NAVAL
POSTGRADUATE
SCHOOL
MONTEREY, CALIFORNIA

THESIS

THE ROLE OF POLITICAL AND ECONOMIC FACTORS
IN THAILAND'S LAST TWO COUPS D' ETAT

by

Roger Vrooman

September 2007

Thesis Advisor: Michael Malley
Second Reader: Robert Looney

Approved for public release; distribution is unlimited
THIS PAGE INTENTIONALLY LEFT BLANK
The Role of Political and Economic Factors in Thailand’s Last Two Coups D’Etat

Naval Postgraduate School
Monterey, CA 93943-5000

Approved for public release; distribution is unlimited

Thailand has experienced numerous coups. The last two Thai coups (1991 and 2006) were against popularly elected prime ministers. This thesis proposes and tests six hypotheses as the basis for each coup. The six hypotheses are split evenly between three political and three economic hypotheses. After the case study of each coup, the last chapter examines similarities and differences between the two coups. In the case of this thesis, the trend of the political factors to cause political instability was supported. Although economic factors fluctuated, or in the case of income inequality remained relatively constant, the three economic factors were not found as contributing to Thailand’s political instability. Therefore, no combination of any of the six hypotheses tested was substantial enough to be labeled as the cause of either coup.
THE ROLE OF POLITICAL AND ECONOMIC FACTORS IN THAILAND’S LAST TWO COUPS D’ ETAT

Roger R. Vrooman
Major, United States Air Force
B.S., Troy State University, 1993
M.S., Southern Methodist University, 1999

Submitted in partial fulfillment of the requirements for the degree of

MASTER OF ARTS IN NATIONAL SECURITY AFFAIRS

from

NAVAL POSTGRADUATE SCHOOL
September 2007

Author: Roger Vrooman

Approved by: Michael Malley, Ph.D.
Thesis Advisor

Robert Looney, Ph.D.
Second Reader

Douglas Porch, Ph.D.
Chairman, Department of National Security Affairs
ABSTRACT

Thailand has experienced numerous coups. The last two Thai coups (1991 and 2006) were against popularly elected prime ministers. This thesis proposes and tests six hypotheses as the basis for each coup. The six hypotheses are split evenly between three political and three economic hypotheses. After the case study of each coup, the last chapter examines similarities and differences between the two coups. In the case of this thesis, the trend of the political factors to cause political instability was supported. Although economic factors fluctuated, or in the case of income inequality remained relatively constant, the three economic factors were not found as contributing to Thailand’s political instability. Therefore, no combination of any of the six hypotheses tested was substantial enough to be labeled as the cause of either coup.
# TABLE OF CONTENTS

## I. INTRODUCTION
A. PURPOSE ................................................................. 1
B. IMPORTANCE ......................................................... 2
C. LITERATURE REVIEW ............................................... 4
   1. Hypothesis I ....................................................... 5
   2. Hypothesis II ...................................................... 6
   3. Hypothesis III ..................................................... 7
   4. Hypothesis IV ..................................................... 8
   5. Hypothesis V ...................................................... 9
   6. Hypothesis VI .................................................... 10
D. METHODOLOGY ...................................................... 11

## II. THAILAND COUP D’ETAT OF FEBRUARY 23, 1991 CASE STUDY
A. BACKGROUND ........................................................ 13
B. POLITICAL FACTORS ............................................. 14
   1. Political Participation ........................................... 14
   2. Foreign Influence .............................................. 20
   3. Electoral Process .............................................. 21
C. ECONOMIC FACTORS ............................................. 25
   1. Gross Domestic Product Performance ................. 25
   2. Income Inequality Performance .......................... 29
   3. Export-based Product Performance ..................... 33
D. CONCLUSION ......................................................... 37

## III. THAILAND COUP D’ETAT OF SEPTEMBER 19, 2006 CASE STUDY
A. BACKGROUND ........................................................ 39
B. POLITICAL FACTORS ............................................. 41
   1. Political Participation ........................................... 43
   2. Foreign Influence .............................................. 49
   3. Electoral Process .............................................. 50
C. ECONOMIC FACTORS ............................................. 54
   1. Gross Domestic Product Performance ................. 54
   2. Income Inequality Performance .......................... 57
   3. Export-based Product Performance ..................... 59
D. CONCLUSION ......................................................... 65

## IV. ANALYSIS AND CONCLUSIONS ......................................... 67
A. INTRODUCTION ....................................................... 67
B. HYPOTHESES ......................................................... 67
   1. Hypothesis I ....................................................... 67
   2. Hypothesis II ..................................................... 68
   3. Hypothesis III .................................................... 69
   4. Hypothesis IV .................................................... 69
5. Hypothesis V .................................................................70
6. Hypothesis VI ..............................................................71
C. CONCLUSION ...............................................................71

BIBLIOGRAPHY .................................................................73

INITIAL DISTRIBUTION LIST .................................................83
# LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 1</td>
<td>Thailand’s Gross Domestic Product (1985 – 1990)</td>
<td>26</td>
</tr>
<tr>
<td>Figure 2</td>
<td>Thailand’s Per Capita GDP (1980 – 1990)</td>
<td>28</td>
</tr>
<tr>
<td>Figure 3</td>
<td>Thailand’s Income/Consumption by Deciles (Percentage)</td>
<td>30</td>
</tr>
<tr>
<td>Figure 4</td>
<td>Thailand’s Gini Coefficient (1981-1992)</td>
<td>32</td>
</tr>
<tr>
<td>Figure 5</td>
<td>Thailand’s Total Exports (1985 – 1990)</td>
<td>34</td>
</tr>
<tr>
<td>Figure 6</td>
<td>Thai Exports by Sector (1983-1990)</td>
<td>35</td>
</tr>
<tr>
<td>Figure 7</td>
<td>Thailand’s Exports versus Foreign Direct Investment (1985 – 1990)</td>
<td>36</td>
</tr>
<tr>
<td>Figure 8</td>
<td>Thailand’s Gross Domestic Product (2000 – 2005)</td>
<td>55</td>
</tr>
<tr>
<td>Figure 9</td>
<td>Thailand’s Per Capita GDP (1995-2005)</td>
<td>56</td>
</tr>
<tr>
<td>Figure 10</td>
<td>Thailand’s Income/Consumption Share by Deciles (Percentage)</td>
<td>57</td>
</tr>
<tr>
<td>Figure 11</td>
<td>Thailand’s Gini Coefficient (1994 – 2002)</td>
<td>58</td>
</tr>
<tr>
<td>Figure 12</td>
<td>Thailand’s Total Exports (2000 – 2005)</td>
<td>60</td>
</tr>
<tr>
<td>Figure 13</td>
<td>Thai Exports by Sector (1997-2006)</td>
<td>63</td>
</tr>
<tr>
<td>Figure 14</td>
<td>Thailand’s Exports versus Foreign Direct Investment (2000-2005)</td>
<td>65</td>
</tr>
</tbody>
</table>
**LIST OF TABLES**

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 1</td>
<td>Thailand’s Prime Minister Succession (1973 – 1988)</td>
<td>13</td>
</tr>
<tr>
<td>Table 2</td>
<td>Election Results by Party, 1975 - 1988</td>
<td>18</td>
</tr>
<tr>
<td>Table 3</td>
<td>Thailand Parliamentary Elections (1975 – 1988)</td>
<td>19</td>
</tr>
<tr>
<td>Table 4</td>
<td>Thailand’s GDP Growth, Savings and Investment (1985 – 1990)</td>
<td>27</td>
</tr>
<tr>
<td>Table 5</td>
<td>Thailand’s Prime Minister Succession (1988 – 2006)</td>
<td>41</td>
</tr>
<tr>
<td>Table 6</td>
<td>Election Results by Party, 1992-1996</td>
<td>45</td>
</tr>
<tr>
<td>Table 7</td>
<td>Thailand Election Results by Party, 2001</td>
<td>46</td>
</tr>
<tr>
<td>Table 8</td>
<td>Thailand Election Results by Party, 2005</td>
<td>46</td>
</tr>
<tr>
<td>Table 9</td>
<td>Thailand Parliamentary Elections (1992 – 2001)</td>
<td>47</td>
</tr>
</tbody>
</table>
ACKNOWLEDGMENTS

I would like to thank Dr. Tuong Vu and Dr. Michael Malley, my Thesis Co-Advisors, for their guidance, patience and assistance. Without their tireless devotion in guiding me through this research, this project could not have been completed on time and the quality of the product would not have been as polished. Very special thanks goes to Dr. Robert Looney for taking over second reader duties, on very short notice, due to Dr. Vu departing NPS. In addition, I would like to thank Professor Lawson (Research Methods, NS2011) and Professor Conge (Research Colloquium, NS4080) for their expert instruction. These two professors ensured I started with the right tools and frame of mind. Besides the professional staff at the Naval Postgraduate School, I would like to thank my wife, Thatsaphon, my daughters, Megan and Rachel, and my son, Fame for their patience and support during this entire process. Finally, I would like to thank my mom, Mary and good family friend, Judy Wise for the hours of proof reading they graciously donated to me.
I. INTRODUCTION

The armed forces have three massive political advantages over civilian organizations: a marked superiority in organization, a highly emotionalized symbolic status, and a monopoly of arms. They form a prestigious corporation or Order, enjoying overwhelming superiority in the means of applying force. The wonder, therefore, is not why this rebels against its civilian masters, but why it ever obeys them.1

S. E. Finer

A. PURPOSE

In the aftermath of World War II, the number of independent countries in the world has increased rapidly. When the United Nations (UN) Conference was held at San Francisco, CA in 1945, 50 countries signed the charter; today, the UN has a membership totaling 192 countries. Just 20 years ago, it was documented that half of the UN’s sovereign nations have experienced an unconstitutional overthrow of their existing governments at some point in their history.2 Thailand, unfortunately, has had a storied history of coups, and at the present count has witnessed 18 coups since 1932. In most cases, coup-makers claimed their actions were necessary to remove “overly corrupt” political officials. The purpose of this thesis is to examine different hypotheses about the political and economic factors that may have contributed to Thailand’s last two coups d’etat, one in 1991 and the other in 2006. The argument of this thesis is that Thai military leaders use “corruption” as a means to gain public support for their takeover, but the real

---


explanation for an abundance of coups in Thailand is that the development of democratic political institutions has lagged behind the development of the military as a political actor in its own right.3

B. IMPORTANCE

At this critical juncture in Thai politics, it is more important than ever to understand what motivated Thai military leaders to oust the political leadership and to identify measures that can be adopted to prevent future occurrences. Since the Thai military coup of 1991 to oust Prime Minister Chatichai Choonhawan,4 Thailand’s political and constitutional reforms had seemingly produced a stabilizing effect on the government, and the Thai nation was eagerly awaiting a national election scheduled for November 2006. It appeared Thai democracy was evolving and strengthening; even as “late as July 2006, few analysts foresaw Thailand’s political situation deteriorating into a coup d’etat.”5 However, on 19 September 2006, the Thai military launched a successful, bloodless coup against Prime Minister Thaksin Shinawatra and his Thai Rak Thai party. The significance of these last two coups was that for the first time in its short democratic history, Thailand’s last two coups were targeted at popularly elected civilian prime ministers.6

The current instability in Thailand’s political and economic environment casts uncertainty over the United States’ priorities in the region. It is unfortunate because Thailand and the United States have enjoyed strong, bilateral political and security

---

3 Thailand’s absolute monarchy was overthrown in 1932, and the next 41 years (1932-1973) can be best described as military dictatorship. The era of democratization began in 1973, when student-led demonstrations forced the military government of General Thanom to resign and led to a “permanent” constitution. While strides have been made in the last 34 years, Thailand does need more time to fully develop its political and economic institutions. In my opinion, it could take several more decades for these institutions to mature. For a further discussion on these events see: Jim LoGerfo and Daniel King, “Thailand: Toward Democratic Stability,” Journal of Democracy 7, no. 1, 1996, 102-117.

4 Also spelled Choonhavan in some literature. The first time a Thai name is used, it will be in the form of first name and last name. Each subsequent time, only the first name, which is common in Thai culture, will be used.


6 Even though Chatichai was previously in the military and held the rank of Major General, he was a civilian businessman representing the Chart Thai political party when elected in 1988.
relationships since 1945. Among the 10 member countries of the Association of Southeast Asian Nations (ASEAN), Thailand was one of the more politically stable and economically dynamic countries in the region before the September 2006 military coup. As one of the founding members of ASEAN, Thailand was a stabilizing presence and a leader on many initiatives within the alliance. In addition, a strong ASEAN alliance is of vital importance to the U.S. to ensure the balance of power within the Asian region remains in check. Furthermore, it has always been an ASEAN goal to prevent any power not in the ASEAN alliance from acquiring undue influence on a member country or the region as a whole. The stability and status of ASEAN may now be in jeopardy in light of Thailand’s current political struggles.

In addition, Thailand is an important Asian partner in the war on terror and a significant trade partner of the United States. Since the coup, terrorism has hit Bangkok hard with the deaths of three individuals from a 31 December 2006 bombing. Little to no progress has been made to slow down the insurgency in the southern provinces of Thailand while the Thai currency has been appreciating with cases of severe fluctuations adversely affecting the export market. The United States was poised to enter into a Free Trade Agreement (FTA) with Thailand in 2006. "Following the coup (2006), U.S. officials said that the FTA could not go forward without a return to democratic rule (in Thailand). Although studies indicate a U.S.-Thailand FTA would increase trade and investment for both countries and yield a net benefit for Thailand, negotiations must address a list of challenging issues to reach a successful conclusion. Economic relations with the United States are central to Thailand’s outward looking economic strategy. In

---

7 As of 8 April 2007, ASEAN is comprised of the following 10 member countries: Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam. For more information about when these countries joined ASEAN see [http://www.aseansec.org/4736.htm](http://www.aseansec.org/4736.htm) (accessed April 8, 2007).

8 A strong ASEAN alliance is important for balancing power between East Asia’s main power centers—China and Japan along with South Asia’s major power, India.


10 Prime Minister Thaksin was poised to provide crucial leadership within ASEAN and push for increased economic integration within the region. This may be in jeopardy now due to the coup.

2005, the United States was Thailand’s second largest export market and its fifth largest supplier of imports.”12 Because the United States has declared it will not renew negotiations on the U.S.-Thailand FTA until democracy is restored, the future of U.S.-Thai relations will likely depend on how quickly the political situation is resolved.13

Southeast Asian political stability is important because of U.S. strategic and economic interests. One of the primary objectives of the United States National Security Strategy is to foster transformational diplomacy and effective democracy.14 In addition, the prevalence of coups in Thailand provides an ample opportunity to analyze the factors leading to the overthrow of a government. This research will contribute in the analysis of modern coup theory by assessing whether political and/or economic factors led to each coup or political instability.

C. LITERATURE REVIEW

An analysis of the theoretical framework on coup theory will assist in formulating several hypotheses about which political and economic factors put a country at risk for a coup. It is commonly accepted that Luttwak, Huntington, Nordlinger, and Finer produced the benchmark works on coups.15 In basic theoretical studies on coups, Luttwak,16 Huntington,17 Nordlinger18 and Finer19 explained that both political and economic factors provided powerful motives for the initiation of a coup. While each author acknowledges the economic side, each focused primarily on political factors.

---

13 Ibid., 1.
19 Finer.
Drawing from these works, this research will analyze and test six hypotheses (three political and three economic) against factors and conditions leading up to Thailand’s last two coups. The six hypotheses are as follows:

1. **Hypothesis I**

   Thailand’s last two coups were caused by a combination of a low level of political participation and a weak multiparty political system. Huntington argues, “a low level of participation also tends to weaken political parties vis-à-vis other political institutions and social forces.” Specifically about Thailand circa 1968, Huntington stated:

   In Thailand, the parties, when they exist, have little or no extra-parliamentary organization. In general, each member must get elected through his own efforts in his own province. Party labels are incidental. Parties have never represented substantial social forces, but only cliques and individuals within the top level of the ruling class.

McCargo made the same point for contemporary Thai political parties:

   Whilst traditional elites “accommodated” other actors by allowing them to participate in electoral politics, the scope for free and fair electoral contestation was very limited.

Not much has changed from 1968. In order for political participation to increase, there must be a stable political party system in place to articulate and aggregate societal interests. Thailand currently has 12 political parties with the oldest one existing for 25 years and the newest one being just nine years old. So Thailand can certainly be classified as a multiparty system today, but what was the situation before the coups in 1991 and 2006? Hicken elaborates on issues affecting the multiparty system in Thailand from 1978 to 2001:

---

20 Huntington, 397-461.
21 Ibid., 402.
22 Ibid., 413-414.
In the seven elections between 1983 and 1996, an average of fifteen parties competed in each election, twelve of which succeeded in winning at least one seat in the House of Representatives. The average size of the government coalition organized from those twelve legislative parties was 5.3. These larger multiparty coalition governments were notoriously short-lived—between 1978 and 2001 the average duration of government cabinets was just over eighteen months.25

This can pose a problem as Huntington argued that the likelihood of a coup doubles with a multiparty system, like Thailand’s, versus those with a single party, dominant party or two party systems.26 In order for a multiparty system to survive, it must be a strong system that can only exist with a high level of mobilization, political participation, willingness to compromise and the ability to adapt to changing situations.27 This thesis will argue that none of these conditions existed within the Thai political system and that this hypothesis will be judged as a factor that led to political instability.

2. Hypothesis II

Thailand’s last two coups were caused, in part, by the weakness of global and regional powers’ influence over Thailand’s internal political environment. According to Luttwak, the level of support a country receives from international partners affects the probability of a coup attempt. A state must be substantially independent from the international community, Luttwak claims, for a coup to have any chance of success.28 If the state is substantially dependent on a foreign nation for its national security, coup actors will need to gain the support for the coup from the foreign power. Coup-prone countries need to balance their independence and interdependence amongst their global and regional allies in order to maintain political and economic stability. In addition, Luttwak warns that one should not underestimate the importance of support from international partners for domestic political reform policies and the impact cooperation

26 Huntington, 422-423.
27 Huntington, 424.
28 Luttwak, 43-45.
with neighboring nations can have on regional and international affairs.\textsuperscript{29} Both have an enormous impact on political stability and can help deter the coup plotters. An even larger deterrent is foreign troop presence within the country. While an argument could be made that the foreign powers may not wish to interfere in the host country’s political scene, a large contingent of foreign combat troops would provide a significant obstacle and risk for coup planners.\textsuperscript{30} Except for a few multinational exercises during each calendar year, foreign troop presence in Thailand is minimal. This research will show that there is not an overabundance of foreign influence over Thai politics and this hypothesis will be confirmed.

3. Hypothesis III

Thailand’s electoral process fostered political instability to the point of causing the 1991 and 2006 coups.\textsuperscript{31} Was Thailand’s ever evolving electoral system leading to political instability? Croissant states that to examine the political consequences of a nation’s electoral system, “three functional demands can be discerned – representation, integration and decision.”\textsuperscript{32} Croissant continued by defining each of the previous three terms and listed questions to ask about each of the three categories:

First, elections ought to represent the people, i.e. the political will of the voters. Therefore it is necessary that the electoral system is sufficiently proportional to achieve an adequate conversion of the wide range of pluralistic social interests into political mandates. The question is: do electoral systems promote the representativeness of the elected institutions?

Second, elections ought to integrate the people. An electoral system which accomplishes successful integration is one that stimulates the emergence of cohesive parties. It then contributes to integration in parliament and does not merely produce individual and isolated representatives. The question is: do electoral systems promote the development of a well institutionalized party system?

\textsuperscript{29} Luttwak, 43-45.

\textsuperscript{30} Rosemary H.T. O’Kane, \textit{The Likelihood of Coup} (Brookfield, VT: Gower Publishing Company, 1987), 86.

\textsuperscript{31} Aurel Croissant, “Electoral Politics in Southeast and East Asia: A Comparative Perspective.”

\textsuperscript{32} Ibid., 328.
Third, elections have to generate majorities large enough to ensure the stability of government and its ability to govern. The question is: do electoral systems promote the governability of the democratic system?33

Taking these questions into account, political instability should arise if 1) an elected government that is not representative, 2) a party system that is not institutionalized or cohesive, or 3) the majority produced is insufficient to govern effectively.34 This thesis will contend that Thailand’s political organizations and procedures lack the strength needed to prevent coups from happening.35 After this research is completed, I expect to conclude that political factors are the underlying causes of political instability within Thailand, and although instability itself did not cause either coup, it does seem to have given the Thai military leaders the opportunity to launch each coup.

4. Hypothesis IV

Thailand’s last two coups were caused by a decline in Thailand’s Gross Domestic Product (GDP). Nordlinger offers this on economic downturns:

A government’s economic record is a critical performance criterion since economic growth is highly valued the world over and all governments are held at least partly responsible for the country’s economic health. Even when the actual cause of a downturn is beyond government control the incumbents are often blamed. And since virtually all governments publicly assert their commitment to economic growth, the economic record takes on further significance as criterion of governmental performance.36

An economic downturn usually has adverse consequences on the population’s incomes and salaries, and may persuade the military to intervene.37 Nordlinger goes on

---

33 Croissant, 328-329.
34 The party system data will be pulled from hypothesis I which studies Thailand’s political parties.
35 The strength of political organizations and procedures can be defined by the scope of support and level of institutionalization. If only a small, upper-class group is involved in political organizations, the scope is severely limited. To reach moderate institutionalization, political organizations and procedures must be adaptable, complex, autonomous and coherent. For a more detailed discussion, see: Huntington, 12-32.
36 Nordlinger, 88.
37 Ibid., 89.
to add, “Intervention against governments during periods of economic decline, stagnation, or inflation is more common than at times of economic good health.” This research will show that Thailand’s economy was not in decline or stagnating. To the contrary, Thailand’s economy was growing up to the time of the two coups, and inflation only came into the picture after the military had seized the government.

5. Hypothesis V

Deterioration in Thailand’s income inequality, which reflected an increased disparity between the rich and the poor, contributed to Thailand’s last two coups. Huntington argues that economic inequality is an important source of political instability, declaring that:

Economic development increases economic inequality at the same time that social mobilization decreases the legitimacy of that inequality. Both aspects of modernization combine to produce political instability.

There is no doubt that Thailand should be classified as a modernizing country in the years just before both coups. On the other hand, if Thailand’s overall economy is found to be expanding prior to the coups, but the income inequality gap is widening, it may imply that the masses (majority) are not enjoying the benefits of growth and do not have the means to participate in political institutions. This can lead to political instability, which is only a short step away from a coup. Luttwak argued:

---

38 Nordlinger, 89.

39 The income inequality gap is defined as the measure of relative income gains or losses between the top and bottom 20 percent of the income bracket for Thailand. For instance, if the top 20 percent (the rich) enjoyed a 33 percent rise in income during a five-year period, and during the same time period, the bottom 20 percent (the poor) only gained 11 percent, the gap will be assessed as widening/increasing (the rich get richer and the poor get poorer, relatively speaking). The Gini coefficient and per capita GDP will also be used to examine the income inequality gap. See Nordlinger, 58.

40 Huntington, 58-59.

The city-dweller has escaped the crushing embrace of traditional society, but not the effects of ignorance and insecurity. In these conditions the mass of the people is politically passive and its relationship is one-way only. The leadership speaks to them, lectures them, rouses hopes or fears, but never listens; the bureaucracy taxes them, bullies them, takes their sons away for the army, their labour for the roads, but gives very little in return.\footnote{Luttwak, 43-47.}

Not only are the peasants in the country living in poverty, but city-dwellers cannot seem to escape the poverty trap. This thesis will contend that income inequality in Thailand was relatively stable and did not lead to political instability.

6. Hypothesis VI

Thailand’s last two coups were caused by a downturn in its export-based economic sector, which created economic instability that undermined political stability.\footnote{O’Kane, 61.} O’Kane, the leading proponent of the hypothesis that coups are caused by economic factors, contended that a large downturn in export-based economic conditions will generate instability in the local economy, discredit the government and lead to a coup.\footnote{O’Kane.} O’Kane contended that economic performance was an important responsibility of the government and was no easy task because export prices are determined on the global market which cannot be controlled or influenced by any one government or country. A severe downward trend in an export-based market can have catastrophic effects on government planning and generate widespread dissatisfaction among key groups.\footnote{While an argument could be made that severe fluctuations either upward or downward can wreak havoc on government planning, this research will focus on downward fluctuations. See O’Kane, 53.} O’Kane does not fault him for this, as it was not Luttwak’s intention. O’Kane argued the problem with the Luttwak approach was that it

\footnote{Luttwak, 43-47.}
\footnote{O’Kane, 61.}
\footnote{O’Kane.}
\footnote{While an argument could be made that severe fluctuations either upward or downward can wreak havoc on government planning, this research will focus on downward fluctuations. See O’Kane, 53.}
\footnote{O’Kane, 19.}
assumed there was always a cadre eager to stage coups, and that groups should aim to take the legal avenue of standing for election. This research will show that no severe fluctuations or drops in Thailand’s export-based economy preceded the 1991 or 2006 coups. I expect this factor to be irrelevant to the Thai cases.

D. METHODOLOGY

This thesis will use the comparative case study methodology and test all six hypotheses to determine if any of the factors led to the latest two coups in Thailand’s history (1991 and 2006). Some subjectivity will have to be used to judge the three political factors and thus will make this category the most difficult to evaluate. Economic factors provide a more objective view than the political factors. For each economic factor, the previous 5 years of data (at a minimum) will be reviewed to identify trends. If an economic factor were to sharply decline leading up to either coup, it will be judged as a factor leading to the coup.

After completing the research on both political and economic factors, the results will be analyzed to determine similarities, differences, and correlations between the two coups. These factors were selected based upon the literature describing coup motives and opportunities.

Important primary sources used will include interviews with Thai nationals and personal experiences. Secondary sources will be predominantly used in this thesis. Scholarly books, trade journals and periodicals will be used when proving claims in the 1991 coup. Although there hasn’t been sufficient time for scholarly books to be published on the Thai coup of 2006, there are numerous works in periodicals and journals. Other secondary sources including Congressional Research Service (CRS) and

---

47 O’Kane, 19.

48 For the 1991 coup (1986-1990) and the 2006 coup (2001-2005). The literature doesn’t specify a certain time frame to study. Case studies described used differing measurements (most were in the 3-4 year range). Because the literature doesn’t give a set time period to measure, I chose the 5 year time period to give an adequate analysis period leading up to each coup. Five years of data is a long enough period to determine if any trends were taking place.
Thai media, i.e., *Bangkok Post* and *The Nation* (Bangkok) will be used. Thailand’s political and economic data will be obtained from the World Bank, World Trade Organization, the United Nations and the Human Development Reports.
II. THAILAND COUP D’ETAT OF FEBRUARY 23, 1991 CASE STUDY

A. BACKGROUND

Since the overthrow of the absolute monarchy in 1932, Thailand has been characterized by a struggle for political stability. The coup against Prime Minister Chatichai Choonhawan on February 23, 1991, was the seventeenth since the formation of the constitutional monarchy in 1932. Since the period between 1932 and 1973 can be characterized as being ruled primarily by military dictatorships, Table 1 depicts the 15 years leading to Chatichai’s election as prime minister. Additionally, Thailand’s first chance to attempt democracy after the fall of complete military control of the government was in 1973.

<table>
<thead>
<tr>
<th>PRIME MINISTER</th>
<th>YEARS IN OFFICE</th>
<th>REASON LEFT OFFICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Sanya Dharmasakti</td>
<td>Oct 1973 – Feb 1975</td>
<td>General Election</td>
</tr>
</tbody>
</table>

Table 1 Thailand’s Prime Minister Succession (1973 – 1988)

49 Chanlett-Avery, 1.
50 Chanlett-Avery describes military dictatorships being in control of Thailand from 1932 until the early 1990s with brief periods of democracy in the 1970s and 1980s. With the election of Mr. Dharmasakti in 1973, it was the infant beginnings of democracy in Thailand. See Chanlett-Avery, 6.
52 PD = Parliament Dissolution.
After the general election in 1973, Thailand witnessed two coups d’état, a resignation and three parliament dissolutions. This was business as usual in Thailand with political regime change happening every couple of years. So it could be surmised that after the general election of Prime Minister Choonhawan in 1988, he would be leaving office one way or another in a couple of years.\textsuperscript{54} In fact, Chatichai’s term lasted about two and a half years (August 1988 – February 1991). What led military leaders to stage and execute a coup against Chatichai? The Thai military and opposition leaders claimed corruption as a basis for the coup, but was that really the cause? Can this coup can be explained by political and economic factors leading up to the junta seizing control.\textsuperscript{55}

B. POLITICAL FACTORS

While exploring the impact of political participation, foreign influence, and the electoral system, we should remember that Thailand had limited experience with democracy prior to the coup of 1991. Up until that point, Thailand only had a parliamentary-styled government since 1932.

1. Political Participation

In modernizing states one-party systems tend to be more stable than pluralistic party systems. Modernizing states with multiparty systems are, for instance, much more prone to military intervention than modernizing states with one party, with one dominant party, or with two parties.\textsuperscript{56}

Can the coup against the Chatichai government be explained by a combination of a low level of political participation and a weak multiparty political system as described by Huntington?\textsuperscript{57} First, an examination of political party weaknesses will show a very

\textsuperscript{54} The most likely avenue to leave office would be through a parliament dissolution followed by a general election. Being forced from office did not necessarily have to be as a result of a coup.

\textsuperscript{55} Corruption, or the West’s definition of corruption, is inherent in Thailand’s culture. Gifts of money, Sin Nam Jai in Thai, are often given (and are expected to be given) to administrators, bureaucrats and politicians. This can be called “greasing the wheel” or be used as a way of saying, “thanks for giving me your attention.”

\textsuperscript{56} Huntington, 422.

\textsuperscript{57} Huntington, 397-461.
high number of parties gained cabinet seats and the severe fragmentation within the party structure. Then, an assessment on the rise of the business elites within political parties will display a shift in the composition and focus of parliament. For political participation, a review of election statistics focusing on political party support will reveal that a very high percentage of Thai voters did cast ballots. After reviewing the election statistics, an exploration of Thai citizens’ political rights and civil liberties should reveal that Thailand constrained some rights and liberties of its populace which adversely affected political participation.

Indicators of political party system weakness were splitting candidates between parties and candidates switching affiliations after elections so they could be appointed to Senate seats. Chambers added:

Yet, for the most part, Thai parties have been mere legal shells that political power groups—factions—have switched into and out of with great regularity, looking for the best deal (e.g., “expense” payments and cabinet portfolios). This fragmented multiparty system ranks very high among parliamentary democracies around the world. Indeed, among eleven Asian democracies, Aurel Croissant found Thailand to have the highest effective number of parties. The multitude of parties contributed to coalition instability.58

Although the effective number of political parties has declined over the past five elections leading up to the coup, there was still an “overabundance of political parties.”59

The effective number of parliamentary parties (by seats) in the last five elections was: 8.07 (1979), 5.6 (1983, before merger), 3.9 (1983, after merger), 6.1 (1986), and 7.8 (1988).60 After a brief attempt to merge parties in 1983, the number of political parties doubled by the Chatichai election. “While there is very little agreement about what the optimum number of parties should be, or just how many parties is too many, there was

59 Ibid.
60 Ibid.
widespread concern among Thai reformers that the larger number of parties had undermined effective governance and contributed to short-lived governments.”

The business elite started to take an interest in political office once Thai democracy started taking root after a student uprising overthrew a military government in 1973. Since then, the struggle for political power has been waged between the business elites and the military leaders, and has been cyclical. Englehart added:

In the late 1980s, this “demi-democracy” evolved into short-lived full democracy when Prem resigned, and was replaced by Chatichai. Chatichai was an elected member of parliament and the head of a political party that formed a coalition government. Some members of his cabinet were poorly educated rural politicians who could deliver votes but were perceived by urban middle-class voters as entering government solely for to make money through kickbacks, influence-peddling, and other forms of corruption.

The percentage of seats in the Thai Assembly occupied by business elites rose from 35 percent (93/269) in 1975 to 68 percent (243/357) in the 1988 election. The enormous financial benefits derived from political power drove business elites to seek political office. As an example, two local businessmen, Wichai Prasanmit and Suwat Liptapanlop from Khorat successfully organized local elections and managed to help with Chatichai’s election as prime minister. Chatichai immediately hired Suwat to his cabinet and installed Wichai to the Senate. With their new positions they were able to focus funding of projects to their home province in Khorat. These projects included a major highway project and private industrial real estate project, from which both Suwat and Wichai made huge fortunes. Later they campaigned in their province and boasted about their success in bringing investments into the area. These were the type of projects the military leaders might have used as examples of corruption when they were tired of the business elites running the country. McCargo expanded on the competing elites:

64 Phongpaichit and Baker, 355-356.
While the rise of the business sector did increase the size of the middle class – and thereby contribute to the strengthening of civil society – the middle class generally acted primarily from economic self-interest rather than political principle, as seen in the widespread middle class support for the 23 February 1991 military coup.65

What made it easy for these business elites to get into political office? It is the vast number of political parties that can be joined and/or started anew. By reviewing the election results by party from 1975 to 1988 in Table 2, Thailand was classified as a weak multiparty system as Huntington described.66 Even though an argument could be made that the Social Action, Chat Thai, and Democrat parties dominated parliament from 1975 to 1988, this was still a three party system and considered “multiparty” by Huntington.67 To explain the relationship between business elites and the three aforementioned political parties, Laothamatas offered:

Equally striking, the leadership of three ruling parties—Chart Thai, Social Action, and Democrat—is increasingly controlled by big business. Chart Thai’s leadership has been dominated by big business from the beginning, and all top Social Action Party leaders with the exception of the chairman, Air Chief Marshal and Foreign Minister Siddhi Savetsila, are now individuals with big business backgrounds. Even more notable is the fact that the Democrat Party, traditionally a mainstay of the middle classes, is now permeated by big business.68

Also, those three dominant parties all originated in Bangkok and were comprised primarily of business leaders and aristocrats.69 The rise of the business elites in politics had helped to strengthen political participation within Thailand.

66 Huntington, 428-429.
67 Ibid., 428-429.
69 Phongpaichit and Baker, 356-358. This gives the impression that these parties serve the interests of the urban residents in Bangkok and do not represent the majority that live outside the capital’s boundaries.
### Table 2  Election Results by Party, 1975 - 1988⁷⁰

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Action</td>
<td>18</td>
<td>45</td>
<td>83</td>
<td>92</td>
<td>51</td>
<td>54</td>
</tr>
<tr>
<td>Chat Thai</td>
<td>28</td>
<td>56</td>
<td>38</td>
<td>73</td>
<td>63</td>
<td>87</td>
</tr>
<tr>
<td>Democrat</td>
<td>72</td>
<td>114</td>
<td>32</td>
<td>56</td>
<td>100</td>
<td>48</td>
</tr>
<tr>
<td>Social Justice</td>
<td>45</td>
<td>28</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Social Agrarian</td>
<td>19</td>
<td>9</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Social Nationalist</td>
<td>16</td>
<td>8</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>New Force</td>
<td>12</td>
<td>3</td>
<td>8</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Socialist</td>
<td>15</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Socialist Front</td>
<td>10</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Prachakon Thai</td>
<td>-</td>
<td>32</td>
<td>36</td>
<td>24</td>
<td>31</td>
<td>-</td>
</tr>
<tr>
<td>Seritham</td>
<td>-</td>
<td>21</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Chat Prachachon</td>
<td>-</td>
<td>13</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>National Democratic</td>
<td>-</td>
<td>-</td>
<td>15</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Siam Democratic</td>
<td>-</td>
<td>-</td>
<td>18</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>United Democratic</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>38</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Ruam Thai</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>19</td>
<td>35</td>
<td>-</td>
</tr>
<tr>
<td>Ratsadon</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>18</td>
<td>21</td>
<td>-</td>
</tr>
<tr>
<td>Community Action</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>15</td>
<td>9</td>
<td>-</td>
</tr>
<tr>
<td>Phalang Tham</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>14</td>
<td>-</td>
</tr>
<tr>
<td>Prachachon</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>19</td>
<td>-</td>
</tr>
<tr>
<td>Phuangchoen Chaotai</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>17</td>
<td>-</td>
</tr>
<tr>
<td>Progressive</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8</td>
<td>-</td>
</tr>
<tr>
<td>Muanchon</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Other parties</td>
<td>34</td>
<td>13</td>
<td>11</td>
<td>10</td>
<td>19</td>
<td>4</td>
</tr>
<tr>
<td>Independent</td>
<td>-</td>
<td>-</td>
<td>63</td>
<td>24</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>269</td>
<td>279</td>
<td>301</td>
<td>324</td>
<td>347</td>
<td>357</td>
</tr>
</tbody>
</table>

Sources: Morell and Chai-Atan (1981); Suchit (1987); Pisan (1988).

What kind of voter turnout did Thailand experience between 1975 and 1988? Other than a slight dip in 1976 (Votes/Registered Voters) and 1983 (Votes/Voting Age Population), Thailand saw modest gains in total votes, registered voters, total population, and voting age population. The Thai voters went to the polls and cast their ballots in great numbers. The Thai elections held in this period did not require parties to run based party-driven campaigns. When a rural voter went to cast his or her ballot, what did they base their vote on? Callahan and McCargo argued that vote-buying had been prevalent in the 1970s and 1980s, but “it would be simplistic to argue that vote-buying was the sole

⁷⁰ Scanned from Table 10.3 in Phongpaichit and Baker, 362.
factor in the elections.”71 No controls were in place to control vote-buying, and it was just part of the election process. Next, I would like to focus on the political rights and civil liberties portion of this table.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Votes</th>
<th>Registered Voters</th>
<th>Vote/Reg</th>
<th>Invalid</th>
<th>Total Population</th>
<th>VAP</th>
<th>Vote/VAP</th>
<th>PR</th>
<th>CL</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1975</td>
<td>8,695,000</td>
<td>18,500,000</td>
<td>47.0%</td>
<td>N/A</td>
<td>41,896,000</td>
<td>18,902,400</td>
<td>46.0%</td>
<td>2</td>
<td>3</td>
<td>PF</td>
</tr>
<tr>
<td>1976</td>
<td>9,084,104</td>
<td>20,791,018</td>
<td>43.7%</td>
<td>5.0%</td>
<td>42,960,000</td>
<td>18,902,400</td>
<td>48.1%</td>
<td>6</td>
<td>6</td>
<td>PF</td>
</tr>
<tr>
<td>1983</td>
<td>12,295,339</td>
<td>24,224,470</td>
<td>50.8%</td>
<td>4.1%</td>
<td>49,459,000</td>
<td>26,213,270</td>
<td>46.9%</td>
<td>3</td>
<td>4</td>
<td>PF</td>
</tr>
<tr>
<td>1986</td>
<td>15,104,400</td>
<td>24,600,000</td>
<td>61.4%</td>
<td>N/A</td>
<td>52,511,000</td>
<td>27,830,830</td>
<td>54.3%</td>
<td>3</td>
<td>3</td>
<td>PF</td>
</tr>
<tr>
<td>1988</td>
<td>16,944,931</td>
<td>26,658,637</td>
<td>63.6%</td>
<td>3.5%</td>
<td>54,326,000</td>
<td>30,965,820</td>
<td>54.7%</td>
<td>3</td>
<td>3</td>
<td>PF</td>
</tr>
</tbody>
</table>

Table 3  Thailand Parliamentary Elections (1975 – 1988)72

Political rights and civil liberties are important factors in deciding the level of political participation Thailand’s citizens may or may not enjoy. Freedom House breaks political rights into three sub-categories (electoral process; political pluralism and participation; and functioning of the government) and civil liberties into four sub-categories (freedom of expression and belief; association and organizational rights; rule of law; and personal autonomy and individual rights).73 During this time period, Thailand has done a little better in the political rights but struggled with civil liberties. The trend

---


72 See the International Institute for Democracy and Electoral Assistance website, [http://www.idea.int/](http://www.idea.int/), (accessed June 1, 2007). For 1975, registered voters are approximate. For 1986, total votes and registered voters are approximate. Terms are as follow: VAP=voting age population; PR=political rights; CL=civil liberties; Invalid=the number of invalid votes (including blank votes), as reported by each country; PF=partly free. PR and CL are two measurements of Political Rights and Civil Liberties, which have been taken from Freedom House. Freedom House uses these two categories as indicators of the levels of freedom in a country’s political system. A rating of 1 indicates the highest degree of freedom and 7 the least amount of freedom. Each pair is averaged to determine an overall status (1.0 – 2.5 = free, 3.0 – 5.0 = partly free, and 5.5 – 7.0 = not free). For more information, visit the Freedom House website at [http://www.freedomhouse.org/template.cfm?page=1](http://www.freedomhouse.org/template.cfm?page=1), (accessed June 16, 2007).

would indicate that Thailand was progressing, ever so slightly, in these two categories. Even so, Thailand was considered a “partly free” country during this time period and has room for improvement.

The weakest links of Thailand’s political participation were the plurality of Thailand’s political party structure, the convenience of party switching, and the ability to dissolve and create new parties. In addition, political parties were numerous which led increasingly toward factionalism within Thailand. During the 1980s, “democratization in Thailand was constrained by the failure of political parties to institutionalize themselves as true representatives of the people. They also failed to assume the responsibilities of governance in a constructive, clean, and efficient manner, and to promote, either in quantitative or qualitative terms, voluntary political participation.”

Political participation was a factor that strongly influenced political instability within Thailand, and provided motive and opportunity for this coup. However, political participation alone did not cause the 1991 coup because the political institutions had been in place since the 1978 constitution. If political participation alone was the causal factor of the coup, a coup should have occurred after either the 1979 or 1983 election when both the Social Action and Chart Thai parties enjoyed a larger percentage of parliamentary seats over the Democrat Party. Instead, the coup occurred when the three main parties were on more equal footing within parliament.

2. Foreign Influence

Was the 1991 coup consistent with Luttwak’s hypothesis that coups are more likely when global and regional powers have little influence over a country’s internal political environment? According to Luttwak, a coup was more likely to happen if Thailand was relatively independent and not heavily influenced by a regional and/or global entity. This section will review both regional and global power influence on

74 Paribatra, 884.
75 Luttwak, 43-45.
76 Ibid., 27.
Thailand. Specifically, a review of major bilateral and multilateral exercises that occur within Thai borders will show there is not an abundance of foreign troops present within Thailand for any type of extended engagement.

Thailand, in the 1980s, did not have a large foreign military presence. The multinational Exercise COBRA GOLD lasts 4-6 weeks and has less than a couple thousand U.S. military forces within country. The United States also has a Joint U.S. Military Advisor Group Thailand (JUSMAGTHAI) detachment in Thailand with only a couple hundred U.S. servicemen. Other than these two examples, Thailand did not have to cooperate militarily within ASEAN, or with global or other regional actors.

In the instance of foreign troop presence within Thailand, foreign influence would be classified as minimal. As such, there aren’t any major players, regionally or globally, that had undue political influence over Thailand during the time period leading to the 1991 coup. Even if there was a large foreign troop presence within Thailand during this period, I don’t think it would have affected the junta. Lack of foreign influence on Thailand’s internal political processes gave the military leaders within Thailand the opportunity to have minimal resistance when they attempted the coup but did not provide a motive.

3. Electoral Process

Did Thailand’s electoral process foster political instability to the point of causing the 1991 coup? Elections prior to 1973 were characterized as token exercises because

---

77 The main regional actors of concern for Thailand are China, Japan and ASEAN. The main actors on the global scale are the United Nations and the United States.

78 Exercises within Thailand generally last about two weeks with a one to two-week buildup prior to exercise start, and a one to two-week shutdown period where equipment and personnel are reconstituted for the return trip to country of origin. An extended engagement for the purposes of this research is longer than two months.


81 Croissant, 361.
the results were known in advance and were never disputed. By contrast, elections held between 1975 and 1988 witnessed “considerable changes both in terms of rules and actors. Competition is no longer predominantly between military-run parties and a limited number of progressive intellectuals and local leaders, having shifted to contests among members of the business community of different political orientations.” The business elites that exploited Thailand’s political party institutions also took advantage of the electoral process. McCargo pointed out:

Business actors who had started out as subordinate partners of generals and senior civilian officials, were now gaining the upper hand. Using the electoral process as a tool, they were gaining access to ministerial positions through their bankrolling of election campaigns, parties, and factions.

As seen earlier, Croissant has posed three questions to test the effectiveness of a country’s “electoral systems to promote: 1) Do electoral systems promote the representativeness of the elected institutions, 2) Do electoral systems promote the development of a well institutionalized party system, and 3) Do electoral systems promote the governability of the democratic system?” By utilizing Croissant’s three tests, the effectiveness of Thailand’s electoral system will be assessed.

What was the representativeness of Thailand’s elected institutions? Croissant’s comparative study listed Thailand’s electoral system as having the characteristics of low disproportionality. What does this mean? Croissant states, “low disproportionality, results in an adequate conversion of the wide range of pluralistic social interests into political mandates and a high representativeness of the parliament.” This equated to a representative government. Hicken added on Thailand’s early electoral system, “The

---

83 Maisrikrod and McCargo, 140.
84 McCargo (2002), 60.
85 Ibid., 328-329.
86 Croissant, 330.
87 Ibid.
block vote system is a relatively uncommon electoral system that combines multiseat constituencies with multiple votes and the plurality rule.”88 Hicken further described the electoral system based on the 1978 and 1991 constitutions with an appointed Senate, party switching allowed, and party restrictions of having to field a full team of candidates to contest a constituency.89 Rampant party switching will be shown as a severe limitation of Thailand’s early electoral system.

Did Thailand’s electoral system promote a stable party system? Thailand’s party system cannot be described as stable, but the electoral system is highly representative. According to Croissant, this should lead to a multi-party system, which in fact, Huntington argued was a major contributing factor to political instability.90 To judge the effectiveness of how the electoral process contributed to party formation, it is necessary to correlate the fragmentation and polarization of the party system.91 Based on Chambers’ study on factions within Thai party systems, Thailand had an effective number of electoral parties of just over nine parties.92 This put Thailand in the category of high fragmentation. Croissant has labeled Thailand as a low polarized parliament, and I tend to agree.93 When the two factors are combined, Thailand’s electoral system led to high fragmentation coupled with low polarization. Croissant summarized:

88 Hicken, 384.
89 Ibid.
90 Huntington, 422-424.
91 “Fragmentation is segregated into High (extreme pluralism), Moderate (limited pluralism) and Low (two-party or less systems). Polarization goes from low to high. High polarization equates to competition between parties and takes a centrifugal direction, low polarization causes centripetal tendencies of competition.” See Croissant, 333-336.
92 This effective number is based on the four elections leading to the 1991 coup. For more, see Chambers (2003), 67.
93 Croissant, 335.
The highly fragmented party system in Thailand may not pose a great threat to political stability and democracy, since it is balanced by low levels of polarization. However, high fragmentation certainly is an obstacle for institutional efficiency and effectiveness, and consequently, for the governability of democratic regimes, because it tends to show efficacy-reducing effects like short-lived multi-party coalition cabinets within Thailand.\(^{94}\)

What level of governability did Thailand’s electoral system dictate? “The effect of electoral systems on the breadth of participation in government by political parties can be measured by looking at their capability to produce so-called manufactured majorities.”\(^{95}\) In other words, to be a majority, the party needs to win more than 50 percent of the parliamentary seats. With the pluralistic nature of the Thai electoral system, it would be hard to imagine one of the nine effective electoral parties winning the majority of the seats. In fact, the four elections leading to the coup all produced natural minorities.\(^{96}\) Thailand’s electoral system was characterized as having a low capacity to produce one-party majorities. Croissant explained:

The stronger the majoritarian effect of the electoral system, the more the electoral system tends to concentrate the party system. The smaller the effective parties in parliament and the higher the capacity of electoral systems to create majorities, the more likely single party cabinets are. Single party cabinets have a higher average life span than minority cabinets or oversized coalition cabinets.\(^{97}\)

Based on his study, Croissant ranked Thailand in last place (worst) for cabinet durability in a ten Asian country comparison.\(^{98}\)

On a positive note, Thailand’s electoral system promoted representativeness. On the negative side, the weakness of Thailand’s political party fragmentation combined

\(^{94}\) Croissant, 336.

\(^{95}\) Ibid., 337.

\(^{96}\) The parties winning the last four elections and if effect being a natural minority are: 1988 (Chart Thai, 24%), 1986 (Democrat, 29%), 1983 (Social Action, 28%), and 1979 (Social Action, 27%). For more information, see Inter-Parliamentary Union at [http://www.ipu.org/parline-e/reports/2311_arc.htm](http://www.ipu.org/parline-e/reports/2311_arc.htm), (accessed August 18, 2007).

\(^{97}\) Croissant, 338-339.

\(^{98}\) Ibid.
with low polarization led to a cabinet with a natural minority. This was due to the very high number of effective electoral parties the system generated. The highest percentage won by any single party, in the four elections leading up to the coup, was 29 percent in 1986. These factors combined to rank Thailand last in a ten country comparative study on electoral politics in Southeast and East Asia.99 Thailand’s electoral process combined with its party system has led to political instability.

C. ECONOMIC FACTORS

Thailand, prior to the 1991 coup, had a market-based economy, which transformed from a closed import substitution driven economy to a more open, liberal export-based economy.100 This transformation began in the mid-1980s just prior to the coup. After this transformation, Thailand’s economy grew enormously and was the result of political stability in the 1980s. Dixon explained:

This period of stability and increasing democracy was intimately connected with the Kingdom’s rapid economic growth. Political stability was an important ingredient in Thailand’s attraction for foreign investors. At the same time the sustained growth removed the military’s often used excuse for intervening—ineffective development policies and a slowing of growth.101

The three economic factors that will be reviewed are gross domestic product performance, income inequality, and export-based product performance.

1. Gross Domestic Product Performance

Can the 1991 coup in Thailand be explained by a decline in Thailand’s gross domestic product (GDP)? In looking at GDP performance in Figure 1, Thailand’s GDP was definitely on an upward trend and actually doubled during the five-year span displayed. It would be hard to place blame for the coup on GDP performance.

99 Croissant, 338-339.
100 The time period presented here in this section is from 1973 to 1991.
By examining Table 4, Thailand’s real GDP growth was impressive during the time period leading up to the coup. In fact, real GDP growth hit double digits after Chatichai assumed office. The economy flourished under the presumption that Thailand was politically stable. Also noteworthy, gross national savings and gross domestic investment percentages rose in each year leading up to the coup. Coincidentally, these figures stabilized after the coup and actually began to decrease leading up to the financial crisis.

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage Growth of Real GDP</th>
<th>Gross National Savings as Percentage of GDP</th>
<th>Gross Domestic Investment as Percentage of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>4.6</td>
<td>24.4</td>
<td>28.2</td>
</tr>
<tr>
<td>1986</td>
<td>5.5</td>
<td>26.5</td>
<td>25.9</td>
</tr>
<tr>
<td>1987</td>
<td>9.5</td>
<td>27.3</td>
<td>27.9</td>
</tr>
<tr>
<td>1988</td>
<td>13.3</td>
<td>30.0</td>
<td>32.6</td>
</tr>
<tr>
<td>1989</td>
<td>12.2</td>
<td>31.6</td>
<td>35.1</td>
</tr>
<tr>
<td>1990</td>
<td>11.2</td>
<td>32.8</td>
<td>41.4</td>
</tr>
</tbody>
</table>

Table 4  Thailand’s GDP Growth, Savings and Investment (1985 – 1990)

Did Thailand’s per capita GDP experience any downturns in the 1980s? By reviewing Figure 2, per capita GDP grew during the ten-year period displayed. These figures are based on the entire country and do not take regional view. With the liberalization rapid growth of the economy, urban centers tend to have higher per capita earnings over their rural counterparts. Thailand was not different. Dixon pointed out about the Bangkok Metropolitan Region (BMR), “increasingly the most significant disparity is between the BMR and the rest of the Kingdom. This is even more marked if the analysis is undertaken at the level of the individual provinces.”

---

104 Dixon, 216.
What events led to this positive economic growth? The first event was the oil crisis in the late 1970s to early 1980s. Oil was Thailand’s top import item, and when the bottom fell out of the oil market in the mid-1980s, this produced a lot of surplus capital within Thailand. Second, the Thai government devalued the baht for the second time in the 1980s. After devaluing the baht, Thailand had to come up with a new strategy to address its balance of payments deficits. “The government now committed itself to a strategy of exporting its way out of the payment crisis. In 1985, the government reduced import taxes for materials used in exports, and abolished several export taxes.”

---


106 The baht was devalued twice in the early 80s--first, in 1981 and then later in 1984. Phongpaichit and Baker, 155.

107 Phongpaichit and Baker, 156.
brought Thailand into the export-oriented global market, which had an enormous positive impact on the Thai economy. Thailand’s GDP and per capita GDP made great gains during the period leading up to the coup. With such solid gains, GDP performance did not have an impact on the coup.

2. Income Inequality Performance

The extremely high level of regional and personal income inequality that prevails in Thailand reflects long-established trends which government policy has done little to halt. In this respect the Thai experience is by no means unique: policies aimed at redressing regional imbalance and income inequalities tend to be implemented in a partial and under-funded manner and run counter to much more vigorous and fully funded policies that promote disparities.108

Was there a downturn in Thailand’s income inequality measures that contributed to Thailand’s coup in 1991?109 According the Hypothesis V in chapter 1, rising income inequality promoted political instability and increased the probability of a coup. This section will analyze two inequality measures to assess whether Thailand’s income inequality suffered any downturns.110 The conventional wisdom is that inequality was growing. According to McCargo, “the Thai economy was growing rapidly, but this economic growth was not shaped by any principles of equitable distribution.”111

In the years leading up to the 1991 coup, the income distribution remained pretty stable. By analyzing the data in Figure 3, some startling facts jump out. The top 20 percent (richest) brought home over 50 percent of Thailand’s total income, and the bottom 50 percent (poorest) only brought home about 20 percent of the total income. The income distribution improved slightly between 1981 and 1988. This observation could be explained by the increase in capital flows into the country after the export boom in 1985-1986. On the whole, the rich are very rich and the poor are very poor in Thailand. Thailand’s economy has grown, but at the expense of the poor. Dixon explained:

108 Dixon, 237.
109 Nordlinger, 58.
110 The two inequality measurements are deciles percentage and the Gini coefficient.
111 McCargo (2002), 60.
The long-term expansion of GDP, including the acceleration of growth since the mid-1980s, has delivered social benefits mainly in the form of new employment opportunities rather than in general improvement in the living standards of the bottom 20 per cent of income distribution.\textsuperscript{112}

\begin{center}
\textbf{Thailand's Income/Consumption by Deciles %}
\end{center}

\begin{figure}
\centering
\includegraphics[width=\textwidth]{thailand-income-consumption-deciles.png}
\caption{Thailand’s Income/Consumption by Deciles (Percentage)\textsuperscript{113}}
\end{figure}

To further illustrate the point on income distribution, refer to Figure 4, which displays Thailand’s Gini coefficient.\textsuperscript{114} Thailand’s Gini coefficient hovered between .4 and .5 from 1981 to 1992. To put this value into perspective, a report of Gini coefficients

\textsuperscript{112} Dixon, 222.


\textsuperscript{114} The Gini coefficient is defined as the most commonly used measure of inequality. The coefficient varies between 0, which reflects complete equality and 1, which indicates complete inequality (one person has all the income or consumption, all others have none). For more details, see The World Bank Poverty website http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/EXTPA/0, contentMDK:20238991–menuPK:492138–pagePK:148956–piPK:216618–theSitePK:430367,00.html, (accessed 1 June 2007).
from the other Southeast Asian countries showed countries with both higher and lower percentages than Thailand. Surprisingly, Malaysia was the only Southeast Asian country that had a higher Gini coefficient than Thailand. Malaysia’s was not significantly higher, just a few percentage points. The Philippines was the closest in Gini when compared to Thailand, but was slightly lower by a few points in each of the survey years. Laos, Cambodia, Indonesia and Vietnam were the most surprising, as they were significantly lower in their Gini stats. This meant that the income distribution in these countries was more equal. Maybe that is due in part to each of these countries being relatively poor and not having the inflow of capital like Thailand, Malaysia and the Philippines.

---

After analyzing the data, income distribution was relatively stable during the years leading to the coup. Even though income distribution favored the rich in Thailand, the evidence does not support income inequality as a primary factor for the military to overthrow Chatichai. Income inequality is the one economic factor that remained relatively constant for the ten years leading up to the coup. As shown earlier, Thailand was not doing very well regionally with respect to how equal the distribution of income within the country.

---

3. Export-based Product Performance

Did a downturn in Thailand’s export-based economic sector cause the coup in 1991? Thailand in the 1980s adopted the East Asia Economic Model (EAEM) strategy. As Looney explains, “The strategy is built around two key features: (a) high investment rates stemming mainly from foreign direct investment (FDI), and (b) an outward orientation emphasizing labor intensive manufactured exports.” By looking on the surface and remembering that Thailand emphasized an export-based economy based on the EAEM, it was no surprise to see an upward trend in Thailand’s export-based economic sector as depicted in Figure 5. Dixon explained the export market success:

It has been characterised by dramatic economic growth, restructuring of exports and general internationalisation of the economy. While the degree to which these developments can be linked to the period of formal SAPs or changed domestic policy is highly questionable, the broad aims set out by the World Bank in 1980—of opening up the economy and reorienting it towards the export of manufactured goods—have been substantially achieved.

---

117 O’Kane, 61.
119 Labor intensive, manufactured products were the basis of Thailand’s export-based economy.
120 Dixon, 139.
Additionally, when Thailand switched to an export-based economic approach, its main export sector switched as well. Up until 1985, agricultural products were the staple of Thailand’s export sector. After 1985, manufactured goods and services rose to the top of the export charts. As seen in Figure 6, 1984 was the turning year when agricultural exports equaled manufactured exports. By 1990, over 70 percent of Thai exports were manufactured products, and the agricultural sector was below 20 percent. Thailand had made the switch to an export-driven economy fueled by manufactured products.

---

The other important factor that helped drive exports even higher was the amount of foreign direct investment (FDI) that began flowing into Thailand in the mid 1980s. Many Asian countries found it very profitable to invest in Thailand’s manufacturing sector and take advantage of cheap labor. Intuitively speaking, FDI should flow into countries with a stable political system. Thailand was a unique case with FDI expanding in the midst of political instability. Can any trends be spotted in Thailand during the years leading up to the coup to see if there is any relationship between political instability, export-based product performance and foreign investor strategy?

---

122 For more information, see the United Nations University website at [http://www.unu.edu/unupress/unupbooks/uu11ee/uu11ee0x.htm](http://www.unu.edu/unupress/unupbooks/uu11ee/uu11ee0x.htm).
The period of 1985 to 1990 saw a big growth in FDI which in turn spurred the export economic sector to expand in Thailand. There was a stabilization period while Thailand focused its economy toward export-driven, but overall, Thailand enjoyed modest growth in exports because of steady inflows of FDI. Prem’s administration continued to reap the benefits of increasing FDI into Thailand. With political unrest building in the country, Prem resigned in 1988 and paved the way for a democratic election, but not before FDI in Thailand finally broke the $1 billion annual threshold. After the democratic election in 1988, FDI kept flowing and had risen by 250 percent to $2.54 billion annually by 1991.

After researching and analyzing Thailand’s export-based product performance during the years leading up to the 1991 coup, it has been shown that there was not a downturn in its export markets. Furthermore, increases in FDI during the period show that foreign investors were content with how the political outlook was evolving in Thailand. Dixon elaborated on political continuity:

There is little doubt that continuity contributed to the confidence of both domestic and overseas investors. The confidence that stemmed from the apparent establishment of stable and, at least quasi-democratic government, was given a substantial boost following the elections of July 1988, with the appointment of a premier (Chatichai Choonhavan) and a full cabinet who were all elected.124

Therefore, it is possible to conclude that export performance did not create economic instability or play any significant part in undermining political stability. This case will serve as an exception to O’Kane’s theory on export-based product performance and political instability.125

D. CONCLUSION

After analyzing the three political factors and three economic factors for the 1991 coup, it’s hard to imagine a case being made to blame Thailand’s economic performance for the military to overthrow the government. Rather, it is very easy to see that Thailand’s electoral system was set up in a way that produced an extremely fragmented political party system that, in turn, bred political instability.126 Thailand was relatively independent which provided the Thai military the opportunity to stage the coup. While I’m certain these factors were a leading contributor to overall political instability in Thailand, were they the cause of this coup? The conclusion drawn here is that the political factors led to political instability and helped facilitate a coup, but did not actually cause the coup on their own.

124 Dixon, 126.
125 O’Kane, 61.
126 Croissant, 341.
THIS PAGE INTENTIONALLY LEFT BLANK
III. THAILAND COUP D’ETAT OF SEPTEMBER 19, 2006 CASE STUDY

The February 2005 election reaffirmed Thaksin’s overwhelming hold on power. With an individual so firmly entrenched in office of prime minister, it is fitting to analyze how he got there in the first place. Several factors contributed to Thaksin’s 2001 electoral landslide and first single-party parliamentary majority, including (1) a preelection willingness to spend lavish sums of money to both market his Thai Rak Thai Party and buy up members of parliament, footloose factions, and vote canvassers; (2) a new electoral system of single-member districts favoring parties with more cash; (3) the rival Democrat Party’s PM Chuan Leekpai’s perceived inability to stand up to foreign interests or cope with the 1997 Asian financial crisis; (4) Thaksin’s use of national rhetoric and promises to implement populist projects; (5) the popular view that Thaksin would nevertheless, as a self-made billionaire strongman, successfully rescued Thailand from the economic abyss. Yet since 2001, the new PM has fortified his position to the point where fears echo that Thailand is slipping under parliamentary tyranny akin to Italy on PM Silvio Berlusconi.127

Paul W. Chambers

A. BACKGROUND

With more than 15 years passing since the Chatichai coup, was it just a matter of time before Thaksin’s administration was forcibly removed from office by a military coup?128 Thaksin won landslide victories in two elections (2001 and 2005). He was also the first popularly elected prime minister who completed his first four-year term, and won his bid for reelection as the incumbent.129 Thaksin was immensely popular with the rural community, and his administration had “virtually unassailable power.”130

---

128 If Thaksin’s administration was slipping into tyranny as Chambers espoused, it is little wonder the military didn’t step in before it did.
130 Pongsudhirak, 1-3.
taken aggressive steps to prevent a coup against his administration, but on 19 September 2006 a successful, bloodless coup removed Thaksin and his administration from power.\textsuperscript{131}

Where did the process break down for Thailand? Thai political reformers had learned much about the strength and weaknesses of Thai political and economic structures, and the country survived arguably its worst economic emergency during the 1997 Asian financial crisis.\textsuperscript{132} From 1991 to 1997, six Thai administrations (see Table 5) assimilated these lessons learned and rewrote the Thai constitution twice with the intent to strengthen the Thai political structure.\textsuperscript{133} “The “people’s constitution” of 1997 effectively marked the ascendancy of political participation as the dominant currency in discourses of Thai power,” but did these effects lead to Thaksin’s demise?\textsuperscript{134}

Even after the pro-democracy movement in 1992,\textsuperscript{135} “Thai democracy became synonymous with cabinet instability, chronic political corruption, vote buying, and the fusion of provincial crime with party politics.”\textsuperscript{136} As a testament to the political turmoil, parliament was dissolved four times (see Table 5) prior to Thaksin getting elected in 2001. The one positive that can be garnered during this time period is that until the coup in 2006, parliament had not been dissolved since the political reforms in 1997. This showed that political stability is possible.

\textsuperscript{131} Among Thaksin’s coup preventative measures were: “1) appointment of his cousin as army commander and chief, 2) Thaksin’s strong ties to the Thai Police, and 3) Thaksin’s control of the old types of corruption (commission, leakage, and embezzlement).” See Pongsudhirak, 3.

\textsuperscript{132} For a detailed description of the Thai political reform process from 1992 through parliament passing the 1997 constitution, see James Ockey, \textit{Making Democracy: Leadership, Class, Gender, and Political Participation in Thailand} (Honolulu: University of Hawaii Press, 2004), 166-171.


\textsuperscript{134} McCargo (2002), 64.

\textsuperscript{135} For an explanation of events on the pro-democracy movement of 1992, see Duncan McCargo and Ukrist Pathmanand, \textit{The Thaksinization of Thailand}, (Copenhagen, Denmark: Nordic Institute of Asian Studies Press, 2005), 2-3; Englehart, 255-265.

<table>
<thead>
<tr>
<th>PRIME MINISTER</th>
<th>YEARS IN OFFICE</th>
<th>REASON LEFT OFFICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Anand Panvarachun</td>
<td>Mar 1991 – Apr 1992</td>
<td>General Election</td>
</tr>
<tr>
<td>Mr. Anand Panyarachun</td>
<td>Jun 1992 – Sep 1992</td>
<td>PD/General Election</td>
</tr>
<tr>
<td>Mr. Chuan Leekpai</td>
<td>Sep 1992 – Jul 1995</td>
<td>PD/General Election</td>
</tr>
<tr>
<td>Mr. Banharn Silapa-Archa</td>
<td>Jul 1995 – Nov 1996</td>
<td>PD/General Election</td>
</tr>
<tr>
<td>General Chavalit Yongchaiyudh</td>
<td>Nov 1996 – Nov 1997</td>
<td>Resignation: Economic Crisis</td>
</tr>
<tr>
<td>Mr. Chuan Leekpai</td>
<td>Nov 1997 – Feb 2001</td>
<td>PD/General Election</td>
</tr>
<tr>
<td>Police Lt Col (ret) Thaksin</td>
<td>Feb 2001 – Mar 2005</td>
<td>Term Ended</td>
</tr>
<tr>
<td>Police Lt Col (ret) Thaksin</td>
<td>Mar 2005 – Sep 2006</td>
<td>PD/State Administration Assembly</td>
</tr>
<tr>
<td>General Surayad Chulanont</td>
<td>Sep 2006 – Present</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Table 5  Thailand’s Prime Minister Succession (1988 – 2006)

B. POLITICAL FACTORS

Thailand’s political landscape leading up to the 2006 coup was forever changed and molded by the adoption of a new constitution in 1997. King states:

The rules of the political game became in many ways significantly different: there are increased guarantees of individual rights, an elected Senate, a new Election Commission to supervise elections, separation of the elected Parliament and the Cabinet (MPs or senators are no longer allowed to simultaneously hold a cabinet post and a seat in Parliament), a

---

137 PD = parliament dissolution.

138 The Royal Thai Government website lists the events of 19 Sept 2006 as a state administration assembly. The rest of the world classifies that event as a coup d’etat. For the rest of this paper, this event will be referred to as a coup.

new electoral system based on a combination of single-member districts and a party-list system, and new requirements for candidates.\textsuperscript{140}

On the surface, it looked like 1997 reformers attempted to solve many of the political challenges that faced Thailand prior to the Chatichai coup. The changes this research will focus on are the revisions made to the political party institution, guarantees of individual rights, and the new electoral process.

The 1997 constitution was of great importance to Thailand’s political landscape. This constitution indirectly led to Thailand’s prime minister being popularly elected to two consecutive terms and “the first prime minister to preside over a one-party government.”\textsuperscript{141} There had been military leaders that served consecutive terms, but this was a first for popularly elected prime ministers and demonstrated that the 1997 political reforms strengthened Thai democratic institutions. However, Thaksin’s first year in office got off to a rough start as Jarvis pointed out:

Of most concern to outside observers have been the political uncertainties surrounding the indictment, trial, and acquittal of Prime Minister Thaksin over allegations of asset concealment and the repercussions of this for policy continuity. These fears were not realized, however, with the controversial acquittal of the prime minister by a slim 8-to-7 majority of the constitutional court.\textsuperscript{142}

With Thaksin on shaky ground to start his first term as prime minister, why were there no coup attempts before, during, or after Thaksin’s trial and subsequent acquittal? This verdict certainly gave the military motive for a coup, but democracy continued uninterrupted and unscathed. Support for democracy within Thailand was strong and should be credited for the political stability enjoyed in the early part of the twenty-first


\textsuperscript{141} Pongsudhirak, 1.

Can any correlation be drawn between political participation, foreign influence and electoral reform as the cause of the 2006 coup?

1. Political Participation

In theory, political parties have played essential roles in democratic regimes—aggregating interests, mobilizing social support, and giving popular legitimacy to ruling elites. Yet the effectiveness of parties in evolving democracies has often been quite dubious. Thai democracy has been a case in point. How did the burgeoning Thai democracy and evolving political party system allow for the advent of Thaksin?144

Can the Thaksin coup be explained by a combination of a low level of political participation and a weak multiparty political system as described by Huntington?145 This section will analyze Thailand’s political party transition from the aftermath of the Chatichai coup to the 1997 Asian Financial Crisis and subsequent elections of Thaksin’s Thai Rak Thai political party in 2001 and 2005. This analysis will reveal just how much the 1997 constitution led to massive political party reforms. Next, a review of election statistics and cabinet makeup will show increased voter participation and a move toward a one-party dominant cabinet.146 Finally, an assessment of Thai citizens’ political rights and civil liberties will attest that Thailand has made a concerted effort to improve society’s ability to voice political concerns.

The main flaw with Thai political parties before the 1991 coup was there were simply too many parties that won seats in parliament. This led to a severely fragmented parliament, which on average, had been dissolved every two to three years. While the

---

145 Huntington, 397-461.
146 This analysis will focus on the 1995, 1996, 2001 and 2005 elections. These were selected to compare two elections based on the 1991 constitution with two elections based on the 1997 constitution.
1997 reforms went a long way toward strengthening and limiting the numbers of political parties, there will still some inherent challenges with Thailand’s political party institution. Hicken elaborated:

Of the 43 parties that competed in at least one election between 1979 and 1996 only 10 survived to compete in the 2001 elections. These 10 were joined in 2001 by 20 new parties. Over the same period parties on average competed in fewer than 3 elections before disbanding. Party switching prior to elections by both candidates and factions is rampant.147

The three main political party reforms addressed in 1997 were: 1) candidates had to be members of a political party at least 90 days before elections, 2) elections had to be held within 45 days of a dissolution of parliament, and 3) the creation of 100 party list seats in parliament that were directly responsible to the party.148 The first two reforms addressed the problem of party switching that was rampant before the 1997 reforms.149 The last reform was targeted at strengthening and stabilizing the party system by allowing technocrats a chance to gain a parliament seat without having to win the appeal of voters.150 These reforms addressed some of the major issues with Thai political parties, but did the new constitution address the problems of party factions and defections? Chambers answered:

The rules disrupted the historical pattern of “over 80” party seats and led to factional squabbling and ultimate party splits. Following the 2001 general election, TRT captured 248 out of 500 seats while the Democrats won 128. The Democrats experienced severe factionalism, while the much larger TRT party, never suffered defection.151

---

148 For a complete summary of the 1997 reforms see Hicken (2006), 385; Chambers (2005), 505; James Ockey, “Change and continuity in the Thai political party system,” Asian Survey 43, no. 4 (July 1, 2003), 667; and James Ockey, "VARIATIONS ON A THEME: Societal Cleavages and Party Orientations Through Multiple Transitions in Thailand," Party Politics 11, no. 6 (November 1, 2005), 740-743.
149 Hicken (2004), 5.
150 Ockey (2005), 741.
151 Chambers (2005), 505.
While significant efforts were made to reform political parties, can analyzing election results before and after the 1997 reforms derive any patterns in cabinet structure? By reviewing Table 6, there isn’t a big difference in cabinet make-up from earlier Thai elections. These elections still led parties toward having to form coalitions and factions to ensure a majority existed. However, by 1996, two parties were emerging as being dominant over the smaller parties—the Democrats and New Aspiration. This was about to change with the 1997 Asian financial crisis and subsequent 1997 constitution that changed the political rules.

<table>
<thead>
<tr>
<th>Election Results by Party, 1992–1996</th>
</tr>
</thead>
<tbody>
<tr>
<td>-----------</td>
</tr>
<tr>
<td>Samakkhitam</td>
</tr>
<tr>
<td>Chat Thai</td>
</tr>
<tr>
<td>Chat Phaithana</td>
</tr>
<tr>
<td>New Aspiration</td>
</tr>
<tr>
<td>Democrat</td>
</tr>
<tr>
<td>Phalang Tham</td>
</tr>
<tr>
<td>Social Action</td>
</tr>
<tr>
<td>Prachakon Thai</td>
</tr>
<tr>
<td>Solidarity</td>
</tr>
<tr>
<td>Ratsadon</td>
</tr>
<tr>
<td>Muanchon</td>
</tr>
<tr>
<td>Pungchon Chaotai</td>
</tr>
<tr>
<td>Seritham</td>
</tr>
<tr>
<td>Nam Thai</td>
</tr>
<tr>
<td>Thai</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>


Table 6 Election Results by Party, 1992-1996

Where you can see the real difference in cabinet composition is looking at the elections of 2001 and 2005. In 2001, the Thai Rak Thai party came close to winning a majority of the parliament seats (see Table 7), and by 2005, the Thai Rak Thai party was the dominant party with a clear majority (see Table 8). The days of twenty parties garnering seats in parliament were gone. Croissant explained the aftermath of the 2001 and 2005 elections:

152 Scanned from Table 12.1 in Phongpaichit and Baker, 422.
The trend is from highly fragmented individual political parties towards deepening polarization between two larger political parties with different political platforms and clearly distinguished groups of voters. While the 2001 election intensified this development, the 2005 election has consolidated it.153

Table 7  Thailand Election Results by Party, 2001154

<table>
<thead>
<tr>
<th>Party</th>
<th>Const.</th>
<th>PL</th>
<th>Total</th>
<th>PL votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>TRT</td>
<td>200</td>
<td>48</td>
<td>248</td>
<td>11,634,495 (40.64 %)</td>
</tr>
<tr>
<td>DEM</td>
<td>97</td>
<td>31</td>
<td>128</td>
<td>7,610,789 (26.58 %)</td>
</tr>
<tr>
<td>CTP</td>
<td>35</td>
<td>6</td>
<td>41</td>
<td>1,523,807 (5.32 %)</td>
</tr>
<tr>
<td>NAP</td>
<td>28</td>
<td>8</td>
<td>36</td>
<td>2,008,948 (7.02 %)</td>
</tr>
<tr>
<td>CPP</td>
<td>22</td>
<td>7</td>
<td>29</td>
<td>1,755,476 (6.13 %)</td>
</tr>
<tr>
<td>Serithan</td>
<td>14</td>
<td>0</td>
<td>14</td>
<td>807,902 (2.82 %)</td>
</tr>
<tr>
<td>Rassad.</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>356,831 (1.25 %)</td>
</tr>
<tr>
<td>Thin Thai</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>604,029 (2.11 %)</td>
</tr>
<tr>
<td>SAP</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>44,926 (0.16 %)</td>
</tr>
</tbody>
</table>

Table 8  Thailand Election Results by Party, 2005155

<table>
<thead>
<tr>
<th>Party</th>
<th>Const.</th>
<th>PL</th>
<th>Total</th>
<th>PL votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>TRT</td>
<td>310</td>
<td>67</td>
<td>377</td>
<td>18,993,073 (61.17 %)</td>
</tr>
<tr>
<td>DEM</td>
<td>70</td>
<td>26</td>
<td>96</td>
<td>7,210,742 (23.23 %)</td>
</tr>
<tr>
<td>CTP</td>
<td>18</td>
<td>7</td>
<td>25</td>
<td>2,061,559 (6.64 %)</td>
</tr>
<tr>
<td>Mahachon</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>1,346,631 (4.34 %)</td>
</tr>
</tbody>
</table>

Voter registration and participation within Thailand was quite impressive. By analyzing Table 9, the lowest turnout was 59 percent and largest turnout was nearly 70 percent. The International Institute for Democracy and Electoral Assistance had not

155 Nelson, 6.
updated its database for the 2005 election, but Croissant reported the 2005 nation-wide voter turnout was 75.1 percent.\textsuperscript{156} Thais were getting to the polls in increasing numbers. Did the data on voter turnout from 2005 reveal any geographically based voting patterns? As Croissant summarized:

Thai Rak Thai was strongly supported everywhere but in the South, which the Democrat Party successfully regained. The fact remains that the Democrat Party, despite loosing the election, was able to strengthen its already powerful position in the South, which in turn deepens Thailand’s political divide between the South and the rest.\textsuperscript{157}

In the 2005 election, Thai Rak Thai finally succeeded in pulling more votes from Bangkok than the Democrat Party.\textsuperscript{158} Thailand’s voters spoke with their ballots in record numbers. The 2005 election solidified the Thai Rak Thai as the dominant party within Thai politics.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Votes</th>
<th>Registered Voters</th>
<th>Vote/Reg</th>
<th>Invalid</th>
<th>Total Population</th>
<th>VAP</th>
<th>Vote/VAP</th>
<th>PR</th>
<th>CL</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>19,224,201</td>
<td>32,432,087</td>
<td>59.3%</td>
<td>4.3%</td>
<td>57,760,000</td>
<td>32,923,200</td>
<td>58.4%</td>
<td>3</td>
<td>4</td>
<td>PF</td>
</tr>
<tr>
<td>1995</td>
<td>23,462,746</td>
<td>37,817,983</td>
<td>62.0%</td>
<td>3.8%</td>
<td>60,034,000</td>
<td>36,620,740</td>
<td>64.1%</td>
<td>3</td>
<td>4</td>
<td>PF</td>
</tr>
<tr>
<td>1996</td>
<td>24,060,744</td>
<td>38,564,836</td>
<td>62.4%</td>
<td>1.7%</td>
<td>60,652,000</td>
<td>36,997,720</td>
<td>65.0%</td>
<td>3</td>
<td>3</td>
<td>PF</td>
</tr>
<tr>
<td>2001</td>
<td>29,909,271</td>
<td>42,759,001</td>
<td>69.9%</td>
<td>N/A</td>
<td>62,862,098</td>
<td>42,663,353</td>
<td>70.1%</td>
<td>2</td>
<td>3</td>
<td>PF</td>
</tr>
</tbody>
</table>

Table 9  Thailand Parliamentary Elections (1992 – 2001)\textsuperscript{159}

\textsuperscript{156} Croissant reported this was a record high voter turnout for Thailand. For more, see Croissant (2005), 9.

\textsuperscript{157} Croissant (2005), 8-10.

\textsuperscript{158} Croissant adds that Bangkok had been a former “stronghold” for the Democrats. For more see, Croissant (2005), 9.

\textsuperscript{159} See the International Institute for Democracy and Electoral Assistance website, http://www.idea.int/, (accessed June 1, 2007). For 1975, registered voters are approximate. For 1986, total votes and registered voters are approximate. Terms are as follow: VAP=voting age population; PR=political rights; CL=civil liberties; Invalid=the number of invalid votes (including blank votes), as reported by each country; PF=partly free. PR and CL are two measurements of Political Rights and Civil Liberties which have been taken from Freedom House which uses these two categories as indicators of the levels of freedom in a country’s political system. A rating of 1 indicates the highest degree of freedom and 7 the least amount of freedom. Each pair is averaged to determine an overall status (1.0 – 2.5 = free, 3.0 – 5.0 = partly free, and 5.5 – 7.0 = not free). For more information, visit the Freedom House website at http://www.freedomhouse.org/template.cfm?page=1, (accessed June 16, 2007).
In the two elections after the Chatichai coup, Thailand’s civil liberties were rated lower due to the censorship restrictions placed on Thai citizens by the temporary junta. Civil liberties returned back to normal Thai standards by the 1996 elections. Thailand has historically done a little better in the political rights but struggled with civil liberties. According to Freedom House, from 2002 to 2005, the scores for political rights and civil liberties were 2 and 3 respectively. The important difference was that Freedom House finally removed the “partly free” moniker from Thailand and reported it as a “free” country. This trend indicated that Thailand had progressed in strengthening its democratic institutions. Most of Thailand’s recent improvements can be traced to 1997 reforms that emphasized citizens’ rights and liberties. As Case reported:

The Constitution also ranged widely across the social terrain, obliging the state to provide national health care, welfare, and 12 years of public schooling. Other clauses called for consumer rights, gender equality, protection from domestic violence, and consultations with relevant NGOs over projects having environmental impact.

Political reforms had stabilized Thai political parties, but had the reforms gone too far? Before the 1997 reforms, party hopping and weak multiparty factions were rampant. The 1997 reforms addressed these issues, and the pendulum swung back and created the environment for a dominant party to emerge. The voters, for the first time, dealt Thailand a parliament with a single party holding a majority of the seats. Did Thaksin’s administration gain too much control and force the military to react or become marginalized? The evidence presented in this section showed positive steps were taken and political participation improved within Thailand after the 1997 reforms in spite of the

---


162 Thailand was reported as a “free” country from 2002 to 2005. For more, see the Freedom House website at [http://www.freedomhouse.org/template.cfm?page=1](http://www.freedomhouse.org/template.cfm?page=1), (accessed June 16, 2007).

1997 Asian financial crisis. In the end, the military did not like the direction the country was heading and intervened, but political participation and the political party institution cannot be held accountable for this coup.

2. Foreign Influence

Was the 2006 coup consistent with Luttwak’s hypothesis that global and regional powers could influence a country’s internal political environment? This section will review both regional and global power influence on Thailand. According to Luttwak, a coup was more likely to happen if Thailand was relatively independent and not heavily influenced by a regional and/or global entity. Independence in of itself isn’t a bad indicator; it just implies that the perpetrators of the coup do not have to worry about consultation and buy-in from an external entity. A country should balance their independence and interdependence to ensure political stability.

Thailand, in the 1990s and early 2000s, did not have a large foreign military presence outside of two multinational exercises and the tsunami relief effort in 2004 to 2005. The multinational Exercise COBRA GOLD and Exercise COPE TIGER each last 4-6 weeks and have less than a couple thousand U.S. military forces within country. These exercises occurred within the first half of the calendar year. It may be no coincidence that the coup occurred after both exercises had been completed for the year. The United States has a Joint U.S. Military Advisor Group Thailand (JUSMAGTHAI) detachment and Joint POW/MIA Accounting Command (JPAC) detachment in Thailand.

164 Luttwak, 43-45.
165 The main regional actors of concern for Thailand are China, Japan and ASEAN. The main actors on the global scale are the United Nations and the United States.
166 Luttwak, 27.
with only a couple hundred U.S. servicemen.\textsuperscript{169} When a 9-magnitude earthquake struck off the coast of Sumatra, Indonesia, a tsunami decimated areas of Thailand, Indonesia and Sri Lanka.\textsuperscript{170} A U.S. led Combined Joint Task Force-736, headquartered at Utaphao, Thailand coordinated the relief effort for the affected areas. An international military force supported the effort along with non-governmental organizations. The scope and magnitude of the relief effort was tremendous, but only lasted a few short months.

Other than these examples, Thailand has not had to cooperate militarily within ASEAN, globally or with other regional actors. ASEAN held an inaugural defense ministers’ meeting in 2006.\textsuperscript{171} Other than preliminary talks and meetings, this meeting was not institutionalized, and greater military cooperation within ASEAN has not been solidified.\textsuperscript{172} In the instance of foreign troop presence within Thailand, foreign influence is classified as minimal. As such, there aren’t any major players, regionally or globally, that had undue political influence over Thailand during the time period leading to the 2006 coup. This evidence supported Thailand as being relatively independent. As defined by Luttwak, this provided opportunity for the military leaders to launch the coup of 2006.

\section{Electoral Process}

Did Thailand’s electoral process foster political instability to the point of causing the 2006 coup? After the 1991 coup, there were two new constitutions ratified.\textsuperscript{173} The drafters of the 1997 constitution aimed to reform the electoral system. As detailed by Hicken:

\begin{itemize}
\item \textsuperscript{169} See the JUSMAGTHAI website, \url{http://www.jusmagthai.com/}, (accessed July 5, 2007). For more on JPAC, see \url{http://www.jpac.pacom.mil/}, (accessed July 11, 2007).
\item \textsuperscript{170} For more information on the tsunami relief effort, see \url{http://www.pacom.mil/special/0412asia/}, (accessed July 11, 2007).
\item \textsuperscript{171} See the minutes from the first ASEAN defense ministers meeting at \url{http://www.aseansec.org/18412.htm}, (accessed April 8, 2007).
\item \textsuperscript{172} For a detailed look at the ASEAN defense ministers meeting concept, see \url{http://www.aseansec.org/18511.htm}, (accessed April 8, 2007).
\item \textsuperscript{173} The two constitutions adopted were in 1991 and 1997.
\end{itemize}
In 1997 Thailand adopted a new constitution which brought about sweeping changes to its political and electoral landscape. Reforms included the creation of an autonomous Electoral Commission to oversee and administer elections, new rules governing the relationship between the members of Parliament and the Cabinet, and the creation of an elected Senate—the first ever in Thailand. The constitution also replaced the Block Vote electoral system that had been in place for most of Thailand’s electoral history with a parallel system made up of FPTP and list PR elements.\textsuperscript{174}

This new electoral system did not please everyone, especially some of the old elite. Englehart added:

A new electoral system also drew criticism from some politicians. Changes in the electoral law generated uncertainty for politicians who had been successful under the old system. The new electoral law eliminated multi-member plurality districts for elections to the lower house. This system should reduce factionalism within parties and its attendant corruption, as well as reducing the number of political parties.\textsuperscript{175}

With a radically new electoral system that many politicians were skeptical about, how did the new system stack up against Croissant’s three questions? What effect did the changes have on Thailand’s electoral system before the coup of 2006?

What was the representativeness of Thailand’s elected institutions? Croissant’s comparative study listed Thailand’s electoral system in 2001 as having the characteristics of intermediate disproportionality.\textsuperscript{176} What does this mean? Croissant stated, “The change in vote-seat deviation in the wake of electoral reforms is remarkable. Ironically, this is the case for Thailand’s segmented system where the degree of electoral disproportionality rose significantly after components of the proportional representation system were introduced.”\textsuperscript{177} While representativeness was still a goal in Thai democratic institutions, the political reformers chose to constrain representation while allowing the

\textsuperscript{174} Allen Hicken, “Thailand: Combating Corruption through Electoral Reform,” 1; FPTP = First Past the Post and List PR = List Proportional Representation. For a description of each see http://www.idea.int/esd/glossary.cfm.

\textsuperscript{175} Englehart, 269.

\textsuperscript{176} Croissant, 330.

\textsuperscript{177} Ibid., 331.
polITICAL PARTIES TO SELECT PARLIAMENT MEMBERS FROM THE PARTY-LIST. THIS EFFORT PRODUCED A NEW ELECTORAL SYSTEM THAT SUPPORTED REPRESENTATIVENESS, JUST NOT TO THE DEGREE OF THE PRE-1997 REFORMS.

Did Thailand’s electoral system promote a stable party system? As described earlier, Thailand’s party system became more stable after the reforms of 1997, and the electoral system is still very representative. To judge the effectiveness of how the electoral process contributed to party formation, it is necessary to correlate the fragmentation and polarization of the party system. Based on Chambers’ study on factions within Thai party systems, in the four elections leading to the 2006 coup, Thailand had an effective number of electoral parties of just fewer than six parties. With the adoption of the 1997 electoral reforms, the 2001 election was the lowest since 1979 with 4.03 effective electoral parties. This moved Thailand from the category of high fragmentation to a more moderate level of fragmentation. Croissant also labeled Thailand as a low polarized parliament. When the two factors are combined, Thailand’s electoral system led to moderate fragmentation coupled with low polarization. Croissant summarized:

There is widespread consensus among scholars that party systems have a positive bearing on the institutional efficiency and effectiveness, and consequently, on the governability of a political system, if (1) they are fragmented moderately or weakly, and if (2) they are moderately to weakly polarized.

Thailand’s 1997 reforms helped balance fragmentation and polarization on a moderate level, which by Croissant’s assertion gave Thailand’s political leaders the potential for an efficient and effective system.

---

178 “Fragmentation is segregated into High (extreme pluralism), Moderate (limited pluralism) and Low (two-party or less systems). Polarization goes from low to high. High polarization equates to competition between parties and takes a centrifugal direction while low polarization causes centripetal tendencies of competition.” See Croissant, 333-336.

179 Chambers (2003), 67.

180 Croissant, 335.

181 Ibid., 335.
What level of governability did Thailand’s electoral system dictate? “The effect of electoral systems on the breadth of participation in government by political parties can be measured by looking at their capability to produce so-called manufactured majorities.”182 In other words, to be a majority, the party needs to win a majority of the votes and seats. With the change toward a more segmented Thai electoral system, it postured one of the six effective electoral parties to win a majority of the votes and seats. In fact, the election in 2005 created a natural majority for Thaksin’s Thai Rak Thai party that won 377 out of 500 house seats and over 61 percent of the popular vote.183 Thailand’s electoral system was characterized as having a much better capacity to produce one-party majorities after the 1997 reforms. Croissant explained:

The stronger the majoritarian effect of the electoral system, the more the electoral system tends to concentrate the party system. The smaller the effective parties in parliament and the higher the capacity of electoral systems to create majorities, the more likely single party cabinets are. Single party cabinets have a higher average life span than minority cabinets or oversized coalition cabinets.184

Thailand’s cabinet durability should have improved factoring in moving from highly to moderately fragmented party system and being able to produce a natural majority.

Thailand’s reformed electoral system still promoted representativeness, and Thailand’s political party fragmentation had made a positive move from high to moderate. These were significant improvements. Polarization still was classified as low to moderate and the electoral system in 2005 led to a cabinet with a natural majority. This was due to reducing the effective electoral parties almost by 50 percent after the 1997 reforms. This set the stage for a political party to win a majority of the seats. In fact, the highest percentage won by any single party, in the elections leading up to the coup was 75 percent and was in 2005. The pendulum has swung from a weak multiparty system to an electoral system capable of electing a one-party dominant majority.

182 Croissant, 337.
183 Nelson, 6.
184 Croissant 338-339.
Thailand’s electoral process combined with its party system had made vast improvements that should have promoted political stability, and did not have a causal effect on the 2006 coup.

C. ECONOMIC FACTORS

1. Gross Domestic Product Performance

Did a decline in GDP performance cause the 2006 coup in Thailand? In looking at GDP performance in Figure 8, Thailand’s GDP was definitely on an upward trend and actually increased by 40 percent from 2000 to 2006. According to the Economist and UNCTAD, Thailand’s real GDP growth each year was: 2000 (2.17 percent), 2001 (5.31 percent), 2002 (7.03 percent), 2003 (6.17 percent), 2004 (4.46 percent), 2005 (4.5 percent), and 2006 (5.0 percent). These gains are not spectacular, but show sustained and predictable growth. In fact, the gains exceeded what Jarvis predicted in 2002:

On the economic front, things are set to deteriorate with the economy tending downward, albeit with GDP growth expected at around 3.5%, well below what is needed to make meaningful inroads into developing appropriate technology and education infrastructure that would better place Thailand for the decade ahead.

---


186 Jarvis, 319.
Thailand’s per capita GDP (see Figure 9), suffered a downturn after the 1997 Asian financial crisis. Similar to the other economic indicators, per capita GDP rebounded after 2002 and had been growing at a steady pace. Per capita GDP was at its highest level in history before the coup in 2006. If the Thai military leaders wanted motive to intervene on behalf of Thailand’s citizen base, the most opportune time was either right before or right after the 1997 financial crisis. This did not happen, and per capita GDP was not a factor in the 2006 coup.

---

187 Bank of Thailand. Available online.  
http://www.bot.or.th/BotHomepage/databank/EconData/EconFinance/index04e.htm, (accessed 1 June 2007).
Although GDP growth was on an upward trend prior to the coup, Thailand did not always enjoy GDP growth in the 1990s. There was stagnation in 1996 before the 1997 Asian financial crisis, and solid GDP growth did not return to Thailand until late 2002. Dixon explained his concerns of the fallout starting in 1996:

During 1996 the almost zero growth of export earnings, widening balance of payments deficit, the rapidly mounting private-sector debt, increasing short-term speculative capital movements, and the over-heating of the property and financial sectors were giving particular cause for concern.\(^{189}\)

---

\(^{188}\) Bank of Thailand, Available online. [http://www.bot.or.th/BotHomepage/databank/EconData/EconFinance/index04e.htm](http://www.bot.or.th/BotHomepage/databank/EconData/EconFinance/index04e.htm), (accessed 1 June 2007).

\(^{189}\) Dixon, 239.
If downturn in GDP was a factor in political instability, the opportunity and motive for a coup was in 1996 like Dixon stated. Why did a coup not occur from 1996 to 2002? In the Thai case, a downturn in GDP by itself is not a sufficient condition for a coup to occur.

2. Income Inequality Performance

Did a downturn in Thailand’s income inequality measures contribute to Thailand’s coup in 2006? In the years leading up to the 2006 coup, the income distribution remained pretty stable. By analyzing the data in Figure 10, some startling facts jump out. The top 20 percent (richest) bring home over 50 percent of Thailand’s total income, the bottom 50 percent (poorest) only bring home about 20 percent of the total income. The distribution stayed relatively consistent from 1996 to 2002.

![Thailand's Income/Consumption Share by Deciles %](image)

Figure 10   Thailand’s Income/Consumption Share by Deciles (Percentage)

---

190 Nordlinger, 58.

To further illustrate the point on income distribution, refer to Figure 11, which displays Thailand’s Gini coefficient. Thailand’s Gini coefficient hovered between .4 and .5 from 1996 to 2002. To put this value into perspective, I compared other Southeast Asian countries to Thailand during the same time period. Surprisingly, Malaysia, Cambodia and the Philippines were the only Southeast Asian countries that had a higher Gini coefficient than Thailand’s. Malaysia’s, Cambodia’s and the Philippines’ were not significantly higher, just a few percentage points. Laos, Indonesia, and Vietnam were significantly lower in their Gini stats meaning the income distribution in those countries was more equal.

![Thailand's Gini Coefficient (1994-2002)](image)

Figure 11 Thailand’s Gini Coefficient (1994 – 2002)

---

192 The Gini coefficient is defined as the most commonly used measure of inequality. The coefficient varies between 0, which reflects complete equality and 1, which indicates complete inequality (one person has all the income or consumption, all others have none). For more details, see The World Bank Poverty website, [http://web.worldbank.org/WEBSITE/EXTERNAL/TOPICS/EXTPOVERTY/EXTPA/0,,contentMDK:20238991~menuPK:492138~pagePK:148956~piPK:216618~theSitePK:430367,00.html](http://web.worldbank.org/WEBSITE/EXTERNAL/TOPICS/EXTPOVERTY/EXTPA/0,,contentMDK:20238991~menuPK:492138~pagePK:148956~piPK:216618~theSitePK:430367,00.html) (accessed 1 June 2007).

193 The Southeast Asian countries were Malaysia, Laos, Cambodia, Indonesia, Philippines and Vietnam. For more info see, The World Bank Poverty Database: [POVCALNET](http://iresearch.worldbank.org/PovcalNet/jsp/index.jsp), (accessed 1 June 2007).

After analyzing the data, income distribution was not a factor leading to the coup. Income inequality had been so consistent over a long period of time that I deem income distribution as a non-factor in the 2006 coup. Income inequality is the one economic factor that remained relatively constant for the ten years leading up to the coup. As shown earlier, Thailand is doing better regionally with respect to how equal the distribution of income is among the populace in relative terms.\footnote{As Thailand’s Gini and deciles percentages have remained fairly constant between the two coups, a few more Southeast Asian countries’ Gini index has risen: Malaysia, Cambodia, and the Philippines.} In fact, in the years just prior to the coup, the richest 20 percent in the country accounted for more than half the country’s income. For a change to occur, the citizens will have to demand better income equality.\footnote{Voter participation reached 70 percent in the 2001 election. This percentage is to be lauded. If the Thai middle class wants democracy, they need to make a stand and force a change. If this does not happen, the ping-pong effect of election followed by parliament dissolution will keep happening. An interest in shaping Thailand’s political institutions for the better can only be generated from the masses. On the surface, it seemed as if the Thai middle class could care less when the military intervenes in politics.}

3. **Export-based Product Performance**

Can Thailand’s coup in 2006 be explained by a downturn in its exports, which created economic instability that undermined political stability?\footnote{O’Kane, 61.} Thailand’s export market, especially after the 1997 Asian financial crisis, was still heavily dependent on global markets, most notably the United States and Japan. Jarvis stated:

The Thai economy continues to record positive growth rates despite increased external risks associated with the slowdown in the U.S. economy, the events of September 11, and continued malaise in the Japanese economy. However, the revised GDP estimate for 2001 of 3.5% indicates a sharp contraction on the previous growth performance of 5.7% recorded for the first two quarters of 2000. This is important since exports account for 65% of Thailand’s GDP, with just two countries, the U.S. and Japan, absorbing 40% of Thai exports. Thailand is thus highly sensitive to changes in external demand and particularly vulnerable to the fortunes of the U.S. and Japanese economies.\footnote{Jarvis, 299-300.}
Looking at Figure 12, Thailand’s exports made gains during the years leading up to the 2006 coup, but what accounted for the decline in 2001 to 2002?

**Thailand’s Total Exports at Current Market Prices (2000-2005)**

To explain the slowdown in exports after the election in 2001, it is necessary to review Thaksin’s early economic focus and the backlash it caused. Joshua Kurlantzick stated:

Because of opposition to freer trade, populist leaders, such as Thailand’s Thaksin Shinawatra and the Philippines’ Joseph Estrada, rose to power on pledges to reverse economic cooperation. Once in office, these nationalist populists made good on some of their promises. In just his first three

---

199 Bank of Thailand, Available online. [http://www.bot.or.th/BotHomepage/databank/EconData/EconFinance/index04e.htm](http://www.bot.or.th/BotHomepage/databank/EconData/EconFinance/index04e.htm), (accessed 1 June 2007).
months, Thaksin implemented a “Buy Thai” campaign, blamed foreign investors for contributing to Thailand’s fiscal woes, and considered instituting capital controls.\(^{200}\)

By initially trying to increase domestic consumption, exports took a slight hit. The category that produced the decline in 2001 and 2002 was the export in high-tech products.\(^{201}\) In the high-tech category alone, there was a 10 percent drop from 2000 to 2001. This accounted for the downturn in exports in 2001. Although high-tech exports gained from 2001 to 2002 by 6 percent, the 2002 high-tech exports were still 5 percent behind the 2000 figure. In 2003, the high-tech exports rebounded with an 18 percent gain over the 2002 figure and a 13 percent gain over the 2000 figure. The high-tech industry completed the rebound with solid gains from 2004 to 2006. The export destinations responsible for the drops in 2001 and 2002 were the North American Free Trade Alliance (NAFTA), the European Union (EU), and the Association of Southeast Asian Nations (ASEAN).\(^{202}\)

Can the recovery in 2002 be credited to the Thaksin administration? To answer this question it is necessary to understand Thaksin’s two-track plan. Looney described the two-track plan as:

Thaksinomics is controversial. It is an eclectic strategy that combines the traditional element of the EAEM model, emphasizing mass manufacturing spearheaded by FDI – dubbed the First Track – and a more domestic focus on local enterprises leveraging indigenous skills and resources, known as the Second Track. A distinctive feature of Thaksinomics is the emphasis given the Second Track.\(^{203}\)

\(^{200}\) Kurlantzick, 24-25.

\(^{201}\) Bank of Thailand, Available online. http://www.bot.or.th/BotHomepage/databank/EconData/EconFinance/index04e.htm, (accessed 1 June 2007).

\(^{202}\) In 2001, the exports dropped from the 2000 level by: NAFTA ($1.5 billion), EU ($1 billion), and ASEAN ($1 billion). In 2002, the exports dropped from the 2000 level by: NAFTA ($1.3 billion) and EU ($1.5 billion). For more see the Bank of Thailand, Available online. http://www.bot.or.th/BotHomepage/databank/EconData/EconFinance/index04e.htm, (accessed 1 June 2007).

\(^{203}\) Looney, 70-71.
By focusing on local entrepreneurs, Thaksin wanted to gradually shift the reliance on export-based economy to the more reliable domestic market.²⁰⁴ Looney added that Thaksin generated and promoted this plan to keep the Thai economy from feeling the external economic market shocks.²⁰⁵ The export recovery that started in 2003 was in fact due to Thaksin’s administration realizing the importance of a more liberal, open economy. “The government’s economic policy, dubbed “Thaksinomics,” seems to have undergone several conceptual adjustments in 2002. The inward-looking mode of the Thai Rak Thai’s first year metamorphasized into an acceptance, even if a reluctant one, of the importance of external forces to the Thai economy—foreign capital, investment, markets, technology, and managerial skills.”²⁰⁶

By reviewing Figure 13, there was only a slight change in the export sector percentages. Manufactured products now account for over 80 percent of the export market. The agricultural sector was still the second largest sector, but was now below 10 percent of the export market. Mining and fisheries were close to becoming extinct in the Thai export market. These percentages do not offer any evidence for the cause of the 2006 coup.

²⁰⁴ Looney, 71.
²⁰⁵ Ibid.
How did foreign investors see Thaksin’s Thai Rak Thai administration? What effect did the 1997 Asian financial crisis and 2001 election have on Thailand’s FDI? Even though FDI picked up in 1998 following the financial crisis, the overall trend did not look promising:

Short-term shocks aside, the current, longer-term trend in FDI has been downward, and should serve as an ominous sign to Thai officials. Thailand is viewed, increasingly, as a less attractive destination for international investment, with risks to capital flows stemming from four principal areas: (1) lack of corporate and financial sector reform; (2) movement toward protectionism; (3) infrastructure and production bottlenecks; and (4) increasing relative wage and production costs.208

---


208 Jarvis, 313.
The real challenge for Thailand’s FDI to recover after the crisis was in the hands of its neighbor, China:

Perhaps the greatest, longer-term structural predicament the Thai baht faces is the continued interest in China, especially with the trading opportunities that will arise from China’s entry into the World Trade Organization. China already accounts for 50% of all FDI into Asia; a figure that will likely increase in the near future. Demand for the baht, along with other regional currencies, will likely remain depressed for the short- to medium-term and result in lower valuations. Much like Vietnam, Thailand is in danger of being overlooked as international investors look toward emergent investment opportunities and lower cost structures in China.209

Investors may not like or understand the authoritarian regime in China, but it looked much more stable than Thailand’s economic and political situation. As seen in Figure 14, FDI dropped significantly after the 2001 election but rebounded and improved up to the 2006 coup. The same countries responsible for the export drop were responsible for decreased FDI in 2002: NAFTA, EU, and ASEAN.210 This showed a positive correlation between FDI and the export market of Thailand. Ensure political stability and capital will continue to flow into the country. This should have dissuaded coup makers from initiating an act that produced political instability. Even with fluctuations shortly after the 2001 election, the Thaksin administration had shown moderate gains up until the time of the coup in 2006. Export-based performance cannot be blamed for the 2006 coup.

209 Jarvis, 302.

210 The sectors that saw a dip in FDI from the 2001 numbers were: Industry (-$1.1 billion), Trade (-$0.4 billion), Mining (-$0.6 billion), and Investment (-$0.6 billion). For more, see the Bank of Thailand, Available online. http://www.bot.or.th/BotHomepage/databank/EconData/EconFinance/index04e.htm, (accessed 1 June 2007).
D. CONCLUSION

After the six hypotheses were tested against the data for the 2006 coup, the areas that Thailand was weak in before the 1997 reforms turned out stronger and should have led to increased political stability. The most notable improvement areas were in voter participation, political party institutionalization and electoral reform. Thailand turned a highly fragmented political party system into a more moderate level of fragmentation. Thailand chose moderate versus drastic reforms. This decision improved the system slightly instead of instituting major modifications. The economy slowed down during the

first few years after Thaksin’s administration was elected. Thaksin was even indicted for fraudulently not reporting his assets correctly. Surely with an impending court date and the economy stalled, the time was ripe for the military to overthrow Thaksin at the beginning of his term. Why did the coup not occur earlier during the rough times? The opportunity was there as Thailand was not dependent on a foreign power, so the military was free to stage a coup when it was in the military’s best interest. The evidence showed the military had the best motive and opportunity to stage a coup in 2001 to 2002. The evidence supported coups occurring at certain milestones, but that is not when the coups happen in Thailand.
IV. ANALYSIS AND CONCLUSIONS

A. INTRODUCTION

This thesis raised the question of whether common political and economic factors played a role in Thailand’s last two coups—1991 and 2006. When the hypotheses are tested against the evidence for each coup, there are certain times the evidence points to increased political instability. However, political instability does not always lead to a coup. On the contrary, the 1991 and 2006 coups occurred when they were least expected. There were other more opportune times for a coup, but the military chose not to intervene.212

B. HYPOTHESES

1. Hypothesis I

Thailand’s last two coups were caused by a combination of a low level of political participation and a weak multiparty political system.213 What can be said for level of political participation when there is no protest over a military coup? Englehart stated:

There was relatively little protest over the 1991 coup. Despite the fact that a democratically elected government had been overthrown, no crowds emerged in Bangkok as they would under quite different circumstances in 1992. The Far Eastern Economic Review reported as the time that the coup “was widely accepted, almost popular.” Indeed, the Thai stock market rose after the coup—particularly after the NPKC named well-respected diplomat and businessman Anand Panyarachun as prime minister.214

Certainly a case was made for the weak multiparty structure leading up to Chatichai’s coup. The inadequacies with the political party system were overhauled and strengthened

212 Other more opportune times would be: (1) 1997 Asian financial crisis and (2) Thaksin’s early years (2001 to 2002).
213 Huntington, 397-461.
214 Englehart, 258.
during the 1997 reforms. Voter participation continued to rise in Thailand and cannot be blamed for either coup. As Englehart pointed out, the 1991 coup was not contested. The 2006 coup was not much different. As McCargo states:

The September 19 coup is a deeply anachronistic event that sets Thailand’s political clock back by 15 long and bitter years. If the legacy of the 1991 coup is anything to go by, popular disillusionment will develop over time, too, with attendant consequences that could eventually overshadow the military intervention itself. Simply put, Thailand’s citizens have higher political expectations today than they did in 1991 and are unlikely to find an extended period of quasi-military rule very palatable.215

This “quasi-military rule” as McCargo defined it is almost a year old. There will be much to study and learn about the political reforms proposed in the new constitution and election scheduled toward the end of 2007. While the evidence supported a weak multiparty system as leading to political instability, it alone is not a sufficient condition in causing either coup.

2. Hypothesis II

Thailand’s last two coups were caused by the weakness of global and regional powers’ influence over Thailand’s internal political environment. Other than one multilateral military and a few bilateral exercises, there was not a lot of foreign troop presence within Thailand’s borders. The single time Thailand did open the country to foreign troop presence was immediately after the December 2004 tsunami. This combined task force was stationed throughout Thailand for about 60 days. This operation was classified as humanitarian assistance, and all nations contributing were seen in a favorable light, especially the host country, Thailand. The evidence supported Thailand as being relatively independent, and as Luttwak proposed, presented the Thai military leaders with the opportunity to launch both coups without interference from a foreign power. This hypothesis has been confirmed, but only for providing opportunity and not motive.

3. **Hypothesis III**

Did Thailand’s electoral process foster political instability to the point of causing both coups? In the time period leading to the 1991 coup, Thailand’s electoral system promoted representativeness as this was noted as a strength, but the weakness of Thailand’s political party fragmentation combined with low polarization could not generate a majority-led cabinet. This was due to the very high number of effective electoral parties the system generated. While this led to political instability within Thailand, it did not cause the coup.

In the years leading up to the 2006 coup, Thailand’s reformed electoral system still promoted representativeness, and Thailand’s political party fragmentation moved from high to moderate. Both of these are significant improvements. This set the stage for a single party to win a majority of the seats. The pendulum had swung from a weak multiparty system to an electoral system capable of electing a one-party dominant majority. Thailand’s electoral process combined with its party system had made vast improvements that should have promoted political stability, and did not have a causal effect on the 2006 coup.

4. **Hypothesis IV**

Thailand’s last two coups were caused by a downturn in Thailand’s Gross Domestic Product (GDP). Economics in general have helped maintain what little political stability Thailand has enjoyed. Englehart’s characterization spanned both coup periods:
The forces of economic globalization contributed powerfully to Thai democratization in the 1990s. Thailand has steadily integrated into international trade and financial networks since the mid-1980s, and one consequence has been increased vulnerability to international public opinion, especially among investors. The perception that investors were worried about political instability and preferred democratic regimes helped democracy activists push for the unamended passage of a new constitution—aided in part by the currency collapse of 1997.216

Thailand’s GDP and per capita GDP grew in the years leading to each coup. There was no stagnation in the economy. There were other times when GDP performance was either not growing or even declining, but no coups occurred during those times of economic downturn. GDP or per capita GDP performance did not cause either the 1991 or 2006 coup.

5. Hypothesis V

Deterioration in Thailand’s income inequality, which led to an increased income inequality gap between the rich and the poor, contributed to Thailand’s last two coups.217 Income distribution was relatively stable during the years leading to each coup. Even though income distribution favored the rich in Thailand, the evidence does not support income inequality as a primary factor for the military to stage a coup. On the whole, Thailand’s economy and per capita income had risen over the past 30 years, but it had been at the expense of the poor. Income inequality was not a factor leading to each coup.

216 Englehart, 265.
217 The income inequality gap is defined as the measure of relative income gains or losses between the top and bottom 20 percent of the income bracket for Thailand. For instance, if the top 20 percent (the rich) enjoyed a 33 percent rise in income during a five-year period, and during the same time period, the bottom 20 percent (the poor) only gained 11 percent, the gap will be assessed as widening/increasing (the rich get richer and the poor get poorer, relatively speaking). The Gini coefficient will also be used to examine the income inequality gap. See Nordlinger, 58.
6. Hypothesis VI

Thailand’s last two coups were caused by a downturn in its primary exports, which created economic instability that undermined political stability.\footnote{O’Kane, 61.} Exports were on the rise leading up to each coup, but what about the time period between the coups?

The bubble popped in the summer of 1997 when declining exports put pressure on the artificially pegged value of the baht. At the same time, imports became much more expensive, and the value of personal income and savings dropped sharply. Economic suffering generated fear of undemocratic intervention in politics, such as military pressure on the elected government, the installation of an unelected prime minister, or even a coup.\footnote{Englehart, 266.}

Why was there no coup in 1997 when exports were down? Why did the coups in 1991 and 2006 occur when exports were on the rise? Did a burgeoning economy present an opportune time for the military to take over? The Thai military leaders may choose to act when the economy is at its best. In any event, export-based product performance cannot explain either of Thailand’s last two coups.

C. CONCLUSION

After examining the evidence for the 1991 and 2006 coups, the evidence showed that Thailand’s economic performance in the years leading up to each coup was not a reason for the military to overthrow the government. Of the three economic factors, income inequality needed the most attention from the Thai government. The peasants in the rural areas have been left behind by the modernization transformation within Thailand’s urban centers. Thaksin addressed the rural population’s concerns by creating a party platform focused on the needs of the poor and underprivileged. GDP performance and the export-based economic sectors both were flourishing at the time of each coup. These three economic factors were non-players in both coups.

\footnote{O’Kane, 61.}  
\footnote{Englehart, 266.}
Thailand’s political factors contributed to overall political instability. Political participation, the political party system, and the electoral process were factors that greatly differed between the 1991 and 2006 coups. In 1991, Thailand’s electoral system was set up to produce an extreme pluralistic political party system which was characterized by rampant party switching and severe fragmentation. These factors combined and fostered political instability. By contrast, Thai political reformers worked hard to change these weak areas with the 1997 reforms. The most notable improvement areas were political party institutionalization and electoral reform. Thailand turned a highly fragmented political party system into a more moderate level of fragmentation. These reforms led to a couple of first time events in Thai history: an incumbent prime minister that won reelection and a dominant party majority in parliament for the Thai Rak Thai party in the 2005 election. Thailand strengthened its political institutions, but a coup still occurred.

The foreign influence hypothesis was the only hypothesis positively confirmed in this research. The evidence supported Thailand as being a relatively independent nation free from direct foreign influence. Not having to deal with external pressures certainly made the coup leaders’ job much easier. While this provided the coup makers opportunity, it did not provide them with motive, and you need both opportunity and motive to launch a coup.220

Why did the coup not occur during the rough times? The evidence presented showed the military had the best motive and opportunity to stage a coup in other difficult times, but that is not when the coups happen in Thailand. While I’m certain that political participation and the electoral process were leading contributors to overall political instability in Thailand they were not the cause of either coup. Thailand’s democratic political institutions remained much weaker and less institutionalized than the military and the monarchy, and when the military chooses to carry out a coup, there is little democratic institutions can do to prevent it. The conclusion drawn here is that certain political factors led to political instability, but do not necessarily cause a coup on their own.

220 Luttwak.


http://www.bot.or.th/BotHomepage/index/index_e.asp. (accessed June 1, 2007).

http://www.bot.or.th/bothomepage/databank/EconData/EconFinance/index03e.htm. (accessed April 8, 2007).


———. “Thailand: Combating Corruption through Electoral Reforms.” Case Study.


76


Sesser, Stan. "PURSUITS; Travel -- Letter from Bangkok -- Life During a Coup: Army Tanks and Open Bars; While rumors were flying among the upper classes, many Thais had little idea their government was being overthrown." *Wall Street Journal*. September 23, 2006. Eastern edition. http://www.proquest.com/ (accessed January 21, 2007).


INITIAL DISTRIBUTION LIST

1. Defense Technical Information Center
   Ft. Belvoir, Virginia

2. Dudley Knox Library
   Naval Postgraduate School
   Monterey, California

3. Mary A. Vrooman
   Pensacola, Florida