

Chapter 5

Performance of LAO Presidents in Thailand

– How do their academic qualifications matter? –

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1. Background of the topic

For the advocates of the Decentralization policies in Thailand, one of the biggest concerns, at least in their belief, in giving autonomy to local people by creating thousands of new Local Administrative Organizations (LAOs) in rural areas was the problem of “uneducated” farmers who tend to be easily manipulated by local god fathers or local influential people (like business owners). In fact, the farmers’ political consciousness and their behaviors have been a target of criticism by the urban middle class and the conventional elite (eg., higher ranking civil officials, Military elite and the entourage of the Monarchy) in Thailand since democratization after 1992. They thought that the elections in rural areas are full of vote buying and corruptions. As there exists a deep rooted belief in Thai society that an ideal type of democratic leaders should be required to have high academic qualification, “un-educated” farmers have been looked down upon from the Thai conventional elite for their political preference.

The urban middle class in Bangkok and the conventional elite also looked down upon the types of MPs (mostly from local business background) elected in rural constituencies, mostly in the North and the Northeast. In the September 2006 Coup, a part of the urban middle class and the conventional elite denied the popular democracy of the Thaksin Administration(2001-2006) that is strongly supported by the farmers for its “populist policies.” One of the military leaders of the September 2006 Coup, General Saprang Kalyanamitr clearly states in justifying the Coup;

“Money used in grass-roots politics is like a poisonous sweet for the ill-informed, uneducated provincial and rural voters. It is a serious threat to national security.”

Most of the precedent literatures on Thai local politics, especially those in English, share the similar criticism towards local politics. Most of the studies emphasize that the Thai rural society lacks basis for democracy (McVey ed.[2000]; Arghiros [2001]). Local business bosses as well as local influential persons control the behaviors of local elections under the political patronage system. And the farmers tend to be

described as politically vulnerable, disqualified voters who are willing to sell their right to vote in exchange for a little sum of money.

2. The Decentralization scheme to control the rural LAOs

In this context, the Decentralization schemes since the 1990's is an experiment to overcome this vulnerability by giving rural people rights to decide by themselves instead of waiting for works and budgets allocated via local MPs or from the central government. The Decentralization scheme intended to give a chance to cope with lack of resources in order to change the political vulnerability.

However, as the distrust toward rural society has been prevailing among the Central Bureaucrats and urban population, the academics advocating the Decentralization scheme had to find out some kind of solutions to secure transparency and stability before giving autonomy to local organizations. Some of their measures are;

- (1) Every LAO is provided with one main office building and one trained Clerk with Bachelor's Degree (selected by Ministry of Interior). The Clerk will help secure the transparency and efficiency of the LAOs management, especially with the budget planning and its use.
- (2) Introducing Direct Election of President (for PAO, TAO) since 2003. In principle, elected President/Mayor of PAO and Thesaban is required to hold Bachelor's Degree (For TAO President, senior high school diploma was required, in principle) as a necessary qualification of the LAO leader.
- (3) Transfer of works and budget from the Central Administration (In 2006, local expenditures increased to 24% of the total Government expenditures from 8 % in 1995).

Besides these measures to secure the transparency and stability in the LAO management, the Ministry of Interior is also promoting the LAO Presidents to complete the Bachelor Degree or higher by giving scholarship to them.

These plans obviously reflect the above mentioned belief in the academic qualifications in Thailand that a well qualified political leader in democracy should be equipped with the higher education. However, according to the preliminary analysis of the quantitative survey of LAOs, one reality after introducing the direct election of the LAO President is contrary to this expectation towards LAO Presidents' academic qualification. In fact, introducing the direct election of LAO President has brought about

the increased percentage of the Presidents with farmers background in rural LAOs with who are with relatively lower educational career (Table 1 and Table 2).

This means that Presidents with relatively lower academic careers than those from urban elite background (e.g. Civil Officials, Military and Business owners) got preference from voters, especially in rural LAOs (Table 2).

Table 1 Occupation of President by Direct / Indirect Election (%)

		Business owner.	Private employee	Farmer	Teacher/ professor	Other	Total
Direct Election	Urban LAO	49.2	3.6	12.9	13.7	20.5	100.0 (N=248)
	Rural LAO	22.4	3.8	43.8	14.7	15.2	100.0 (N=1721)
	Total	25.8	3.8	39.9	14.6	16.0	100.0 (N=1969)
Indirect election	Urban LAO	51.4	0.0	18.1	11.4	19.0	100.0 (N=105)
	Rural LAO	35.4	7.3	36.0	7.9	13.3	100.0 (N=164)
	Total	41.6	4.5	29.0	9.3	15.6	100.0 (N=269)

Source: Calculated from the survey data

And in the rural LAOs with direct election, we can observe that the percentage of the ex-teachers also increased (Table2). This is a new phenomenon that the new type of leaders are emerging, representing the real population proportion of the lower strata of the society.

How could we interpret this fact that is contrary to the expectations of the Decentralization advocates and planners? We should investigate the nature of changes taking place in LAO after the direct election carefully to understand the background of this new phenomena.

3. Changes in the selection of LAO President after Direct Election

As a first step to clarify these questions, the author would investigate the following two topics from the survey data in this paper;

- (A) Do the behaviors of the newly borne Presidents from lower social strata (those from farmer's background or ex-teachers) differ from the behaviors of the LAO President with elite background or not?
- (B) How do their ascription or behaviors affect the performance of the LAO? Are they leading to distorted allocation of budget or lower achievement than the LAO President from higher strata in this society or not?

Table 2 Educational background by Occupation of President/Mayor from Direct Election (%)

	Primary & Lower Sec	Upper Sec. & Diploma	Bachelor or Higher	Total
Business owner (N=545)	13.8	47.3	38.9	100.0
Private employee (N=76)	2.6	44.7	52.6	100.0
Farmer (N=792)	25.5	60.7	13.8	100.0
Teacher/Prof (N=292)	8.2	32.9	58.9	100.0
Other (N=327)	14.7	49.5	35.8	100.0
Total (N=2032)	17.3	50.7	32.0	100.0

Source: Calculated from the survey data.

As confirmed in Chapter 1, the resource allocation pattern is largely determined by the type of LAOs (Urban-Rural). Thus, the type of LAOs is assumed as a controlling variable of the whole hypothesis in this chapter (Chart 1). And the social backgrounds (ascription, such as education and former occupation) of the LAO President are divided into the following two categories according to the former occupation of President;

- (1) Non-elite: Farmers and ex-teachers (as newly emerging LAO leaders).
- (2) Urban-elite: Business owners, Military and Police (as conventional urban elite leaders)

To see whether the social backgrounds have any effects to behaviors of the Presidents, the indicators such as the amount of budget, number of ordinances, the number of prizes and the number of sections that won prizes were selected to measure the performance of the LAOs.

Chart 1 Hypothesis to explore the performances of LAO Presidents

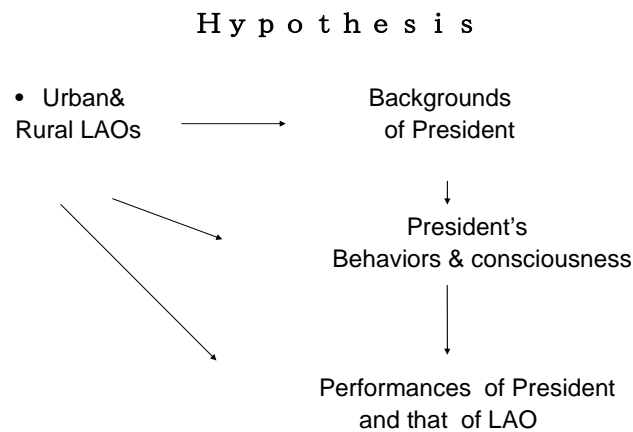
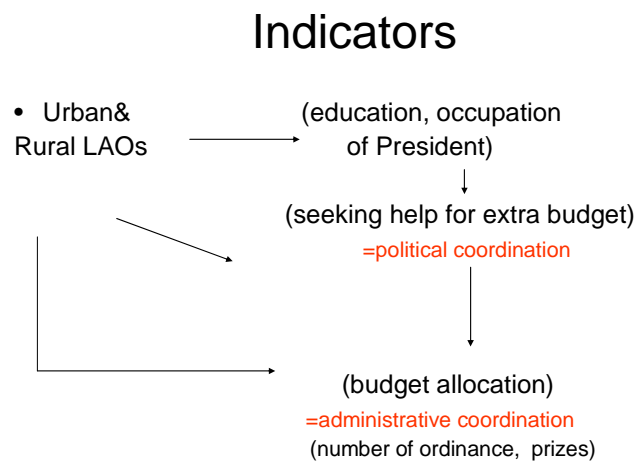


Chart 2 Variables to be used in examining the above hypothesis



To get an overview of the differences of allocated resources and performance between the Urban and Rural LAOs, the Table 3 shows the comparison between the Urban and Rural LAOs. The amount of budget allocation between the Urban and Rural LAOs are apparently different. The hierarchy between the Urban and Rural LAOs are so rigid that the resources given for the rural LAO Presidents are limited from the outset. And for the number of prizes won from the other agencies, it can be confirmed that the LAOs where Presidents have higher degree of education are somehow awarded more prizes on the average.

Table 3 LAO Performances by education of President

Types of LAO	Educational status of President	2005budget (total) per HH	No of ordinance	No of prizes	No of Sections With prizes
urban LAO	Lower than Secondary	39613.82	1.07	0.93	1.95
	Upper Secondary & Diploma	38815.58	1.85	0.89	1.76
	Higher Than Bachelor	23856.27	1.57	1.46	2.30
rural LAO	Lower than Secondary	13743.58	1.60	0.64	1.57
	Upper Secondary & Diploma	10976.11	1.56	0.73	1.75
	Higher Than Bachelor	10433.59	1.76	0.82	1.74
total	Lower than Secondary	16337.43	1.55	0.67	1.61
	Upper Secondary & Diploma	13801.83	1.59	0.74	1.75
	Higher Than Bachelor	14023.58	1.71	0.99	1.91
	合計	14299.10	1.62	0.81	1.79

Source: Calculated from the survey data

Then, facing this unequal distribution of resources, how do LAO Presidents copewith this constraints? In Table 4 to Table 7, the behaviors of the Presidents when in need of budgetary support are compared. We can see the different use of networks by each type of Presidents seeking for support in supplementary budget.

In Table 4 and 5, we can see the line of administrative coordination by the Central Bureaucracy. In case of Provincial Governor and Directors of departments and ministries, the differences in the % of leaders who won some budgetary support are not so significant. In this sense, the way to allocate the supplementary budget by the

administrative coordination could possibly be impartial between the rural and urban LAO leaders.

**Table 4 To seek for budgetary support from
(the Provincial Governor)**

		Got help	did not get help
Urban LAO	Non-elite(109)	77.06	22.94
	Urban elite(139)	54.65	45.35
Rural LAO	Non-elite(1024)	56.89	43.11
	Urban elite(487)	55.64	44.36

Source: Calculated from the survey data

**Table 5 To seek budgetary support from
(Directors of departments and ministries)**

		Got help	did not get help
Urban LAO	non elite(34)	61.76	38.24
	Urban elite(79)	58.23	41.77
Rural LAO	non elite(470)	54.90	45.10
	Urban elite(255)	55.53	44.47

Source: Calculated from the survey data

On the other hand, the line of political coordination by politicians, either in the dominant political party or in local constituency, the type of the networks between the LAO leaders and the politicians have some effects in their behavior and the results in winning supplementary budget. In Table 6, the LAO leaders with urban elite background seem to have some advantages from their network with the important politicians of the dominant political party.

At the same time, the LAO leaders with elite background, it seems that their connections with the Members of Parliament in local constituency is also effective when the urban elite LAO leaders dared to contact these politicians especially in Rural LAOs (Table 7). To understand the results in the Table 6 and Table 7, it is noteworthy that the political linkages between the LAO Presidents with the politicians were probably strengthened than ever before in the period of the Thaksin Administration (2001-2006, see also the Chapter 2 of this report) when this survey had been conducted.

**Table 6 To seek for budgetary support
from (important politicians in the political party)**

		Got support	Did not get Support
Urban LAO	Non-elite(28)	28.57	71.43
	Urban elite(59)	47.46	52.54
Rural LAO	Non-elite(361)	33.24	66.76
	Urban elite(215)	40.00	60.00

Source: Calculated from the survey data.

**Table7 To seek for budgetary support from
(member of parliament in the constituency)**

		Got help	Did not get Help
Urban LAO	Non-elite (55)	76.4	23.6
	Urban elite(120)	76.7	23.3
Rural LAO	Non-elite(820)	77.4	22.6
	Urban elite(445)	85.8	14.2

Source: Calculated from the survey data.

Then, the next question comes to the problem whether these LAO leaders behaviors are distorting the whole structures of budget allocation or not.

To confirm this critical point on how the behaviors to seek for resources taken by the LAO Presidents affect the real resource allocation patterns, the Table 8 shows the results of the regression analysis. From this analysis, the general subsidy in 2004 per household is strongly determined by Urban- Rural Category, while the dummy variables for the connections with national politicians had no statistical effects to the allocation.

This result means that the behaviors by the LAO Presidents to lobby for financial help from the MPs may not reach the level to distort the budget allocation patterns as a whole. It is also probable that the part of the budget obtained from the lobbying with the politicians may not be much in the whole allocation, compared with the existing systematic gap of allocation between the Urban and Rural LAOs.

Table 8 Regression Analysis (5 Variables → 2004 LAO Budget)

	Beta	t value	P
(Variables)		4.265	0.00
farmer dummy of president's occupation	-0.022	-0.765	0.444
Teacher dummy of president's occupation	-0.030	-1.060	0.289
President's years of education	-0.002	-0.085	0.933
Connection with national level politicians	-0.030	-1.157	0.247
2 category of LAO(Urban-Rural)	-0.110	-4.046	0.000
Dependent V: 2004 total budget allocated to LAOs per household			

$R^2=0.15$

N=1166

However, comparing Table 9 and back to Table 3, the trends of the budget allocated may be contradicting. In Table 3, the average total amount of budget per household in 2005 for the LAOs with Presidents of Lower than Secondary education was higher than the LAOs with highly educated Presidents. However, if we limit the budget items for only the special projects in Table 9 as the items of the budget obtained by the efforts of LAOs and LAO President (either by negotiation or by the good plan of LAO), the LAOs with the Presidents with higher education is much advantaged than the others. For the further analysis, it is needed to see the budget allocation by item and the author should be careful to confirm the backgrounds for these contradicting results in the budget allocation patterns in LAOs.

Table 9 Subsidy for special project by Education
2005 Subsidy (for special project)

	Educational status of President	Average	Frequency	SD
urban	Lower than Secondary	8950273.0	16	28384940.67
	Upper Secondary & Diploma	4634881.5	44	5142637.869
	Higher Than Bachelor	20628677.7	68	45674809.07
	合計	13671009.6	128	35520699.16
rural	Lower than Secondary	3683755.7	213	2860933.286
	Upper Secondary & Diploma	3694554.2	592	5960144.376
	Higher Than Bachelor	4759933.6	330	16164689.93
	合計	4002285.6	1135	9802429.766

4. Summary and Interpretations

From the above survey data analysis, we may summarize our findings as follows.

First of all, as already mentioned in the other chapters, the existence of a structural distinction between the Urban LAOs and Rural LAOs is a major determinant factor of LAOs' performance in many ways. And in rural LAOs where allocated budget and the number of prizes awarded are less than the urban counterpart, we can observe the changes after the direct election of LAO President. The new type of Presidents from the lower strata of the society (such as farmers and ex-teachers) are emerging and increasing in its percentage to be elected LAO President.

Second, comparing the LAO Presidents behaviors by their educational backgrounds, it is clear that the kind of networks for the new type of Presidents and those for the urban elite Presidents are different. It seems that the former tend to lobby for the MPs in local constituencies, while the latter have some connections with the

politicians in the dominant political parties. How the differences in their networks would affect the real budget allocation still remains to be the topic of further investigation.

Third, comparing the LAOs performance of the new type of Presidents with highly educated LAO Presidents, the latter are tend to be evaluated highly with prizes and they get more subsidy on the average for the special project. It is too early to relate the LAO Presidents educational career with the performance of LAOs at this moment, but at least in the survey data, these variables are related in some ways.

From these findings, we may say that the social backgrounds of LAO Presidents have some effects in the social networks of the LAO presidents and this different patterns of behaviors may have some effects to LAOs performance. However, for the further analysis on the differences in LAOs performance, more investigations should be made on the survey results and its backgrounds.