CORRUPTION IN THE THAI BUREAUCRACY AS THE ECONOMIC THREAT: AN ANALYSIS FOR APPROACHES OF SOLUTIONS

KITTISAK RATHPRASERT

[1]PH.D Program SUAN SUNANDHA RAJABHAT UNIVERSITY Thailand
E-mail: [1]kittisak.ra@ssru.ac.th, [2]freenec@hotmail.com

Abstract- This paper aimed to examine causes and consequences of the corruption problems in the Thai bureaucracy and approaches for solutions of the economic problem that led to the corruption practices. In-depth interview was used in collecting the data, with 21 key informant classified into 4 groups who were former politicians, scholars who had extensive knowledge about the corruption, persons who were responsible for investigating law enforcement, independent scholars, developers and former senior government officials who had vast experience in monitoring the corruption suppression. The comparison of opinions across the different countries in regards to approaches to corruption solutions was also provided. The findings revealed that the main causes of the corruption practices were low salary, capitalism values and bribery. The study suggested an adoption of the Philosophy of Sufficiency Economy as one of the approaches for the corruption solutions, whereas social media could be a device to public anti- corruption promotion.

Index Terms- Corruption, Thai Bureaucracy, Economic Threat

I. INTRODUCTION

Corruption is a form of crime that has a wide range of corrosive effects threatening social, economic and political stability and international trust. Corruption may include other dishonest or unethical activities conduct by office holders or those who act in an official capacity, entrusted with public resources, or those who act in an authorized position for personal gain, and illegitimate uses of power authorized by public or state to benefit a private interest (Thinphan Nakata, 2008, p. 225- 228). The term 'corruption' can be defined within various contexts depending on concepts, attitudes and experiences exercised for consideration (Chinnaphong Bumrungsap et al., 2003, p. 8). One principal aim of various forms of corruption to embezzle others' assets for a purpose of conversion of such assets to be held or to be used for specific purposes, and normally those assets can simply be converted into financial asset (Kiettisak Jirathiaranad, 1984, p. 23). Defined by David Rosenbloom and Deborah Goldman (Reungwit Ketsuwan, 2006, p. 265), corruption is a form of deception to public trust in order to gain personal interest. Government or political corruption occurs every day around the world, and in many countries have found it undermine the capacity of their administration system. Also, for many decades corruption practices are generally seen in the Thai bureaucracy and have gradually become a social problem. Corruption practices in Thailand have been for long time a subversion of the national development and the public well- being. At present there are many forms of corruption practices aiming to illegally acquiring public assets for personal benefit or for benefit of particular groups. Social faith in honesty has gradually been destroyed by public persons (Dolan, 1998, and Kenny, 2009). Relatively, whereas forms of corruption have delayed national economy, some other forms may become dynamism of national economic and political stability; both of situations can occur apparently the same time (Robert Williams, 2000, and Xi and Pellegrini, 2011). Office of the National Economic and Social Development Board has formulated a conceptual framework in the 12th National Economic and Social Development Plan (B.E. 2560- 2564) with a strategy addressing an enhancement of effectiveness of the governmental affairs with the principles of good governance: transparency, effectiveness, responsibility and accountability. Other strategies include people involvement and decentralization, in which an emphasis has been given to public exposure of detected corruption cases in the governmental financial affair (Office of the National Economic and Social Development Board, 2015).

II. LITERATURE REVIEW

According to the Corruption Perception Index (CPI) by the Transparency International (TI), Denmark, Finland, Sweden and New Zealand have been put in the rank of 1st to 4th. Thailand during 1995- 2015 had been ranked with the score of approximately 30, with a small improvement from the score of 35 to 38 last year out of 100 scores, moving from the rank of 85th to 76th. This improvement may be a consequence of the national campaign that promotes 'no corruption' among youths and an alert of the business sector in anti- corruption (Juree Wijitwathakarn, 2015, and Transparency International, 2015). Supachai Phanichaphak stated in the Post Today (April 4, 2016) that Corruption Perception Index or CPI associated with the World Investment Report in particular with

movement of 1-2 trillion US Dollars in the Foreign Direct Investment. There appeared a high significance in the variation across the periods during the previous decades before and after the year 2000; some years reported the foreign direct investment of 1.24 trillion US Dollars whereas the amount of cash reserve of the Non- Equity Modes of International Production and Development was over 2 trillion US Dollars. Thailand was recorded with only almost 1 percentage of the FDI and NEM and has even decreased. Contrarily, Malaysia shows a dramatic increase of this, conspicuously a reflection of its attainment of the score of 50 in the CPI during the past 3 years. Therefore, corruption is a critical obstacle for the development of Thailand that confines its opportunity of only 1-2 percentages to retrieve the amount of over 3-4 trillion US Dollars from international investments both in the form of FDI and NEM. Many countries in Asia, Europe, Africa and Latin America have put much effort by all means to attract some proportions of these funds for example by offering privilege, tax exemption, reduction of tax rate, land tenure policy for foreign corporates and free flow of capital across countries.

The survey of Thailand's Corruption Situation Index (CSI) in June, 2015 from groups of entrepreneurs, government officers and general people, by Center for Economic and Business Forecasting, University of the Thai Chamber of Commerce revealed that during the 6 years the country had been improving at the index of 55 as a result of reduced degree of corruption. Degree of bribery offered by entrepreneurs to government officers has also been reduced. The National Council for Peace and Order (NCPO) has put high effort in enforcing the laws in order to seriously suppress all kinds of corruption practices. Every one percentage of reduced corruption means that leakage of money can be impeded, and results in a circulation of revenue into the economic system for 10,000 million Baht. Next year, if all projects run as planned, there will be a total of approximately 200,000 million Baht circulated into the system, assuming an economic growth of the country for 4 percentages (Thanawat Phonwichai, 2015, and Saowanee Thairungroj, 2015). However, the report by the CSI in December, 2015 unveiled there was an increase of 1-15 percentages of bribery, making approximate amount of money between 5.3 ten billion to 1.6 hundred billion Baht given by entrepreneurs to government officers or politicians in order to continue business contracts. It was found that the evaluation of the corrupted money from expenditures, durable articles, lands and buildings, and investment budget of state enterprises during 2011 and 2016 was between 1- 15 percentages of the budget, and would be increased to 5- 15 percentages or 1.7 hundred billion Baht in 20116.

Since the degree of corruption in Thailand has been increasing, only one unit established for monitoring and solving the problems is not enough. This is one of the reasons why, even with high extent of effort in reducing a degree of corruption in the Thai bureaucracy by the government during the previous years, the corruption still exists. Apart from establishing more units to watch on the situation, there must be other anti- corruption measures to prevent and detect corruptions, for example reforms of civil service, criminal justice system, politics and government. Tactics to solving corruption problems can be classified into 4 measurements, including (1) cooperation across all units; (2) prevention; (3) suppression; and (4) good governance (Thinnaphan Nakata, 2008, p. 269, and Phuangphet Suratanakaweekul and Supattra Phetmunee, 1976, p. 36). In this regards, this paper aimed to examine causes and consequences of the corruption problems in the Thai bureaucracy and approaches for solutions of the economic problem that led to the corruption practices.

III.DETAILS EXPERIMENTAL

3.1. Research Methodology

The qualitative approach was employed in this paper. In-depth interview was used in collecting the data. The respondents included 21 key informants who were leaders and important persons of Thailand. The respondents were classified into 4 groups: (a) 6 former politicians including former prime ministers and deputy prime minister and a former minister, who had been responsible for formulating laws and public policies related with the corruption problems in the Thai bureaucracy; (b) 5 scholars who had extensive knowledge about the corruption in the Thai bureaucracy; (c) 4 persons who were responsible for investigating law enforcement from the Office of the National Anti- Corruption Commission and 1 person from the Assets Examination Committee of Thailand; and (d) 5 persons including independent scholars, developers and former senior government officials who had vast experience in monitoring the corruption suppression. Other methods of the data collection covered secondary study from previous literature, observation.

After that, the data was analyzed, discussed and concluded with the qualitative technique, in order to build a body of new knowledge in regards to solutions to the studied issue.

IV. RESULTS AND DISCUSSION

The findings reported similarities and differences of opinions gathered from the respondents addressing the corruption issue. It was found that the main causes of the corruption practices among the government

officials included low salary and attitude or value of the general people. The consequences in terms of the socio- economy concerned threats to the national development, destruction to the economy as a result of illegal practices in seeking for personal benefits from the national projects, and chances leading children to have wrong attitude and value. These findings were shown in Table 1.

Table1: Causes and Effects of Corruption Practices in the Thai Bureaucracy

Corruption Issues in the Thai Bureaucracy	Economic Dimension
1. Causes	1.1 Low salary 1.2 Capitalism values 1.3 Government officials' involvement in bribery 1.4 Private sector as the benefit loser 1.5 Greed of persons holding authoritative or political power 1.6 Abuse of power by persons holding authoritative or political power to benefit stakeholders 1.7 Delay of project investments
2. Effects	2.1 National economic loss 2.2 Authorized persons keeping a certain amount of money as commission, a form of embezzlement 2.3 Poverty of farmers and labors with increased debt 2.4 Threatened market mechanism by the government procurement process 2.5 Tackling of projects 2.6 Delay of project investments 2.7 Private sector as the benefit loser 2.8 National loss of opportunity for infrastructure development 2.9 Lessening competitiveness 2.10 Wrong budget allocation

In regards to the solutions arising from the interview, it was found that increasing salary of government officials and promotions of anti- corruption and building of mindfulness towards social destruction of corruption among youth were the most significant. In terms of corruption suppression, the opinions varied between group A, B, C and D. The respondents of group A had a view that increase of salary could help reduce degree of corruption practices, whereas those of group B viewed that apart from increase of salary, there should be stronger penalty for those who conducted corruption. The respondents of group C focused more on provision of rewards for those who had performed well as motivation, and stronger penalty for those who conducted corruption, for instance increasing a prison term between 5- 20 years. Lastly, a tactic of bank account traceability was also recommended by the respondents of group D. The comparative analysis showed that the findings were conformed to the previous studies in the international context, which reported solutions to the issue by increase of salary applying the private payroll system, public education and promotion of anti- corruption and establishment of independent corruption investigation organizations. The findings were summarized in Table 2.

Table2: The Comparison of Opinions towards Economy-Oriented Solutions for the Corruption

Country	The Comparison of Opinions towards Economy- Oriented Solutions for the Corruption	
	Prevention Approach	Suppression Approach
1. Thailand (The opinions of the 4 groups of respondents)	1.1 Increase of salary for Thai government officials 1.2 Applying the Philosophy of Sufficiency Economy for building self- immunity 1.3 Promoting awareness of corruption as crime, building moral and ethical values among youth 1.4 Governmental provision of public learning development	1.1 The establishment of Office of the National Anti- Corruption Commission 1.2 The national leaders with honesty, moral and ethics, and their ability in controlling politicians 1.3 Strong corruption suppression measurements 1.4 Establishment of organizations that take care of the governmental procurement laws and regulations and that monitor procurement activities
2. Singapore	2.1 Applying the private payroll system in the adjustment of salary for high position and senior government officials 2.2 Provisions of good education, social security and housing services 2.3 Governmental provision of public learning development	2.1 The establishment of the Corrupt Practices Investigation Bureau (CPIB) 2.2 The national leaders as the moral role model, with strong concern of corruption suppression 2.3 Formulation of penalty for persons involved in bribery, both the giver and the receiver, with fine rate higher than the corrupted money
3 Hong Kong	3.1 Applying the private payroll system in the adjustment of salary for government officials 3.2 Endorsing more participation of the public in preventing corruption induced from the political support	3.1 The establishment of Independent Commission Against Corruption (ICAC) 3.2 The national leaders who are active in corruption suppression activities 3.3 Formulation of penalty for persons involved in bribery, both the giver and the receiver, with fine rate higher than the corrupted money
4. South Korea	4.1 Increase of salary for Thai government officials 4.2 Promoting awareness of corruption as crime, including the corruption issues of causes and effects in the formal education system, endorsing role of private sector in changing the public attitudes, and developing transparency framework 4.3 Demolition of organizations, units and systems that facilitate corruption to occur	4.1 The establishment of Anti-corruption and Civil Rights Commission (ACRC) 4.2 The national leaders as the role model of honesty 4.3 Power to condemn high- positioned or senior government officials suspected to be involved in corruption 4.4 Right to request for further investigation in case of primary

The last set of findings involved suggested the sustainable approach towards the corruption problem. Good governance is the ultimate tactic to the prevention of all forms of corruption. Moral values among the public must prevail, as these are the most accessible and simplest for the public understanding. Moreover, devising social media for instance Facebook, Line Application, Twitter and other applications and channels help watch possible corruption activities; this can be called a public watchdog.

CONCLUSIONS

The findings of this study could be concluded that motivation to conduct corruption among the Thai government officials associated with lower salary, capitalism values, bribery, economic burden on the private sector, greed of persons holding authoritative or political power and their abuse of the power. However, comparing the situation against Singapore, Hong Kong and South Korea, it was found that the corruption is not originated from the economic

problem due to their policy of salary increase, for example in South Korea, and application of private payroll system in Hong Kong. Capitalism and extravagant lifestyle value were also found as the significant root cause. Some respondents also pointed out that an idea of increasing the government officials' salary helped lower the degree of corruption may not always be right as long as the officials are not honest and greedy for more. This leads to their involvement in bribery offered by the private sector. It is an endless link between private wealth and public power, in which the private sector always seeks for personal relationship with the public sector conducting unlawful activities through, for example, construction projects and procurement, for their interest. This concurred with the study about corruption, good governance and ethics by Thaweekiet Meenakasit (2005, p. 10) revealing that private companies with links to politicians normally won in project bidding. There are 2 types of the economy- induced corruptions in the Thai bureaucracy. The first is the fact the system indirectly forces people to corrupt to be in the game. The second is intentional corruption conduct for large amount of money for extravagancy and for political power, which can be categorized into 4 smaller types: (1) governance system that opens conditions or facilitates opportunities to corrupt; (2) compensation payment system; (3) insatiability of powerful persons; and (4) administrative system that facilitates persons who have laws in hand.

An approach to corruption prevention suggested in this study bestows the King's Philosophy of Sufficiency Economy that encourages people to have moral and ethics based on the philosophy's principle of moderation and immunity. The general public must hold all forms of corruption as fatal crimes that threaten individuals and society as a whole. This contribution was in accordance with the measurement suggested in the research of Charoen Jetsadawan (2007, p. 128), where an emphasis was upon dynamism of good governance to be applied in driving public organization administrative system. This will create organizations with effectiveness, morals, honesty, transparency, fairness, public participation, no conflict of interest, accountability, respecting laws, and internal control system, independent regulatory agency and corruption suppression. In Hong Kong, general people are educated about harms of corruption, anti- bribery laws, and are encouraged to have negative perception towards corruption and to involve in watching over and reporting corruption cases to Hong Kong's Independent Commission against Corruption.

A chain found that creates causes of corruption in the Thai bureaucracy comprises groups of government officials, business owners or entrepreneurs and general people. Therefore, penalty law must be seriously enforced. Preventive approach ranges from exercising personal ethics to restrictions to media freedom of expression in ways that are destructive to the nation. Nevertheless, corruption suppression has not currently been effective due to inadequacy of human and financial resource. An establishment of Anti-Corruption Network, for instance, expedites effectiveness in preventive activities with an adoption of social media system. Additionally, general people should be motivated to utilize digital media in learning about corruption and its criminal effects (Prayuth Chan-ocha, 2016).

The findings strongly supports the principle that good governance must be adopted in anti- corruption activities, in ways that educate, promote understanding and build awareness in all levels of units and public groups. Moreover, a kind of "fund for transparency" may be established as public limited company, which should be integrated as an important part of the related laws and regulations of the Bureau of the Budget and to be allocated with some budget (for instance, every 1 percentage of each project of over 100 million Baht). The budget can be spent in endorsing more participation of the public in helping watch any suspected cases and secure the transparency of national project works. Additionally, the corruption suppression and anti- corruption awareness should be incorporated in school curriculums.

ACKNOWLEDGMENTS

The author would like to thank the Research and Development Institute, Suan Sunandha Rajabhat University, Bangkok, Thailand for financial support. Also, the researcher would like to thank Dr. Kevin Wongleedee, Director of Institute of Lifelong Learning Promotion and Creativity for proof reading this research paper.

REFERENCES

[1] Charoen Jetsadawon. (2007). Measurements of corruption prevention and misconducts 1. Bangkok: Phodee, p. 127- 170.

[2] Chinnaphong Bumrungsap et al. (2003). Corruption in selling and buying positions in the Thai bureaucratic system. Office of Public Sector Anti- Corruption Commission.

[3] Dolan, K. et al. (1988). Popular conceptions of political: implications for the empirical study of political ethics. Corruption and Reform, vol. 3, p. 3-24.

[4] Juree Wijitwathakarn. (2015). Corruption Perception Index, 2014 Year Report. Retrieved on January 20, 2015 from http://www.transparency-thailand.org/thai

[5] Kenny, C. (2009).Transport corruption, corruption and developing countries. Transport Reviews, vol. 29, no. 1, p. 21-41.

[6] Kiettisak Jirathiaranad. (1984). Corruption in organizations. Bangkok: Bophit Publishing.

[7] Office of the National Economic and Social Development Board. (December 22, 2015). The Formulation of the 12th National Economic and Social Development Plan. Retrieved on January 20, 2015 from http://www.nesdb.go.th/Default. aspx?tabid=540

[8] Pellegrini, L. (2011). Corruption, development and environment: economic analysis of corruption, p. 13- 26.

[9] Phuangphet Suratanakaweekul and Supattra Phetmunee. (1976). Had corruption in the past influenced the corruption practices of the Thai bureaucracy today?. Bangkok: Worawut Publishing.
[10] Prayuth Chan-ocha. (2016). Thailand Happiness Program, May 27, 2016, the Royal Thai Government. Retrieved on June 8, 2016 from http://www.thaigov.go.th/index.php/th/program1/item/103619- รายการคืนความสุขให้คนในชาติ-27-พฤษภาคม-2559
[11] Reungwit Ketsuwan. (2006). Introduction to political and administrative science. Bangkok: Bophit Publishing.
[12] Robert, W. (2000). Democracy, development and anti-corruption strategies: learning from the Australian experience. In Doig, A. and Theobald, R. (eds.). Corruption and Democratisation. UK: Antony Rowe, Chippenham, Wilts.
[13] Samrit Yossomsak. (2006). Corruption, good governance and ethics in Thai society. The National Political and Administrative Science Conference, the 7th. Ramkhamhaeng University, Bangkok, p. 235- 253.
[14] Saowanee Thairungroj. (2015). The Thai University Chamber of Commerce survey found perceived corruption at its lowest level in six years. Retrieved on June 1, 2016 from http://www.thairath.co.th/content/518127
[15] Saowanee Thairungroj. (2016). The Thai University Chamber of Commerce survey unveiled 5-15% bribery still found in 2016. Retrieved on June 8, 2016 from http://www.isranews.org/thaireform-other-news/item/44627-corruption-thai102.html
[16] Saowanee Thairungroj et al. (2010). Situational evaluation on the corruption in Thailand. Office of Public Sector Anti-Corruption Commission.
[17] Thanawat Phonwichai. (2015). Thailand showed improved score in the Corruption Perception Index during the past 6 years. Retrieved on January 20, 2015 from http://www.tnamcot.com/content/257522
[18] Thinnaphan Nakata. (2008). Corruption in the Thai Bureaucracy. 6th ed. Bangkok: Sahai Block and Publishing, p. 225- 279.
[19] Transparency International. (2015). Full Table and Rankings. Retrieved on June 8, 2016 from http://www.cpi.transparency.org/cpi2015/results

★★★