

Thailand 2010



Total: 51.03

Quick facts

Population:	67.09 million
Population growth:	0.65 %
Unemployment rate:	1.2 %
GDP:	580.3 billion \$
GDP growth rate:	7.6 %
GDP per capita:	8700 \$

Political Freedom

Free and Fair Elections : 2.86

The 2007 parliamentary elections were the first to be held after the 2006 military coup that ousted controversial prime minister Thaksin Shinawatra and brought a new constitution (Thailand's 18th in 75 years). Even though there were no major disruptions during the polls, they cannot be regarded as free and fair. The army continued to influence the political process and martial law was still in effect in 25 provinces. In theory, the new constitution provides for universal suffrage. Buddhist monks however do not have the right to vote. Members of certain ethnic minorities (such as the hill-tribes in northern Thailand) are also deprived of their right to vote due to not being acknowledged Thai citizens. Similar restrictions also apply to the right to stand for election: Government officials for example are generally excluded. In addition, the constitution of 2007 newly introduced the undemocratic provision of an only half-elected Senate – the other half of the Senate members is appointed by a special committee. The right to run for office is also constrained: Only citizens with a Bachelor's degree or higher may stand for election. This excludes about 95 percent of the population. Political pluralism and political participation are largely unrestricted. A host of NGOs addresses the interests of farmers, women, students, and workers. However, reports suggest that NGOs working on sensitive political subjects face harassment.

Absence of Unconstitutional Veto Players : 3.33

The army - though not vested with any constitutional or electoral mandate - is a political heavyweight and certainly qualifies as an undemocratic veto player. The clout of the army became obvious on several occasions during the last years. In late 2008, it refused to disperse protesters of the People's Alliance for Democracy (PAD), a royalist political group, who had hi-jacked Bangkok's two airports and the Government House to oust then-PM Samak Sundaravej. By contrast, in 2010, during the anti-government protests of the United Front for Democracy against Dictatorship (UDD), Thailand's rowdy Thaksin supporters, the army intervened on request of Prime Minister Abhisit Vejjajiva. This shows that not every Thai government can rely on the armed forces to follow orders. The army will meddle in politics if (it thinks it is) necessary, regardless of its constitutional mandate (or lack thereof).

Freedom of Press : 4.2

A great diversity of media, including radio, television, newspapers, and internet forums, makes up one of the most developed media structures in all of Asia. But the press freedom is restricted, Reporters Without Borders ranked Thailand number 130 of 175 surveyed countries in its last ranking. Strict l'Ã©se-majestÃ© laws forbid any criticism or sign of disrespect towards the royal family. Actions that (are perceived to) violate these laws are rigorously punished. In 2009, the l'Ã©se-majestÃ© laws were used by the authorities to target scholars, activists, and journalists who had criticised the government. The six main television stations and all radio frequencies are controlled by the government or the army. Moreover, the clashes between 'red shirts' and 'yellow shirts' (the UDD and the PAD respectively) had a huge impact on the freedom of the press: The government tried at several occasions to shut down all broadcasting stations that had shown sympathy for the UDD protesters.

Rule of Law

Independence of the Judiciary : 5.33

The 2007 constitution restored judicial independence and an independent constitutional court. The latter delivered highly political judgments in 2008: It ruled two prime ministers (Samak Sundaravej and Somchai Wongsawat) out of office and dissolved the then governing People's Power Party, a reincarnation of Thaksin's Thai Rak Thai party, on charges of electoral fraud. This paved the way for the Democrat Party (DP) to rise to power. The DP was accused of financial irregularities but the case was dropped in December 2010 due to procedural mistakes. Apart from political cases, the judiciary seems to be sufficiently independent and well-balanced, though bribery remains a problem.

Corruption : 3.4

Corruption permeates all levels of Thai society. The most common forms of corruption include bribery, nepotism and conflicts of interest. There are several state agencies dedicated to fight all types of corruption. The National Corruption Commission for example was first established under the 1997 constitution and given the power to independently investigate and prosecute. It was then re-established under the 2007 constitution and, in cases that involve politicians or state officials, its

powers have even been broadened. These efforts however have so far proved largely ineffective. The latest Transparency International Corruption Perception Index ranks Thailand 84 of 180 countries, corruption therefore remains at rather high levels.

Protection of Human Rights : 4.13

Regarding the legal framework, nearly all conditions are met: Thailand is party to the International Covenant on Civil and Political Right, the International Covenant on Economic, Social and Cultural Rights, and accepts the Universal Declaration of Human Rights as international customary law. Thailand is not, however, party to the Convention Relating the Status of Refugees. Things are different in practice though. Occurrences of arbitrary arrest and detention are not unheard of, and undue delays between arrest and trial of a suspect do happen. The presumption of innocence until proven guilty also does not always apply. The death penalty exists which is regrettable from our liberal point of view. Ethnic minorities are not sufficiently protected. People in border areas, especially ethnic Cambodians, Burmese, Lao and Malays, are often discriminated against. Members of the hill-tribes in the northern regions are denied Thai citizenship and a proper education. The Thai government has repatriated refugees from Myanmar and Laos despite their status and occasionally prevented the UNHCR from processing fugitives.

Economic Freedom

Security of Property Rights : 5.94

Private property is generally adequately protected but the legal process can be lengthy and judgements are often influenced by illegal means. The protection of intellectual property is deficient. Despite the efforts of the Central Intellectual Property and International Trade Court, product piracy is vibrant. Another concern is that the government may disclose trade secrets to protect any public interest that has no commercial objective. It is questionable to which extent the related data is protected against unfair use.

Size of Government: Expenditures, Taxes, and Enterprises : 7.42

Government spending (which includes consumption and transfer payments) is low, equaling about 18.4 percent of the GDP. Interventions by the government have brought setbacks to privatisation. At 37 percent, Thailand has a rather high top income tax rate. Equaling 30 percent, the corporate tax rate is on a comparatively average level. Other taxes include a VAT and a property tax. Overall tax revenue is about 16.2 percent of the GDP.

Regulation of Credit, Labour, and Business : 6.85

14 commercial banks - two of them owned by the government - operated in Thailand in 2009. Capital markets are well developed, the stock exchange is vibrant and open to foreign investors. Credit is usually given on market terms. The freedom to start, run, and close a business is well protected. Starting a business takes 32 days (the world average is 35 days), getting a business

license takes less than the world average of 18 procedures and 218 days. Declaring bankruptcy is an uncomplicated process. Labour regulations are flexible. The non-salary cost of a worker is low, firing an employee is easy. Regulations on working hours are business-friendly.

Freedom to Trade Internationally : 7.57

Thailand's weighted average tariff rate is about 4.6 percent. Beginning under the Thaksin administration and under pressure by IMF and WTO, Thailand took steps to liberalise its foreign trade. A founding member of the ASEAN Free Trade Area, Thailand has negotiated FTAs with Australia, China, India, Japan, and New Zealand. However, since the 2006 coup, the dismantling of certain trade barriers has come to a stop. As of now, prohibitive tariffs, import bans and restrictions, opaque customs valuations, and weak enforcement of intellectual property rights pose an obstacle to international trade.