



RHODES' GOVERNANCE CONCEPT IN RELATION TO THAI PUBLIC SERVICE

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Abstract

The paper is aimed to explore the concept of governance as the term came to be used since the 1980s and the 1990s and the way to employ the concept of governance which has been adapted from Rhodes (1996 and 2017) by concerning only five separated uses of 'governance' and how to implement them in terms of Thai public service. It includes: 1) being the minimal state 2) being corporate governance 3) being the new public management 4) being the good governance 5) being self-organizing network. However, in terms of Thailand, old-fashioned Thai public administration system, no matter how much the world has changed, the central government still plays the vital role to control and runs public service inevitably.

Keywords: Governance, Public Service, Implementation



Introduction

In 1996, Rhodes states that the concept 'governance' is popular but imprecise. (Rhodes R. A., 1996). The concept of "governance" is not new, as the term came to be used since the 1980s and the 1990s (Sharma, 2018) and it has embedded in both political and academic discourse more than two decades. Furthermore, it depends on the context that we have focused. The people, processes, and systems that management has put in place to oversee daily organizational operations comprise the governance infrastructure. This operation and management include the processes for gathering and reporting information provided to management, the board, and outside parties. (Baret, Hida, Hatfield, Sandford, & Vazirani, 2013). Moreover, it is up to the level or practices per se. Interestingly, in 21st century the concept of governance has taken for granted to be in the field of public administration and perpetually employs the concept with quite different meanings and implications. This paper explores the way to implement the concept of governance which has been adapted from (Rhodes R. A., 1996) and (Rhodes, 2017) by concerning only five separated uses of 'governance' and how to understand them in terms of Thai public service by : 1) being the minimal state 2) being corporate governance 3) being the new public management 4) being the good governance 5) being self-organizing network.

As the minimal state

Public bureaucracies are obsolete (Björk & Johansson, n.d.). The bureaucracy is too large and consumes the resources for many activities. On the contrary, bureaucracy does provide insufficient resources and service to people in the state. To support, (Bowornwathana, 1997) clarifies that the private sector could allocate the public services meet the better performances. The private sector is function efficiently and let market mechanisms makes the optimal competition, while public sector could not do equally. Also, when global economy has been changing. The private sector is needed in terms of economic development. As the term of minimal state, it embodies the ideological and political call for downsizing the state. The minimal state term should perform only basic functions.

For examples:



State-owned businesses:

There are currently six state-owned companies involved in the energy sector, including: 1) Thailand's Electricity Generating Authority (EGAT) Metro Electricity Authority (MEA) Authority for Provincial Electricity (PEA) 4) Thailand's Petroleum Authority (PTT) PTT Exploration and Production Company, Ltd. (PTTEP) Bangchak Petroleum Public Company, Ltd. (Bangchak)

Present Government Involvement:

The following energy-related companies also own shares owned by the government or state firms but are not state enterprises:

1. PTT owns 49% of Thai Oil Co.
2. EGAT owns 25.8% of Electricity Generating Public Co., Ltd. (EGCO).
3. PTT, Bangchak, Thai Airways International Public Co., Ltd., and the Airports Authority of Thailand jointly own 44% of Fuel Pipeline Transportation Co., Ltd. (FPT).
4. PTT owns 30.6% of Thai Petroleum Pipeline Co., Ltd. (THAPPLINE).
5. PTT owns 40% of Thai LNG Power Co., Ltd. (TLPC).
6. The Ministry of Finance owns a 12.5% stake in Esso (Thailand) Public Co., Ltd.
7. PTT owns 36% of Rayong Refinery Company (RRC).
8. PTT owns 36% of Star Petroleum Refining Co., Ltd.
9. The Airports Authority of Thailand, PTT, and Thai Airways each own 49% of Bangkok Aviation Fuel Services Co., Ltd.

Previous Implementation:

The following actions are implemented to encourage a bigger part for the private sector in the energy sector:

Public Offerings:

The following companies' shares were listed on the Stock Exchange of Thailand (SET), which caused the government/state enterprises to lose the following percentage of their ownership:

- 1) PTTEP: PTT's ownership of the company has decreased to 60.7%.
- 2) EGCO: EGCO acquired the Khanom and Rayong power plants from EGAT and floated its shares on the SET. EGAT currently owns 25.8% of the company's shares.



3) Bangchak: The government's interest was reduced to 80% before its shares were floated on the SET.

IPP's and SPP's

In order to enable private sector investment in power producing projects, including both IPPs and SPPs, as well as the sale of electricity to EGAT, the electricity supply business is now being deregulated. As of now, EGAT is anticipated to purchase electricity from 55 SPP projects with an estimated total sale of 2,500 MW and seven IPP projects with a combined capacity of 5,944 MW. The required investment in power generation by EGAT will be reduced by about 300,000 million baht as a result of electricity purchases from IPPs and SPPs (Energy Policy and Planning office) (EPPO).

Consequently, the data illustrates that Thai public sector handles less issues and minimal the state by allowing the private sector to participate the public service and power sharing, usually between the government, business, and labor unions, between public and private actors.

As corporate governance

Corporate governance is directed by the system of rules, practices and processes of the company. Corporate Governance focuses on how company are governed and what are the certain purpose? Furthermore, power, accountability and decision making are the key concepts. It includes the board's management operation to function the mutual interest with balance in terms of businesses (shareholders, employees, suppliers, customers and the community) and all stakeholders. In addition, corporate governance is a very broad notion. It encompasses the procedures, practices, laws, regulations, and institutions that govern how businesses and organizations behave, manage, and oversee their operations. (Khan, 2011). Corporate governance functions to reach the purpose of organization and enhance to connect the relationship with all stakeholders. Interestingly. (Oman, 2001) the private and public sectors, which comprise laws, regulations, and business practices that regulate the relationship between corporate managers and stakeholders, are described as having



corporate governance. According to the Organization for Economic Cooperation and Development (OECD), corporate governance is the system used to command and control business enterprises. Corporate Governance refers to be a tool to manage and control the function with high transparency. It enables the investors both individual and shareholders that the corporate governance organization would not misuse the funds for operating the business. However, public sector runs the business with social responsibilities to serve the communities other than make only profits. (Vartak, 2018) explains that corporate governance attempts to achieve justice and openness in interactions with all stakeholders, comprising of the consumers, all employees, the investors, the vendors, the government, and also society. It also protects the interests of investors.

In the light of Thailand, the fundamental principles of corporate governance include responsibility, fairness, accountability, openness, and ethics. (Limpaphayom & Connelly, 2004). To clarify, the 2013 ROSC, Thailand has established with a comparatively extensive structure and high levels of compliance in a number of crucial areas, the region sees itself as a leader in corporate governance, according to a formal review of the OECD Principles of Corporate Governance. One of the highest scores ever recorded as part of the ROSC program, total disclosure has a score of 87 out of 100, according to the report's ranking (ROBINETT, 2013). With very high-performance results, the CG provides to serve the best service to public efficiently. The company directs and controls the system of rules, practices and process of the corporate governance. Consequently, under the CG concept and operation, the business runs depending upon the four pillars namely transparency, full disclosures, independent monitoring and fairness to all people.

As the new public management

The New Public Management (NPM) describes a variety of revolutionary methods of public management and administration that appeared in several OECD nations in the 1980s. (Robinson, 2015). In the 1980s, with its focus on management that is oriented toward the market, modern public management became a global trend. (Chigudu, 2014). The government would provide public service and a wide spectrum of business and nonprofit actors influence governmental policy. NPM is a concept to manage public service and adopting private sector management ideas to increase the efficiency of the public sector and make it more "businesslike." Moreover, NPM



and governance could potentially be seen as solutions to society's increasing complexity and the challenges the traditional welfare state has in addressing it. Interdependencies in contemporary society are growing as a result of growing specialization. (Castells, 2000). Importantly, the main components of the NPM are: the emphasis on markets as the primary mechanism for matching resources with needs; output as a crucial element of legitimacy; the repositioning of citizens as clients or consumers, an obsession with performance measurement and management, and the assumption that private sector management techniques are superior all contribute to a managerial orientation to organizational performance management. (Strokosch & Osborne, 2018).

In Thailand, Asian financial crisis hit in 1997, Thai government has offered dramatic changes to public sector management.

In 2001, Dr.Thaksin Shinnawatra has been elected to be Prime Minister. His team has focused on New Public Management (NPM) to public sector since. Also, Thai public sector has been employed information technology and motivate people to take part in government activities. (Mongkol, 2012). Paradoxically, traditional bureaucratic culture is an old-fashioned management still strongly embedded in Thai public sector at that time. Accordingly, implementation with NPM is not one size fit all approach to fix every problem for Thai bureaucracy. However, marketization and democratization has been based on the rule of law and implemented by Office of the Public Sector Development Commission (OPDC) which is the action of The Bureaucracy Reform in B.E. 2545 had a tremendous impact on the administrative procedure and led to a massive restructure of the government's departments, ministries, and ministerial bureaus. The OPDC is tasked with assisting the Public Sector Development Commission by providing recommendations and suggestions to the Minister Cabinet, who is tasked with developing bureaucracy and other public sector duties, comprising the organizational framework of the bureaucracy, the funding and personnel systems, the standards of morality and ethics, the pay scale, and other public sector activities, all of which must be carried out in line with the goals of the National Government Organization. The years of the royal decree are 2545 and 2546. concerning the concept and practice of good governance (OPDC, n.d.).

As Good Governance



The definition of good governance can be defined in various way. Firstly, by United Nation, governance possesses eight essential characteristics. It upholds the rule of law and is collaborative, consensus-focused, accountable, open, flexible, and effective process. (Sheng) Secondly, by United Nations Development Program (UNDP), Good governance refers to governing systems which are capable, responsive, inclusive, and transparent (Clark, 2011). Thirdly, OECD concentrate in particular on the core principles of good governance, which include: responsibility, openness, efficiency, and effectiveness, as well as responsiveness, vision, and the rule of law. (Organization for Economic Cooperation and Development (OECD). Next, by World Bank President's speech, Paul Wolfowitz, in Jakarta, 11 April 2006, "In the last half-century we have developed a better understanding of what helps governments function effectively and achieve economic progress. In the development community, we have a phrase for it. We call it good governance. It is essentially the combination of transparent and accountable institutions, strong skills and competence, and a fundamental willingness to do the right thing. Those are the things that enable a government to deliver services to its people efficiently (Gisselquist, 2012).

Interestingly, (Pongpaichit, 2001) concludes that World Bank uses the term good governance in terms of establishing a better legislative framework to guarantee accountability and openness in public government. World Bank focuses on a top-down exercise and never touch on the issue of political reform. However, the recent experiences of Thailand in battling corruption demonstrate the significance of governmental reform and the significance of bottom-up social movements. People's involvement is essential to the success of initiatives to establish new independent institutions to uphold human rights, community rights, and citizens' rights to look into the actions of politicians and bureaucrats. In addition, Prime Minister Prayut Chan-o-cha has focused the importance of promoting and enhancing good governance in public sector reform, which will be the step toward to reshape Thailand in the very near future. Also, the Public Sector Development Strategic Plan, 2008-2012, was implemented. Among strategies in the plan was the reengineering work process to achieve an integrated approach, coordination, and networks with public participation (Foreign Office, 2015).



Besides, Thailand still needs to function good governance in political system to implement regarding Thai bureaucracy and democracy through all levels of government. For instances, (Tun, Lowatcharin, Kumnuansilpa, & Crumpton, 2021) reveals that in urban locations, hybrid organizational strategies can aid in good governance. It also underlines the significance of taking into account contextual considerations when comparing the effects of good governance across different localities.

Then, good governance is a difficult task, especially when it requires a break away from centuries old culture and tradition

As self-organizing networks

In democracy system, the elected representatives are central theme for political system. In principle of governance, accountability concept allows citizens to monitor the exercise of public authority via the process of political system. (Hahn, 2011) points that a tendency in governance is weakening the influence of national governments by centralizing or decentralizing power to local or regional organizations. All citizens can build patterns by being a self-organizing network without being under the direction of a centralized entity. Rhodes (1996) states that a network must be independent and self-governing in order to self-organize. Network collaborative is the concept of trusting, mutual benefits, common perception, stakeholder's participation, complementary relationship, interdependence, and interaction to reach public service purpose.

By the way, in Thailand, forest issues are taken for granted to be an example of civil society network. It is formed in order to be the mechanism to enhance participation of citizens and public sector, local communities and multi-network. To exemplify, the implementation in Thailand, on 25-29 april,2019, civil society network, NGO and 40 staffs from public sector were in the conference to develop national forest network which organized by CF Net (Community Forestry Networks) (RECOFTC, 2019). Thus, civil society is the collaboration network with the invention and development of collaboration to improve the process. Public sector support is the collaboration network with the public sector in order to support the relationships between the other units or the other business organizations for the exchange of knowledge for the development of performance



or new initiation for public service. Organization Support is the collaboration network in order to provide efficient team to integrate the diversity into the manage the results for public service.

Conclusions

The Thai government acknowledged that the lack of a favorable regulatory environment and investment incentives prevents the growth of the startup ecosystem (Benyaapikul, 2021). Amid the covid-19 crisis, several packages and programs that the government has tried to implement but that have not yet achieved the goals of the state's role in easing people's hardships in times of crisis are also obviously controversial (Lhakard, 2022). According to past performance, the bureaucratic state of the nation has failed horribly. Due to lengthy delays in the purchase of vaccines during the epidemic, which have been blamed for needless deaths and enormous economic losses, bureaucratic red tape was a contributing factor (Supanutt Sasiwuttiwat, 2022). Also, since traditional public governance may not be appropriate for the development, producing a delay and an inability to adapt to the development based on the globalization era, the notion is related to the concept of the new public governance, which has been the new paradigm regarding public administration. Thus, it is unable to provide the solution to many problems and needs of the people in Thailand (Sasanapitak & Amornsiripong, 2022). In order to concentrate on the concept of governance in relation to Thai public service which is concrete under the adapted framework of Rhodes (1996) (2017), governance is the implementing and forming system which we can discuss and argue in terms of the role of social actors in that process. Hence, a hybrid of different models is implemented in many developing countries without stating properly of the basic structural problems in relation to corrupt bureaucracy. However, in old-fashioned Thai public administration system, no matter how much the world has changed, the governance's capacity and are shaped by political instability. Also, the central government still plays the vital role to control and run public service inevitably.



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