# Populism: The case of Thailand

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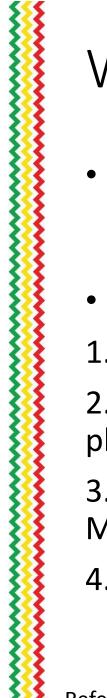






### Agenda

- What is populism?
- Populism in Thailand
- Why did populism rise in Thailand?
- How to deal with the populism



### What is populism?

- In general, populism is defined as "political ideas and activities that are intended to get the support of ordinary people (the majority) by giving them what they want"<sup>1</sup>.
- It seems to be a good concept, except...
- 1. what if people don't know what is good for them? (minimum wage policy)
- 2. what if people don't care much about the future generation? (rice-pledging program)
- 3. what if people don't care much about the minority group? (Rohingya in Myanmar)
- 4. what if people don't care much about other countries? (Trump, and Brexit)



### Populism in Thailand

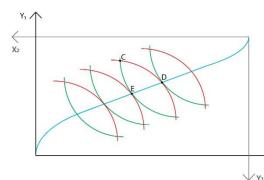
- In the case of Thailand, populism first emerged when Thai Rak Thai Party, a new political party with a populist platform, won the legislative election in 2001.
- At first, populism had shown its good side. For example, universal health coverage reform and One Tambon One Product (OTOP) program truly support the needs of the people.
- Populist policy became bad when it had reached <u>a trade-off point</u>: improvement in the welfare of the majority comes at the cost of others' welfare (minority, future generation or people from other countries).













### Populism in Thailand (2)

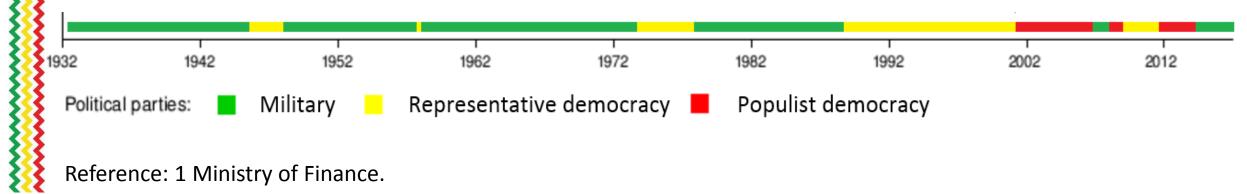
- For Thailand, the problem of populism had reached its bottom in late 2013.
- Rice-pledging program a government programme in which farmers sell rice to the government at a particular price, with the right to reclaim the rice if the market price goes higher.
- But with populism in mind, the pledging price is 15,000 baht per ton which is 50% higher than the market price.
- The program costs 519 billion baht in four years<sup>1</sup>. (around 1% of GDP per year)



Reference: 1 Ministry of Finance.

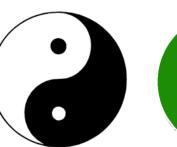
## Why did populism rise in Thailand?

- Limited choices: Between the end period of the revolution to overthrow absolute monarchy in 1932 and the rise of the populism in 2001, Thai politics were dominated by a military and bureaucratic elite, with the support of businessmen and entrepreneurs.
- 1. Representative democracy (yellow): Promote business.
- 2. Military government (green): Protect national security, traditional value, crowned republic, and centralized paternalism.
- Essentially, both choices try to protect social hierarchy (elite). There is a huge policy gap to address the needs of other groups (non-elite).



### How to deal with the populism

- To keep it under control by preventing bad policies:
  - populism can be good or bad
  - create competition in politics: good for the society
- How to:
- 1. Improve the parliamentary check and balance system: filibuster to delay US senate confirmations of judges, Reconciliation rules (the Byrd rule) topples Trump's tax plan.
- 2. Get more information from the political neutrality: Congressional Budget Office of the US who provides budget and economic information to US Congress.









## How to deal with the populism (2)

3. Support direct democracy: People can directly demand for a change of the constitution by signing a form (Switzerland).

4. Improve laws that control budget discipline: The Budgetary and Fiscal Discipline Act, the Monetary and Fiscal Discipline Act.

5. Improve the general check and balance system:

- Anti-corruption agency, Ombudsmen
- Media
- People's participation













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