CHANGE AND CONTINUITY IN THE THAI POLITICAL PARTY SYSTEM

James Ockey

Abstract
In 2001, elections for the Thai parliament were held under a new constitution. Scholarly attention has focused on changes to the political system. This article argues that it is also important to examine continuities. Focusing on the relationship between parties and their factions, we find that change has come in policy platforms, coalition-building, and patronage; important continuities exist in electoral networks and vote-buying.

When the new Thai Rak Thai party won nearly half of the seats in the Thai parliament in 2001, the first election under a new constitution, and the first since the Asian financial crisis, commentators observed that the victory represented a fundamental shift in Thai politics. Shortly afterward, Thai Rak Thai absorbed the small Seritham party, giving it an absolute majority in the parliament, the first such since 1957. It later absorbed the New Aspiration party (NAP), to further increase its majority. Certainly, that absolute majority has affected contemporary Thai politics, as Thai Rak Thai has been able to implement a series of sometimes controversial policies. However, it is also important to consider whether the rise of Thai Rak Thai indicates a fundamental shift in the political party system in Thai politics, the first systemic change since the demise of military-backed parties in the 1970s. Some Thai Rak Thai leaders, including party leader Thaksin Shinawatra, have suggested that Thailand should emulate Singapore, although the one-and-a-half party system Thai Rak Thai seems to be seeking more closely resembles that of Malaysia’s. Given the potential and desire to
provide a new form to Thai politics, it is worth considering more carefully not only the causes for the rise of the Thai Rak Thai party, but also just what the party is seeking to accomplish, and the barriers it faces along the way. We must consider both continuities and changes. Only then can we begin to grasp the long-term implications of the change.

Thai Political Parties

Over the years, a considerable number of articles, dissertations, and books have been written to explain the Thai political party system. Duncan McCargo has usefully summarized this literature on political parties in Thailand by dividing it into two categories: works that focus on parties and works that focus on factions. In the first category he places scholars who have assessed Thai political parties by examining their formal structures, comparing them to idealized Western models of political parties, and sometimes to specific Western political parties. This approach has led to cataloging the areas where Thai political parties fail to measure up to that ideal model, and has contributed to attempts to force political parties to change through political party laws, electoral laws, and even constitutional provisions. In the second category, scholars have focused on the internal dynamics of political parties, and particularly on their factions. Rather than compare Thai parties to Western parties or models, such scholars have focused on the way Thai political parties actually function. These scholars seek to explain parties in terms of resource allocation: parties exist to marshal funds and appropriate power. Their studies emphasise the role of factions, the importance of regional groupings ( sai), and the close links between politicians and the business sector.

These scholars see vote-buying and corruption as the methods of resource allocation that are central to the functioning of parties. McCargo argued that studies that focus on factions and resource allocation within parties cannot explain some of the conflicts that have occurred both within and between political parties. Drawing on Panebianco, he argued that the ideology of the party, however vaguely expressed, has some relevance to the way parties and

2. Ibid., p. 31, concluded that Western political parties are increasingly moving away from the ideal model, so that Thai political parties are not very different from Western parties. In the sense that Western political parties do not fit the ideal either, this is no doubt correct. But without more careful comparison, it is difficult to be certain how similar that makes Thai and Western political parties. Unfortunately, considerations of length will make it impossible to pursue that comparison here.
3. Ibid., p. 118.
politicians act. Studies that focus on resource allocation and factional alignments overlook the role of ideology and organization.

As useful as this categorization of the literature is, it suffers from two flaws. First, somehow, McCargo lost track of his own accurate representation of the work on the formal structures of political parties. Scholars in this category do not posit idealized parties; rather, they assess Thai parties against idealized standards. Similarly, scholars who focus on factions do not admire the workings of Thai parties, and often conclude their analyses with suggestions for improving Thai political parties. Indeed, scholars in both McCargo’s categories conceive of Thai parties in similar ways, and suggest similar remedies. The effect of McCargo’s categories is to downplay the overwhelming consensus in the literature: that Thai parties are deficient, and that they can and should be improved. There is widespread agreement that parties are too weak while their factions are too strong. Weak party organization leads to vote-buying, vague policy platforms, unstable and ideologically incoherent coalition governments, and patronage politics. The importance of this consensus in the literature cannot be overstated, since it underlies not only the attempts at the reform of the party system but also the rhetoric of the Thai Rak Thai party regarding the need for fewer parties and greater stability. Second, while McCargo is certainly right in encouraging the study of both the parties and their factions, he gives little concrete guidance as to how we might do so, except for what we can interpret from his case studies.

Criteria for assessing the relative importance of parties and factions have not been provided.

Despite these weaknesses, McCargo aptly characterized one important force for reform of the political party system in describing the academic focus on creating effective parties. He also rightly highlighted the importance of paying attention to the way that party policies and structures relate to the


5. His discussion of his preferred method of analysis consists of two sentences: “Actual Thai parties do not conform to the ideal types of the ‘real’ or ‘authentic’ party. Rather, they represent uneasy composites of both the ‘real’ and ‘authentic’.” McCargo, “Thailand’s Political Parties,” pp. 121–22.
factional structures and allocation of resources. This second challenge was almost simultaneously taken up in the work of Dan King. In a comparative case study of the Palang Dharma [PDP] and NAP parties, King characterized the NAP as a party based on factions, and the PDP as innovative, seeking to strengthen party structure. He concluded that the NAP, despite pretensions to a national network of branches and members, was organized around individual members of parliament (MPs) and factions. Nevertheless, he found that while NAP decision-making was conducted by an oligarchy of faction leaders, national-level policy positions did affect decision-making. The innovative PDP, he concluded, had a more-developed branch network, but that network did not participate in the decision-making process, which was dominated by the party leader. Other parties, he believed, were not following the innovations of the PDP in regard to party structure, so that the change had not affected the party system more generally.

King’s argument is particularly interesting because prior to establishing the Thai Rak Thai party, Thaksin Shinawatra was, for a time, the leader of the “innovative” PDP. After his departure, this “innovative” party collapsed. More recently, Thai Rak Thai has merged with the NAP. Is the Thai Rak Thai a continuation of the Thai political party with a dependency on factions and resource allocation? Or is it akin to the “innovative” party outlined by King, with developed branch networks and meaningful policies? Or is it somewhere in between? And will any innovations of Thai Rak Thai affect the party system as a whole?

In this article, I will explore the recent changes in the Thai political party system within the context of this debate over the role of factions and parties in Thai politics. As our brief summary of the literature indicates, if the Thai Rak Thai party is to reshape the nature of the political party system, it will have to reshape the relationship between party and faction. In addition to assessing changes in this relationship, I will attempt to weigh the importance of three specific underlying factors that may have contributed to changes in the political party system: a new constitution, the financial crisis, and Thaksin’s innovations. Following a brief review of the provisions of the new Constitution, I will look carefully at the composition of the new parliament to see if it is indeed significantly different from previous parliaments. Then, I will examine the roles of party and faction in four specific areas of consensus in the literature outlined above: vote-buying and electoral networks, policies, coalition-building, and patronage.

The Thai Constitution promulgated in 1997 is frequently characterized as a “People’s Constitution.” It is a complex document, with many positive and some negative implications. Several provisions of the Constitution and related organic laws were designed to improve the party system. One particular aim of this new Constitution was to eliminate corruption and vote-buying through a number of reforms strengthening monitoring institutions and political parties. Power to remove elected politicians was given to appointed committees, including the electoral commission, a revamped counter-corruption commission, and a constitutional court, with the electoral commission, in particular, allowed to use standards of evidence that might not stand up in court, in an attempt to stop vote-buying and corruption. A party-list proportional representation system was instituted for one-fifth of the seats, and privileged status given to party-list candidates in the selection of cabinet ministers. Politicians were barred from switching parties at election time. And financial incentives were provided to parties based on membership lists.

Great hopes were placed on the new Constitution and its ability to reform the political party system. The first election of a House of Representatives under the 1997 Constitution took place on January 6, 2001. Of course, it is impossible to extrapolate a trend from a single data point, so no firm conclusions can yet be drawn regarding the document’s long-term impact. Nevertheless, it is worth examining some of the changes and continuities apparent in this first election under the new Constitution.

**The 2001 Parliament: New and Old Faces**

In the wake of the January 6, 2001, election, much was made of the number of new politicians who had succeeded in gaining seats. These new faces were seen as the harbingers of a new style of politician who would eventually push aside the “corrupt” politicians of the past. This view was given added impetus by the losses of many prominent provincial notables, including candidates from the Asawahaem, Prachuapmoh, Tangthong, and Hansawat families, who had long dominated politics in their provinces. While many first-time MPs were elected, optimism should be tempered by the fact that the new parliament, with 500 seats, is more than 25% larger than the old parliament. This expansion, combined with the usual number of incumbents who lose their seats, guaranteed a large number of new MPs. Between the elected MPs

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and the replacements for those who resigned to join the cabinet, some 534 MPs were chosen. Since the previous parliament comprised only 393 seats, 141 of those chosen had to be new MPs. If we exclude those 141 newly created seats from consideration, just over three-quarters of the remaining elected MPs were former MPs. This reelection rate is similar to that in earlier elections. Moreover, many of the new MPs were relatives or close aides of former MPs who had moved to the party list, to the senate, or had chosen this opportunity to retire. Thus, while nearly half of the MPs are new faces, there is also a surprisingly high degree of continuity in the parliament, obscured by the large number of new seats. To put it differently, despite all the new faces, the new commissions and new election rules did little to limit the ability of former MPs to retain their seats, and in some cases, actually benefited them, as they moved to the party list and also retained their constituency through a relative or an aide.

Perhaps the most remarkable change is the tremendous success of the fledgling Thai Rak Thai party, which won 248 seats in the initial election, just three less than an absolute majority. No party has won such a large share of the seats in parliament since the days of government-sponsored political parties. This gave the Thai Rak Thai party unprecedented bargaining power in forming a coalition, choosing a cabinet, and in pushing its policies through parliament. It is worth examining some trends in party size and numbers of parties. Table 1 shows the number of parties with at least 20 seats, and Table 2 shows the sizes of the two largest parties in each election since 1979.

9. The Election Commission called new elections in 62 constituencies, so that these numbers changed before the results were certified. Even after the results were certified, the Election Commission continued to investigate charges of vote-buying, declaring that it would disqualify sitting members of the House for a period of up to three and a half years after the election. I have used the list of MPs initially certified, together with the additional party list MPs who took the places of those who joined the cabinet.

10. In the 1990s, the proportion of reelected MPs ranged from 67%–84% of seats, with the 84% in 1996 marking the highest proportion ever. Turnover was higher in the 1980s.

11. By my count, which is likely incomplete, at least 34 new MPs are relatives of current or former MPs, and at least a dozen are close aides.

12. The initial election was followed by several more elections to replace those disqualified for violating election laws.

13. The increasing size of the parliament makes this number a somewhat arbitrary figure. However, 20 seats have generally been enough to make a party attractive as a coalition partner. The large expansion of the parliament in 2001 also fits well with this division, as all parties with 20 or more seats managed to secure party list seats, widening the gap between the two categories. The smallest of the parties with more than 20 seats in 2001 had 29; the largest party with fewer than 20 seats had 14.
The new Constitution seems to have had little effect on the number of parties with more than 20 seats, other than to reward them with party-list seats. Indeed, the number of parties with more than 20 seats has been remarkably consistent over the years, particularly when we take into account the number of different parties that have had at least 20 seats in any one election (13 parties since 1979). Of course, the number did shrink after the election (see below), but the first election provided little evidence that the new Constitution alone will reduce the number of parties in parliament.

As for party size, the second largest party, the Democrat party, is virtually the same size as in the last election, and the same size as the second-largest party in the last election, although its share of the total seats has declined.

14. The number of parties with fewer than 20 members has declined throughout the last decade. In 2001, only eight parties won seats, and two of those won only one seat each.
The dramatic growth in party size is limited to a single party in the 2001 election, and has not benefited other large parties. After a decade with the two largest parties nearly equal in size, in 2001, the Thai Rak Thai party grew to double the size of the second-largest party. Also interesting is the general trend we see in the gradual growth of the largest parties since 1988. Part of the reason for this growth is the departure of the military from the cabinet in that year. This meant more rewards for civilian politicians, and made it possible for the structure to support larger factions and larger parties. Another factor driving the growth of parties and factions through the 1990s was control over the Ministry of the Interior. With the ministry then responsible for the land department, the public works department, the department of town and country planning, the prisons department, provincial and metropolitan waterworks and electricity, the National Housing Authority, the Expressway and Rapid Transit Authority, and most importantly, local government administration and (until very recently) the national police force, Interior became by far the most valuable cabinet position, other than prime minister. Heavy competition for the position led to larger and larger factions; Sanoh Thienthong, in particular, spent most of the decade building his faction to win control of the Ministry of the Interior. By the time of the 2001 election, Sanoh’s faction had some 60–70 members. With a few factions now this large, political parties, naturally, have grown as well.

We may question whether the sudden dramatic growth of Thai Rak Thai represents a new trend, or whether the trend lies in the gradual growth, in previous elections, in other large parties. We must also ask how much the growth in the size of political parties matters. Increasing the size of the parties does not necessarily undermine the importance of the factions. On that note, we turn to the parties and their factions.

**Parties and Their Factions**

As outlined above, the consensus in the literature seems to be that there are four key areas of contention between parties and their factions. First, parties have always had to rely on factions, and individual MPs, to establish their own electoral networks. This, it is argued, is facilitated by vote-buying. Second, parties have failed to develop clear and convincing policies designed to benefit rural voters. This has allowed factions and individual MPs to seize the initiative in promising benefits to rural voters, and claiming personal credit for improvements delivered. (While policies designed to benefit business are equally important, these have generally been better articulated.) Third, coalition building in Thailand has been founded on a quota system based on the size of individual factions. While the quota has varied, generally it has been about five to seven seats for a cabinet position. In order to satisfy all factions, the goal of coalition building has been to create a mini-
maximum winning coalition, plus a safety margin, so that cabinet positions are shared among the smallest group possible. Fourth, patronage that flows from cabinet seats has been left under the control of the factions for distribution. Thus, the factions have had the upper hand in each of these areas. If the party system is to undergo fundamental change, these are the relationships that must be changed.

**Electoral Networks and Vote-buying**

Despite the establishment of new laws and institutions designed to eliminate vote-buying and corruption, and to strengthen parties, in 2001, many of the same patterns continued. Preparations began earlier than usual, partly because the new Thai Rak Thai party could focus its attention entirely on campaigning, rather than on parliamentary business. More importantly, the Election Commission, which seeks to prevent vote-buying, is largely inactive until the parliament is dissolved: goods distributed before that time are gifts, rather than vote-buying. Vote-buying was widespread, despite the efforts of the Election Commission and other monitoring groups, with the price of votes ranging from 50 to 1,000 baht (about $1.25 to $25),\(^{15}\) with 500 baht ($12.50) perhaps the most common amount. On the whole, vote-buying was done much more carefully than in the past, often through gifts, rather than in cash.\(^{16}\) One community-level informant claimed that in his Bangkok community, the cash was going only to trusted *hua khanaen* (vote canvassers) rather than to voters, in order to limit the risk of being caught.\(^{17}\) Other reports have this money eventually making its way to voters, but not until election day.\(^{18}\) It is difficult to estimate the total extent of vote-buying, since much of it was done before the campaign officially started. The Thai Farmers Research Center estimated that about 25 billion baht ($625 million) was put into circulation during the election campaign itself, up 25% from the 1996 election. Of course, only a part of that money went to vote-buying, but it is worth noting that if the total were divided equally among all the candidates, each would be spending about nine times the limit set by the Election Commission.\(^{19}\) False accusations of vote-buying, complete with manufac-

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16. Reports of vote-buying, including detailed descriptions, appeared on an almost daily basis in the Thai and English language press during the election campaign. A good summary is *Bangkok Post* (Perspective), January 14, 2001, pp. 1, 3.
tured evidence to present to the Election Commission, were the most widely employed new tactic.

Electoral networks remained under the control of individual MPs and factions, rather than the parties. Thai Rak Thai engaged heavily in the recruitment of MPs and hua khanaen, convincing about 100 MPs and former MPs to join and bring their personal election networks with them. Thai Rak Thai also recruited heavily among local politicians, such as provincial councilors, who had their own electoral networks in place. So effective was Thai Rak Thai in this recruiting that it had more former MPs contesting the election than any other party. As in the past, candidates changed parties in large numbers, apparently basing their decisions on the willingness of parties to contribute to their election campaigns, and the likelihood of the party doing well. Thus, the key role of hua khanaen in linking individuals and voters did not change significantly, although with vote-buyers risking disqualification, trust between the candidate and the hua khanaen was at a premium. Party organizations remained secondary to such personal networks in the campaign process.

*Party Policies*

While electoral networks remained in the hands of the factions, for the first time since the 1970s, party policies played a major role in the election. Thai Rak Thai developed policies that were clear and concise and aimed at the lower classes, particularly in rural Thailand. These included a debt moratorium for farmers, a revolving fund of 1 million baht ($25,000) for every village, and subsidized medical care. These policies were popular and easily understood. The policies would make a clear difference in the lives of the poor, especially the rural poor. Furthermore, as a new party, Thai Rak Thai did not face as much skepticism as existing parties did, in regard to its policies. The Democrat party countered with a campaign based on the continuation of its economic policies. Those policies had become closely associated in the public mind with the unpopular International Monetary Fund (IMF) structural reforms, and were neo-liberal in character, so that the Democrat party pursued what was clearly a losing strategy with its policy. Nor were there any clear concrete benefits for rural voters such as those Thai Rak Thai offered. Aware that the economic policies were unpopular, the Democrat party down played the role of the minister of finance, Tarrin Nimmanaheminda, but refused to abandon him entirely.20

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20. The Democrat party argued that the policies were necessary for long-term economic development and security. However, the decision to stick with these policies and with Tarrin probably had more to do with factional divisions than with policy.
In all regions but the south, the stronghold of the Democrat party, Thai Rak Thai did well; the above policies certainly played an important part. Of course the new Constitution did not play any clear role in the decision by Thai Rak Thai to develop such populist policies. The more relevant factor was the economic crisis, which forced rural poverty onto the political agenda. If poverty could no longer be easily ignored, it certainly could be used to win votes. The economic crisis may have been important in another way as well. Provincial notables, and indeed many wealthy Bangkok entrepreneurs, suffered heavily from the crisis. This eroded the power of the provincial notables in the election process, as they became increasingly dependent on external financing from a more limited set of patrons. Thai Rak Thai was best positioned financially to take advantage of the weakness of the provincial notables, and took them on board in large numbers. This greater dependency of the local notables on the party for financing may have been crucial in the ability of the party to take credit for assisting the poor with its policies, rather than, as in the past, leaving it to the provincial notables to take personal credit for rural development projects.

While the most striking aspect of the Thai Rak Thai party policy platform was the scope and clarity of its policies aimed at the rural poor, it also targeted the support of the wealthy. Two aspects of that policy, both responses to the Asian financial crisis, are noteworthy. First, the Thai Rak Thai party proposed to set up a Thai Asset Management Corporation to take over bad debts. Since many leading entrepreneurs were deeply in debt, this policy had widespread appeal. While the policies to assist the rural poor received more publicity, the establishment of the Thai Asset Management Corporation to assist the rich was actually more costly. Secondly, the Thai Rak Thai party promised preferential treatment for domestic entrepreneurs. This second promise allowed the party to seek support from entrepreneurs who would otherwise have been in competition with each other, and might have chosen to support competing parties. Thus, Thai Rak Thai was able to consolidate the support of many financiers who had previously supported other parties. This second policy also provided the cement that held the entire policy platform together: nationalism. The IMF and its policies became the enemy, and promotion of Thai interests in business and in the countryside became the rallying cry.

Coalition Building

As noted, past democratic parliaments in Thailand have been characterized by numerous small- and medium-sized parties, organized internally around powerful factions. In the past, the maximum size of parties, and of factions, has been constrained by the preference for a minimum winning coalition in the parliament, as the smaller the governing coalition, the more rewards there
are to be shared out.\textsuperscript{21} Without delving too deeply into the mechanics, suffice it to say that the maximum faction size has been about 30–40 seats, while the maximum party size had crept up from around 90 seats at the start of the 1980s to around 120 by the late 1990s, as both the parliament and government budgets grew. The faction has been the locus of allocation of rewards, through cabinet seats, with those seats the primary site of corruption.\textsuperscript{22} This faction-based corruption, extensive as it was, had inherent limits of scale, based on the small size and competitive nature of the factions.

The continuing relevance of the factions quickly became clear when the bargaining over positions in the new cabinet began. Each of the coalition partners faced problems as its own factions struggled over positions. If anything, the struggle for cabinet positions may have been more intense than usual, since the new Constitution limits the size of the cabinet to 36 members, 12 fewer than in the past. Thus, the necessary quota was about 8–9 parliamentary seats for each cabinet seat. Again, the struggle over the Ministry of the Interior was particularly stormy, as Thai Rak Thai’s Bangkok MPs gathered in support of Sudarat Keyuraphan (about 36 MPs), and the northeastern MPs gathered to show support for Sanoh Thienthong (about 70 MPs).\textsuperscript{23} In the end, however, Thaksin reserved the position for his own faction (about 100 MPs). Sudarat became the minister of public health, and members of the Sanoh faction became minister of agriculture and deputy minister of the interior.

While cabinet positions were contested along factional lines, as in the past, Thai Rak Thai did employ a new strategy in making up its coalition government. It sought to create a grand coalition of factions and parties, rather than a minimum winning coalition. The formation of a grand coalition divides the rewards into smaller shares, so that it is difficult to implement. However, it has the advantage of limiting the ability of any single faction to undermine the coalition. With a grand coalition, the withdrawal of any single faction does not bring down the government, but only eliminates access to rewards for the faction. Thus, withdrawal is not a viable option or an effective threat for individual factions, so that in the short term, barring a crisis, stability can be more easily maintained.

\textsuperscript{21} See William Riker, \textit{The Theory of Political Coalitions} (New Haven, Conn.: Yale University Press, 1962). Ben Anderson originally pointed this out to me while I was writing my thesis over a decade ago. Note that in theory, the minimum winning coalition is half the total number of seats in parliament plus one. In practice, however, the minimum winning coalition has been somewhat larger, as the continuing loyalty of factions and faction members cannot be assured.

\textsuperscript{22} For details, see Ockey, “Business Leaders, Gangsters and the Middle Class,” chapter 7.

\textsuperscript{23} The struggle over cabinet seats is discussed in some detail in the Thai and English language press. See, for example, the internet editions of \textit{The Nation} (Bangkok), February 16, 2001, January 23, 2001, and February 18, 2001 at \url{http://www.nationmultimedia.com}; and \textit{Bangkok Post}, February 17 and 18, 2001.
The grand coalition strategy only became possible in the wake of the 1997 financial crisis, and then only because Thai Rak Thai was built on the fortunes of some of Thailand’s wealthiest concessionaires.\textsuperscript{24} In the past, wealthy tycoons have often supported several parties to maximize their chances of having allies in a coalition government. However, hurt by the crisis, many sought instead to back a winner. Thai Rak Thai looked like that winner. When party leader Thaksin promised that local entrepreneurs would be given priority over foreign investors under his government, that sealed the deal. Meanwhile, Thaksin set out to recruit faction leaders. As momentum built, more and more former MPs decided that their best chances of reelection would come from joining Thai Rak Thai rather than competing with it. Eventually, Thai Rak Thai had more former MPs contesting under its banner than any other party. It won nearly twice as many seats as the next largest party, and was about twice the previous maximum size of any non-military party. Under these unique circumstances, a grand coalition became possible. Once the size of the grand coalition became clear, the party was able to coerce other parties to merge with it, to ensure their position in the coalition and in the cabinet.

\textit{Patronage}

We can see the shift in patronage occasioned by the grand coalition strategy by briefly considering the telecommunications sector. Where previously telecommunications firms had links to different parties, and often, each firm had links to multiple parties, when Thai Rak Thai came to power, nearly every major telecommunications concessionaire had financial links to the party, or

had contested seats on behalf of Thai Rak Thai.\textsuperscript{25} Thai Rak Thai had to find a way to benefit groups that were in competition with each other. In the response, we see the new method of patronage that may be able to sustain the grand coalition. Nine months after taking office, the Thai Rak Thai government mooted a proposal to end mobile phone concession payments early, for all firms. It has been calculated that this would have cost the government nearly 300 billion baht (about $700 million) in revenues, while saving the concessionaires the same amount. Over 100 billion baht (about $2.5 billion) of that amount would be saved by the Thaksin family conglomerate, with much of the rest saved by other financial supporters of the Thai Rak Thai party. In addition, share prices for the firms involved would increase an estimated 43% to 225%, depending on the company.\textsuperscript{26} The Shinawatra family corporation and the other companies linked to Thai Rak Thai would see a return on their investment in the party, ensuring their continued financial support. This new style of patronage is entirely legal. It is also on a scale that could never be matched by the old-style patronage of individual cabinet ministers.\textsuperscript{27} And since Thaksin and some of his wealthiest supporters built their fortunes on monopoly concessions from the government, it is not surprising that his party has turned to such concessions for patronage. This first proposal met with considerable public opposition, and was set aside. Later, the monopoly concessions were converted into an excuse tax, which Thaksin promised would not cost the government money. It is not clear how this promise will be fulfilled. Furthermore, the change was made through an executive decree, limiting the opportunity for opposition to be expressed.

\textsuperscript{25} Thaksin’s family corporation controls the telecommunications company with the largest share of the mobile telephone market, Advanced Information Systems (AIS). Party list MP and Minister of Commerce Adisai Bodharamik’s family corporation controls Thai Telephone & Telecommunications (TT&T). Party list MP Veerachai Veeramethikul is the son-in-law of the founder of Charoen Pokphand group, which controls Wireless Communication Service, CP Orange, TelecomAsia, and Bitco, and formerly supported the New Aspiration party. See \textit{Bangkok Post}, January 9, February 19 and 20, 2001. When Thai Rak Thai won the election, telecommunications stocks immediately jumped in value.

\textsuperscript{26} Nuannoi Trirat and Nophanan Wanathepsakun, \textit{Setsat kanmuang ruang thoramkhomnakhom}, p. 80. The proposal to reform the telecommunications sector was initiated by the previous government, to bring policy into line with WTO-mandated changes. However, earlier proposals would have been revenue neutral for the government.

\textsuperscript{27} Another example of this kind of legalized state patronage is the Thai Asset Management Corporation mentioned above. Senator Karoon Sai-ngam claimed that the government would be taking on 300 billion baht in bad loans, including debt from Shinawatra Thai (with 1.7 billion baht [$42 million] in debts), run by a relative of Thaksin; Thai Telephone & Telecommunications (with 44 billion baht [$1 billion] in debts), run by the family of Commerce Minister Adisai Bodharamik, and various other politically connected firms. See \textit{Bangkok Post}, September 15, 2001.
At the same time, factions continue to employ patronage from cabinet seats to fund themselves, yet the amounts they allocate cannot narrow the gap sufficiently for them to compete politically with the major financiers of the party, and especially with the party leader. Indeed, the amounts they can allocate may not be sufficient to fully support themselves. In August-September of 2001, the frustrations of constituency MPs spilled over into the public arena as they complained that some cabinet ministers were not doing enough to assist them in looking out for the needs of their financial supporters and constituents. The crisis (which was exacerbated by factional conflicts) was only eased when Thaksin stepped in to mediate.28 Later, the Thai Rak Thai party secretary-general was replaced with a much wealthier cabinet minister, better able to assist constituency MPs. However, this solution leaves the constituency MPs dependent on major party financiers, and over the long term, this may perpetuate the relative financial weakness of the factions in the post-crisis period, even should the economy fully recover.

In the short term, this grand coalition strategy has worked remarkably well, because, as pointed out above, no single faction can destabilize the government. However, the grand coalition remains a coalition of groups with divergent interests, and over the long term, will prove difficult—perhaps impossible, if Riker’s formulation is correct—to hold together.29 There may not be enough patronage to go around, even in the systematic form we find in the mobile phone concessions. Furthermore, this form of blatant but legal patronage risks alienating voters, which has already delayed the proposal to end concession fees on mobile telephones, and may ultimately prevent it. As the grand coalition strategy relies on both patronage and votes, a dramatic fall in opinion polls from excessive overt patronage or other policies could lead to defections from the party and the fall of the grand coalition. It is in this context that we should understand not only the decision to circumvent debate through an executive decree on the mobile phone concessions, but also, more generally, the pressure the government has brought to bear on poll takers and the attempts to influence press coverage.30 As the next election approaches, and the cost of abandoning the coalition is measured in months of access to resources, rather than years, the difficulty of holding the coalition together will only increase. But in the end, a single paradox may prove impossible to resolve. Thai Rak Thai put the coalition together because of the overwhelm-

28. See ibid., August 31 and September 8, 2001; ibid. (Perspective), September 16, 2001. The new Constitution contributed to this crisis by excluding sitting constituency MPs from cabinet positions.


ing financial superiority of its leaders in the wake of a devastating economic crisis. It came to power with a successful entrepreneur promising to revive the economy. If Thai Rak Thai succeeds in reviving the economy, it will lose its overwhelming financial superiority. On the other hand, if it fails to revive the economy, it will lose its electoral support. If it cannot be overcome, this paradox may doom the grand coalition experiment to failure.

Conclusion: New Thinking or Continuity?

The striking success of the Thai Rak Thai party in the 2001 election seems to have resulted primarily from the impact of the financial crisis, rather than the provisions of the new Constitution. The financial crisis limited the financial resources available to faction leaders and financial backers, facilitating the ability of Thailand’s wealthiest tycoon to recruit them to his new party. The financial crisis also provided the basis for the nationalist and populist policy platform so successfully developed by the Thai Rak Thai party. Of course, taking advantage of the effects of the financial crisis required bold new thinking, which Thai Rak Thai displayed in abundance. Whether either that bold new thinking or, alternatively, constitutional reform will have a long-term impact on the political party system by changing the relationship between party and faction remains unclear. While the relationship between party and faction has changed in some ways, there are strong indications that other aspects of the relationship have changed little.

I have assessed change and continuity in the political party system by assessing the roles of party and faction in four areas: electoral networks, policy formation, coalition building, and patronage. As McCargo pointed out, understanding the Thai political party system requires careful consideration of the relationship between the party and the faction. At the same time, considering the party system in terms of these specific areas indicates the limitations of the broad dichotomies in the literature that McCargo and King identified. By considering the relationship between party and faction along specific dimensions, the complexity of Thai parties and factions becomes clear, as does the struggle for influence in the party. Analysis along these dimensions provides a more concrete model for analysis of Thai parties based on the relationship sketched out by McCargo.

The strength of the faction remains its control over electoral networks. For the 2001 election, parties again went to great lengths to recruit those with existing electoral networks rather than build their own party-oriented net-

works. As long as the electoral networks remain in the hands of the factions, the latter will continue to hold some sway over parties. On the other hand, the Thai Rak Thai party was able to exert control over policy formation, beginning with the formulation of its election platform, and then worked to implement those policies after gaining control of the parliament. Here, Thai Rak Thai undermined the power of the provincial and local notables who comprise most faction leaders. By formulating party policies that appealed directly to rural people, Thai Rak Thai was able to take credit for improvements in the lives of villagers, at the expense of the provincial and local notables who had previously characterized such resource allocation as personal rather than party patronage. The shift here was not complete, however, as some programs, like the million-baht revolving funds for every village, were subject to manipulation by provincial and local notables. To some degree, the support of the Thai Rak Thai in rural Thailand will depend on the success of these policies. At the same time, no other party has formulated alternatives with clear concrete appeal to rural voters.

While there is a precedent for the types of policies that Thai Rak Thai promoted,\textsuperscript{32} it is in coalition building that Thaksin’s new thinking has been the most innovative. In the short term, the grand coalition strategy limits the ability of any single faction to destabilize the government, and so increases the power of the party over its factions. However, in the long term, a grand coalition is less stable than a minimum winning coalition, and it will not be easy for Thaksin to hold it together. One means of doing so has been systematic and legal forms of patronage that have the potential to far outstrip the methods of individual cabinet ministers in the past. The vast economic resources that Thai Rak Thai ministers and their allies control, the promise of legal forms of patronage on a large scale, and attempts to influence the press, have thus far held the grand coalition together. However, both inherent economic paradoxes and the entrenched oppositional political culture will make it very difficult for Thaksin to realize his dream of a Singaporean-style system.\textsuperscript{33} There are signs of tension in his coalition. The disbanded Muan Chon

\textsuperscript{32} In the 1970s, Kitsangkhom (Social Action party) promoted similar village-based funds, also with considerable success. Advocating policies that directly benefited rural people was possible for Kitsangkhom because it had no provincial notables holding seats at the time it developed the policies.

\textsuperscript{33} In particular, elements of the press have long played an oppositional role, and mass demonstrations have helped change the political system on several occasions, including 1957, 1973, 1976, and 1992. On the role of the press over the years, see Matthew Copeland, “Contested Nationalism and the 1932 Overthrow of the Absolute Monarchy,” Ph.D. dissertation, Australian National University, 1994; Suphanya Tirawanit, \textit{Nangsuphim Thai chak patiwat 2475 su patiwat 2516} [Thai Newspapers from the 1932 Revolution to the 1973 Revolution] (Bangkok: Thai Watthanaphanit, 1983); Thitinan Pongsudhirak, “Thailand’s Media: Whose Watchdog?” in Kevin Hewison, ed., \textit{Political Change in Thailand} (London: Routledge, 1997), pp. 217–32; and
and NAP parties have been reconstituted by individual members, and some members of parliament have suggested the possibility of eliminating a constitutional provision that prevents party-switching during election time. Furthermore, opinion polls show that support for the government has declined somewhat, and in June 2002, the Democrat party narrowly defeated the Thai Rak Thai in Bangkok City Council elections.

As we have seen, Thaksin’s new thinking does have the potential to create permanent change in the political party system by changing the relationship between party and faction in some areas. However, the changes implemented thus far are neither stable nor sufficient to ensure permanent change. In order to effect lasting change in the political party system, the parties need to either develop their own electoral networks or take over existing electoral networks. Otherwise, the faction leaders will remain powerful because they control the votes. Thaksin’s ability to change the system depends on breaking this key link between factions and voters. It is not yet clear that he can do so. It will be even more difficult for other parties, without the benefit of the governmental and private resources currently available to Thaksin.

Last, we should not overlook the importance of one final issue: leadership succession. Thaksin has benefited from the leadership transitions going on in virtually every other party: the Democrat, New Aspiration, and Chat Phattana parties have just gotten new leaders, and the Chat Thai party is nearing that point. These transitions have weakened Thaksin’s opponents. However, eventually—after two four-year terms, if he is taken at his word—Thaksin himself will need to find a successor. Thaksin’s great experiment has been possible because he is the wealthiest individual in Thailand, building up his grand coalition at a time of economic crisis. Whether the economy improves or not, can a lesser tycoon someday replace him, in this new system so fraught with instabilities? Or will the factions reassert their dominance? The relationship between party and faction bears watching.