

The Road Ahead: Thailand's 2019 General Election

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After years of delay, Thailand's ruling generals have finally chosen March 24 as the date for a general election. This marks the first time Thais will be voting since the military took power in 2014.

KEY TAKEAWAYS

- Under the new electoral system established by the junta, there are plausible scenarios under which the military-backed Palang Pracharat Party, the anti-junta Pheu Thai Party, or a coalition of parties may take power.
- Even if the military-backed parties prevail, General Prayut is not a shoo-in for the position of prime minister.
- We do not anticipate major protests or civil unrest in the run-up to the general election.
- Regardless of who is next in power, Thailand's pro-FDI stance will continue. Business will largely be insulated from the impact of the political contestation.

AN UNPREDICTABLE ELECTION

The election is the latest round of a 13-year-old political struggle between Thailand's old elites and a populist movement led by exiled former premier Thaksin Shinawatra. Thaksin's parties have won all elections since 2001, including ones in 2007 and 2011 that had been explicitly rigged against them.

It is unclear whether his latest party, Pheu Thai, can maintain this winning streak. The military has spent the past four and a half years trying to suppress and win over the party's traditional constituencies in the Thai countryside.

Pheu Thai's main contestant is Palang Pracharat, a party set up to represent military interests. The party's prospects have improved after co-opting established politicians from Pheu Thai and from other parties.

The military is hoping that voters in constituencies belonging to these defectors will choose them over Pheu Thai out of self-interest.

NEXT PRIME MINISTER UNKNOWN

Even if Pheu Thai wins the largest share of seats, it's by no means guaranteed to form a government. The military may still be able to cobble together a coalition of smaller parties to shut Pheu Thai out of power.

Who will become Thailand's next prime minister is also unclear. The incumbent, General Prayut Chan-o-cha, may return, even if he does not run for office. The current constitution allows for an unelected outsider to be proposed premier by the senate, an unelected body whose members are appointed by General Prayut's junta. However, any candidate must still win majority support from both parliamentary chambers (i.e. 375 votes) before assuming the premiership.

As such, General Prayut is not a shoo-in for the position. He is no longer the most powerful voice in the military, with his former influence now resting with army chief General Apirat Kongsompong, known to be a proxy of the king.

ABOUT V&P

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Given rumours that the king has instructed his aides to stay neutral, the senate may also choose not to obstruct the formation of an anti-military, pro-Thaksin administration should the election results be strongly in Pheu Thai's favour. If this scenario unfolds, the premiership will either go to long-time Thaksin associate Sudarat Keyuraphan or former transport minister Chadchart Sittipunt.

RISKS OF CIVIL UNREST LOW

We do not expect major protests in the run-up to the general election. Any demonstrations that ensue are more likely to take place in response to the inevitable horse-trading after the polls.

Even then, the chances of civil unrest breaking out will remain low unless the Pheu Thai Party decides to support street demonstrations as it had done – albeit with little effectiveness – in 2009 and 2010. It is worth bearing in mind that political parties will be wary of spoiling the public mood ahead of the king's coronation ceremony, which is due to take place at the start of May.

POLITICS POST-ELECTION

While the actual election results are unpredictable, the nature of the future political landscape is not. The next government and its successors will operate within a highly restrictive constitutional framework devised by the junta. Independent agencies outside the cabinet control and a powerful senate will monitor future administrations' compliance with the military's vision for the country.

BUSINESS OUTLOOK

We expect little will change with regards to Thailand's longstanding pro-foreign investment stance. Investors will continue to be welcomed, regardless of the administration. The junta's infrastructure development projects will largely move forward as planned, although they may be branded under a different slogan, rather than the current "Thailand 4.0" catchphrase.

In the meanwhile, the current government will not be relinquishing any power. The legislature will continue functioning and has in fact promised to pass an average of 10 to 15 bills per week until a new parliament convenes. The junta will remain in power until the next cabinet is sworn in, meaning that General Prayut will continue ruling by fiat via the use of Section 44 of the interim constitution.