

## The General's Election

April 23, 2019



### OVERVIEW

**Tensions are simmering following the March 24 election, Thailand's first since the 2014 coup that installed the current military government.** While the election ran peacefully, suspicions of electoral fraud are rife. The Election Commission has postponed the official results announcement to May 9, pushing back the new government to June. With no outright majority in the lower house, coalition forming is underway. Yet General Prayut Chan-o-cha is largely expected to remain as Prime Minister and continue the existing policy agenda.

**In the short term, much of the party-political wrangling will be overshadowed by key events in the public sphere.** Thailand is expected to put aside its political differences in a display of national unity ahead of King Vajiralongkorn's coronation on May 4-6. Songkran (New Year) in mid-April also provided some welcome distraction from the last few months of political campaigning.

### LIKELY SCENARIOS

**The most likely scenario is that General Prayut will retain his premiership,** with 250 handpicked senators backing his bid.

Less certain is whether the military party, *Palang Pracharat*, can form a majority coalition in the lower house (at least 250 out of 500 MP seats) to supersede *Pheu Thai's* pact with *Future Forward* and several smaller parties. However, the junta has been making full use of this interim period to stack the numbers in its favor – as made evident from fluctuating preliminary election results, a new formula on party-list seats allocation, charges filed against opponents, and the potential disqualification of some winning MPs. **Should *Palang Pracharat* cobble together even a small majority coalition in the lower house, it will be able to push forward the incumbent government's policy agenda.**

**However, should the pro-regime party fail to obtain control over the lower house, gridlock may ensue.** The anti-junta coalition may block Prayut-backed bills and potentially scale back on the junta's infrastructure development projects, although Prayut could bypass this paralysis by ramming through laws under the pretext of a national emergency.

Should the Election Commission fail to endorse official election results by its promised date of May 9, triggering a new election (or should the March 24 election be annulled altogether), then the junta would remain in office for an undetermined period.

### THAI POLITICS GOING FORWARD

**Thailand's political conversation remains centered on the future role of the military in politics.** Speculations are pervasive as to just how long the next coalition government can survive. The military proxy party *Palang Pracharat* outperformed all others by winning the popular vote, but former PM Thaksin Shinawatra's anti-establishment *Pheu Thai Party* took away the most constituencies.

**A first-time entrant to Thai politics, *Future Forward*, secured third place by appealing to a predominantly younger, technology-savvy generation opposed to the military.** Its policy positions

### ABOUT V&P

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included amending the 2017 constitution, reducing the budget and size of the military, and ending conscription. As a result, the party's young and charismatic leader Thanathorn Juangroongruangkit has been singled out for acute scrutiny by the military. Army Chief Apirat Kongsompong lashed out at the party's so-called "extreme leftist" intellectuals, and charges have been pressed against Thanathorn on grounds of sedition, cybercrime, aiding pro-democracy fugitives, and provoking chaos. The party runs the risk of being dissolved, further compounding the anti-junta camp's allegations that the election was unfair. ***Future Forward* effectively blindsided the junta, which had directed all its resources on constraining the pro-Thaksin Pheu Thai Party.**

Small-scale demonstrations have popped up in Bangkok, petitions have been circulated in support of impeaching the Election Commission, and Thanathorn's supporters have gathered in solidarity at the police station. **Should the authorities overplay their hand with regards to *Future Forward*, there may be further public outcry, although it is unclear if it would lead to the street protests reminiscent of those in the past decade.**

**With none of the parties able to secure a big enough coalition to control the lower house, all eyes are on the *Bhumjaithai Party* to be a dealmaker in forming the governing coalition.** The party's leader, Anutin Charnvirakul, has carefully navigated the military versus anti-military divide and said that he would not make a coalition commitment until after the coronation. In fact, Anutin could be appointed as a compromise prime minister for either camp.

## IMPLICATIONS FOR BUSINESS

**Political differences in Thailand rarely spill over into the economy, as parties remain pro-business and pro-investment.** As for ASEAN, much of the schedule has been pushed back to June onwards, and whoever assumes office then will be keen to avoid the public embarrassments that haunted Thailand's last chairmanship in 2009.

**Businesses seeking to engage with the government and civil services may continue doing so.** Unlike previous governments that assumed a caretaker position upon calling an election, this current government will continue to function as normal until the moment office is formally handed over. Indeed, the civil service has been given strict instructions not to foot-drag on policy implementation.

**The Prime Minister also retains Article 44, allowing him to push through policies by fiat, again until office is handed over.** While various parties have called on the junta to cease exercising this power, **there is a possibility that key initiatives will be implemented via this channel in the coming weeks.**