

NEWS WRAP

AGD

In Thailand, mild discussions on the palace's role in Thai public life, are prevented by the 'lese-majeste' (offending the crown) law. While such laws are in disuse elsewhere, they have been harshly imposed in Thailand during the 1970s. Mild criticism of the monarchy is forbidden, punishable by up to fifteen years in jail. The USA found King Bhumibol, a staunch anti-communist ally during the Vietnam war. America flushed propaganda funds into a campaign, which placed the king's portrait in every Thai home. Till today, USA scarcely protests at the arrests of Thais and foreigners for criticising the monarchy. Three years ago there were peaceful rallies against corruption and abuse of power, in the government of Thaksin Shinawatra. The protesters who accused Mr Thaksin of being a republican, gained strength when royalist generals removed him in the coup of 2006. In the democratic elections of 2007, the Thais elected a coalition led by Mr Thaksin's allies. The anti-Thaksin protesters formed the People's Alliance for Democracy and revived their protests.

Since 2006, the courts in Thailand interpreting King Bhumibol's wishes have been pushing through cases against Mr Thaksin and his allies. The motley PAD bunch consists of disgruntled businessmen, aristocratic ladies, members of a militaristic Buddhist outfit, formerly anti-monarchist intellectuals and reactionary army types. The disparate PAD is united by a fanatical hatred of Mr Thaksin. The second half of 2008, witnessed crowds of royalists occupying government offices for months, and then seizing Bangkok's airports. The Police and army refused to evict the protesters. The airports siege ended in the first week of December 08, when Thailand's courts disbanded three parties in the ruling pro-Thaksin coalition. Fresh discord looms, as the parties plan to re-form under new names, and continue governing Thailand. Recent events have greatly destroyed Thailand's tourism business, export industries and its reputation of the king being a stabilizing influence.

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Since 2004, with low inflation, expanding credit and booming exports, Latin America's economies were growing at 5% annually. However, with deflation in the world economy, Latin America has been suffering stockmarkets crashing, currencies weakening, and credit drying up. Exports have been declining from Latin America, and the prices of the commodities Latin America sells to the rest of the world, have been falling. Recession in USA has resulted in remittances to Mexico to fall by 4.5% in 2008. Several foreign banks are cancelling credit lines to South American countries, or renewing them for shorter periods or at higher rates. Inflation is expected to fall with reduced commodity prices and slowing down of growth. Interest-rate cuts may follow at the beginning of 2009. Falling Tax revenues will limit government spending for higher growth. As few Latin Americans are covered by unemployment insurance, laid-off workers would require training, and temporary employment schemes, such as rural road repairs.

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