

From the Desk of...

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Thailand: Let the party begin! Dr. Thitinan Pongsudhirak, professor and director of Chulalongkorn University's Institute of Security and International Studies, in Bangkok, provides a post-election analysis and commentary.

January 2008: Last weekend, Thai voters unwittingly produced a clean winner in the elections, but a murky outcome for the future of democracy in their country. In the first polls since the military coup that overthrew former Prime Minister Thaksin Shinawatra in September 2006, the People Power Party, Mr. Thaksin's proxy vehicle, won a thumping victory by capturing 233 of 480 seats in the national assembly, leaving its nearest rival, the Democrat Party, in the dust with 165 seats.

The PPP's comfortable win against all odds has vindicated Mr. Thaksin's resilient populist platform, which catered to the demands and grievances of the country's rural majority. It was also a win for performance over integrity. Mr. Thaksin is hounded by a host of corruption allegations, but his ousted administration is widely seen as strong and effective, a perception magnified by the ineptitude of the military-appointed interim government.

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Despite its large margin of victory, the PPP's quest to head the incoming coalition government will have to overcome several hurdles. Most fundamentally, it would be surprising if the generals and their allies accept a PPP-led government without a tussle. While it would be rightful and legitimate, the PPP's leadership of the new government would be difficult if it reverses the last 15 months of Thai politics. The PPP could go against everything the putsch has stood for: Mr. Thaksin would be poised to return with a chance to clear his name and reclaim his vast frozen assets; the 111 leaders of his party, Thai Rak Thai, who are currently banned from politics would be given a new lease on life; and various post-coup anti-graft agencies would be disbanded. A PPP-led administration could also mete out reprisals to

the coup makers and their powerful backers, uproot the military's corporate interests, re-arrange the top brass, and marginalize the army's resurgent role in politics. None of these changes would be welcomed by the military leaders behind the scenes.

Yet the PPP's parliamentary strength is so formidable that it cannot be easily suppressed or outmaneuvered. And the military is increasingly constrained by international norms. The generals' post-coup incompetence has discredited the military as an institution and failed to meet public expectations at home. Yet at the same time, unless the PPP can strike a deal that ensures the security of the generals and their allies, its coalition leadership is not a foregone conclusion.

Furthermore, despite the PPP's resounding win, it was trounced by the Democrats in Bangkok, the nerve center where Thailand's movers and shakers reside. Its overwhelming loss -- garnering only nine seats in Bangkok to the Democrats' 27 -- renders the PPP's mandate incomplete. Although Bangkok houses only 9% of the electorate, the city plays a disproportionate role. The trouble with the PPP's support base is that it consists of poor upcountry dwellers who constitute a voting majority, but whose voices are faint and obscured by their relative poverty and distance from the seat of power. A PPP-led government would be stable in numbers but any missteps—such as a procurement scandal, conflicts of interests, or cronyism—could bring demonstrators back into the streets of the capital all over again.

Similarly, the PPP failed to win the party-list vote convincingly, garnering 34 of 80 seats to the Democrats' 33. The near-even outcome will embolden the Democrats to try to eke out a coalition of its own. The Democrats can claim a limited basis of legitimacy in the event it ends up cobbling together a non-PPP coalition.

The PPP also has to contend with the Election Commission, which is due to approve the final list of winning candidates on Jan. 3. A host of fraud-related "yellow" and "red" cards are expected, and over 130 complaints of fraud and irregularity are currently under consideration. Yellow cards disqualify winning parliamentary candidates but allow them to contest the reruns, while red cards invalidate results and bar the winners from consequent contests. The extent to which these cards are issued will determine the PPP's final margin over its rivals. The PPP will likely face more disqualifications than the other parties because it has the largest number of seats and because of its large showing in the Northeast, where fraud and irregularities have been common in the past. The Democrats and the other parties are likely to see their numbers edge up at the expense of the PPP. Whether the realigned numbers are sufficient for the Democrats to forge a coalition will crucially depend on the preferences and power plays of the coup makers and their backers.

Ironically, the smaller parties have flopped in this election but have collectively become the indispensable kingmaker. Led by Chart Thai, with 37 seats and Puea Pandin with 24 seats, the smaller parties account for a total of 82 seats. They are all being actively courted by the PPP, but whether they play ball may ultimately depend on how insistent a nudge they receive from the powers that be. Many of the small parties are Thai Rak Thai derivatives and closer to the PPP in terms of policy. But if the powers that be were to start making noises about political unity and national stability, these parties may well take the cue not to join the PPP.

A Democrat-led coalition without the PPP, but based on Bangkok's backing, would be unstable in numbers and unwieldy in its composition. It would also deepen and intensify Thailand's social polarization and income disparity. A PPP-led administration, on the other hand, would be more stable but decidedly confrontational, and could lead to a head-on collision between Mr. Thaksin and his supporters on the one hand, and the forces of the establishment that gave him the boot on the other.

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The poll results have exposed Thailand's raw divide, one long camouflaged by a semblance of unity and stability propped up by the established forces. After decades of neglect, the forces and interests of the upcountry majority have been awakened in a clash with a significant Bangkok-led minority that may well bring about lasting social transformation.

Mr. Thaksin is the agent of this transformation. Thailand needed him to come along, but its challenge now is to root out his long trail of alleged graft and abuses of power, while still upholding the democratic tradition he embraced. Given the military's vested interest in maintaining its own status in any transfer of power, the latter will not come easily.

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About Dr Thitinan Pongsudhirak

Professor Thitinan Pongsudhirak is a senior faculty member at Chulalongkorn University, Bangkok, Thailand where he is simultaneously Professor of International Relations and Director of the Institute of Security and International Studies, Faculty of Political Science. He is one of Thailand's leading analysts on politics and macro-economy. He based in Bangkok, with over 14 years as a political observer and commentator of Thailand and its relations in within ASEAN. As a freelance writer, he is an outspoken columnist in many international newspapers and is well-respected for his research credentials and analytical skills. This allows him to incorporate great depth to his presentations and to facilitate and lead discussion on the unfolding economic and political developments in his country.

Dr Thitinan Pongsudhirak is available to provide briefings on the political and economic developments unfolding in Thailand and help to think about the implications of these events for business leaders, investors and the financial markets.

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