

# THAILAND



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## OVERVIEW

## PAETONGTARN SHINAWATRA, PRIME MINISTER OF THAILAND



Paetongtarn Shinawatra, the 31st Prime Minister of Thailand, delivers a speech after the Royal appointment ceremony. Photo: Royal Thai Government.

## Thailand forges ahead under new PM

On assuming office in August 2024, Paetongtarn Shinawatra became Thailand's youngest ever Prime Minister, ushering in a new era for the nation. It comes at a pivotal moment, as talks on a Comprehensive Economic Partnership Agreement (CEPA) herald new diplomatic and economic opportunities with the UAE.

In the moments after Thailand's parliament selected Paetongtarn Shinawatra to become the nation's next Prime Minister, she described herself as trembling with excitement. "I really hope that I can make people feel confident that we can build opportunities and to improve the quality of life and to empower all Thais," she said, in remarks to assembled reporters.

As leader of the Pheu Thai party and the fourth member of the Shinawatra family to hold the position of prime minister, Paetongtarn brings a sense of duality to the role, representing both a continuation of the country's politics and, simultaneously, a vibrant new dynamism. "The country has to move ahead," she said. "We are determined, together, and we will push the country forward."

Despite having never previously held elected office, Paetongtarn has led Pheu Thai since March 2022 and, as the daughter of former Prime Minister Thaksin Shinawatra, is steeped in

her family's political legacy. "When I was eight years old, my father entered politics," she said. "Since that day, my life has also been intertwined with politics." Nonetheless, Thailand's new leader is a distinctly modern type of politician. With more than 700,000 Instagram followers, her social media

**"WE ARE DETERMINED, TOGETHER, AND WE WILL PUSH THE COUNTRY FORWARD."**

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presence dwarfs that of her party. Describing herself as a compassionate capitalist, her previous experience includes education in the UK, at the University of Surrey, and a period as deputy-CEO of the family-owned Rende Development, overseeing the launch of two of the country's luxury hotels. Under her

leadership, Pheu Thai has previously made ambitious pledges to nearly double daily minimum wages by 2027, alongside subsidising public transport in Bangkok and expanding healthcare coverage. "I think after eight years the people want better politics, better solutions for the country," Paetongtarn said while campaigning for Thailand's national elections in 2023.

On assuming the country's top job, the new Prime Minister gave a press conference to outline her administration's priorities, including tackling illegal drugs, improving Thailand's universal healthcare system and promoting gender diversity. And above all else: economic stimulus and reform. "The goal is to stimulate the economy, so this intention remains," she said.

Successive governments have placed economic growth at the top of their policy agenda, and Paetongtarn has targeted boosting public spending and consumption as the most viable routes to achieve this. Her first policy statement

to parliament was headlined by plans to restructure household debt, focusing on home and automobile loans, and updates on the progress of the scheme to distribute 10,000 baht – approximately US\$300 – to 45 million Thai adults via a new digital wallet.

The flagship initiative is expected to cost around 450 billion baht in total, and Paetongtarn moved swiftly to confirm that plans for the handout would go ahead – with an adjustment that would see some of the money distributed directly as cash. Designed to provide an immediate financial boost to citizens while laying a base for the nation's digital economy, the scheme has faced some resistance from opposition lawmakers and economists.

Paetongtarn, however, was undeterred: "The government's priority is the vulnerable groups," she said. "The digital wallet scheme will be pushed ahead to increase access to financial sources for the development of villages and communities and career opportuni-

ties.” The Prime Minister did, however, seek to reassure the policy’s detractors by stating that her administration will “study and listen to additional options,” to ensure the plan is implemented in a fiscally responsible manner. The first stage of the handout, targeting state welfare recipients and those with disabilities, was subsequently approved by the cabinet, with payments slated to commence in late September.

Also outlined in the statement were plans designed to boost small and medium enterprises (SMEs) through debt suspension, access to liquidity and shielding from unfair foreign competition; accounting for around 35% of employment and GDP, SMEs are a key driver of the nation’s economy. And further economic measures announced included initiatives to reduce energy and utility costs, bolster agriculture and promote the tourism sector. “It is a significant challenge for the government to urgently restore robust economic growth,” Paetongtarn told parliament. “We must explore new opportunities to boost income at both the national and individual levels, whether through restructuring the economy or developing new engines for growth.”

Crucial to that growth agenda are the ongoing talks with UAE on a Comprehensive Economic Partnership Agreement designed to boost bilateral trade flows and investment opportunities. The UAE is Thailand’s biggest trading partner in the Middle East, with exchanges growing 73% to \$US20.8 billion in 2022. The upcoming CEPA would

look to increase that figure by a further 10% in the first year by enhancing economic cooperation and providing UAE investors with greater access to both Thailand’s domestic market and the wider Southeast Asian economy.

## “THE PEOPLE WANT BETTER POLITICS, BETTER SOLUTIONS FOR THE COUNTRY.”

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With tourism another key focus of the administration’s economic plans, Thailand will also look to build on the deepening partnership between the countries to attract more UAE visitors. Shaikh Mohammad Bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai and Shaikh Mansour Bin Zayed Al Nahyan, Vice President and Deputy Prime Minister of the UAE were among the first world leaders to send official congratulations to Paetongtarn on taking office, and the UAE’s contribution to Thailand’s goal of receiving 55 million international arrivals in 2024 will be driven by an increase in direct flights and the introduction of UAE-specific vacation packages. With the Tourism Authority of Thailand calling the UAE “vital” to the sector’s development, efforts are already underway to drive further growth through key markets like the Middle East.



Royal appointment ceremony of Paetongtarn Shinawatra. Photo: Royal Thai Government.

### BIO PAETONGTARN SHINAWATRA

**1986**

**Paetongtarn born in Bangkok**  
Her father, Thaksin, and aunt, Yingluck, are former prime ministers.

**2008**

**Graduated from university**  
After obtaining a BA in Political Science, studies continued in the UK.

**2014**

**Appointed Deputy CEO Rende**  
Oversaw a portfolio of hotels at the family-owned hospitality group.

**2022**

**Elected leader of Pheu Thai**  
Subsequently nominated as one of party’s three prime minister candidates.



Paetongtarn Shinawatra salutes the members of the new cabinet. Photo: Royal Thai Government.

### FAST FACTS THAILAND

#### 72 MILLION

Population of Thailand as of 2023, according to the World Bank, the fourth largest in Southeast Asia.

#### US\$515 BILLION

Thailand’s GDP in 2023 according to World Bank data, making it ASEAN’s second-largest economy.

#### 65.4% OF GDP

Value of goods and services exports to national output, according to the World Bank.

#### 15%

Growth in tourist arrivals from the key UAE market in Q1 2023, according to Tourism Authority Thailand.

#### US\$300 MILLION

Value of UAE foreign direct investment in Thailand by end of Q3 2022, according to ASEAN Briefing.



Government House of Thailand. Photo: Adobe Stock.



Bangkok, capital of Thailand. Photo: Tourism Authority of Thailand.