Unpacking Democratic Transitions: The Case of Thailand

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Executive Summary
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Since 1946 when Thailand became a member of the United Nations (UN), it has steadily gained recognition within the international community as an important world player in the global political, economic and cultural realms of power. The country is also a founding member of the Association of Southeast Asian Nations (ASEAN) which comprises of neighbouring nations such as Cambodia, Laos, Vietnam, Singapore, the Philippines, Indonesia, Malaysia, amongst others, constituting an organization that focuses on accelerating economic growth, cultural development and promoting peace and political stability. In regards to foreign diplomacy and trade, Thailand’s most notable political partners include China, Japan and the United States of America (USA) where its relations with the North American country specialize in bilateral relations concerning the military, intellectual property, labour forces, the environment and the Thai export industry, in comparison with the Asian allies that primarily are valued for exporting activities in the agricultural, automobile, petrochemicals and electronic sectors. Since the elections in 2011, the current Prime Minister, Yingluck Shinawatra, has placed a renewed emphasis on strengthening neighbouring relations and domestic affairs; civil unrest and government corruption occurring in the surrounding countries has provided Thailand with the opportunity to emerge as a political moderator and peace-maker, allowing the developing nation to become a proponent for democracy.

Thailand’s economy is especially noted for having an educated labour force and handling low-cost manufacturing exporting activities, ensuring continuing reliance on the export industry for its domestic wealth. The nation currently remains one of the largest economies in the Southeast Asian region. Approximately 40% of the Thai’s workforce is employed in the agricultural sector, mainly working for the production of rice where the commodity has become the nation’s largest source of growth and exports. Other agricultural products produced include fishery products, rubber, corn and sugar where they are exported to ASEAN members and to the USA, European nations, Japan and China. Despite success in the economic regulation of exporting industries, overall economic performance has been largely decelerated by the unstable political and economic development occurring along its northern and southern borders. Currently, Thailand holds the status of a newly industrialized country where the economic policies in place are not sufficient to provide a stable transition to a liberal democratic system of government and market regulation. This can also be seen in the decreasing confidence of Thai consumers in the government’s market-based policies. There is also a significant lack of transparency in regulatory policies and socio-economic safeguards to build consumer confidence and to allow market liberalism and growth, slowing the transition of the country’s economic pace to a democratic state.
Concerning civil society and citizens’ liberties, despite the 1997 constitutional reform that granted women equal status to men in the political and economic realms, many differences persist in their treatment in the labour force and in political processes. Most Thai women continue to serve in the domestic scene where they find work in menial jobs requiring minimal education. According to statistics gathered in 2011, women comprise only 15% of representatives in Thailand’s House of Commons and Senate, highlighting the differences in electoral representation and the implications of a continuing tradition of a patriarchal governing system. Moreover, the sex trafficking industry remains a major source of civil problems as women are typically used within this context as objects attracting sex tourism, bringing the issue of equality into light as a hindrance in Thailand’s ability to assume its governance as a democratic, liberal system of operation.

In regards to domestic religion, about 95% of citizens currently practice Buddhism, the official religion of the country. Currently, conflict persists in the Southern provinces between those of Buddhist faith, and those of the second most popular religion, Islam, with occasional ruptures of violence. Given the unwilling consensus of the Provinces of the South to concede to a compromise in accommodating the Buddhist religion to promote its beliefs throughout domestic institutions and in general society, it seems rather unlikely currently that a truce will take place, raising questions and issues over the peace and stability of the region and hence, whether the nation is ripe for a successful democratic transition.

In the following pages, we present a comprehensive summary of each of the topics discussed above and provide more in-depth analyses as to whether we believe the developing nation of Thailand is ready for a successful transition into a democratic state, based on year-to-year evidence of the political, economic and cultural climate of the country. Sources are listed as part of the contributors to this project.

For any further inquiries, comments or concerns, please contact the UWO Leadership and Democracy Lab at leadanddemolab@gmail.com. We appreciate any feedback.
Since becoming a member of the UN in 1946, Thailand’s role and importance in the international community has steadily increased. It is a founding member of the Association of Southeast Asian Nations (ASEAN), and holds membership among many other international organizations whose goals it must consider before acting domestically or abroad. Thailand participates in trade with some of the largest players in the international community and has done so for many years, with its most notable trading partners being China, Japan, and the United States. Historically however, political turmoil within the country and its surrounding regions has restricted Thailand’s ability to engage in trade and foreign relations to its full potential. Newly elected Prime Minister Yingluck Shinawatra has focused on domestic affairs, placing a renewed emphasis on Thailand’s relations with its neighbouring countries, particularly Myanmar, Cambodia, and Laos; in hopes of establishing Thailand and its surrounding region as a prominent figure on the world stage.

US-Thai relations have primarily had a military focus. After declaring war on the US in 1942 to assist Japan, Thailand eventually emerged as their ally. This is due in large part to the Cold War, throughout which Thai soldiers fought against communism alongside American troops. Thailand also supported US troops in engineering and medical capacities during the Afghanistan and Iraq conflicts in 2003. Since then however, ties have become increasingly prickly due to a number of factors ranging from bilateral trade issues over intellectual property, to labour and environmental standards.1

Although a formal ally of the United States, Thailand is also a valued partner of regional allies China and Japan who rely on Thailand primarily for its exports. China is Thailand’s biggest trading partner, accounting for 11.7% of exports, followed by Japan, which accounts for 10.2%.2 Bilateral relations with China and Japan exist despite problems Thailand’s neighbouring countries have had with these 2 countries.

Since the turn of the century, Thai-Chinese relations have been increasing in amity. Not since the mid-1970s have Thailand and China had issues, and China was the only major world power to recognize Thailand’s putsch (coup) in 2006. Thailand has deepened military ties with China by sending middle-ranking military officers for training there as well as participating in

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joint military exercises every year since 2003.³ Economically, China is “...unhindered by the input-output bottom lines and accountability requirements that constrain the Americans...” (Pongsudhirak, 76), allowing them greater freedom in developing bilateral ties with Thailand.

China met one of Thailand’s most recent economic crisis’ with goodwill, aid, and loans while the US stood by idly. Chinese interest in Thailand stems from a long-term strategic standpoint whereas the US arguably looks for short-term convertible benefits. The continuity provided by authoritarian Chinese leadership has aided in the long-term planning of Thai-Chinese relations, and the shared heritage and geopolitical interests have veered Thailand away from the US.

Japan and Thailand have had a longstanding relationship with each other, having been through the Second World War together. Thais to not hold any ill will towards the Japanese from the 1940s and there is a mutual respect between them. This has made Bangkok an economic springboard for Japan, catering to their interests and preferences.⁴ The recent tensions between China and Japan have benefited Thailand’s economy as investors are moving more money out of China and into Thailand.

The relationships between Thailand and its neighbouring countries however are perhaps the most important issue at the moment. Turmoil in surrounding regions is providing Thailand with an opportunity to be a proponent of democracy and allowing them to be something of a role model. Thailand relies heavily on Myanmar for migrant workers, natural gas imports, and for border security. The importance of Thai-Myanmar relations is highlighted in the seemingly non-partisan relationship they have developed (which is odd because Thailand and Myanmar are both deeply polarized political countries). Recent border disputes with Cambodia over the Preah Vihear Temple are now being settled by diplomatic relations rather than bloodshed, and the formation of the Mekong River Commission are both indicators that the region is moving in the right democratic direction.

**Thailand: Economy**

Philip Abraham

**Strengths**

- Diversified and high-performance production in agriculture and industry
- Move up-market in manufactured products
- Regional hub open to its dynamic neighbors
- Strengthened banking system

**Weaknesses**

- Thai foreign trade subject to China’s competition
- Inadequate structural reform
- Business climate marked by persistent links between the private sector and political circles

**Summary**

Thailand is one of the largest economies in Southeast Asia (It has a population upwards of 66,000,000). Its economy has grown at a steady rate of around 9% per annum, from 1985 to 1995. Moreover, Thailand is known for being a low-cost manufacturing exporter with a highly educated workforce. The Thai economy relies heavily on exports, which consists of almost 70% of Thailand’s GDP in 2010. Thailand’s economy has recovered significantly from the 1997 Asian financial crisis. It did so through external demand from the US, Japan, and other import-dependent markets.

At a macroeconomic level, Prime Minister Thaksin implemented what was referred to as a ‘dual track’ economy policy, which combines domestic stimulus programs with Thailand’s traditional promotion of open markets and foreign investment. This occurred during 2001 to 2006, and helped put Thailand’s GDP in an upwards trajectory.

Economic growth in Thailand is inextricably linked to its political stability. In fact, Thailand’s economic growth had decelerated in 2005 – 2007, due to domestic political issues such as rising violence in Southern provinces, and street protests in major cities. Thailand’s economy in 2007 relied heavily on export growth in 3 sectors: (a) automobile (b) petrochemicals, and (c) electronics sectors. In 2011, Thailand’s economy suffered supply chain

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7 Michigan State University. Global Edge.
disruptions caused by Japan's tsunami and an overall slowdown in the global economy.\textsuperscript{8} Flooding in Thailand's manufacturing areas had severely affected manufacturing activities, causing manufacturing output to drop by 36% for the year.\textsuperscript{9}

At a domestic level, 40% of Thailand's labor force is employed in agriculture, despite agriculture contributing to only 12% of Thailand's GDP.\textsuperscript{10} Agricultural practices are mainly focused on the production of rice; Thailand is the world's largest exporter of rice. Other agricultural commodities produced in significant amounts include fish and fishery products, tapioca, rubber, corn, and sugar. Exports of processed foods such as canned tuna, canned pineapples, and frozen shrimp are also significant. It is interesting to note that tourism consists of approximately 6% of Thailand's GDP.

Thailand's traditional trading partners are the United States, Japan, Europe, and ASEAN member countries (Singapore, Malaysia, Indonesia, the Philippines, and Vietnam). Thailand is increasingly involving itself with the growing demand for its products in China, Hong Kong, Australia, Middle East, and India.\textsuperscript{11}

Although the economy has demonstrated moderate positive growth in recent years, future performance depends on moving up on the value-added ladder away from low-wage industries where regional competition is growing.\textsuperscript{12} Thailand’s economic performance is largely hindered by the slow pace of development along its fringe regions along its northern and southern borders.\textsuperscript{13} This will be the Thai government’s main concern alongside the development of its own labor force to maintain its competitive advantages in trade within the region.

Evaluation of Thailand’s economy and its prospect of democratic transition

Thailand’s economic policies at both macro and microeconomic levels are characteristic countries that are undergoing the transition to newly industrialized nations. Policies that were once focused on nurturing domestic businesses are now shifting outwards to invite foreign investors and capital inflow to help drive growth in certain economic sectors. It is important to note however, that while many claim economic growth is a prerequisite to democracy, this no longer seems to be the case. China and Saudi Arabia for instance, have benefited from

\begin{footnotesize}
\textsuperscript{8} Ibid.
\textsuperscript{9} Michigan State University. \textit{Global Edge}. December 2, 2013.
\textsuperscript{10} Michigan State University. \textit{Global Edge}.
\textsuperscript{11} Ibid.
\textsuperscript{12} Ibid.
\textsuperscript{13} Hidalgo, Luis et al. "NYU Stern." \textit{NYU Stern}. December 30, 2013.
\end{footnotesize}
tremendous economic growth without substantive increases in political freedom. A closer look at the past however, suggests that a larger middle class and higher wealth can help prevent governments from resorting to authoritarian rule, once democracy takes place.

Furthermore, short-term economic crises are capable of creating regime change in a broad time frame. For instance, serious economic shocks and rising costs on citizens (who are relatively poor compared to an elite few) have led to regime change, as was the case in the late 1990’s, when dissatisfied and excluded constituencies elected authoritarian populists who promised to fight against the rich. Socio-economic policies of the purportedly ‘democratic’ government were perceived as exclusionary and focused on benefitting foreign investors and local elites at the expense of regular Thai citizens. This was exacerbated by the 1997 Asian financial crisis. As a result, the demand for change led to the election of populist leader Thaksin, who promised to put in place policies that would increase equity and opportunity for regular Thai citizens. History proves however, that this wasn’t the case- as seen in the resulting coups and violent political unrest.

Recent political protests have revealed significant cracks within Thailand’s economy, showing that Thailand has yet to learn from its past mistakes. For one, economic growth can be expected to slow down due to lack of consumer confidence in government regulatory policies. More significantly, capital outflows are becoming more commonplace as investors and corporations are choosing to move their capital outside of the country – which has negative impacts on companies operating within Thailand. In addition, many businesses have been closed as a result of the protest, and tourism has also been affected.

Economic policies targeted towards democratization should include (amongst others) trade, small-business entrepreneurship and investment policies that support a rising middle class, while limiting investments in extractive industries that tend to concentrate economic power in the hands of elites. Next, policy makers should establish economic transparency to prevent rampant corruption and subsequent consolidation of power and money in the hands of the few. More importantly, the government can provide structural economic reforms that could help distribute wealth amongst its citizens (through the privatization of state assets) in order to help create a larger middle class.

18 Holliday. Violent protests expose cracks in Thai economy.
A closer look at Thailand’s current economic state however, reveals that most of the abovementioned policies are largely absent. The Thai government has not made wealth redistribution and the growth of the middle class its primary objective. This is evident in the lack of socioeconomic safeguards and transparency. As a result, Thailand’s current economic policies are insufficient in providing a stable basis for democratic transition. Insofar as government officials aim to consolidate power and economic wealth amongst the elites, the prospect of a democratic society remains largely an illusion.
Thailand: Status of Women & Religion
Jessica White

As per the 1997 Constitution, women were granted status equal to that of men. However, in current Thai society, there are many important differences that exist between the two sexes and the gender divide has not been broken. Most women do not hold high positions of power and there is a large concentration of women in the service sector as domestic helpers. Although Thai women are being given more job opportunities than in the past, thousands of women are currently involved in sex trafficking. Another issue that Thai women face is the risk of HIV/AIDS. As of 2007, “there were 250,000 HIV-positive women, aged 15 and over, living in Thailand.” Although men have to complete mandatory military service when they reach the age of 21, Thai women do not. As well, even though the current Prime Minister of Thailand, Yingluck Shinawatra, is a woman, and also the sister of former ‘corrupt’ Prime Minister Thaskin Shinawatra, it is clear that women have not achieved full equality with men. In the House and Senate, Thailand women only make up about 15% of representatives as of 2011.

Although the current Prime Minister is a woman, it would be difficult for her to push for the implementation of democracy because of the many voices that she is forced to listen to within the government such as that of the leader of the official opposition, Abhisit Vejjajiva. As well, due to Yingluck Shinawatra’s connection to former Prime Minister Thaskin Shinawatra, many have speculated that her brother is influencing her decisions. To illustrate, Thaskin nominated his sister for Prime Minister in 2011 while he was in exile. As well, it has been documented that Thaskin has kept in contact with the Thai Rak Thai Party to pressure the government.

If Thailand were to have a democratic transition, it would be very difficult for the

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http://www.american.edu/cas/economics/ejournal/upload/GLOBAL_MAJORİTY_E_JOURNAL_3_1_Romanow.pdf.


http://journals2.scholarsportal.info.proxy1.lib.uwo.ca/tmp/15128948982759179434.pdf


25 “Abhisit urges PM to step in,” Bangkok Post, November 27, 2013,

government to eliminate all sex trafficking since it is a major industry within the country.\textsuperscript{27} Clearly, the industry of sex trafficking would not be a legitimate aspect of a democracy and would have to be eliminated, which would have to take place very slowly.

It is important to note that there are many women’s groups in Thai society that are pushing for women’s equality, such as The Association For the Promotion of Women (APSW).\textsuperscript{28} However, it appears that democracy is not the most important concern for these women and a problem with these groups is that there is a lack of unification. For example, many women’s groups have felt that ‘the glass ceiling’ has been broken whereas others feel that it has not been.\textsuperscript{29} If a democratic transition were to occur, it is possible that feminist groups could be involved but this is unlikely due to lack of unification.

\textit{Religion}

The official religion of Thailand is Buddhism and as of 2000, 95% of Thai people belonged to this religion.\textsuperscript{30} The most popular religion after Buddhism is Islam and then Christianity.\textsuperscript{31} In Thailand, religion is customary and is constitutionally protected.\textsuperscript{32} Buddhist Monks in Thailand are highly respected and religious symbols are often seen in homes and businesses.\textsuperscript{33} Also, “Most Thai homes and places of business feature a ‘spirit house’ just outside the building, where offerings are made to appease spirits that might otherwise inhabit their homes or workplaces.”\textsuperscript{34}

However, the Buddhist religion has often conflicted with Islam, especially in the Southern Provinces of Thailand where violence has occurred.\textsuperscript{35} These Southern Provinces are: Yala, Pattani and Narathiwat.\textsuperscript{36} In regards to the political stability of Thailand, the tension between these two religions is a major problem and individuals who practice Islam feel that they cannot speak out freely in front of the government.

If one examines the current state of religion in Thailand, it is unlikely that the country would have a successful democratic transition. This is because of the ongoing conflict with the Southern Provinces on the issue of religion. If Thailand were to have a democratic transition, it

\begin{thebibliography}{99}
\bibitem{27} Romanow, “The Women of Thailand,” 58.
\bibitem{29} Songsamphan. “Localizing Feminism.”
\bibitem{31} “Thailand.”
\bibitem{33} “Religion.”
\bibitem{34} “Religion.”
\end{thebibliography}
is unlikely that the Provinces of the South would be willing to adopt the religion of Buddhism. Instead, for a democratic transition to occur, Thailand would have to adopt a constitutional policy of having no official religion in order to eliminate the dissent in the Southern Provinces. As well, it would be helpful for the government to make Thai people in the Southern Provinces who belong to Islam feel like valued members of society. Perhaps the government could establish a commission on those who belong to the Islam religion in Thailand in order to understand their marginalization within society.

Another issue is that individuals in the Southern Provinces are often defined solely by the religion of Islam. This is a problem because Thai people in the Southern Provinces often see themselves as belonging to the Islam religion and the Islamic culture. Islam is not a culture but a religion and it clear that through the practice of Islam, individuals in the Southern Provinces are seen as very different from the rest of Thai society. Again, in order for a democratic transition to occur, the government will need to show that they are accepting of the Islam religion in order to stop the marginalization of individuals in The Southern Provinces.

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38 Shadbolt, “Conflict in Buddhism.”
References


