IPR) issue, the US attempts to push for patents on life forms and for longer patent protection which cover more than WTO’s Agreement on Trade-Related aspects of Intellectual Property rights (TRIPS). It appears in the US FTAs with many countries, such as Singapore, Jordan, and Morocco, resulting in a TRIPS-Plus effect.(EL-SAID, 2005)

The WTO’s TRIPS Agreement laid down minimum international standards for IPR protection. According to TRIPS Agreement, Article 27(3)(b), the TRIPS allows member countries to exempt and exclude plant and animal patents from their national patent laws. TRIPS-Plus effect may relate to extending certain periods of protection beyond the requirements of the TRIPS and forgoing certain benefits related to the enjoyment of transition periods by certain countries. The period of IPR protection in the US FTAs provide longer copyrights protection to be seventy years, extending from TRIPS Agreement which proposed that protection should be the life of the author plus fifty years. TRIPS-Plus arrangement has obliged countries to join a other international agreements on intellectual property rights under World Intellectual Property Organization (WIPO), the International Convention for the Protection of New Varieties of Plants (UPOV Convention) and the Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks of 1999. Other US FTAs have also extended the 20 year patent term by a further 5 years and limited the circumstances for issuing compulsory licensing which authorize

private or state use of patents without the consent of patent holders and prevent the revocation of patents on public interest grounds.

Thai health care experts, academics, consumer rights activists, people living with HIV/AIDS, farmers, experts on biological resources and traditional knowledge have expressed grave concern on the TRIPS-Plus provisions. The impact from the strict protection would limit the people's access to medicines, protection of generic resources, farmers' rights and traditional knowledge. They are aware that it would lead to a stronger monopoly and higher prices on drugs which will further prevent of patients and people living with HIV/AIDS in Thailand' access on cheap generic drugs.

The US states its high priority on "bringing Thailand's intellectual property regime up to the standards set in other recent FTAs that United States has negotiated..." in the USTR' Letter of Notification for TUFTA negotiation on February 12, 2004. On this notion, Dr. Jakkrit Kuanpoth, of Sukhothai Thammathirat Open University's School of Law argues that TUFTA would restrict even narrow policy options available to the Thai Government under the WTO's TRIPs.

On agriculture, farmers and NGOs question on the notion of the market access of Thai agricultural products into the US market. He said only a small part of the agricultural sector would benefit, but farmers whose crops can't compete with their US counterparts would lose out. Agricultural and environmental organizations have also expressed concern that, on the other hand, genetically modified (GMO) products would flood into Thai market if the FTA is signed.

In addition, the opening up of investment, trade and services sectors would also affect local operators who are likely to lose out as they are unable to compete with foreign investors. When it comes to vital services like water, electricity, healthcare environment, and education, the trade agreement might result in higher costs and less access to these services by some sectors of the public.

4) Japan-Thailand FTA

For Japan-Thailand FTA (JTEPA), the crucial points of concern are on public health services, intellectual property rights, and toxic waste dumping. Critics claim that the impact of JTEPA is far-reaching on the environment, biological resources, farmers, patients, small businesses and the majority consumers of health services. ("Statement: FTA Watch and Allies Reject JTEPA," 2007)

Under the JTEPA, Thailand agrees to cut import tariffs from 1% to zero% for slag, ash and residues from the incineration of municipal waste. Meanwhile tariffs on waste from chemical and related industries, now 5%, will be eliminated over three years after the pact comes into effect. ("International dumping ground?," 2007) Critics view these provisions would allow an unprecedented import of hazardous waste, including pharmaceutical waste and waste oils containing PCBs items into Thailand.

Another sensitive provision is regarding IPR issue on micro-organisms, Visut Baimai, director of the Biodiversity Research and Training Programme, said Thailand would lose an opportunity to study micro-organisms as JTEPA would allow Japanese researchers to register a microbiology patent while Thailand would not be able to register the micro-organisms because it still had no system to do so. With Thailand's tropical climate, Thailand has greater biodiversity than temperate Japan. Micro-organisms are used in the food, environment, medical and small-scale farming industries. The opponents said Japan would benefit from Thailand's micro-organism variety by developing them for use in many businesses and the nation's micro-organism assets would immediately belong to Japan once their patent registrations were approved. Khao-Kwan Foundation chairman Day-cha Siripatra said the country would lose several hundred billion baht a year if the government allowed Japan to patent micro-organisms, because Thailand relied

on Effective Micro-organism (EM) imports from Japan to support many industries and solve the environment problem. (Pratruangkai, 2007)

Critics from several organizations including members of the National Legislative Assembly (NLA) urged the government to be careful about the impact, saying the two issues were only samples of what were once overlooked by the officials involved in the negotiations. They called for the Government to disclose the text as they believe that there were “issues hidden in the pact.” (“Toxic waste, patent concerns eased,” 2007)

Criticism on JTEPA is also high on the legitimacy of the Government and the NLA who approved the agreement because they have been appointed by the Council for National Security (CNS) who led the coup on September 19, 2006. Jaroen Compeerapap, vice president for Intellectual Property Rights and Traditional Knowledge at Silpakorn University, argued that “the government should limit itself to conducting general administration duties that do not affect or commit Thailand to a profound agreement.”(Ashayagachat, 2007)

3.3 Establishment of FTA WATCH

During the period when the Government of Thailand started to sign some FTAs and enter negotiations in late 2002, the political space of Thai people was shrunk as the government was in a powerful and popular status. But, the check-and-balance mechanisms, media and civil society organizations were undermined by the government. (Phongpaichit, 2004 : 171) Thaksin’s Thai Rak Thai Party (TRT)’s rising control over the administrative and the legislative power, with the majority seats in the House of Representatives, goes hands in hands with the weakening of the 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.

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

Academics, NGOs, and grass-root networks who have been following the issues related to WTO Agreements and negotiations were alarmed and aware that Thailand's policy shift to engage in bilateral agreements. From their knowledge and point of view, FTAs would lead to negative impact on Thai people's interests. The groups began to meet each other more often in academic forums and meetings organized by research institutions and Senate Committee on Foreign Affairs as FTAs had become proliferated in 2003. The groups and their allies demanded for the policy to be reassessed, transparency, and accountable to the Section 244, paragraph two in the 1997 Constitution which requires the Parliament's approval on international treaties. The Government officials consistently denied to disclose the text or positions within the negotiations. Some FTAs were signed and started to negotiate unofficially during the APEC Summit in Bangkok during October 2003.

The government seemed to lack of sufficient information in decision making on FTA policy and relied on the belief in greater market access. They often backed up their argument by referring to TDRI's research findings, a speculation of Thailand's benefits from tariff reduction, based on the details of Singapore-US FTA. The groups saw an urgent need to use each organizational knowledge and capacity to propose different points of view on potentially negative impacts of FTAs on Thailand's sensitive sectors. Each group worked under their organizational and personal capacity to monitor, to criticize, and to propose policy recommendations. They studied the early impact of the Thailand-China EHS which started to show some negative effects on Thai-grown vegetable and fruits after the implementation on October 2003.

Before WTO's Cancun Ministerial Meeting in 2003, the Project Policy Strategy on Tropical Resource Base, National Human Rights Commission

(NHRC), in coordination with other people's organizations, organized a meeting where NGOs, grass-root networks and academics worked closely together in drafting the alternative proposal to the Thai government on WTO negotiations in Cancun. They urged the Government to revive the trade negotiations in the multilateral level. The proposal was handed to the Ministry of Commerce. It contained the key common positions on WTO and FTA policy that the groups endorsed as their main positions to communicate to the public through the media and seminars organized by their network organizations such as NHRC and Senate Committees.

Buntoon Srethsirote, director of Project Policy Strategy on Tropical Resource Base, National Human Rights Commission, explained in the interview on November 7th, 2006, that as the groups met more frequently to update each other on the progress of WTO and FTA negotiations, they saw the need to form an ad-hoc monitoring network with a clear mission and agenda, relevant to the issues related to FTAs. They decided to form a network that closely monitors the transition of negotiations from multilateral to bilateral platforms, explained Mr. Srethsirote. The idea was developed into a formation of FTA WATCH on October 11, 2003.

FTA WATCH is a social movement organization (SMO) that acts as the focal unit in the social movement actions against FTA policy governance in Thailand. As discussed in the theoretical perspective, FTA WATCH can be seen as a group of "collectivity acting with some degree of organization and continuity outside of institutional channels for the purpose of promoting or resisting change in the group, society, or world order." The group is comprised of interrelated groups of people that collectively monitor FTA issues and mobilize resources in order to making changes in the policy governance. Their change-oriented goal is to influence changes in FTA policy governance both in Thailand and to reflect the unjust of the asymmetric FTAs in the international arena. They have used both institutional and non-institutional means to put pressure on Governments and influence changes in the policy. Up to this point, they have worked on the drafting of Constitution to bind any

trade and investment agreements to be approved by the Parliament and a specific law on international agreement.

FTA WATCH members see themselves as a “loose network, a campaign, a watchdog” as they introduced themselves in Fighting FTAs: The international Strategy Workshop held in 2006. The members have accumulated their knowledge on TRIPS and trade related issues for more twenty years. They are members of NGOs, grass-root organizations, people living with HIV/AIDS, academics working on IPR related issues such as biodiversity genetic resources, drug access, health care, consumer rights, and environment.

“The group’s initial resources are the knowledge and the body of work which they have been accumulating from their personal and organizational capacity,” explained Kingkorn Narintharakul Na Ayuthya, former member of Thai Action on Globalisation and Northern Development Foundation who now joined OXFAM Thailand Team, in the interview on February 2nd 2006.

The combination of strategies is generated from the coordinated actions by the members with different backgrounds and specialization. The members’ knowledge and expertise on the issues related to WTO Doha Round, as well as, their roles and experiences in the fields of research, networking, advocacy and media relation significantly contribute to the movement’s strengths and expand the channels of power.

3.4 Movement’s Objectives

The movement states the objective on their website www.ftawatch.org as “to make the decision-making process of the policy on free trade agreements based on people’s participation.” In their view, “any agreements should not make a country become a colony of others or to serve the benefits

of some corporations, but agreements should cater the benefits of the majority of the people.”

FTA WATCH also stresses that their movement is not meant to fail the Government’s process in establishing free trade agreements, but they intend to take the academic role in communicating with stakeholders such as the Parliament, media, and the civil society.”

During “Fighting FTAs: The International Strategy Workshop”, FTA WATCH presented that their movement’s objectives are as follow:

1. Stop the FTA
2. Stop Privatization
3. Build a Just Economy
4. Mobilize the grass-roots networks

3.5 Movement’s Structure

3.5.1 Organization and Network Alliance

FTA WATCH coalition is considered as a decentralized social movement organization. It is comprised of the organizations that make up the collective group, but each of them still maintains a separate identity and importance. The organizational characteristics and movement dynamics can be looked through the actors’ relationship and movement’s interaction with the institutional polity.

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

Also, there is a group of academics members who are actively engaged in the movement by essentially contributing their expertise and resources.

1. Assistant Professor Sumlee Jaidee, Drug Study Group
2. Associate Professor Dr. Jakkrit Kuanpoth
3. Jaroen Compeerapap, vice president for Intellectual Property Rights and Traditional Knowledge at Silpakorn University
4. Associate Professor Dr. Jiraporn Limpananont, Social Pharmacy Research Unit Faculty of Pharmaceutical Sciences, Chulalongkorn University, Thailand
5. Associate Professor Dr. Surichai Wan'gao Center for Social Development Study, Faculty of Political Science, Chulalongkorn University and member of NLA during 2006 to present
6. Associate Professor Dr. Suthy Prasartset Faculty of Economics, Chulalongkorn University, Thailand
7. Jon Ungpakorn, former senator, executive member of NGO-COD, and AIDS Access Foundation
8. Associate Professor Dr. VithayaI Kulsomboon, Faculty of Pharmaceutical Sciences, Chulalongkorn University, Thailand

3.5.2 Actors within the Movement's Operation

In the operation of FTA WATCH, the interaction occurs among these three main groups of actors.

1) Adherents

The members of FTA WATCH coalition are the “adherents” who engage in collective activities at the core of the movement by sharing key values, common positions and objectives. They are the “agent of change”.

2) Constituencies

FTA WATCH's “constituencies” are “targets of mobilization” which refer to network organizations or individuals whom FTA WATCH build their capacity and mobilize for their supports. The constituencies' interests are represented in the movement.

3) Antagonists

The “antagonists”, in this case, refer to the actors that are in the oppositional stance with the movement's adherents and constituents. They are the “target of change” which includes FTA institutional arrangement, decision and attitude of government officials, as well as, the negotiation teams from other countries. These targets are what FTA WATCH undertakes their actions upon. In reciprocal, the antagonists usually take “counter-movement” actions to halt or neutralize the goals and the activities of the movement.

The followings are the identification and examination of the actors within the movement's operation

1) Adherents

The FTA WATCH members can collectively work together in coalition since the beginning because of the already built relationship as friends and colleagues, as well as, the commonly shared goal, and accumulated knowledge on the issues. Some members and organizations work

on overlapping issues such as intellectual property protection (IP) which covers a wide range of sectors including health care, access on drug, patent on plant genetics and traditional knowledge.

From an interview on February 2nd 2006, Kingkorn Narintharakul Na Ayuthya explained the relationship between the members that some of them had been working together previously as NGOs and grass-root networks work under the umbrella of NGO-COD. The Thai NGO-COD has been developed over the past two decades as an umbrella of civil society organizations in four regions of Thailand. They represent a network of political intellectuals, urban middle class and grass roots who embrace the anti-globalization and people's participation ideologies. She noted that NGOs and some academics had only met randomly in academic forums and Senate Committee's meetings. Each member and organization also has their own constituencies and network allies which have become FTA WATCH's constituencies as well.

Focus on the Global South (FGS) Thai Agricultural Alternative (TAA), Rural Reconstruction Alumni and Friends Association (RRAFA), Northern Development Foundation (NDF), Thai Action on Globalisation (TAG), Campaign for Alternative Industry Network (CAIN) and BIO THAI are groups of information-based movement organizations that have worked together on issues related to globalization, trade, agriculture, environment, and sustainable development.

Saree Aongsomwang has been the Director of Foundation for Consumers (FC) since 1989 and Executive Secretary of the Confederation of Consumer Organizations in Thailand (CCOT), as well as, and Council Member of Consumers International (CI). She is a consumer education professional and advocator, specialized in consumer protection, public health and human rights. FC and CCOT have worked with Assistant Professor Sumlee Jaidee of Drug Study Group (DSG) and Associate Professor Dr. Jiraporn Limpananont, researchers, on TRIPS and issues related to IP protection, consumer rights protection, health care and access to drug. In 1998,

DSG, FC, and CCOT were among the network which scrutinized the corruption on drug procurement in Ministry of Public Health and won the case in the Administrative Court.

On the issue of health care system, IPR and access to medicine, FC, CCOT, DSG, also work with Medecins Sans Frontieres – Belgium, Thailand (MSF), Network of People Living with HIV/AIDS (TNP+), Thai NGOs Coalition on AIDS (TNCA), and AIDS Access Foundation. TNP+ has a strong-based and well-developed, capacity-building structure that reach out to seven sub-regions all over the country. There are comprised of 908 groups with the total members of 80,000 people. (Network of People Living with HIV/AIDS, 2006)

Kannikar Kijtiwatchakul, a media campaigner of MSF who used to work with RRAFA and TAG, is also an experienced journalist who hosts a week-day radio program, writes articles in magazines and books. Her skills in journalism and knowledge on the FTA issues have contributed greatly to the media and communication work of FTA WATCH.

The Project Policy Strategy on Tropical Resource Base (PPSTRB), National Human Rights Commission (NHRC)'s mission is to conduct studies and to extract knowledge on Thailand's biodiversity, traditional knowledge, and to promote community rights. Jakkrit Kuanpoth, the former director of the Project and Buntoon Srethsirrote, the present director, are academics who have extensively worked on legal and policy issues on IPR, natural resource management, agriculture, and environment. The Project has bridged close connections with Witoon Lianchamroon, the director of BIOTHAI as they work on common issues such as IPR, biological resources, traditional knowledge, and community rights. On environmental issues, PPSTRB also works with the Campaign for Alternative Industry Network (CAIN) on research projects of GSEI.

Kamol Kamoltrakul is a researcher and columnist who worked with Forum Asia, a human rights advocacy organization, on the study of WTO and

the neo-liberal order's impact on human rights. He joined the network occasionally in the beginning of the formation of FTA WATCH to contribute some input.

Buntoon Srethsirote revealed that the work of FTA WATCH did not require much of the members' extra effort. He expressed that it did not affect their day-to-day work as FTA WATCH's mission compliments with the work of each organization. Moreover, he felt that working under FTA WATCH coalition had given the members significant opportunity to share their knowledge about FTAs and develop well-rounded perspectives in formulating their strategies.

2) Network and allies

As the members of FTA WATCH also hold positions in organizations that perform check-and-balance duties on the government, their roles in these organizations are significant to the resource mobilizing process of the movement. By working within these organizations, FTA WATCH members have influenced the agenda setting of these organizations. These organizations are considered as "constituencies" and "network allies." They include local and international organizations that share the same concerns with FTA WATCH and collaborated with FTA WATCH in some strategic actions.

The organizations listed below are the key organizations that act as FTA WATCH's main channels, resource contributors, and consistently adhere to the movement.

- **Organizations established under 1997 Constitution**

The 1997 Constitution of The Kingdom of Thailand has been regarded as "People's Constitution" as it involved people from a wide-ranging sectors in the society to participate in the process from the beginning. The Constitution guaranteed the notion of human dignity and all basic rights in Chapter III, as well as, the concept of people's participation in the country's

development and decision-making process in Chapter V. The Constitution also chartered a number of independent organizations that hold the check-and-balance duties on the Government's policy. There is criticism on Thaksin's administration that "it sought the neutralization of the independent bodies." (Connors, 2007 : 257) However, FTA WATCH have made use of these mechanisms by getting involved with the organizations.

i. National Human Rights Commission (NHRC)

NHRC was established under Section 199 and 200 of the 1997 Constitution as a mechanism to guarantee the respect for human rights as stipulated therein. By NHRC Act of 1999, the eleven Commissioners are selected by the Senate from a short list of twenty-two candidates with extensive human rights experience, gender balance and pluralistic background. Commission chairman, Professor Saneh Chamarik is a well respected intellectual who deems the importance of human rights on the access to management and preservation of the locally rich tropical resources.

Buntoon Srethsirote works with NHRC on his capacity as the director of PPSTRB partially supported by NHRC. During the FTA proliferation, he worked closely with Professor Saneh Chamarik, the Chair of NHRC who understands the implications of FTAs on the rights to development, livelihoods, and access to tropical resource base. NHRC started to add the issues of FTAs on their agenda and set up Ad Hoc Sub-committee to Review and Examine the Establishment of the Thailand-United States Free Trade Area with Respect to Agriculture, Environment and Intellectual Property, Ad-Hoc Sub-committee to Review and Examine the Establishment of the Thailand-United States Free Trade Area with Respect to Services and Investment. Buntoon Srethsirote contributes his knowledge, informational resource, and research skills to these Ad-Hoc and Sub-committees.

ii National Economic and Social Advisory Council (NESAC)

NESAC was chartered under Section 89 of the 1997 Constitution and the NESAC Act of 2000 (with its 2nd Amendment of 2004). NESAC is comprised of ninety-nine councilors who are self-selected among the representatives of diverse sectors such as economic and social, and natural resources sectors. The councilors work as an independent body with the tasks to provide advice and recommendation on social and economic problems to the Cabinet. It is written by law that the national development plans, and other plans as required by law, shall seek NESAC's opinions before their adoption.

In 2005, Witoon Lianchamroon, the director of BIOTHA I was selected to be one of NESAC members in the natural resource sector. He has brought the issues regarding FTAs and biological resources into the NESAC top agenda. Witoon Lianchamroon initiated that NESAC should consider the issues related to FTAs and convinced NESAC to adopt the issues in the agenda.

- **Legislators: Parliamentary Committees, members of National Assembly, and 2007 Constitutional drafters**

i. Senate Committees during 2000- 2006

The Senate, under Chapter VI, part 3 of the 1997 Constitution, was elected by the people through a nation-wide election. Besides the duties in legal amendment and selection of members in independent organizations, members of the Senate worked through Standing Committees in wide-ranging areas to look at the legal issues and to monitor, and to inspect the Government's policy in respective areas.

Senate Committee on Foreign Affairs during the period of 2000-2006 was chaired by Kraisaak Choonhavan, the former senator of Nakhon Rachsrira province. The Committee's agenda covered monitoring of foreign policy and global situations that affect the interest of Thai people in socio-political,

economic, and cultural aspects. The Committee also set agenda on fostering people-to-people relations among international parliamentarians and civil society organizations.

In 2002, Buntoon Srethsirote and Witoon Lianchamroon were invited by the Senate Committee on Foreign Affairs to be members of the sub-committee to study the impact jasmine rice patented by American rice breeder. Later, the Senate Committee on Foreign Affairs appointed Buntoon Srethsirote as the advisor to the Committee. By holding the position, Buntoon Srethsirote had contributed to the work and knowledge of the Senate Committee on IPR, WTO, and FTA issues.

Senate Committee on Social Development and Human Security was set up in 2004 to monitor the government's policies related to social and human security. The Committee was chaired by Niran Pitakwachara, the former senator of Ubon Rachthani province. Jon Ungpakorn, the former senator of Bangkok, executive member of NGO-COD and AIDS Access Foundation, was also a member of the Committee. The Committee worked closely with the Senate Committee on Foreign Affairs on FTA issues.

iii. Members of National Legislative Assembly (NLA) appointed in 2006

After the coup in September 19, 2006, the Government has been controlled by an interim government. The Council for National Security (CNS) has appointed bureaucrats, politicians, academics, members of the press, interest groups, and activists as members of National Legislative Assembly (NLA) to undertake the tasks of legislative body. NLA also set up Committees to monitor areas of policy which are similar to the Parliamentary Committees in the Senate and House of Representatives.

Associate Professor Dr. Surichai Wan'gaeo, one of the academic advisors to FTA WATCH, has been appointed as one of the NLA and the secretary of NLA's Committee on People's Participation. He invited Buntoon

Srethsirote to be one of the members of the Committee's Sub-Committee on People's Network and Communication to the Society.

iv. Legal experts and constitutional drafters (2007)

FTA WATCH members work with legal experts to seek for experts' view points on the discourse on the Constitution, court cases, laws related to each issue. Some of them are Jade Donovanik, dean of the law faculty at Siam University, Komsan Bhokong, a law lecturer of Sukhothai Thammathirat Open University, who used to work with some FTA WATCH members on other capacity.

In 2006, FTA WATCH has worked with some experts on the drafting of international agreement law which they prepare to propose to the legislative bodies and the public.

After the coup, CNS nullified the 1997 Constitution and installed the 2006 Interim Constitution. It led to appointment of National People's Assembly of Thailand which had to select 100 members of Constitution Drafting Commission (CDC) to draft the 2007 Constitution. Through the Royal decree dated December 1st 2006, CDC were appointed and consisted of 100 members to sit in the Constitution Drafting Assembly. Among them are Charan Phakdithanakul, Komsan Bhokong, and former senators Chirmsak Pinthong who has worked with some FTA WATCH members on other capacity.

- **Academic Institutions and Research Projects**

- i. Good Governance for Social Development and the Environment Institute (GSEI)**

Buntoon Srethsirote holds another role as one of the members and the secretary of the Good Governance for Social Development and Environment Institute (GSEI) Foundation's Board. He works in coordination with Dr.

Suthawan Sathirathai, the Foundation's chair. GSEI also conducted research projects related to FTAs such as the Environmental Review for the Preparedness for the Thai-US FTA Negotiation and Environmental Review for the Thai-US Free Trade Agreement Negotiation Preparedness Case Study: Services Sector related to Natural Resources and Environment.

ii. WTO WATCH

WTO WATCH is a research project supported by Thailand Research Fund's Project. The project is directed by Rungsan Thanapornphun, an academic and lecturer of the Faculty of Economics, Thammasart University, who has been following the global shift from WTO to FTAs.

iii. Center for Social Development Study, Faculty of Political Science, Chulalongkorn University

Associate Professor Dr. Surichai Wan'gaeo, director of the Center for Social Development Study, Faculty of Political Science, Chulalongkorn University, has been one of the adherents in the movement since the beginning. During February 9-10th 2004, FTA WATCH and the Center co-organized FTA WATCH's first international strategic workshop "Free Trade Agreement (FTA): Analysis on Its Effects" They have gained knowledge and expanded their network with international NGOs such as GRAIN and bilaterals.org that have led to further collaboration.

iv. Knowledge Management on Environment and Trade: Studies of Non-Tariff Barriers" (NTBs Project) and Multilateral Environment Agreement Intelligence Unit (MEAs WATCH)

As an academic, Buntoon Srethsirote uses another capacity as the director of research projects supported by Thailand Research Fund (TRF) on Knowledge Management Unit on Non-tariff Barriers (NTBs) in 2006 and Multilateral Environment Agreement Intelligence Unit (MEAs WATCH) in 2007. The projects aim to monitor trade-related environment issues and

agreements, to extract knowledge from multi-stake holders for public knowledge, and to propose policy recommendations to the responsible organizations.

- **Grass-root Organizations and local NGOs**

Grass-root organizations such as Assembly of the Poor (AOP), labor unions, Slum Dwellers, Farmer's Debt Moratorium Network, Friends of the People (FOP), and Dairy Farmers Association are important strategic allies of FTA WATCH, especially during the mass mobilized protests. Thai Coalition for the Protection of Human Rights Defenders (HRD-TH) was supportive in liaising the submission of FTA WATCH's "Thailand's Free Trade Agreements and Human Rights Obligations" to the 84th Session of the UN Human Rights Committee in Geneva.

Labor unions from various industries are considered as potential constituents of the FTA WATCH's movement. The Foundation for Consumers (FC), Confederation of Consumer Organization of Thailand (CCOT) has made linkage with some state enterprise unions during their campaign against privatization of the Electricity Generating Authority of Thailand (EGAT). The groups won the case in the Supreme Administrative Court that the attempt to privatize of EGAT was illegal on March 23th, 2006.

- **Media**

Members of the press, journalists from both mainstream and alternative media, have contributed significantly to FTA WATCH's movement in relaying the movement's discourse through the public and government agencies. Alternative media such as websites of FTA WATCH and alternative news agencies play a big role in distribution channels of the movement's discourse.

Some veteran journalists such as Achara Ashyagachat, from Bangkok Post and Pennapa Hongthong from The Nation, who have been following the

FTA issues, contributed their expertise to the movement. During protests, seminars or press conferences, she often asks straight-to-the-point questions to both government officials and FTA WATCH members which help guiding the audience or other journalists who are new to the issue to get the important points on the circumstances.

FTA WATCH's relation with alternative media is also important. Prachadhrama News Network (PNN), an independent news organization has worked closely with NGO-CORD and NDF to create more space for alternative media within mainstream media outlets.

People's Channel is an NGO that works as an independent media production unit. It works closely with BIOTHAI and FTA WATCH to document their actions onto various media formats and distribute the content through various outputs such as internet and VCDs.

- **International Allies**

- i. **NGOs**

FTA WATCH has also worked with international NGOs such as Consumers International (CI), OXFAM, Action Aids, GRAIN, and Bilaterals.org as strategic partners. Aziz Choudry, a researcher, writer and activist, who has extensively worked on issues GATT/WTO, APEC, and FTAs, collectively set up a website with other allies, www.bilaterals.org, to disseminate information and updates on global bilateral and regional FTAs.

GRAIN is an international NGO which promotes the sustainable management of agricultural biodiversity based on people's control over genetic resources and local knowledge. GRAIN was instrumental in the organization of the "Fighting FTAs: The international Strategy Workshop" in Bangkok in 2006.

Also, Camila Montecinos, GRAIN's regional programme officer in Chile, was invited by FTA WATCH to speak in a seminar in 2004 to share her

knowledge and experience of the Chile-US FTA to the Thai partners and the Senate Committee on Foreign Affairs. Renée Vellvé, GRAIN's coordinator in Philippines has been a key resource person to FTA WATCH on FTA issues in other countries.

During July 27-29th 2006, FTA WATCH together with bilaterals.org, GRAIN and Medecins Sans Frontières organized "Fighting FTAs: An international strategy workshop" in Bangkok which contributed to the strength and coordination between social movement organizations from all over the world.

ii. UN-Affiliated Bodies

The office of United Nations Development Programme (UNDP) in Thailand has focused their mission on capacity building of local organizations in promoting good governance, accountability, transparency, and the right to information, it recognized that FTA policy has implications on governance and human development issues. From 2005 to 2007, UNDP has supported seminars related to FTA issues which involved members of FTA WATCH through their network organizations.

- Other mass mobilization

i. People Alliance for Democracy (PAD)

People Alliance for Democracy (PAD) is a coalition of protesters against former Prime Minister Thaksin Shinawatra set up in 2005. FTA WATCH decided to join the protest against Thailand's former Prime Minister Thaksin Shinawatra, organized by People Alliance for Democracy (PAD) in 2006. As they become involved, they raised the topic of ins transparency negotiations and the negative implications of FTAs. The large crowd in the protest and constituents of PAD who received the message through PAD's media outputs; cable TV, website, and newspapers have become constituents

of anti-FTA movement. In PAD's publication, Yam Fao Paan Din, it featured in-depth information on FTA issues which came from FTA WATCH's contribution and influence.

3) Antagonists

- **Political and bureaucratic polities**

Since FTA WATCH's target of change is the institutional arrangement of FTA policy: the policy design, policy content, and legal mechanisms related to the policy such as the Constitution, FTA WATCH's antagonists can be referred to the Thai Governments, negotiation teams and the bureaucratic polity which undertake the decision making and implementation of the policy. They include Cabinet members, Thai negotiators for FTAs, from DTN – Thai negotiators for TAFTA, Thai negotiators for TUFTA, JTEPA Office, the Ministry of Foreign Affairs, as well as, USTR – the US negotiation team.

Some government officials express negative attitude towards FTA WATCH. For example, Karun Kittisatporn, Permanent Secretary of Ministry of Commerce, was quoted saying "the resistant movement are created by two groups. The first group are those who really affected by FTAs, which we will try to discuss with and make them understand the FTA policy. Another group is the people who understand FTA policy, but try not to understand it. This latter group has some hidden agenda as they are trying to take the argument into the wrong way" ("Permanent Secretary of MOC couldn't hold it ปลัดพาณิชย์ เบรกแตก FTA ไทย-ออสซี่ จวกพวกต่อต้านหลับหูหลับตาค้านแทรก," 2004)

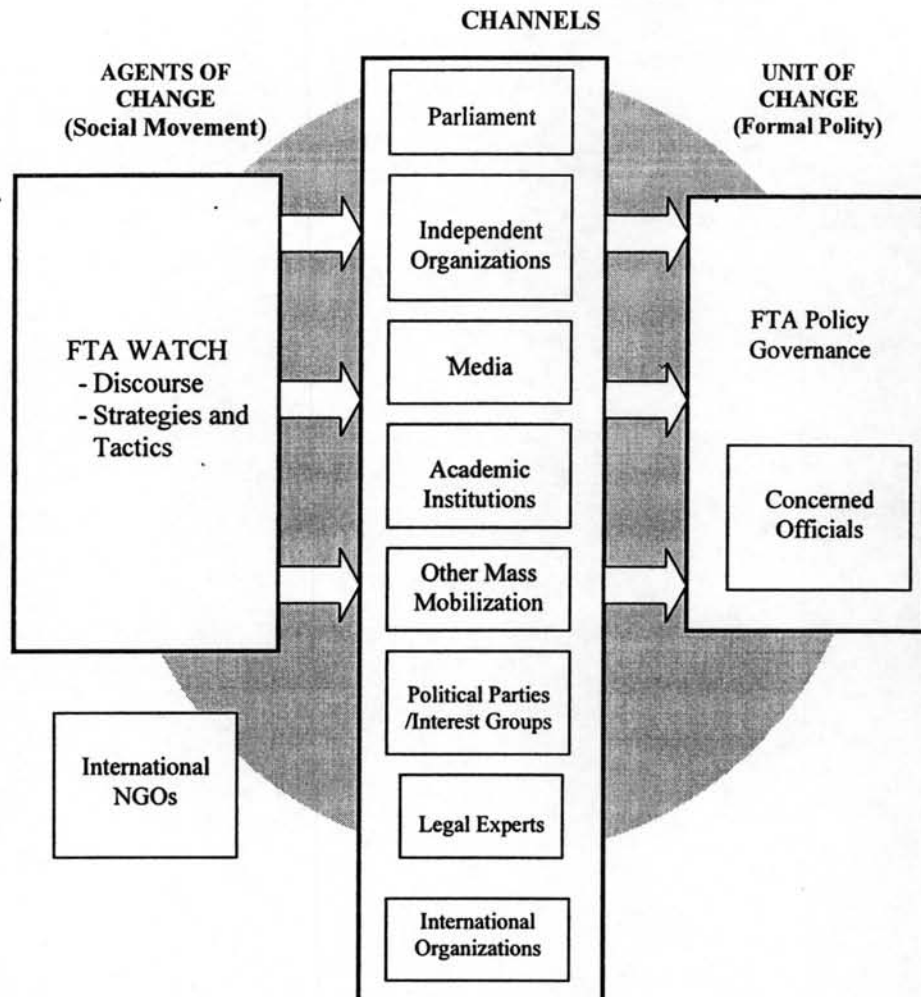
- **Some individuals and academics**

The Thailand Development Research Institute (TDRI) is a non-profit, non-governmental foundation that conducts policy research study and disseminates results to the public and private sectors. TDRI has aligned itself as a research institution that can work with various organizations. On FTA

issues, TDRI has conducted research commissioned by proponents of FTAs such as “A Study on the Impacts of Thailand-US Free Trade Agreement” in 2003 commissioned by Thailand-US Business Council, American Chamber of Commerce, and US-ASEAN Business Council, as well as, the “Preliminary Assessment on JTEPA” commissioned by JTEPA Office, Ministry of Foreign Affairs. Most of the TDRI’s research on the pro’s and con’s of FTAs are based on Global Trade Analysis Project (GTAP) methodology or quantitative analysis that is often used for international economic policy issues, especially trade policy. In 2006, TDRI also commissioned a research Dr. Sömkiat Tangkitvanich, the Director for Information Economy, Science and Technology Development Program of TDRI supports the finding of TDRI’s research on the macroeconomic gain of TUFTA.

The following Figure 3.1 identifies the actors involved within the movement’s contextual operation.

Figure 3.1 : Actors within the FTA WATCH's Movement Operation



3.6 Conclusion

This chapter provides the background and contextual setting of the problem in the policy governance of FTAs which have given rise to FTA WATCH. The phenomenal shift of trade negotiation manner from multilateral to bilateral levels and the comprehensive provisions of bilateral FTAs have caused serious plight of people in many countries, especially in developing countries.

It can be seen that the problem of the institutional arrangement of FTAs are set by the neo-liberal agenda. FTAs reflect the asymmetrically held knowledge and development levels in the playing field between the developed

and developing economies. The governing models, legal institutions, and ideologies of the developed strongly presented in the FTA framework lock developing countries into even further political and economic dependency on the developed world. As globalization process has already created has already marginalized people in many parts of the world and posed economic deprivation, environmental degradation, and personal insecurity. The more FTAs or rule-based economic integration are implemented in acceleration and non-transparency manner, the wider and stronger manifestations of societal and individual frustration, anger, resentment, and fear will lead to emergence of resistance at the national and global levels.

At a national level, the governing polity needs to manage their internal affairs which people can benefit from globalization and be protected from its negative effects. It is necessary for developing countries to preserve the policy space in the global political and economic orders in order to secure the national and people's interests. But, the common problems in the developing countries like Thailand lie in the governance model which political and bureaucratic polities often excludes people's participation in the policy process. Moreover, the application of good governance and the check-and-balance mechanisms in the political polity are ineffective. Such problems add more complexity and resistance to the policy and its governance.

The emergence of FTA WATCH is a local citizens' reaction to policy. The coalition is comprised of interrelated individuals and organizations which share the same objectives and perspectives. They work together to resist the policy on free trade agreements which is the not based on principles of transparency, accountability, participation, and human rights. They work as a social movement to integrate people-centered and rights-based model into policy governance. The process which FTA WATCH undertakes to influence changes and the levels of changes made in the policy governance is examined in Chapter IV.