

# Policy Statement Of the Council of Ministers

Delivered by General Surayud Chulanont,  
Prime Minister of the Kingdom of Thailand  
To the National Legislative Assembly  
On Friday, 3 November 2006



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# **Announcement on the Appointment of the Prime Minister**

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## **Bhumibol Adulyadej, Rex**

Phrabat Somdet Phra Paramintharamaha Bhumibol Adulyadej is graciously pleased to proclaim that:

Pursuant to the promulgation of the Constitution of the Kingdom of Thailand (Interim) B.E. 2549 (2006) for use as a provisional constitution taking into account the current situation which will be in effect until the promulgation of the new constitution that the Constitution Drafting Assembly will draft and submit to His Majesty the King in due course.

The Chairman of the Council for National Security has now submitted to His Majesty the King the name of General Surayud Chulanont as the person whom His Majesty may entrust to serve as Prime Minister.

In accordance with Section 14 of the Constitution of the Kingdom of Thailand (Interim) B.E. 2549 (2006), His Majesty the King has therefore graciously

granted a Royal Command appointing General Surayud Chulanont as Prime Minister to henceforth administer the country.

Announced on 1 October B.E. 2549 (2006), being the 61<sup>st</sup> year of the present reign.

Countersigned by  
General Sonthi Boonyaratglin  
Chairman of the Council for National Security

# **Announcement on the Appointment of the Ministers**

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## **Bhumibol Adulyadej, Rex**

Phrabat Somdet Phra Paramintharamaha Bhumibol Adulyadej is graciously pleased to proclaim that in accordance with the Royal Command dated 1 October B.E. 2549 (2006) appointing General Surayud Chulanont as Prime Minister,

General Surayud Chulanont, Prime Minister, has now selected the names of those persons suitable to become Ministers to administer the country. His Majesty the King has therefore graciously approved the appointment of following Ministers, in accordance with Section 14 of the Constitution of the Kingdom of Thailand (Interim) B.E. 2549 (2006):

M.R. Pridiyathorn Devakula  
Deputy Prime Minister and  
Minister of Finance

Mr. Kosit Panpiemras  
Deputy Prime Minister and  
Minister of Industry

Khunying Dhipavadee Meksawan  
Minister attached to the Prime Minister's  
Office

Mr. Thirapat Serirangsan  
Minister attached to the Prime Minister's  
Office

General Boonrawd Somtas  
Minister of Defense

Mr. Nitya Pibulsonggram  
Minister of Foreign Affairs

Mr. Sawanit Kongsiri  
Deputy Minister of Foreign Affairs

Mr. Suvit Yodmani  
Minister of Tourism and Sports

Mr. Paiboon Wattanasiritham  
Minister of Social Development and  
Human Security

Mr. Thira Sutabutra  
Minister of Agriculture and Cooperatives

Mr. Rungruang Isarangkura na Ayudhya  
Deputy Minister of Agriculture and  
Cooperatives

Admiral Thira Hao-charoen  
Minister of Transport

Mr. Sansern Wongcha-um  
Deputy Minister of Transport

Mr. Kasem Snidvongs na Ayudhya  
Minister of Natural Resource and  
Environment

Mr. Sitthichai Pookaiyudom  
Minister of Information and Communication  
Technology

Mr. Krirk-krai Jirapaet  
Minister of Commerce

Mr. Piyasvasti Amranand  
Minister of Energy

Mr. Aree Wongsearayana  
Minister of Interior

Mr. Banyat Jansena  
Deputy Minister of Interior

Mr. Chanchai Likhitjitta  
Minister of Justice

Mr. Apai Chandanachulaka  
Minister of Labour

Khunying Khaisri Sriaroon  
Minister of Culture

Mr. Yongyuth Yuthavong  
Minister of Science and Technology

Mr. Wichit Srisa-an  
Minister of Education

Mr. Mongkol Na Songkhla  
Minister of Public Health

Mr. Piyabutr Cholvijarn  
Deputy Minister of Industry

The approval is effective henceforth.

Announced on 8 October B.E. 2549 (2006),  
being the 61<sup>st</sup> year of the present reign.

Countersigned by  
General Surayud Chulanont  
Prime Minister

**Policy Statement of the Government of  
General Surayud Chulanont  
Prime Minister of the Kingdom of Thailand  
Delivered to the National Legislative Assembly  
On Friday, 3 November 2006**

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**Respected Chairman and Honourable Members  
of the National Legislative Assembly,**

In accordance with the Royal Commands dated 1 October 2006, appointing me as the Prime Minister of the Kingdom of Thailand, and 8 October 2006, appointing the Cabinet, the Government has formulated its policy in line with the Thai administrative tradition of democratic government with the King as Head of State. The Government now presents to the National Legislative Assembly its intent and its policy, most importantly, to uphold and safeguard with the deepest respect the institution of the monarchy, ensuring that it shall not be violated. The Government further aims to resolve national crises in the realms of politics, economics, society, foreign affairs and national security for the stability

of the country as well as the benefit and happiness of the Thai people.

**Respected Chairman and Honourable Members of the National Legislative Assembly,**

The Interim Constitution of the Kingdom of Thailand B.E. 2549 (2006) indicates the reasons for the takeover of administrative power of the country on 19 September B.E. 2549 (2006) as being to stave off further erosion of faith and trust in the country's administration and to rectify the gross mismanagement of the country's administration and the failure to check the exercise of State power, which had led to rampant corruption and malfeasance, the offenders of which could not be found and punished, resulting in severe political crisis, as well as to heal the widening divisions among the people who were being incited to take sides, eroding unity among the people within the nation and leading to a severe social crisis. These crises seemed to get worse and worse. This was seen as a grave threat to the country's administration, economy and public order. It was, therefore, deemed urgent to restore a sense of national unity, harmony and public order, revitalize the economy, foster a

robust system of checks against corruption, promote morality and fairness, promote and protect the rights and liberties of the people as well as human rights, adhere to the United Nations Charter and obligations under international treaties or agreements, promote friendly relations with other countries and make the philosophy of “Sufficiency Economy” the driver of the economy. At the same time, the Government will expedite the process of drawing up a new constitution, which will involve broad public participation.

Therefore, having considered the intent of the Constitution and the country’s circumstances as well as the need to create a harmonious and unified society in line with the 10<sup>th</sup> National Economic and Social Development Plan, the Government would like to present its policy to the respected Chairman and honourable members of the National Legislative Assembly as follows:

## **1. Political, Administrative and Management Reform Policy**

Politics is an important factor affecting how smoothly the country is run and how much its administration reflects the needs of the people.

The political situation and administration under the previous government, however, led to a crisis of faith on the part of the people. In order to resolve the political and administrative crises, the Government intends to undertake the following policies:

**1.1 Support the process of drafting a new and permanent Constitution** of the Kingdom of Thailand so that there is political reform, importance being placed on ensuring the participation of the people in every stage of this process;

**1.2 Strengthen measures to prevent and suppress corruption and malfeasance** in both the political and public spheres and at both the local and national levels; encourage independent agencies and the people to take part in monitoring corruption and malfeasance so as to promote efficiency and effectiveness as well as prevent activities that could lead to conflicts of interest through the drafting of an Act on Wrongdoing Related to Conflicts of Interest Committed by Political and Government Officials;

**1.3 Draw up a master plan on political development** that strengthens political virtues and ethics as well as political culture and learning; establish a “Political Development Council” to serve

as the primary body responsible for the drafting of the master plan and its implementation, including ensuring continuous coordination, follow-up and supervision of implementation, thereby ensuring that it accords with the intent of the Constitution;

**1.4 Draw up a master plan on the use of national telecommunication resources and equipments** to ensure that they are used for the benefit of the public and for public political education; instill in the people knowledge and understanding of politics and administration under the constitutional monarchy, as well as emphasise understanding of the substance of political reform;

**1.5 Promote media freedoms** along with the media's responsibility to society; push for a law on radio and television broadcasting business that will make State, private and community media truly public media;

**1.6 Encourage private and civil sector organisations** to play a role complementary to that of governmental organisations in the development of the potentials of civil society and the local communities, so as to foster robust organisations capable of protecting their own rights and interests as well as those of Thai society as a whole;

**1.7 Emphasise the management of human resources and public sector organisations** that is in line with efforts to lead the country towards sustainable development, with a robust society and a contented population living life by observing the philosophy of “Sufficiency Economy”; ensure that the civil service is professional and that civil servants and public sector employees can make an adequate living, be honest and conscientious as well as have the ability and capability to serve the public-all of this in line with His Majesty the King’s advice of “understand, empathise and develop.”

**1.8 Support continuous decentralisation** in line with the democratic process so as to enable the localities to be self-sufficient and administer themselves in accordance with the wishes of the people in the respective local communities.

## **2. Economic Policy**

The Government’s economic policy will be based on the philosophy of “Sufficiency Economy.” Among other things, this means making use of moral principles to lead economic development under the free market system. This is so as to drive the grassroots economy, which can be likened to

the taproot of the nation, the market economy and the overall economy so that all sectors contribute to economic expansion in an adequate and sustainable manner. The emphasis will be on the leading role of the private sector and the latter's synergy with the public and civil sectors. All of this will help strengthen the three economic sectors mentioned above, with the main policies being as follows:

**2.1 The Grassroots Economic Sector** is an important foundation of the Thai economic system. It, therefore, needs to be strengthened in the following ways:

**2.1.1 Agriculture:** promote agricultural development based on the “New Theory” as an important alternative for small farmers; at the same time, expand opportunities for product development and improve product quality through the use of technology, management and access to markets;

**2.1.2 Local Community Products** will be supported so that they are recognised by consumers as quality products in line with their market potential, whether at the regional, national or export levels; this can be accomplished through the establishment of an integrated project management

system that will improve technology and management as well as provide market support;

2.1.3 The **labour** force is another important foundation of the grassroots economy; the Government will strengthen cooperation among labour, the public and private sectors; this cooperation will include developing the quality and skills of the labour force at all levels so as to ensure that the labour force is more productive and receives higher incomes in line with skill standards; this cooperation is also to ensure that all categories of labour have jobs and supplementary occupations, are protected and provided with safe and sanitary working conditions, and have their security and welfare provided for in a comprehensive and just manner;

2.1.4 **Expansion of the grassroots economic sector** in accordance with articles 2.1.1-2.1.3 will take into consideration those who face difficulty in making adjustments by providing them with the necessary social welfare and social services; the Government will also provide opportunities for learning, education and vocational training for these people and their offspring; steps will also be taken to ensure that economic growth does not

have a negative impact on natural resources and the environment.

To these ends, the Government will make improvements in the role of governors and regional agencies by adjusting the relationship between regions, localities, communities and civil society in an appropriate manner. All of these parties will share in the responsibility of looking after the less fortunate as well as preserving and protecting natural resources and the environment thoroughly, justly and efficiently.

**2.2 The Market Economy:** it is this Government's policy to allow full operation of market economy mechanisms led by the principles of virtue and economic justice; the Government will also work to rid the country of conflicts of interest and the pursuit of vested interests; the Government will make use of free market mechanisms to increase the country's competitiveness on the basis of fairness as follows:

**2.2.1 Industry Development:** encourage both domestic and overseas investment in industries with high competitive potential according to the 10<sup>th</sup> National Economic and Social Development Plan; importance will also be placed on investment

in technological capacity-building and creating national intellectual property;

**2.2.2 Small and Medium Enterprises (SMEs):** make use of the public-private sector alliance to increase the effectiveness of, and thereby strengthen, all SMEs through science and technology and management; in addition, special importance will be given to those SMEs that make use of intellectual property;

**2.2.3 Exports:** promote and propel the export of goods and services, with the private sector as main driver; enhance the robustness of the system of internal trade, while ensuring price stability for goods at a level that is fair to both producers and consumers;

**2.2.4 Tourism:** develop Thailand into a quality tourist destination, one that can offer international standards for safety and services; place emphasis on Thailand's identity and culture alongside natural resources conservation; intensify tourism marketing both within and outside the country to attract quality tourists;

**2.2.5 Energy:** promote energy efficiency, energy saving, the development and use of alternative

energy, the survey and development of domestic and international sources of energy-including the joint development areas with neighbouring countries-the use of clean energy, an appropriate price structure for energy and restructuring of the management of energy affairs by ensuring that there is a clear division between energy policy-making and regulation, and promoting long-term competition in the energy business as well as research and development of alternative energy;

#### **2.2.6 Basic Economic Infrastructure:**

give importance to good quality, efficient and transparent management of basic infrastructure; lay down the foundations for good and systematic work to be done in this area; develop quality personnel who are honest, virtuous and ethical so as to create good management standards; encourage public participation at every stage of a project, from the planning to the implementation stage; move forward feasible Mega Projects indicated in the master plan; emphasise investment that will make the logistics network more effective, save energy and lower transportation and project costs as well as reduce pollution; ensure good water resource management to lower the risk of flooding

and drought in important economic zones; make clear prioritisation of Mega Projects at the earliest opportunity;

**2.2.7 Intellectual Infrastructure:** while Thailand has made considerable investments in the country's basic economic infrastructure, its intellectual infrastructure still lags behind many of its competitors; the Government will, therefore, draw up a master plan on intellectual infrastructure so as to accelerate knowledge-creation in Thai society, support the "Sufficiency Economy" philosophy, help boost national capabilities in a sustainable manner, as well as encourage the public and private sectors to make collective efforts at innovation;

**2.2.8 Management of Natural Resources and the Environment:** create a balance between the conservation of natural resources, especially biological resources, and their sustainable use in order to foster good environment quality in accordance with our economic conditions; in this regard, economic measures shall be employed together with environmental management principles to ensure participation and justice for all sides.

**2.2.9 International Economics:** engage in international economic cooperation and trade

negotiations at the bilateral and multilateral levels that are of benefit to the country and people, with due participation of civil society, and in accordance with the appropriate procedures and processes;

**2.2.10 Amending the Regulations Governing Trade:** amend and update the laws and regulations governing trade to facilitate trade, create fairness and raise the level of competitiveness.

## **2.3. The Overall Economy**

**2.3.1 Building Economic Immunity:** The Government recognises that productivity is crucial to sustainable GDP growth and, therefore, places equal importance on increasing productivity and measuring GDP growth; in this connection, the Government will draft a joint public-private sector master plan on enhancing national productivity in important economic sectors, which is to be completed within six months;

**2.3.2 Encourage saving** at all levels through implementation of appropriate savings policy and instilling a sense of frugality to reduce household debt and ensure a good living in old age;

**2.3.3 Money and Finance:** maintain a budget deficit to adequately support further economic

expansion and invest in infrastructure necessary to increase national competitiveness and build economic immunity; at the same time, the Government will also encourage fiscal discipline in the public sector by way of rational and cost-effective spending.

### **3. Social Policy**

The Government is intent on building a strong society on the basis of virtue, a society in which all people live in peace and harmony, on the basis of the following policies:

**3.1 Promote compassion and understanding, unity and reconciliation among the country's people** so that they cooperate in the revitalisation and rehabilitation of the nation on all fronts. In doing so, the Government shall draw lessons from past conflicts and failures to prevent and resolve such problems to foster understanding among the people. The Government shall also create a process for the resolution of problems, putting a premium on national harmony, while promoting the dissemination of examples of good cooperation that brings happiness to all segments of the Thai community.

**3.2 Formulate a social reform plan for shared happiness and national harmony** on the basis of virtue. The Government is to draw up this plan together with the people, business, civil society, academia, media and religious institutions so as to build a caring, virtuous and democratic society, one in which the local community and civil society are strong.

**3.3 Accelerate educational reform by emphasising virtue-led learning** so as to increase educational opportunities for all. The Government will aim to develop the quality of education as well as educational standards at all levels; increase awareness of the value of the philosophy of “Sufficiency Economy,” harmony, peace and the democratic lifestyle; and develop human resources with virtue as the basis of the learning process that brings together the family, the community and the religious and educational institutions. The management of education will emphasise the decentralisation of power to the localities and the educational institutions, with the participation of the people and the private sector, so that education builds quality individuals, disseminates knowledge to society and produces virtue, quality, capability and efficiency.

**3.4 Further the well-being of the people,** encompassing physical, psychological, social and intelligence aspects. The Government will, therefore, reform health policy to reduce behavioural risks, create a participatory environment, develop a balanced health services system for both normal and emergency situations that encompasses the promotion of good health, disease prevention, hospitalisation services and physical rehabilitation, while ensuring good quality, comprehensive coverage and fairness. The Government will also propose a National Health Act.

**3.5 Promote basic and popular sports** so that all peoples have the opportunity to engage in sports and exercise for good health. The Government will cultivate a sporting spirit to foster national harmony. The Government will also encourage sporting excellence and professionalism in accordance with international standards.

**3.6 Strengthen local communities and civil society,** enabling them to manage themselves in the areas of economics, society, culture, administration, natural resources management and community rights. The Government will, therefore, promote the family, community, volunteer organisations, the business

sector, religious and educational institutions to play leading roles in this respect, which includes preventing and resolving social problems, such as those related to narcotic drugs, the care of children and youth, the disabled, the elderly and the disadvantaged, supporting women's rights and providing safety of life and property.

**3.7 Encourage all segments of society to take part in developing a sustainable peaceful society** on the basis of Thai culture. All types of media shall be used to create such a society, to ensure the continued existence of national arts and cultural diversity of the local communities-all this so as to highlight the value and spirit of Thai-ness, to build a harmonious and caring society and nation.

**3.8 Reform the judicial system with public participation**, which means reform of the systems of investigation, interrogation, verdict, detention and rehabilitation of wrongdoers and the protection of the rights and freedom of the people-all this so as to create justice in society and enable people to have quick, convenient and efficient access to the judicial system. The Government will also create options in the judicial system to foster harmony

and promote the community's role in dispute mediation, prevention and the monitoring of crime, which will reduce the number of cases and the losses from criminal and social conflicts.

**3.9 Increase the effectiveness of agencies and personnel in the judicial process** by introducing a forensic science system that meets international standards and modern technology to enhance the capabilities of agencies and personnel in the judicial process.

#### **4. Foreign Policy**

The Government is intent on promoting the national interest and enhancing understanding of, and confidence in, Thailand on the part of the international community. To these ends, the Government will undertake policies friendly to, and continue to cooperate with, the international community on the basis of virtue, transparency, democratic values and an adherence to international law, especially the United Nations Charter and the Universal Declaration of Human Rights. The Government has, therefore, set out the following policies:

**4.1 Play a pro-active role in bilateral and multilateral frameworks** in support of national reconciliation and security, especially with regard to resolution of the situation in southern Thailand;

**4.2 Promote friendship and cooperation with neighbouring countries, the sub-region, the region and among regions** so that there is stability, security and shared prosperity;

**4.3 Strengthen ASEAN**, especially expediting the establishment of an ASEAN Community;

**4.4 Play a constructive role in the framework of the United Nations as well as in other multilateral frameworks** in the promotion of peace, democracy, human rights, humanitarianism, environmental conservation, sustainable development, the resolution of transnational problems and public health;

**4.5 Protect the rights and interests of Thai citizens abroad** and enhance the role of Thai communities overseas.

## **5. National Security Policy**

The changes brought about by globalisation have made the safeguarding of state security a most important task. This is because disturbances

or unrest can easily and quickly escalate and can eventually affect state security and the peace and tranquility of the people as a whole. The Government, therefore, puts forth the following policies:

**5.1 Promote synergies between the governmental, private, civil and academic sectors** for the defense of the nation in normal times and capacity-building so that the armed forces are sufficient in number and can mobilise in a timely manner in extraordinary times. In peacetime, the Government will reinforce and make use of the potential of the armed forces to develop the nation's strength in all dimensions so that the nation will be secure and prosperous in line with the philosophy of "Sufficiency Economy"; live in harmony; and be able to prevent, alleviate and resolve critical problems, namely the unrest in the southern border provinces by following the royal advice "understand, empathise and develop." These problems also include new forms of threats related to the environment, disaster victims, terrorism and domestic and transnational crimes, such as those related to narcotic drugs, illegal immigration and illegal alien workers, smuggling of goods, human trafficking and piracy.

**5.2 Develop and enhance the potential of the armed forces** in line with the changed security environment so that they possess the necessary defensive and deterrent capacities, can protect the national interest and put a swift end to conflict. Moreover, the armed forces should have an effective intelligence system, military science and technological capability and a strong national defense industry. This is so that Thailand will be militarily self-sufficient, able to develop its fighting capacity on a continuous basis, and possesses system for reserve forces, force mobilisation and reinforcement commensurate with threat situations. The Government will also support international security cooperation with neighbouring countries, ASEAN and international friends so as to reduce mistrust, build trust and confidence, and foster peace and harmony. In addition, the Government will support peace and humanitarian missions under the framework of the United Nations and in the national interest.

**Respected Chairman and Honourable Members  
of the National Legislative Assembly,**

I wish to reassure that, despite the limited time it has, the Government will administer the country in accordance with the aforementioned policy and fulfill its duties to the best of its ability and with the utmost determination, abiding by the oath of office it took before His Majesty the King and out of deep and heartfelt respect and appreciation for His Majesty the King's benevolence.

**Thank you.**