

Thailand 2013



Total: 52.21

Quick facts

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| Population: | 67.49 million |
| Population growth: | 0.52 % |
| Unemployment rate: | 0.7 % |
| GDP: | 662.6 billion \$ |
| GDP growth rate: | 6.4 % |
| GDP per capita: | 10300 \$ |

Political Freedom

Free and Fair Elections : 6.07

Thailand has a bicameral system with a 150 seat upper chamber, and a 500 seat lower chamber. The 2007 constitution however made significant changes to the selection process for the two chambers. Under the new election system only 77 upper house seats are directly elected, whereas the other 73 are appointed by a committee of judges and independent government bodies. Furthermore, the right to stand for elections is limited to citizens with at least a bachelor's degree. Monks and certain ethnic minorities which are barred from Thai citizenship cannot cast a ballot. The last elections in 2011 saw the populist opposition Phuea Thai party win a majority of 265 seats in the 500 seats parliament, making its leading candidate Yingluck Shinawatra the country's first female Prime Minister.

Absence of Unconstitutional Veto Players : 4.17

The army still has to be seen as a considerable unconstitutional veto player in Thai politics. The country has a long history of military coups, and the army has not always supported requests by different governments equally. This was highlighted by its role during the ousting of Thaksin-affiliated Prime Minister Samak Sundaravej, and its handling of escalating clashes with Thaksin's red-shirt supporters. It can be concluded that the army will usually interfere if it considers it necessary regardless of its lack of a constitutional mandate.

Apart from the military former Prime Minister Thaksin Shinawatra also has to be considered as some sort of unconstitutional veto player. Although living abroad after being convicted of tax evasion, he still significantly influences Thailand's politics. This is not only through his family ties with the current Prime Minister Yingluck Shinawatra, his sister, whom he explicitly called his "clone", but also through regular large scale appearances via Skype and other media. The question over whether to pass an amnesty which would allow him to come back into politics has become one of the major divides in Thai politics and society.

Freedom of Press : 3.8

Thailand slipped into the category of non-free countries in comparison to the 2012 edition of the Freedom Barometer. This is due to increased use and stricter application of the country's lèse-majesté laws, which protects the royal family, especially the current King, who is widely revered throughout the country. The last years have seen numerous cases of bloggers and hosts of online forums being charged under the law. The law also includes persecution of third parties who host online platforms where content is posted. Introduced after the last military coup, the newly elected government also does not show any initiatives to ease these limitations of expression, leading to wide spread self censorship.

Defamation is a criminal offense, and the 2007 Internal Security Act grants wide ranging powers to the government in case of vaguely defined security threats. These powers include detention of suspects for up to 30 days without charge. The government blocks internet sites, domestic and foreign alike, which are deemed a threat to national security, especially regarding Muslim extremism, through the Cyber Security Operations Center (CSOC), established in 2011. Although officially only 27% of people accessed the internet last year, the number may be much higher since most Thai people own smart phones with 3G packages.

Cases of physical attacks against journalists are rare. However there has been one case of a fatal shooting in 2012 and an environment of impunity regarding acts of violence against journalists is present. Print media outlets are largely owned by big family conglomerates, most with ties to politics. Control of Thailand's television and radio licenses remains with various government agencies and the military, giving the respective party in power significant influence over the distribution of information.

Rule of Law

Independence of the Judiciary : 5.02

The Thai judiciary is fairly independent. The 2007 Constitution restored Thailand's judicial independence and independent Constitutional Court. But the courts often play a decisive role in determining the outcome of political disputes, for example in the ouster of the People Power Party government in 2008. This has led to complaints of judicial activism and political bias. Nevertheless, in non-political cases, the judiciary is rather impartial and well balanced. Occasionally, bribery allegations occur.

Corruption : 3.07

Recent internal turmoil in Thailand has been characterized by accusations and counter-accusations of corrupt practices which continue to undermine government legitimacy. Corruption exists in both the private and public sectors, but particularly where the two meet.

The main perceived source of corruption in Thailand is considered to be "money politics", stemming from the high degree of interconnectedness between the business and political sectors. An example of this is the nationalization of the rice export industry and accusations of nepotism and closed auctions.

Bribery is concentrated in a few governmental sectors in charge of large financial transactions: the Land Department, Tax and Customs Department, the Transport Department, and the Police Department. Thailand was ranked at number 88 of 176 countries surveyed in Transparency International's 2012 Corruption Perceptions Index.

Protection of Human Rights : 3.95

Thailand is the regional hub for human rights non-government organisations, civil rights groups and environmentalists of Southeast Asia. They are permitted to conduct their work relatively free of harassment and intimidation. However, this is not an adequate representation of the status of human rights more broadly. Freedom of expression is still highly restricted. The Lese Majeste law criminalizing criticism of the Monarchy has been part of Thai constitutions since 1908, however it has never been as stridently enforced. From 2006 to 2011 400 cases came to trial compared to 10 in the decade prior. Thailand also retains the death penalty for a range of laws, however it has not been used since 2009.

Minorities lack protections and rights under the law (many in the north and northwest are ineligible to vote) and refugees and asylum seekers are regularly forcibly repatriated to their countries of origin (most commonly Myanmar and Laos). Inequality in the workforce remains derisory high, as does levels of human trafficking and sexual abuse. Although women legally have the same rights as men, sexual exploitation, domestic abuse and economic discrimination remain common. Another significant issue is the trafficking and abuse of migrant workers from Myanmar, Laos, and Cambodia.

In the south, conflict between ethnic minorities and government forces continue. Insurgents using child soldiers attack civilians while state security forces carry out kidnappings and extrajudicial killings with impunity. This regional insurgency has distorted Thailand's overall human rights levels and helps explain its lower than expected human rights score.

Economic Freedom

Security of Property Rights : 5.14

Private property is generally adequately protected. But the legal process can be lengthy and court rulings are sometimes influenced by illegal means. Intellectual property rights are not properly

protected. Despite efforts during recent years of the Central Intellectual Property and International Trade Court product piracy persists. Another concern is that the government may disclose trade secrets to protect public interest – a term which can be broadly defined. The 2013 International Property Rights Index ranks Thailand 72nd out of 131 countries, the main concerns being in the areas of the legal and political environment as well as the protection of intellectual property rights.

Size of Government: Expenditures, Taxes, and Enterprises : 7.3

Government spending, which includes consumption and transfer payments, has risen to 23.3% of GDP (up from 20.4%). This is mainly due to various generous government subsidy schemes. A further rise seems likely.

Thailand has a top income tax rate of 37%, which is rather high. Its corporate tax rate of 23% is at a comparatively average level. Other taxes include value added tax and property tax. Overall tax revenue accounts for about 14.5% of GDP.

Regulation of Credit, Labour, and Business : 6.81

Capital markets are well developed; the stock exchange is vibrant and open to foreign investors. Credit is usually given on market terms.

Starting, running and closing a business can be done freely. Starting a business takes 29 days and 4 procedures. Getting a business license can be done in 8 procedures and 157 days. Declaring bankruptcy is an uncomplicated process. The World Bank ranks Thailand 18th out of 185 surveyed countries in its 2013 Doing Business report.

Labour regulations are flexible. The non-salary cost of a worker is low, and firing one is easy. Regulations on working hours are business-friendly. A controversial rise of the daily minimum wage to 300 baht took effect in January 2013.

Freedom to Trade Internationally : 6.88

As one of the founding members of the ASEAN Free Trade Area, Thailand has negotiated free trade agreements with Australia, China, India, Japan, and New Zealand. Yet, since the 2006 coup, the dismantling of certain trade barriers has come to a halt. Import bans and restrictions and opaque customs valuations continue to add to the cost of international trade.