

Thailand: The conservatives' electoral victory paves the way to a period of domestic political stability | Credendo

Event

On 8 February, Thai PM Anutin Charnvirakul's Bhumjaithai Party unexpectedly won the snap general elections – for the first time this century. It won by a landslide, with 194 seats out of a total of 400 in Parliament. The People's Party, which was the favourite in the run-up to the elections, popular among the youth and winner of the 2023 elections, came second with 116 seats. Although Anutin Charnvirakul's party narrowly missed a majority, its strong parliamentary position allows it to form a comfortable governing coalition with the populist Pheu Thai Party. After many years of recurrent domestic volatility and instability, political stability can therefore be expected in the future. Still, at the same time, a strong majority voted in favour of a new reform of the (military-drafted) constitution at a referendum held during the elections.

Impact

Looking at the pre-election opinion polls and previous elections, the conservative victory was not the dominant scenario, certainly not to such an extent. However, it was clear that the nationalist appeal amid the unresolved and tense [cross-border military conflict with Cambodia](#) would bring support to the PM's party and the army. Helped by a much lower voter turnout compared to the 2023 elections, this approach paid off and highlighted the population's concern over the need for political stability in a period of conflict and economic difficulties. Those two issues promise to be the government's pressing priorities for this year. On the back of a fragile ceasefire and rising nationalism in both countries, where respective leaders have the population's backing, prospects of a lasting resolution of the border dispute look poor in the foreseeable future and tensions will likely stay elevated with a high risk of resumed hostilities. As for the economy, the 2026 outlook is clouded by constrained private consumption, declining productivity and limited fiscal space. Externally, exports are harmed by the US trade war (adding to the strong impact on the baht) and geopolitical uncertainties. In that context, a stable government is welcome and more than necessary to address all those challenges.

Credendo's risk ratings keep a stable outlook.

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