The anti-Japanese movement in Thailand in the 1970s in international and domestic perspective

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Abstract

The Anti-Japanese protests that emerged in 1972 were part of a wider movement of opposition to economic imperialism and cultural domination, focused principally against the US. This movement emerged as part of the social changes created by urban-biased economic development.

Southeast Asia and Japan have had a long history of interdependent economic relations. Due to its geographical proximity, Southeast Asia has been the source of vital raw materials and markets for Japan. The sea lanes bringing raw materials to Japan pass through the region. Southeast Asian nations have also relied on Japanese investment and aid.

Before World War Two, the relationship between Japan and Southeast Asia was mainly economic in nature. As the Japanese government decided to expand southwards, Japan invaded and took control of many countries in the region, causing anger and agony among the local people.

After World War Two, memories of the Pacific War limited the political and social relationship between Japan and Southeast Asia. Japanese gradually rebuilt its economic links and began to put emphasis on its political relationship again during the Cold War. However, Japan faced growing criticism for its rapid economic expansion and business practice in the region. The fear of Japanese economic domination stimulated a sense of nationalism in many countries, such as Malaysia, Thailand, and Indonesia. Nationalists staged protests against Japan on several occasions. The visit of prime minister Kakuei Tanaka to Southeast Asia in 1974 was met with demonstrations in many countries, and

his trip to Indonesia was cancelled because of violent protest.

However, there is doubt if Japanese economic domination alone could have caused the nationalist sentiments behind these anti-Japanese protests. The anti-Japanese protests were stronger in countries like Thailand and Indonesia that had dictatorial government than in other countries. This article examines the anti-Japanese movement among university students and academics in Thailand in the early 1970s. Although the protests targeted Japanese business, the nationalist movement was focused against Thailand's dictatorial regime.

**Japan–Thailand relations after World War Two**

After World War Two, relations between Thailand and Japan were influenced primarily by economic interests. Commercial relations expanded and became intermingled with political concerns, economic cooperation, and investment.

During the Cold War, economic development was the main target of the Thai government, partly as a means to counter the expansion of communist insurgency. The first national economic development plan, which took effect in 1961, aimed to raise the per capita income and the standard of living by expanding the production sector which, in turn, would foster employment. The government intended to allow the private sector to undertake production while the government itself focused its efforts on providing infrastructure, such as irrigation, electricity, and roads. The main obstacle was the supply of capital. Thailand lacked both savings and technology. It had no heavy industry, and savings were only 14-15 percent of GDP. In order to promote industrial production, Thailand needed to find both investment capital and financial capital.

Given the low savings, the country had to seek foreign loans and welcome foreign direct investment. The Investment Promotion of 1960 stated

in order to achieve this goal, the government must bear a heavy burden of increasing expenditure. The government will have to increase its income through tax procedure, and lending both from domestic and international sources. To promote saving in industrial investment, the government will support private sector in order
to attract domestic and foreign investment. But it must not cause harm to the people at large.

In Japan after World War Two, the government focused its attention on restoring its economic vitality. Japan’s role in the international arena was limited under the US occupation, and hence Japan’s engagement with Southeast Asia was almost nonexistent until the early 1950s. When communist countries gained more power in East Asia, the US changed its policy towards Japan, encouraging Japan to shift its source of raw materials and markets from China and Mongolia to Southeast Asia. As a result, when normal relations were resumed between Thailand and Japan, the economic relationship was the most important aspect, covering trade, investment, and Official Development Assistance (ODA).

Japan was Thailand’s most important trading partner. In 1971, Japan was the source of 38 percent of Thailand’s total imports, and the destination of 26 percent of total exports. Trade with Japan was very important to the Thai economy, though trade with Thailand was of minor importance to the Japanese economy. The balance of trade was unfavorable to Thailand. After the Investment Promotion Act 1960 took effect, Japanese investment accounted for 11.23 percent of total promoted investment during 1961-1971. Japanese investment increased drastically over 1967 to 1969, especially in promoted industries, Japan became Thailand’s largest foreign investor. The main destinations of the investment were industry, trade, construction, banking and services. Most industrial investment was in textiles, chemicals, pulp and paper, food products, cars, motorcycles, and electrical machinery.

Thailand started receiving grant aid from Japan in the mid 1950s as part of the quasi-reparation agreement. This was the beginning of government-to-government economic cooperation that brought more Japanese involvement in the Thai economy later. Before the anti-Japanese movement in November 1972, Thailand received two Japanese loans. The first of 1,200 million baht in 1969 was channeled partly through the EXIM bank and partly through the OECF. The second in 1972 was 4,500 million baht. These loans were not dedicated to specific projects but carried a condition that the money must be used to purchase goods and services from Japan. In other words, these Japanese loans were “tied aid.”
The role of trade, investment, and Official Development Assistance (ODA) were intertwined in Japan's economic relations with Thailand. Japan's ODA scheme brought in Japanese technical experts who studied the Thai business environment and prospects, and proposed infrastructure schemes to be financed through Japanese ODA, which included "tied loans."

As the National Economic Development Plan and the Investment Promotion Law took effect in the early 1960s, Thailand welcomed foreign investment as the major means of development. Import-substitution industries were expected to overcome the trade deficit, but the results were the opposite.

Anti-Japanese sentiment

Resentment against Japan appeared in many forms. Besides public lectures and seminars criticizing Japan's economic role in Thailand, there were many critical newspaper articles, journal essays, and research reports. During 1970-1976, Japan was mentioned in 310 publications (out of a total of 756 publications during 1950-1980). In 1972, the journal Sangkhmosat Parithat (Social Science Review) published an issue entitled ข้าบพื้นพลิ้ว (chabap phai lueng, "yellow peril") that was translated and circulated among Japanese.

This critical reaction was confined to the academic circle and the educated. In 1970, around a hundred students founded an Anti-Japanese Products Association in Kasetsart University. The group tried to involve the public by campaigning against Japanese products and promoting Thai products, especially Thai textiles. They campaigned for a "week of not buying Japanese products" during 20-30 November.

Japanese economic imperialism

Japan's economic expansion alone would not have been an issue in Thailand without its association with the idea of imperialism. Thai scholars voiced their concerns over Japanese business behavior through newspapers and journals. They argued that Japan after World War Two did not pursue a goal of military expansion like the US or Soviet Russia, but an aggressive economic expansion that amounted to economic imperialism. Moreover, Japanese imperialism was not seen as new, but
was associated with Japan's militaristic expansion into Southeast Asia during World War Two. Although Japan was no longer a militaristic state, its rapid economic expansion recalled the image of an aggressive intruder intent on taking control of the economy in Thailand and other countries. Japanese capital had a very high share of output in many sectors of Thai industry including 70 percent in the car industry and 80 percent in the food industry. Throughout East Asia, Japanese business had more than a 50 percent share in many lines of production.

According to Thai scholars, Japanese nationalism had changed from militaristic nationalism during the war to economic nationalism in the post-war era. Japan's government agencies and private sector were coordinating efforts to seize Thailand's natural resources, exploit cheap labor, and dump cheap products into the Thai market, inhibiting the growth of Thailand's own nascent industries.

Thai nationalist critics also focused on the growing Japanese cultural domination that was an unintended consequence of economic relations. The Thai market was flooded with Japanese goods. Imports from Japan encouraged materialistic values and exerted a strong influence on the consumption behavior. Thai children were subjected to Japanese TV series and cartoons. Japanese cultural influence on the young generation helped to sell Japanese goods.

**Japan-US alignment in Southeast Asia**

Another source of Thai people suspicions of Japan's real intentions was the so-called "integrative imperialism." According to an article in the journal *Sangkhomsat Parithat* in 1975, the years 1965-1969 had seen the establishment of a "closed inter-dependency system in the Far East" as part of "capitalist imperialism with the US as its leader, and Japan as the second leader." During the Cold War, the US encouraged Japan to look to Southeast Asia rather than China and Manchuria for raw materials and markets. The US aimed to integrate the Japanese economy with the economies of the US and Southeast Asia, and Japan was enthusiastic about this prospect. In this view, the threat posed by Japan's economic might was intensified by its linkage with American military policy.

In truth, these critics saw the US as the main threat. Japan was called the "Yellow Peril," which was part of a "White Peril" that was able to
penetrate the country because of Thailand's economic policy attracting foreign investment. As Japan was under the influence of the US, it was the US that was behind all Thailand's troubles. Public opinion leaders of that time also argued that the Thai people themselves were allowing this economic domination to happen. Imperialism would not have succeeded without the cooperation of Thai officialdom and business. Nationalist criticism was thus directed not only against foreign countries, but also against corrupt officials who allied themselves with foreigners.

**US intervention in Thai domestic affairs**

After World War Two, Thai governments looked to economic development as the key to social stability. They sought help from the US that was also seeking some influence in Thai politics.

Against the background of communist expansion in Asia and the war in Vietnam, Thailand became a strategic partner for US military operations in Indochina. The US decided that dictatorial governments in Thailand would most benefit US interest in the region as they provided stability which complimented the US policy and operation.

According to the newspapers and academic journals of that period, people in general felt that Thai government officials and dictatorial governments were complicit in allowing foreign investors to exploit loopholes in Thai laws, to exploit Thai labor, to deplete the forests, to damage the environment, and to displace people for infrastructure projects.

The US tutelage harmed democratization in Thailand for the sake of American interests. At the same time, capitalist economic development created new groups of educated people with political consciousness. When these groups were excluded from political participation, they turned against the foreign influences that they perceived lay behind the politics.

**Economic, social, and political environment during the 1960s-1970s**

**Economic conditions**

During the 1960s, Thailand was an agricultural economy. The main exports were rice, teak, tin, and rubber. There was not much industrial
production. Most industrial goods were imported. Economic policy aimed to develop import-substitution industries by offering incentives to foreign and domestic investors. The government invested in infrastructure projects such as roads and electricity, made a priority of "national security," meaning repression of political activity, removed restrictions on the size of landholdings, and promoted cooperation between government and the private sector. These policies created close connections between political leaders and business groups, mostly of foreign origin, who sought out influential persons to help protect their business interests.

The consequences of these economic policies became evident in the 1970s. Rice dropped from 83.9 percent of total agricultural production in 1950 to 49.1 percent in 1970. Cash crops increased. Whereas, rice farmers produced for household consumption and sold the surplus, cash crop farmers produced for the market, and were more sensitive to price fluctuations in the world market. They were also more sensitive to the domestic political power structure because some cash crop farmers received government subsidies. In addition, government's promotion of industry began to yield some effect.

The share of industrial products in total exports rose from 1.4 percent in 1960 to 15.5 percent in 1970. The change in economic structure caused change in the labor structure. The number of workers in industry increased. Some were urban people who had better than average education, with higher political consciousness, and more opportunities for collective action and expression of dissent.

Social conditions

Thailand's population grew from 26 million persons in 1960 to 36 million persons in 1970. Economic growth fostered urbanization, from both natural demographic expansion and migration of labor into towns. The middle class expanded. Labor unions increased. More people had better education.

Three new important social groups emerged. The first included entrepreneurs in financial institutions, import-export businesses, and industry. American expenditure during the Vietnam War and the flow of foreign capital and loans created many newly rich entrepreneurial families that forged connection with high-ranked military officials.

The second included labor in the industrial and service sectors.
Although the numbers were smaller than those in agriculture, they were concentrated in the urban areas, had better than average education, and could exercise bargaining power by resorting to strikes.

The third included college and vocational school students. Earlier, the output of higher education had been absorbed by the public sector, but now overflowed into the private sector. During this period, the spurt in the number of graduates was too high to be absorbed into the urban labor market, while opportunities in the agricultural sector were closed because of limited farm land. The group of people became the most dissatisfied with the government.

Political conditions

The military government under Thanom Kittikachorn from 1963 to 1973 continued the same economic policy. Connections between entrepreneurs and high military officers continued to be important for commercial success. Factionalism within the military provided openings for new business groups to participate in this environment.

Political resentment against this regime increased. Government was forced to concede a constitution and allow elections in 1969, but the constitution was arranged to allow Thanom to continue as a prime minister, and in 1971 he performed a coup and again revoked the parliament.

Communist ideology began to have a role in focusing dissent. The communist insurgency intensified from the early 1960s, using a strategy to build support in the rural areas to surround the towns. Violent confrontations between insurgents and security forces began from 1965. Communist ideology gained popularity among university students. In parallel, the US intervention in Thailand's domestic affairs increased.

Four groups were active in politics. First, there were military and bureaucrat factions opposed to the Thanom regime, including some that lost power after the 1971 coup and wanted revenge. Second, there were entrepreneurs who jockeyed to forge the connections with high military officers that were essential to commercial success. Third, industrialization had created a growing urban labor force that was sensitive to shifts in income and living standards, quick to express political opinions, and resentful of restrictions after the 1971 coup. Fourth, university students, public opinion leaders, and college
students were increasingly intent on debating about rights, constitutions, and democracy. They opposed military dictatorship, corruption, and monopolistic business. The National Students Center of Thailand was formed in December 1969. Their protests against rising bus fares and against Japanese products attracted public attention.

Economic changes from the 1960s brought about social changes that resulted in challenges to military dictatorship in the 1970s. New social forces protested against the exploitation of natural resources, environmental degradation, and inequality in income distribution. As the military regime was openly supported by the US, including the 1971 coup, anger was also directed against the US. In other words, the nationalism that fixed on Japan as a soft target had its roots in resentment against the military regime.

Conclusion

Thailand’s democratization has long been obstructed by military dictatorial regimes. Especially during the Cold War, the US intervention in Thai politics was intense due to Thailand’s geographical location adjacent to Indochina. The US interfered in Thai domestic politics by supporting dictatorial regimes in order to guarantee Thailand’s support of the US military operation in Indochina. In addition, the Thai government believed that economic development was the best means to fight communism. Foreign intervention thus included large sums for development projects.

As a result, Thailand’s infrastructure was rapidly developed. Foreign investment also increased, especially from Japan. Little attention was paid to the resulting problems such as deforestation, labor exploitation, and deteriorating income distribution. Nationalist critics argued that foreign investment caused these problems. Foreign investment was portrayed as a new form of imperialism under which the US and Japan were allowed to siphon resources from Thailand through the complicity of corrupt officials. Students spearheaded a call for democracy as a means to solve these social problems, but such protest was suppressed. The role of Japan in this new imperialism was linked with the earlier image of Japan as a military imperialist, resulting in the nationalistic anti-Japanese movement.
Notes


3 In 1952, the San Francisco Peace Treaty ended the occupation of Japan by the Allied forces. The Treaty stipulated that Japan pay compensation or reparation to the Asian countries whose damages were due to Japanese occupation during the WWII. Thailand was not completely under Japan's occupation, but suffered from Thailand-Japan financial relations during the War. This kind of compensation was called quasi-reparation. The amount of the debt repayment was agreed in 1954. The first payment of 5.4 billion yen was paid through a bank in England. The remainder of 9.6 billion yet was paid in the form of capital goods and services from the Japanese people. This second amount was agreed and began in 1962. Keiko Hirata, Civil Society in Japan (Basingstoke: Palgrave Macmillan, 2002), p. 166.


9 Kullada Kesboonchoo Mead, Kan mueang Thai yik Sarit-Thanom paitai khrong-sang amnat lok.[Thai politics during the Sarit-Thanom period within the world power structure] (Bangkok: 50 Years of Bangkok of Thailand Foundation, 2007), p. 187.