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THAILAND AND GLOBALIZATION

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Thailand has been open to global political and economic forces for more than a century. This article investigates the implications of such openness for domestic politics and policy. It argues that while Thailand has often been responsive to external forces, globalization has not generated a predictable set of pressures. In the 19th century and in the wake of Thailand's currency crisis of 1997, the demands of integration in the world economy prompted attempts at rationalizing and strengthening state structures, as well as curtailing some types of government policy. In the decade prior to 1997, in contrast, Thai policymakers and commentators interpreted globalization as a force impelling more consistently deregulatory policies, particularly in the financial sector. This policy shift, was a critical factor behind Thailand's financial crisis. Each episode suggests that the role played by structural economic forces in bringing about change was minor. Capital mobility can raise the costs of some policies, particularly attempts at an independent monetary policy, but the direction of policy change is determined less by such objective constraints than by the preferences and agency of political actors.

Introduction

For over a decade, globalization has been the subject of lively political contestation in Thailand. The debate between "globalizers" and "localists" (as the Thai press has identified the two camps) involves figures from government, academia, research institutes, politics, private business, and nongovernmental organizations (NGOs). Thailand's monarch, King Bhumipon Adulyadet, entered this discursive arena at the end of 1997, giving new legitimacy to the localist side of the debate. The pro-globalization forces, however, continued to dominate Thailand's public policy. While there is fierce disagreement about the costs and benefits of globalization, neither globalizers nor localists question the idea that globalization is real and consequential, constituting a powerful constraint on national policies. The Thai debate thus stands in curious juxtaposition to academic studies of economic openness, which reveal a great deal of contestation over propositions taken as axiomatic by both critics and advocates of globalization in Thailand.

This article explores the politics of globalization as it has been interpreted in Thai public discourses and the political economy of globalization as a contested causal factor behind changes in national policy and political authority. Because of its longstanding integration into the world economy, the Thai case can add perspective to debates about globalization that are often focused exclusively on late 20th-century manifestations of the dynamic between external forces and domestic change. How appropriate it is to base conclusions about globalization on the Thai case depends on one's position in the academic debate over it. The most trenchant rejection of many globalization theories tends to be based on studies of the developed countries of the North, which in general are less economically open and more politically able to define the terms of their openness than small developing countries.[1] Thailand is a developing country with fairly unexceptional political and institutional attributes. Given its extremely high level of structural integration in both global and regional economies, Thailand should be an easy case for "hyperglobalists" and "transformationalists," who see globalization as having a significant impact on policy and political structure, but a difficult case for "skeptics."[2]

The study begins by identifying some of the competing claims about globalization that have surfaced in academic work over the last decade. Globalization is considered here, as it is in Thailand, primarily in terms of economic openness and capital mobility. The next sections illustrate the dynamic interaction between global forces and Thai responses in different time periods, focusing first on the years leading up to Thailand's currency crisis in 1997 and then on the aftermath of the crisis. The principal conclusion drawn from this study is that global forces have been deeply consequential for Thailand's political, economic, and institutional development, but have not been consistent or determinative. Domestic actors and institutions have always had pivotal roles in interpreting and mediating external pressures, and have at times influenced the degree to which Thailand has been structurally vulnerable to such pressures.

Globalization: Competing Claims

Globalization is considered here mostly in terms of its economic manifestations and political underpinnings. This focus is suggested by the need to distinguish different trends if one is interested in assessing their consequences for state policy and political authority. As Michael Mann has argued, trends such as ecological interdependence, cultural globalization, and economic internationalization may all be global, but on the issue of how they affect government, some plausibly weaken government authority and state structures, others plausibly strengthen them.[3] A focus on economic globalization and its domestic implications is also in line with the dominant usage of the term in Thailand.

There is virtually no scholarly consensus as to the implications of economic globalization. Opinion ranges from extreme formulations about the redundancy of states as political actors, to theories about how globalization may reconstitute state authority, or that globalization does not have significant effects on traditional state powers. These approaches all assess globalization in terms of its degree and effects, and have been categorized as "hyperglobalist," "transformationalist," and "skeptical," respectively.[4] In Thailand, globalization has entered the national lexicon as a *leitmotif* in debates over equity, political reform, and economic policy. The word stands as code for hugely powerful external forces that either cannot be resisted or, because so powerful, must be resisted. In the years before the

1997 crisis, the Thai debate was almost exclusively focused on competing views within the "hyperglobalist" school—those who were critical, in normative terms, about the implications of globalization for stability and equity, and those who were optimistic. Since the crisis, a perceived need to rebuild government institutions resonates with some "transformationalist" claims, but to a very limited extent; the kind of reform that is projected is congruent with maintaining territorial, national governments as the primary sources of political authority.

As to why globalization should have particular effects, two lines of reasoning are apparent. First, globalization may alter the costs and benefits of particular policies in a structural sense. The constraints capital mobility imposes on monetary policy exemplify this potential. If capital is mobile, governments face a trade-off between national monetary policy autonomy and exchange rate stability. As Thailand's recent experience attests, refusal to concede this trade-off will be costly and ultimately infeasible.[5] Less determinate but no less commonly cited are the incentives globalization creates for conforming to "market forces," which may "systematically constrain" government policy by rewarding some types of policy and punishing others.[6] However, predictions as to which policy mix is rewarded, or sanctioned, by the world economy depend on the analyst's beliefs about the inherent dynamics (and failures) of markets, governments, and politics.[7]

Secondly, globalization may affect policy, politics, and even political institutions in a more proximate way—that is, through the changes it brings about in the power and preferences of domestic actors. For example, economic integration may mean that industries that formerly agitated for protection now lobby for free trade; the internationalization of finance may change preferences on financial regulation or macroeconomic policy. The power of different sectors or groups may also change with globalization as their weight in the economy shifts and as changing mobility affects their political voice.[8] While well theorized, there remains significant indeterminacy when such models are tested empirically, or when assumptions about what motivates political actors are relaxed.

Thailand and Globalization Until 1997

A Nineteenth-Century Prelude?

A Thai intellectual argued in 1993 that "there has never been a time when Thai society was not globalizing."[9] Not only have conventional measures of economic openness been high; adjustment to external forces has been a recurrent theme of the polity's history. Thus the recent pronouncement by the World Bank's chief economist that open economies are inherently vulnerable, "like small rowboats on a wild and open sea," captures something of a Thai reality that pre-dates the 1990s.[10] Even before the colonial powers began to press their demands in the middle of the 19th century, the Bangkok state founded in 1782 was ethnically plural, possibly predisposing modern Thailand toward cosmopolitanism.[11] More overtly significant in the post-financial crisis Thailand of the late 1990s is the memory of Siam's forced opening to foreign commerce, symbolized by the Bowring Treaty imposed on Bangkok by the British in 1855. With the treaty came foreign commercial access to Siam's resources, an end to royal levies on external trade, and the establishment of European banks and trading houses in Bangkok. It also ceded extraterritorial judicial rights to foreign powers and, by no means coincidentally, ushered in a new wave of immigration from China. By the end of the 19th century, the marketization of the Thai economy was virtually complete and its sensitivity to world market prices affected—albeit in very different ways—the lives of peasantry, laborers, aristocrats, and foreign expatriates.[12]

This 19th century "globalization" was accompanied by efforts at state-building in Siam—the centralization of political authority, the demarcation of territorial boundaries, and the development of bureaucratic structures—as in the colonized parts of Southeast Asia. The need to develop alternative revenue sources to replace the previous reliance on royal trade levies was a factor prompting the Bangkok monarchs to create a modern Ministry of Finance. The need to provide infrastructural support for commercial activity was another reason for the development of bureaucratic state structures. Meeting the demands of foreign traders and consuls in an effort to stave off outright colonization thus involved considerable state development as well as concessions, in the form of territory and privileges, to foreigners. Siam's internal reforms were not only prompted by outside pressures but were carried out with the direct involvement of foreigners; the ubiquitous foreign consultant in today's Bangkok has his counterparts in the hundreds of foreign advisers, technicians, and administrators employed by King Chulalongkorn in the late 19th and early 20th centuries.[13]

Boom Years

Postwar Thailand experienced two distinct periods of high growth, both intimately connected with the country's place in international political and economic structures. The first postwar boom came as a result of the global cold war coming to Asia and America's war in Indochina, from which Thailand profited as a result of military spending, direct aid, and access to the U.S. market. As in the late 19th century, this period of growth, foreign involvement, and openness was associated with large-scale state-led development of physical infrastructure and the development of state structures themselves.[14] The second boom occurred from the late 1980s until the financial crash of 1997. The high growth of this period was fueled by massive inflows of foreign capital, as first Japanese and then other Asian firms restructured their export and production strategies in response to the yen's revaluation in the mid-1980s, rising costs at home, and pressure from the United States.

It was in this era that globalization discourses gained prominence in Thailand, taking the place of the modernization mantras that had characterized the early postwar decades. The Thai term for globalization, *lokanuwat*, became a buzzword, a neologism coined at the end of the 1980s with the meaning of "turning with the world." The word, Pasuk and Baker write, "quickly became a catch-phrase, a fad. It became a routine part of everything, from the titles of seminars to the patter of television comedians." The word itself generated a certain amount of controversy, as the Royal Institute of Thailand argued that the term *lokanuwat* be replaced with *lokapiwat*, "extending across the world." This, Pasuk and Baker note, suggests that for many Thais globalization was conceived of as an opportunity. But it was a politically contested opportunity. According to Craig Reynolds, Thai writers took advantage of "the *lokanuwat* currency by exploiting the word's resonances with similar-sounding coinages"—with meanings such as "global catastrophe," "greed," and "unbridled consumerism."[15]

Indeed, a significant counter current to Thailand's headlong embrace of rapid growth, financial liberalization, and urbanization coalesced around the term globalization. The content of normal political debate and NGO activism in a newly democratic country—poverty and distribution, environmental degradation, and social values—was cast in terms of conflict between "globalizers" and "communitarians," to use the words of Thai academic and writer, Kasian Tejapira. Neither camp was unified. The globalizers included newly emergent commercial interests as well as the long-established, oligopolistic Bangkok business families, both with an eye to foreign opportunities and the benefits foreign capital brought to the local stock market.[16] Also in this camp were Thailand's technocrats, mostly economics-trained civil servants in the finance ministry, central bank, and planning agency. On the other side of the debate, the opponents of globalization included former Marxist radicals, advocates of "community culture" worried about equity and local control, conservative nationalists concerned about Thai culture, and Buddhist monks concerned with the survival of spiritual values under an onslaught of materialism. In one sense these critical voices were raised against the externalities of rapid growth, rather than anything specifically related to economic internationalization. However, they phrased their arguments in terms of globalization, the two phenomena taken to be indistinguishable in the Thai context.

While conceived of primarily in terms of economic integration and market-driven change, the globalization debate brought to light concerns over the copying of foreign models that echoed cultural debates at start of the century. Both elements, as Craig Reynolds argues, underlined fears about damage to Thai social institutions and the erosion of autonomy. In the 1990s, globalization was associated with the undermining of Thai cultural standards; in the 1910s, the mood was symbolized by a monograph titled *The Cult of Imitation*, written by the Thai monarch shortly after territorial losses to France and England.[17]

In the most recent boom, actors identified with the globalist agenda were dominant in policy terms, largely able to implement their agenda of liberalization and internationalization. They may, as Pasuk and Baker argue, have been unable to manage the consequences of the forces they unleashed; but their opponents on the localist or communitarian side of the debate were almost completely marginal.[18] While some developments, such as the yen revaluation and changing Asian production strategies, owed little to the actions of Thai policy-makers, other aspects of Thailand's integration with world markets at this time were a direct product of national initiatives. Perhaps most significant—and, in view of later events, most costly—were Thailand's financial policies. The story is worth telling in some detail, because of the role that finance played in Thailand's currency crisis and because interpretations of Thailand's crash bear directly on debates about globalization.

Thailand's financial system has always been relatively open. For a long time, banks and nonfinancial firms have been able to access foreign sources of finance, making use of informal ties among the region's ethnic Chinese as well as formal financial markets.[19] Banks often had significant recourse to borrowings from abroad, which were in fact higher in the 1970s than in the 1980s. Cognizant of this openness, the central bank generally set interest rates close to foreign rates, and "from time to time the bank rate has been adjusted either to induce capital inflow or prevent capital outflow."[20] However, certain indirect controls and structural features of the financial system meant that the capital account was not as open in practice as it was to become after reform in the 1990s.[21] In particular, limited competition among banks and minimal stock market activity curtailed the scope of, and need for, foreign financial inflows. Entry was controlled and interest rate regulations reduced price-based competition. Foreign banks were restricted in their ability to set up branches. Competition was also reduced by the oligopolistic structure of the industry and the lack of competition from the capital market or non-bank financial institutions.[22] As described in detail by Hewison, the market operated in the context of a cozy alliance of domestic bankers, industrialists, and a political-government elite.

Financial reforms in the early 1990s removed these two features. The extent of change should not be overstated: Pre-reform financial policy was unusually hands-off for a developing country.[23] However, the changes were real. Interest-rate controls were removed and controls on the capital account were lifted. Officials promoted and subsidized an offshore banking system, the Bangkok International Banking Facility.[24] Partly due to promotion efforts and partly due to external interest, the stock exchange also experienced unprecedented growth in the 1990s. The relative size of the financial sector and a policy of developing finance *qua* finance were both novel departures for Thailand. The increased competition and internationalization that this involved meant that banks were no longer protected by the patterns of informal collusion that had previously operated, and failures became much more costly.

Crisis

The unfolding of Thailand's currency and financial crisis in 1997 and 1998 is now a well-known story. After coming under pressure from late 1996, Thai authorities were forced to float the baht in July 1997. Thailand became the first domino to fall in a series of emerging market financial crises that spread through Asia, reached Latin America and Russia, and threatened Wall Street over the next year. Even after a rebound in 1998, Thailand's currency had devalued by 36 percent between the end of June 1997 and May 1998. The stock market index fell by 27 percent over the same period. A large number of banks and finance companies was either nationalized or closed under high levels of bad debt. The economy plunged into deep recession in 1998, with a contraction of 9 percent. The total costs of recapitalizing the banking system were expected to reach almost 1.5 trillion baht—about thirty percent of GDP.[25] The controversy over the causes of the crisis continues.

If the crisis was sparked by currency pressure in the context of prior large-scale capital inflows, then it may seem obvious that Thailand's crisis was indeed a crisis of globalization. There are other explanations for the crisis of course, such as declining productivity and domestic cronyism.[26] But even assuming the crisis was substantially a currency and financial crisis, it is not obvious that "globalization" can explain it. In short, this is because although large foreign capital inflows were a precondition for the kind of crisis Thailand experienced, the inflows themselves, and the way Thai policymakers responded to them, had at least as much to do with domestic factors as the external forces of global financial markets. The inflows could not have occurred had Thailand not embarked on a policy of financial liberalization and aggressive financial development. Had Thai policy makers been less wedded to these goals, they would also have been better able to manage the pressures on domestic monetary policy that were apparent well before the crisis.

Bello describes the financial policy engineered by Thailand's technocrats in the years before the crisis as an "institutionalized pattern of development that was greatly dependent on huge infusions of foreign capital" (or, as he has written elsewhere, Thailand was "addicted to capital"). Such dependence was *the choice of local elites,* hence the need to avoid seeing Thailand and the rest of the region as simply falling victim to external forces with the onset of the currency crisis.[27] They were undoubtedly in a difficult position when they found themselves wrestling with capital inflows while attempting to avoid currency appreciation in order not to further undermine Thailand's export competitiveness and widen the current account deficit. But it was the elite's commitment to financial and capital account liberalization that disposed the Bank of Thailand to costly and counterproductive sterilization policies, rather than controls on capital inflows.[28]

Capital inflows fed the growth in financial assets, but it is arguable that it was the extraordinarily rapid growth of these assets, as much as their foreign element, that proved so destabilizing. Foreign funds continued to flow into the stock exchange even after the baht was floated on July 2, with record inflows recorded in the third quarter of 1997. Rather than leading the panic, foreign portfolio investors did not panic enough.[29] *Table 1* gives indicators of financial development and internationalization in Thailand, with comparative figures for Malaysia (which also suffered a deep recession in 1998) and for the Philippines (which merely recorded a slow-down in growth).

Not only are Thailand and Malaysia characterized by much higher levels of financial development than the Philippines, these levels are exceptionally high for what are still developing economies. Some of this is masked in the table by the discrepancy in the Thai case between bank credit to the private sector and

Table 1. Pre-Crisis Financial and Economic Indicators

	GDP							
	Credit[a]	Stocks[b]	Capital[c]	Trade[d]	CA[e]	$[f]	%[g]	Per cap.[h]
Thailand	100	77	10.5	38	-7.3	185	8.2	2,740
Malaysia	93	227	9.6	86	-6.5	98.7	8.9	3,890
Philippines	49	38	9.3	33	-3.6	82.6	2.7	1,050

a. Claims on private sector held by deposit money banks (as a percentage of GDP), end 1996.
b. Stock market capitalization (as a percentage of GDP), December 1995.
c. Net inflows of capital: financial and capital account of the balance of payments (as a percentage of GDP), 1996.
d. Exports of goods and services (as a percentage of GDP), annual average 1991-1996.
e. Balance of current account (as a percentage of GNP), annual average 1991-1996.
f. GDP in billions of U.S. dollars, 1996.
g. Real GDP growth, annual average 1991-1996.
h. Per capita income in U.S. dollars, 1995.[30]

credit to the private sector by the financial industry as a whole, which increased from 72 percent of GDP in 1990 to 142 percent of GDP in 1995.[31] Thailand's economy was more internationalized than that of the Philippines—its foreign investment boom had endured longer and its financial sector was more internationally exposed than that of the Philippines. For example, a factor that distinguished the Thai financial sector was that just one percent of total foreign exchange liabilities of commercial banks in Thailand was owed to residents, as compared to about 52 percent in the Philippines, as of the first quarter of 1996.[32] This exposure, however, had a great deal to do with the deliberate development and subsidization of the Bangkok International Banking Facility by Thai authorities. It is also likely to have had something to do with the incentives for foreign currency borrowing created by comparatively high domestic interest rates. Again, these were a function of domestic policy preferences as much as the inherent pressures of capital mobility.

Thailand and Globalization After 1997

Policy Responses to the Crisis

For those who interpreted the crisis as a crisis of globalization, the reforms undertaken by Thailand in its aftermath provide further evidence of the constraints imposed by a global economy. Thailand had little choice but to accept the $17 billion in rescue funds coordinated by the IMF and in the short run to comply with the conditionalities attached to these funds. Although the Fund reversed its initial directive on contractionary fiscal policy, it maintained pressure for a range of policy and institutional reforms: privatization, increased access for foreign investors, new laws on bankruptcy and foreclosure, and other efforts to provide Thailand with what it was deemed to have lacked prior to the crisis—good governance. These reforms were drawn up and implemented with the close involvement of personnel from international agencies such as the IMF and large numbers of foreign consultants. A local analyst could fairly write that Washington was now a player in Thai politics.[33] The judgment that Korea's reform program, instituted largely as a result of IMF demands and direct American pressure, entailed "a remolding of the Korean economy in the image of a Washington economist's idea of a free-market economy" can just as easily be applied to Thailand.[34]

Thailand did not leap at the opportunity to implement the reform program, but at the end of 1997 a new government headed by Chuan Leekpai came to power. In its first months of office, Chuan's administration proved much readier to adopt IMF policies, and by early 1998 Thailand was widely perceived to be "on track" in meeting its commitments under the IMF packages.[35] The thrust of the reform program was that, as a complement to economic openness, Thailand should adopt international standards in areas such as corporate governance, prudential regulation, and financial supervision. Ostensibly technical in nature, these standards, as interpreted by both international agencies and local players, have the potential to alter key features of the domestic political economy of countries such as Thailand. Transparency can be a reason for reducing the government's direct economic activity as well as for stepping up its monitoring functions in unprecedented ways. "Responsible" macroeconomic policy can mean institutionalizing changes in organizations such as the central bank. "International standards" can thus become "the wedge with which a broader set of policy and institutional preferences . . . will be imparted to recipient countries."[36]

What is interesting about Thailand's moves to adopt such standards, however, is that despite Thailand's limited bargaining leverage to resist reform, the progress of implementation has been very mixed. For example, despite calling for privatization and a reduced direct government role in the economy, the crisis has involved large-scale public bailouts of financial institutions and the nationalization of three banks. With signs of recovery and reduced IMF leverage, privatization moved from being "one of the main buzzwords of Thailand's economic reforms" to being eliminated as an official part of the government's short-term plans for recovery. The country's liberal and internationalist Finance Minister, Tarrin Nimmanhaeminda, stated that "the Government has no need or desire to sell assets cheaply to foreign investors."[37]

Despite new bankruptcy laws, many of the corporate restructuring deals brokered by the banks have in fact circumvented the bankruptcy code.[38] The most obvious result of the drive to adopt international standards in the areas of corporate restructuring and bankruptcy (as well as government regulation) has been the arrival of hundreds of foreign specialists in Thailand. The new bankruptcy laws were cited as having led a top New York law firm to boost its presence in Bangkok to over sixty lawyers. Foreign corporate recovery specialists and auditors have found business aplenty in Thailand after the crisis, their interest undiminished by the contract killing of an Australian auditor investigating possible corrupt practices. This influx of foreign specialists was not unique to Thailand. As noted in the press, "Asia's financial meltdown created a new breed of jet-setting corporate recovery specialists sent to administer the last rites over bankrupt companies and to put ailing regional banks, multinationals and state monoliths back on track. The opportunity for teams of bankers, lawyers, auditors, accountants and valuation experts to make vast fees out of Asia's corporate misery was viewed as one of the few upsides of the economic crisis." This foreign presence prompted criticism in Thailand, where concerns were voiced over U.S. merchant banks that the opposition believed to have "trodden a thin line in balancing roles as corporate advisers and vulture funds picking over the leftovers of corporate failures."[39]

Despite liberalizing rules on foreign ownership, new foreign investment has been quite limited. Foreign investment in Thai banks increased after the crisis, with investors from Taiwan, Singapore, the Netherlands, and the United Kingdom acquiring majority shares or significant equity positions in Thai banks. American investment firms acquired a large part of the discounted assets of closed Thai financial institutions—with the result that GE Capital now reportedly owns one in ten cars in Thailand and Lehman Brothers has become a significant holder of Thai property. In another high-profile case, Merrill Lynch acquired a controlling share in a Thai securities company, one of about eighty deals concluded between foreigners and Thai firms since July 1997.[40] Nonetheless, overall, private capital continued to flow out of the country, with the balance of payments recording a net outflow of $15.6 billion (over ten percent of GDP) in 1998, almost twice the size of the outflow in 1997. During 1998 the foreign share of trading on the stock exchange decreased from forty percent to thirty percent.[41]

Perhaps significant for assessments as to how much policy is becoming more market-based, interest among foreign investors in the Thai finance sector was not just stimulated by the low prices of Thai assets. The government also announced it planned to give foreign investors a five- to seven-year guarantee on nonperforming loans of the nationalized Thai banks that they buy into.[42] The weakness in Thailand's capital account monitoring regime is also a significant factor, in light of the belief—endorsed by institutions such as the IMF—that "good governance" in an age of capital mobility requires more and better capital-account monitoring. Limited controls to monitor capital flows were imposed in mid-1997, but these were removed a few months later in an effort to boost investor confidence. This is reportedly in line with the preferences of Thailand's most important foreign portfolio investors, the Taiwanese, who contribute 25 to 30 percent of total trading volume on the Stock Exchange of Thailand. According to the press, "Taiwanese investors have an affinity for the Thai market mainly because

Thai regulations allow easy repatriation of funds unlike Hong Kong where money flows are monitored and recorded."[43]

Globalists, Localists, and Others: Shifting Ground

Rather than simply interpreting Thailand's crisis as an example of a common phenomenon—mania followed by panic, magnified many times by the internationalization of financial markets—the public discussion among both globalists and their critics has tended to unearth Thai origins for the crisis. This emphasis naturalizes the domestic focus to reform efforts that has characterized Thailand's post-crisis policy. An emergent regionalist agenda may have been strengthened by the crisis, but this remains largely in the background.[44] Thailand ran a highly publicized and keenly fought campaign to have one of its cabinet ministers take over the top job at the World Trade Organization, but negotiations over the development of a "new international financial architecture" have received relatively little attention in Thailand and Thai leaders have not pressed for a seat at the table in these negotiations.

A few Thai groups or individuals have revised their views on the benefits of globalization since the crisis. Some domestic businesses, for example, are less enthusiastic supporters of globalization, and the Ministry of the Interior adopted the principles of self-sufficiency and self-reliance in 1998. However, government policy remains, for the most part, committed to a pro-globalization stance, albeit one that has been slightly modified in ways that are described below. The debate between globalists and localists that began in the boom years has continued since the crisis and proceeds to draw in figures from official and private spheres. Both globalists and localists have interpreted the crisis in ways that support their earlier positions; most have emphasized deficiencies in Thailand's domestic political economy. For example, a Thai writer at a liberal think-tank prefaced her discussion at a conference on the crisis with the observation that it was "a manifestation of deeper problems long suppressed in Thai society."[45] Localist or communitarian critics of globalization, while on the one hand seeing the crisis as an inevitable part of global capitalism, also frequently interpret it as "a symptom of the long-standing and deep-seated problem of unequal development." According to a Thai senator and social critic, the financial meltdown was highly visible, like a fire that erupts in a house, but "the heat and thick smoke obscure the fact that this old house of ours had already been eroded by many social problems and might as well [sic] fall apart under its own weight anyway."[46] Of course, globalizers and localists differ markedly in their assessment of what Thailand's "deep-seated problems" are.

For those on the globalist side, a range of good governance desiderata now constitute an additional set of reforms to be undertaken in conjunction with liberalization. Not only is the aim to make Thailand more firmly "globalized"; globalization is frequently referred to as the reason why both types of reform cannot be avoided. For example, in the months after the baht was floated, the Stock Exchange of Thailand announced that it aimed to become one of the most attractive capital markets in Asia. Its oversight body, the Securities and Exchange Commission, reaffirmed its commitment to capital market liberalization—for which it received a $300-million loan from the Asian Development Bank, part of Thailand's "rescue" package coordinated by the IMF. A senior official of the Commission said that "because of globalisation, this country must continue opening its capital markets. . . . we must compete with everyone all over the world for funds."[47] Charoen Pokphand, an executive of one of Thailand's largest (and most internationalized) companies, endorsed this attitude, maintaining that Thailand's primary goal must be to restore private capital flows to the country. He, like other advocates of continued openness after the crisis, also emphasized the need for adequate prudential regulation, better conditions in the civil service to eliminate corruption and attract talent, and other institutional reforms associated with the new catch-phrase of good governance. And, in typical fashion, this agenda was presented as part of the demands of globalization: "it behooves the Asian countries to try to adjust the railway gauge of their respective economies to conform to the standard gauge of the globalised economies, so that the train of development may run on one harmonised track."[48]

The chairman of the Thailand Development Research Institute, a basically internationalist and liberal think tank, summarized this logic, stating that "nothing can obstruct the market . . .

the market can wipe out whatever stands in its way. . . . the globalisation impact has come suddenly to Thailand and has wreaked havoc." The appropriate response, however, is far from laissez faire: "international rules are coming in to replace old rules that were not designed for globalisation. . . . the government will have to change from being a patron to supervisor of regulations and to act as an inspector/auditor. It must create laws and regulations which are impartial so that the market can work to its fullest capacity."[49]

The logic of globalization presented by the other side of the debate takes market forces no less seriously but interprets them much more negatively. The social actors occupying different positions on the broad "localist" platform have been described by Pasuk Phongpaichit as combining elements of traditional left-wing politics concerned with equity and poverty, Buddhist thought on ethics and economics, and pro-agrarian, village-based ideas of community organization. Their concerns gained a new level of prominence and legitimacy in 1997 when the King's annual birthday speech took up the theme of self-sufficiency. His speech linked the crisis, the principle of self-sufficiency, and the idea of going back to a simpler economy rather than pursuing "tiger" status. It was widely reported, quoted, and officially adopted as policy by parts of the government.[50]

Other new variants and personalities have joined what was already a loose and diverse set of anti-globalist positions. Some of Thailand's established bankers—actors with considerable political and economic weight—are less than enthusiastic supporters of the globalist agenda as interpreted by technocrats. Thailand's largest and most internationalized bank, the Bangkok Bank, carried the slogan "A Self Sufficient Economy"—a reference to the King's speech—on the cover of its 1998 annual report. Senior executives from the Bangkok Bank, as well as other Thai banks, have voiced support for what was identified in the press as a Japanese idea to control short-term capital flows.[51] Taken together, the anti-globalist position cuts across left-right political cleavages: "self-sufficiency is a polysemic text that has been embraced across the political spectrum."[52] At least in some versions, however, the debate over globalization is portrayed as a stark contest between "On the one side, the markets. On the other, the poor . . . this is the key axis of the age of globalisation."[53]

The anti-globalist position has also, in some quarters, developed a new intensity, using terms such as "slave society," "white power," and "IMF invasion" to describe the consequences of globalization and its attendant crisis. Globalization and the crisis have also been depicted as manifestations of a distinctly *Western* capitalism that now has the destruction of Asian variants in its sights. Particularly in the works of Japanophile economist and prolific popularizer of economic and social ideas, Suvinai Pornavalai, Japanese investment, culture, and spiritual values are depicted as offering a desirable alternative development path to that of Western-style capitalism and materialism.[54]

Thailand's earlier experience with foreign powers and foreign commercial interests has also surfaced in debates over the crisis. Globalizers are said to have "drawn a comparison with the colonial crisis a century ago. After opening up to trade with the West, Siam was threatened with colonial takeover. The rulers responded by becoming modern and civilised as quickly as possible. Similarly today, if foreigners say Thailand is backward/corrupt/lax in the way it runs its economy and government, then the solution must be to reform."[55] A former deputy prime minister stated at a seminar that "there is little difference between the 19th-century European traders who demanded Siam open up its markets, and the World Trade Organisation's current demands for liberalisation." (The newspaper report of the meeting carried the title "Lessons from History: Globalisation Revisited"). If Thai history is interpreted as a series of clever internal adjustments that secured the country's independence, the corollary for the present is, as argued by the globalist camp, to adopt appropriate "good governance" reforms. However, the real parallel with the past may be somewhat different. Thai historian Thongchai Winitchakul has argued that the parallel

> lies in the elite's tendency to chase after rainbows. In the late 19th century, the Siamese elite felt threatened not just by gunboats but by the cultural aggression of western Europe which made them feel inferior. Siamese aristocrats wanted to be *sivilai*—a term adapted from "civilised," expressing a yearning to be accepted as full members of the modern world. But being *sivilai* was not the same as being Westernised. It was being what the Siamese elite thought being Westernised might be. In other words, an illusion. By definition, an illusion is unattainable. The quest is bound to be

> unsuccessful. The inevitable result is failure and disappointment. Today the idea of globalisation plays the same role as *sivilai* a century ago.[56]

The fragmented groups making such criticisms offer no real challenge to the current policy direction taken by the Thai government. The "*ideas* of localism have assumed a higher profile in the crisis" but "the *impact* of those ideas has possibly diminished." Some pre-crisis concessions to localist agenda were reversed by the onset of the crisis and IMF conditionalities. The ruling Democrat Party, "although officially adopting the King's self-reliance policy, stands clearly for urban liberal progressivism."[57]

An internationalist, liberal, and good-governance agenda may be dominant but, as suggested above, Thai practice has qualified this agenda. These reforms also rest on narrow political foundations. If, as a critic of globalization puts it, the push for change is coming from "a band of so-called 'Wall Street gangsters' who are foisting reforms in governance and transparency around the world,"[58] the prospects for Thailand persisting with such reforms are highly contingent. Thai entrepreneurs are being squeezed by the crisis, and the Democrat Party's adoption of the IMF program meant that "the government grew increasingly remote from the business community, in a way which was absolutely unique in Thai political history since the late 1950s." Eventually, local capital will regroup and press its case politically.[59] Local business has pressed, in some cases successfully, for greater government responsiveness to its concerns. This means deviating from the original reform agenda—or seeing it rest on the limited support base of Bangkok professionals, foreign investors, and international technocrats. This coalition owes its current degree of influence to the circumstances of economic crisis. Its reforms will not be sustainable unless it can gain the support, or at least acquiescence, of a broader section of Thai society. And this will depend on whether the reform program is consistent with rewards that have domestic political salience.

Conclusions

Globalization has become a powerful symbol in Thailand, representing the nation's reduced sphere of choice in the face of external forces. For those on the globalist side of politics, this is all for the good or in any case not something that can be resisted without incurring even higher costs. All sides would identify with the idea (if not the language) that, "in this globalised age we are operating within the context of a hegemonic power structure dominated by very powerful MNCs and by the neo-liberal creed of free markets."[60] In contrast to the predictions of some academic theorists of globalization, however, the reforms associated with globalization in Thai public debates do not spell retreat or a diminished regulatory role for the state but a strengthening of its reach, particularly in the provision of the legal and institutional infrastructure required for markets to operate efficiently and with some stability. As publicly interpreted by both Thai technocrats and international agencies such as the World Bank, the state functions that globalization makes necessary also include the provision of "social safety nets" to protect the human casualties that may arise as the by-product of adjustment to economic forces. The good governance and social agendas mark a significant addition to, rather than retreat from, the more uniformly deregulatory policies perceived, before the crisis, to be requisites in an age of global markets.

This assessment may capture something of the flavor of Thai discourses on globalization, but it leaves open a significant question: In what sense did globalization impel either the earlier neoliberal or later modified-neoliberal policies? As summarized at the start of this article, it is theoretically possible that globalization produces constraints on policy in two ways. The first is through the incentives created by "market forces" in an era of economic openness. The second is through the more direct agency of political actors in pursuit of their interests. This concluding section examines both possibilities in light of Thai experience over the last decade.

Regarding the structural constraints imposed by market forces in the context of globalization, the Thai case supports the view that these constraints bear little relation to much government policy. The liberalizing financial reforms undertaken before the crisis were "rewarded" by a massive inflow of capital, which then reversed direction. Thai policymakers could justifiably be confused by the signals emanating from global financial markets. It is revealing in this respect that sharp gains in many regional stockmarkets in 1999 raised the disturbing prospect that recovery would occur without reform.[61] During a crisis, market forces are possibly even less determinate. The question of how to restore market confidence does not have any obvious or consistent set of answers. Governments that take their cues directly from financial markets in their pursuit of confidence risk doing more harm than good.[62]

It is also relevant that although Thailand's ill-fated financial policy in the 1990s was clearly made in anticipation of market rewards, it was in no sense impelled by a structural need to change policy in the face of pressures emanating from globalized financial markets. Few scholarly studies have attempted to establish a causal relationship between globalization and the policy changes in Thailand during the boom years of the 1980s and 1990s. One of those to do so argues that central bank independence (operationalized as influence to maintain domestic price stability) can be related to a country's need to attract investment under conditions of capital mobility.[63] However, the fact that the central bank's influence was consolidated in a decade when Thailand was awash with foreign capital directly contradicts that author's main hypothesis. Somewhat ironically, the study ignores the most obvious constraint on policy imposed by capital mobility—the costs it imposes on independent monetary policy. These costs are quite evident in the Thai case but do not bring with them any guarantee that policy will adjust appropriately.

This leads us to consider the second transmission mechanism through which globalization may affect policy: the agency of purposive economic and political actors. Thailand's pre-crisis financial reforms were brought about and consolidated by actors in both the government and private sector. Their preferences were clearly influenced by opportunities presented by the internationalization of finance and the interests they then developed in what proved to be rather perverse financial and monetary policy. Their ability to translate preferences into policy was not based on any newfound influence related to the possibility of withholding investment, however. Neither do external political or market players have much of a role in Thailand's pre-crisis reforms. Agencies such as the World Bank did support Thailand's program of financial liberalization, but the technocrats who led the reform effort were largely self-motivated. To be sure, liberalizers in this period often stated that their policies were impelled by Thailand's need to compete in a globalized world economy; but structural pressure in the form of declining investment or capital outflows was completely absent.

Foreign players are far more significant in Thailand's recent reforms. Not only have international agencies taken lead roles, there is evidence that U.S. politicians and officials in particular have been the main force behind the conditionalities attached to IMF funds. Influence may extend to American financial interests, an instance of what Wade and Veneroso have termed the "Wall Street-Treasury-IMF Complex" at work.[64] Jeffrey Garten, Under-Secretary of Commerce in President Clinton's first term, gave perhaps unwitting support for this view when he argued that while Asian countries were going through "a deep and dark tunnel . . . on the other end there is going to be a significantly different Asia in which American firms have achieved much deeper market penetration, much greater access."[65]

This kind of involvement points to the political nature of the "demands of globalization." It also suggests that there may be some contradiction between the requirements of stable integration into the world economy and the actual preferences of powerful actors. How useful is it to analyze the preferences and influence of such players through the lens of globalization? Such a perspective reminds us that there is dynamic interplay between domestic and foreign politics, and national and external forces. Small players generally make more concessions than do powerful ones, but only to the extent that the costs of doing so do not outweigh the benefits. Theories of globalization, however, are unlikely to shed much light on the domestic political and institutional factors that condition responses to openness. Unlike the British and French gunboats of the 19th century, the IMF can only threaten withdrawal. This is a crucial difference for Thai politicians making an assessment of the costs and benefits of complying with outside demands. Another factor that will enter their cost-benefit calculations is that, unlike the Bangkok monarchs of the 19th century, they operate in a democratic political system in which social forces are mobilized and cognizant of national identity in ways that were inconceivable in the past.

NOTES

1. See, for example, Robert Wade, "Globalization and its Limits: Reports of the Death of the National Economy are Greatly Exaggerated," in Suzanne Berger and Ronald Dore, eds., *National Diversity and Global Capitalism* (Ithaca, N.Y.: Cornell University Press, 1996), pp. 60-88.
2. The different broad schools of thought on globalization are identified by David Held, Anthony McGrew, David Goldblatt, and Jonathan Perraton, *Global Transformations: Politics, Economics and Culture* (Stanford, C.A.: Stanford University Press, 1999), pp. 3-10.
3. Michael Mann, "Has Globalization Ended the Rise and Rise of the Nation-State?" *Review of International Political Economy*, vol. 4, No. 3 (1997), pp. 472-496.
4. Held., *Global Transformations*, pp. 3-10.
5. The incompatibility of simultaneously maintaining a fixed exchange rate and monetary policy autonomy under conditions of capital mobility is a virtual truism, the force of which was well understood from the early 19th century, if not before. Often referred to as the Mundell-Fleming thesis, the model's simplicity is tempered by introducing risk factors.
6. David Andrews, "Capital Mobility and State Autonomy: Toward a Structural Theory of International Monetary Relations," *International Studies Quarterly*, vol. 38, No. 2 (1994), pp. 193-218.
7. The case for the continued relevance of the state and national political choices has been argued, for example, by Linda Weiss, *The Myth of the Powerless State: Governing the Economy in a Global Era* (Cambridge, Mass.: Polity Press, 1998); Ethan Kapstein, *Governing the Global Economy: International Finance and the State* (Cambridge, Mass.: Harvard University Press, 1994); Dani Rodrik, "Why Do More Open Economies Have Bigger Governments?" *Journal of Political Economy*, vol. 106, No. 5 (October, 1998), pp. 997-1032; and David Vogel, *Trading Up: Consumer and Environmental Regulation in a Global Economy* (Cambridge, Mass.: Harvard University Press, 1995). Those asserting the demise, retreat, or dysfunctionality of the state include Philip Cerny, "Globalization and the Changing Logic of Collective Action," *International Organization*, vol. 49, No. 4 (1995), pp. 595-625; and Susan Strange, *The Retreat of the State* (Cambridge, Mass.: Cambridge University Press, 1996).
8. Such arguments are implicit in most studies of globalization. On the underlying theory, see Helen Milner, "Trading Places: Industries for

Free Trade," *World Politics*, vol. 40, No. 3 (1988), pp. 350-376; and Jeffry Frieden, "Invested Interests: The Politics of National Economic Policies in a World of Global Finance," *International Organization*, vol. 45, No. 4 (1991), pp. 425-451. Ideas about the influence of mobile investors generally draw on the work of Albert Hirschman, *Exit, Voice, and Loyalty* (Cambridge, Mass..: Harvard University Press, 1970) and Charles Lindblom, *Politics and Markets: The World's Political-Economic Systems* (New York: Basic Books, 1977).

9. Cited in Craig Reynolds, "Globalization and Cultural Nationalism in Modern Thailand," in Joel Kahn, ed., *Southeast Asian Identities: Culture and the Politics of Representation in Indonesia, Malaysia, Singapore, and Thailand* (Singapore: Institute of Southeast Asian Studies, 1998), p. 128. See also Wang Wen-liang, "An Observation of Thailand's Opening to the Outside World in the Age of Globalization from a Historical Perspective," in *Globalization: Impact on and Coping Strategies in Thai Society*, Proceedings of the 6th International Conference on Thai Studies (Chang Mai: October 14-17, 1996), pp. 301-308.
10. The metaphor is from Joseph Stiglitz, "The Role of International Financial Institutions in the Current Global Economy," address to the Chicago Council on Foreign Relations, Chicago, February 27, 1998; online at www.worldbank.org/html/extdr/jssp022798.htm.
11. Craig Reynolds, "Globalization and Cultural Nationalism," pp. 121-122. Intra-Asian regional trade was also active at this time, loosely organized around a Sinocentric tributary system. See Takeshi Hamashita, 'The Intra-Regional System in East Asia in Modern Times," in Peter Katzenstein and Takashi Shiraishi, eds., *Network Power: Japan and Asia* (Ithaca, N.Y.: Cornell University Press, 1997), pp. 113-135. Thailand was known as Siam until 1932 and for a brief period after World War II.
12. See, in particular, Lysa Hong, *Thailand in the Nineteenth Century: Evolution of the Economy and Society* (Singapore: Institute of Southeast Asian Studies, 1984).
13. On state development, see Carl Trocki, "Political Structures in the Nineteenth and Early Twentieth Centuries," in Nicholas Tarling, ed., *The Cambridge History of Southeast Asia*, vol. 2 (Cambridge: Cambridge University Press, 1992), pp. 79-130. On the creation (but only partial rationalization) of the Ministry of Finance, see Ian Brown, *The Creation of the Modern Ministry of Finance in Siam, 1885-1992* (London: Macmillan, 1992). On the use of foreign advisers, see William Siffin, *The Thai Bureaucracy: Institutional Change and Development* (Honolulu: East-West Center Press, 1966), pp. 95-99.
14. Richard Stubbs, "War and Economic Development: Export-Oriented Industrialization in East and Southeast Asia," *Comparative Politics*, vol. 31, No. 3 (April, 1999), pp. 337-355.
15. Reynolds, "Globalization and Cultural Nationalism," pp. 125-26; and Pasuk Phongpaichit and Chris Baker, *Thailand's Boom!* (NSW: Allen and Unwin, 1996), p. 52.

16. On new business interests and their support for financial liberalization and internationalization, see Pasuk Phongpaichit and Chris Baker, "The Political Economy of the Thai Crisis," *Journal of the Asia Pacific Economy*, vol. 4, No. 1 (1999), pp. 193-208.
17. Reynolds, "Globalization and Cultural Nationalism," pp. 119 and 132.
18. Pasuk and Baker, "The Political Economy of the Thai Crisis."
19. Robert Muscat, "Thailand," in Stephan Haggard and Chung H. Lee, eds., *Financial Systems and Economic Policy in Developing Countries* (Ithaca, N.Y.: Cornell University Press, 1995), pp. 113-139.
20. Bhanupong Nidhiprabha, "Monetary Policy," in Peter Warr, ed., *The Thai Economy in Transition* (Cambridge, Mass.: Cambridge University Press, 1993), pp. 172-198.
21. Peter Warr and Bhanupong Nidhiprabha, *Thailand's Macroeconomic Miracle: Stable Adjustment and Sustained Growth* (Washington, D.C.: World Bank and Oxford University Press, 1996), pp. 169-171.
22. See Danny Unger, *Building Social Capital in Thailand: Fibers, Finance, and Infrastructure* (Melbourne: Cambridge University Press, 1998), p. 84; and Kevin Hewison, *Bankers and Bureaucrats: Capital and the Role of the State in Thailand* (New Haven, Conn.: Yale University Southeast Asia Studies, 1989), p. 197.
23. Richard Doner and Danny Unger, "The Politics of Finance in Thai Economic Development," in Stephan Haggard, Chung H. Lee, and Sylvia Maxfield, eds., *The Politics of Finance in Developing Countries* (Ithaca, N.Y.: Cornell University Press, 1993), pp. 93-122.
24. On financial reform, see Unger, *Building Social Capital in Thailand*, pp. 83-108.
25. Stock market and currency devaluations from Morris Goldstein, *The Asian Crisis: Causes, Cures, and Systemic Implications* (Washington, D.C.: Institute for International Economics, 1998), pp. 2-3. Costs of bank recapitalizations and bailouts are from *Business Times* (Singapore), August 12, 1999.
26. A comprehensive review of explanations for the Asian financial crisis is given by Stephen Radelet and Jeffrey Sachs, "The East Asian Financial Crisis: Diagnosis, Remedies, Prospects," *Brookings Papers on Economic Activity*, No. 1 (1998), pp. 1-90. They find little support for the idea that domestic governance factors were pivotal. The case for seeing the crisis in Thailand, in origin as well as manifestation, as a financial one is made by Laurids Lauridsen, "Thailand: Causes, Conduct, Consequences," in K. S. Jomo, ed., *Tigers in Trouble* (London: Zed Books, 1998), pp. 137-161.
27. Walden Bello, "East Asia: On the Eve of the Great Transformation?," *Review of International Political Economy*, vol. 5, No. 3 (1998), pp. 424-444.
28. See William Dean, "Recent Capital Flows to Asia Pacific Countries: Trade-Offs and Dilemmas," *Journal of the Asia Pacific Economy*, vol. 1, No. 3 (1996), pp. 287-317, for a discussion on sterilization and other policy responses.
29. William Overholt, *Asia's Bubble Crisis: No Instant Cure* (Hong Kong:

Nomura International, January 19, 1999), p. 15.
30. These indicators are taken from: IMF, *International Financial Statistics* (November, 1998); Crosby Research figures cited in Euromoney, *Thailand: Reaping the Rewards of Growth* (London: Euromoney Publications, 1996), p. 84; Asian Development Bank figures cited in Montes, *Currency Crisis*, pp. 4-5; and National Statistical Coordinating Board (Philippines), *Philippine Statistical Yearbook* 1997.
31. Montes, *The Currency Crisis in Southeast Asia*, pp. 12-13.
32. Ponciano Intal et al., "The Philippines," in Ross McLeod and Ross Garnaut, eds., *East Asia in Crisis: From Being a Miracle to Needing One?* (London: Routledge, 1998), pp. 145-161.
33. Chris Baker, "Politics of Crisis: Failure, Reform and Division," paper presented to the National Thai Studies Centre and APSEM 1999 Thai Update Conference (Australian National University, Canberra, April 21, 1999), p. 20.
34. Dani Rodrik, "Governing the Global Economy: Does One Architectural Style Fit All?" paper prepared for the Brookings Institution Trade Policy Forum Conference on Governing in a Global Economy (April 15-16, 1999), p. 6.
35. On the adoption of IMF reforms see Stephan Haggard and Andrew MacIntyre, "The Political Economy of the Asian Economic Crisis," *Review of International Political Economy*, vol. 5, No. 3 (1998), pp. 381-392. On the concurrent political changes and alliances, see Baker, "Politics of Crisis."
36. Rodrik, "Governing the Global Economy," p. 4.
37. *Australian Financial Review* (Sydney), August 25, 1999.
38. *The Nation* (Bangkok), June 9, 1999, p. B12.
39. Bruce Cheesman, Australian Financial Review (Sydney), March 13-14, 1999, p. 6. On the arrival of New York lawyers, see *Australian Financial Review* (Sydney), April 24, 1999.
40. *Business Times*, December 7, 1998.
41. *Thailand: Economic Performance in 1998 and Outlook for 1999* (Bangkok: Bank of Thailand, n.d.), pp. 45 and 52.
42. *Business Times*, November 3, 1998.
43. *Business Times*, August 12, 1999.
44. The need for greater regional cooperation has been raised by both globalists and localists. For example, a former Finance Minister and Bangkok Bank director argued that regionalism will become more important in a globalized world. Quoted in *The Nation*, February 6, 1998. A former senior economic bureaucrat has said that Asian authorities should join forces to establish regional regulatory responses to investments by hedge funds. See *ibid.*, October 27, 1997.
45. Ryratana Suwanraks, "Summary of Discussion and Recommendations: The 1998 TDRI Year-End Conference, From Crisis to Sustainable Development," *TDRI Quarterly Review*, vol. 14, No. 1 (March, 1999), pp. 10-20.
46. Quoted in *Thai Development Newsletter*, No. 33 (July-December, 1997), p. 29.
47. *The Nation*, November 19, 1997.

48. *Ibid.*, June 5, 1998.
49. *Ibid.*, February 6, 1998.
50. On the King's speech see, Pasuk Phongpaichit, "Developing Social Alternatives: Walking Backwards into a Klong," paper presented to the National Thai Studies Centre and APSEM 1999 Thai Update Conference (Australian National University, Canberra, April 21, 1999), pp. 1-2. This paragraph draws on the paper's discussion of localist discourses in the wake of the crisis.
51. *The Nation*, October 2, 1998.
52. Craig Reynolds, "East Asian Identities in Southeast Asian Contexts: Self Cultivation and Homo Excellens," unpublished paper, Asian History Centre, Australian National University (Canberra, 1999), p. 3.
53. Chang Noi, *The Nation*, June 4, 1998.
54. On Suvinai, see Reynolds, "East Asian Identities." On the construction of reforms as the triumph of Western over Asian capitalism, see Pasuk Phongpaichit and Chris Baker, writing in *The Nation*, April 20, 1998. On the use of the term "slave society" by prominent social critic Saneh Chamarik, see Pasuk, "Developing Social Alternatives," p. 12. Saneh is also one of many Thais to criticize globalization and the official response to the crisis as having subjected Thailand to Western influence. See *The Nation*, November 19, 1998. I thank Chris Baker for the observation that the term "white power" has begun to feature in discussions of the crisis and globalization in the Thai-language press.
55. *The Nation*, April 20. 1998.
56. *Ibid.*, December 26, 1997.
57. Pasuk, "Developing Social Alternatives," p. 14.
58. Chang Noi, *The Nation*, October 5, 1998.
59. Baker, "Politics of Crisis," pp. 20 and 32.
60. Pasuk Phongpaichit, "The Economic Crisis and the Way Ahead," *Thai Development Newsletter*, No. 35 (July-December, 1998), pp. 35-39.
61. Comments from market players such as "we all wanted a recovery but not before they had solved their deeper problems" were sometimes reported without a hint of irony (for example, *Asian Wall Street Journal*, April 29, 1999, p. 1).
62. See Rodrik, "Governing the Global Economy," pp. 10-14 and Stiglitz, "The Role of International Financial Institutions," pp. 6-7.
63. Sylvia Maxfield, *Gatekeepers of Growth: The International Political Economy of Central Banking in Developing Countries* (Princeton, N.J.: Princeton University Press, 1997).
64. Robert Wade and Frank Veneroso, "The Asian Crisis: The High Debt Model vs. the Wall Street-Treasury-IMF Complex," Russell Sage Foundation (March, 1998), available from <epn.org/sage/imf24.html>. On U.S. pressure and the IMF mandated reforms see Martin Feldstein, "Refocusing the IMF," *Foreign Affairs*, vol. 77, No. 2 (1998), pp. 20-33, especially p. 26 and Bello, "East Asia," pp. 435-444.
65. Quoted in Bello, "East Asia," pp. 435-436.