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Trends in
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THAILAND'S POST-COUP RELATIONS
WITH CHINA AND AMERICA:
MORE BEIJING, LESS WASHINGTON

IAN STOREY

ISEAS YUSOF ISHAK
INSTITUTE

Trends in Southeast Asia

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FOREWORD

The economic, political, strategic and cultural dynamism in Southeast Asia has gained added relevance in recent years with the spectacular rise of giant economies in East and South Asia. This has drawn greater attention to the region and to the enhanced role it now plays in international relations and global economics.

The sustained effort made by Southeast Asian nations since 1967 towards a peaceful and gradual integration of their economies has had indubitable success, and perhaps as a consequence of this, most of these countries are undergoing deep political and social changes domestically and are constructing innovative solutions to meet new international challenges. Big Power tensions continue to be played out in the neighbourhood despite the tradition of neutrality exercised by the Association of Southeast Asian Nations (ASEAN).

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Thailand's Post-Coup Relations with China and America: More Beijing, Less Washington

By Ian Storey

EXECUTIVE SUMMARY

- Since the Thai military seized power in May 2014, Thailand's relations with the United States have significantly deteriorated, while the People's Republic of China (PRC) has quickly emerged as the Kingdom's closest Great Power partner.
- U.S.-Thai defence cooperation has been the main casualty of the coup, and represents a setback for the Obama administration's pivot or rebalance towards Asia, the success of which depends in large part on strengthening bilateral alliances and increasing America's presence in Asia. Thailand occupies a critical strategic location in Southeast Asia and hosts important air and naval facilities which America has found harder to access post-coup. Due to political sensitivities, the United States does not have equivalent access to alternative military facilities in other mainland Southeast Asian countries such as Vietnam and Myanmar.
- Even before the coup the U.S.-Thai alliance was facing difficulties. Since Washington announced the pivot in 2011, neither civilian nor military leaders in Thailand have evinced genuine support for the strategy. Many Thais consider the pivot to be aimed at containing China, and that Thailand's association with the strategy would be detrimental to the country's positive relations with the PRC. Moreover, unlike some of its Southeast Asian neighbours — especially those that have maritime disputes with China — Thailand does not perceive the PRC as a source of strategic instability; to the contrary, Thais overwhelmingly view China as a valuable economic and security partner.

- In contrast to U.S.-Thai relations, Sino-Thai relations have blossomed since the putsch. Beijing's hands off approach to Thailand's domestic political situation is much appreciated by the junta, and has allowed the two sides to focus on strengthening economic ties and defence cooperation. The "rice for rail" deal — under which China will provide Thailand with high-speed rail technology and buy surplus rice from Thailand — is back on track. The Thai and Chinese air forces have conducted a combined exercise, and Bangkok's decision in principle to buy three Chinese-manufactured submarines will make Thailand China's closest defence cooperation partner in Southeast Asia, if the deal goes ahead.
- The United States has repeatedly called on the junta to hold new elections, and emphasized that relations cannot return to normal until civilian rule is restored. However, a return to democracy in Thailand is not in prospect any time soon. The rejection of the draft constitution in September 2015 means that the armed forces will retain political power until at least 2017 and conceivably beyond. As a result, U.S.-Thai relations will continue to experience strain while Sino-Thai cooperation strengthens.

Thailand's Post-Coup Relations with China and America: More Beijing, Less Washington

By Ian Storey¹

INTRODUCTION

On 1 July 2015, Thailand and the People's Republic of China (PRC) celebrated the fortieth anniversary of the establishment of diplomatic ties. Since that historic moment in 1975, almost every facet of the bilateral relationship — political, trade, investment, military-to-military, people-to-people — has experienced strong growth. It would not be an exaggeration to state that Thailand today is China's closest partner in Southeast Asia. While the United States has remained a significant economic partner of Thailand, over the same period of time the U.S.-Thai alliance has lost cohesion and diminished in importance. Following the Thai military's seizure of power in May 2014, both of these trends have sharply accelerated.

Since the mid-1970s, a leitmotif of Thai foreign policy has been the political elite's propensity to nurture, and balance, relations with all the major powers, but particularly with the United States and the PRC, the two primary external players in Southeast Asia. Since the coup, however, Thailand has leaned closer to China, while U.S.-Thai relations have rapidly hit rock bottom and are unlikely to improve as long as the army retains power.

Thailand's domestic political situation has largely determined the country's tilt towards Beijing. The junta has expressed appreciation for China's understanding that after nearly a decade of political turmoil, the

¹ Ian Storey is Senior Fellow at the ISEAS–Yusof Ishak Institute and editor of *Contemporary Southeast Asia*.

Kingdom requires a period of stability that only the army can provide. The Thai government contrasts this with Washington's repeated calls for the immediate restoration of democracy, and has rejected as unfair and hypocritical U.S. allegations that Thailand's human rights and people trafficking situation has deteriorated since the coup. As Thailand's GDP growth has faltered post-coup, China's economic role has become more salient. As China is Thailand's largest trade partner, and the biggest economy in Asia, it is unsurprising that the junta has looked to strengthen commercial ties with the PRC so as to help alleviate the country's economic problems. Meanwhile, despite an earlier pledge to do so, Thailand showed no interest in participating in negotiations for the twelve-country Trans-Pacific Partnership (TPP) — which the Obama administration views as the cornerstone of its economic policy in the Asia-Pacific region — and now cannot because the U.S. State Department has assigned it a Tier 3 ranking in its human trafficking index. Chinese and U.S. responses to the coup have strengthened the Thai narrative that since the late 1970s, the Kingdom has always been able to rely on China's support in times of crisis, while America behaves as a fair weather friend.

Even before the coup, the U.S.-Thai alliance was facing difficulties. In 2011 the Obama administration announced its pivot or rebalance towards Asia, and has sought to strengthen strategic ties with its treaty allies and partners across the Asia-Pacific region. However, an attempt by Washington in 2012 to rejuvenate its alliance with Thailand failed to gain traction because of divergent threat perceptions. Unlike some of its Southeast Asian neighbours, Bangkok does not view China as a source of strategic instability. Indeed, to the contrary, it sees China as a valued and reliable political, economic and military partner, and that Thai support for the pivot would be detrimental to Sino-Thai relations. The May 2014 coup has almost completely derailed U.S. attempts to invigorate the alliance. In the immediate aftermath of the coup, Washington slashed military aid to Thailand, downsized combined exercises and suspended high-level dialogue. In response, the junta has seemingly been less willing to allow America unfettered access to its military bases. Due to political sensitivities, America does not have equivalent access to alternative military facilities in other mainland Southeast Asian countries such as Vietnam and Myanmar. As U.S.-Thai military ties have suffered,

defence cooperation between Thailand and China has blossomed. The two countries have exchanged high-level visits, conducted a combined air force exercise and, most significantly, Bangkok has agreed in principle to purchase three Chinese-manufactured submarines. If the deal goes ahead, it will be Thailand's largest defence acquisition from the PRC to date, and will lead to a significant tightening of Sino-Thai military-to-military relations.

This paper examines Thailand's relations with the United States and China since the Thai military seized power in May 2014.² It begins by looking at Washington's response to the coup, the restrictions it placed on military-to-military ties and the negative impact on the Obama administration's pivot towards Asia. It goes on to examine the rapid development of political, economic and defence ties between Bangkok and Beijing. The final section summarizes the main points of the paper.

THAI-U.S. RELATIONS POST-COUP

On 20 May 2014, in response to six months of political crisis, General Prayuth Chan-o-cha, Commander-in-Chief of the Royal Thai Army (RTA), declared martial law. Two days later, General Prayuth removed the caretaker — but democratically elected — government of Prime Minister Yingluck Shinawatra and appointed himself as head of government. In August, the RTA appointed national legislature approved Prayuth as prime minister.

A few weeks after the coup, Scott Marciel, U.S. Principal Deputy Assistant Secretary of State for East Asia and the Pacific, succinctly captured the central challenge facing America's Thailand policy: Washington must impress upon Thailand's military leaders the urgent need to restore democracy, while at the same time strengthening the U.S.-Thai alliance.³ In the year and a half since the coup, that challenge

² The author would like to thank Michael Montesano, John Bradford and three anonymous reviewers for their insightful comments on an earlier draft of this paper.

³ "US says Thai military rule likely to last longer than expected", Reuters, 25 June 2014.

has remained unmet: America has demonstrably failed to persuade the junta to hold early elections, and the military-to-military ties that bind the alliance together have been weakened.

As expected, Washington condemned the coup and urged the Thai military to immediately restore civilian rule by holding fresh elections, release political detainees and respect fundamental civil and human rights including freedom of expression, assembly and the press.⁴ Subsequently, senior U.S. officials have repeatedly stressed that while America values its friendship and alliance with Thailand, the coup presents a clear challenge to bilateral ties and that U.S.-Thai relations cannot return to normal until full democracy has been restored.⁵ But a return to democracy is not in prospect any time soon. On seizing power the junta established the National Council for Peace and Order (NCPO) to rule the country, repealed the 2007 Constitution, issued an interim constitution which granted the NCPO draconian powers and appointed a Constitutional Drafting Committee (CDC) to draw up a new constitution that would ensure the military retained decisive political influence. Soon after the coup, Prayuth promised fresh elections within fifteen months, but the date of those elections was pushed back to September 2016. On 6 September 2015, the NCPO-appointed National Reform Council (NRC) rejected the draft constitution. As a consequence, a new constitution will have to be written, thereby pushing elections back to mid-2017 or possibly beyond.⁶

In the eight months prior to the NRC's rejection of the proposed new constitution, U.S.-Thai political relations had gone from bad to worse. In January 2015, Daniel Russel, U.S. Assistant Secretary, Bureau of East

⁴ Coup in Thailand, Press Statement, John Kerry, Secretary of State, Washington D.C., 22 May 2014.

⁵ See, for instance, Remarks at the Institute of Security and International Studies, Daniel R. Russel, Assistant Secretary, Bureau of East Asian and Pacific Affairs, Chulalongkorn University, Bangkok, Thailand, 26 January 2015, available at <<http://www.state.gov/p/eap/rls/rm/2015/01/236308.htm>>.

⁶ James Hookway, "Thailand's Reform Council Rejects Charter, Delays Elections", *Wall Street Journal*, 7 September 2015.

Asian and Pacific Affairs, became the highest level U.S. official to visit Thailand since the coup. However, comments in a speech he delivered at Chulalongkorn University that the recent impeachment and corruption charges against former Prime Minister Yingluck were politically motivated, and that the political reform process lacked inclusivity, touched a raw nerve with the junta.⁷ Prayuth responded angrily to Russel's comments, telling a Japanese newspaper that the United States "does not understand our efforts to maintain political stability".⁸

In June the U.S. State Department issued two reports which put bilateral relations under further strain. The first, the *2014 Human Rights Report*, alleged that Thailand's human rights record had deteriorated since the coup.⁹ The second, the *2015 Trafficking in Persons Report*, labelled Thailand a source, destination and transit country for human trafficking, and rebuked the government for failing to make significant efforts to eliminate the problem.¹⁰ It maintained Thailand's status at Tier 3, the State Department's lowest ranking in the report, and the lowest of any ASEAN country (Vietnam is categorized as a Tier 2 country while Myanmar, Cambodia, Laos and Malaysia are ranked as Tier 2 Watch List) and alongside countries such as North Korea, Iran and Zimbabwe. The junta chided the State Department for not taking into account efforts it had undertaken to crack down on human trafficking since taking power.¹¹ When the report was released, several observers pointed out that Myanmar had maintained its Tier 2 status notwithstanding the Rohingya

⁷ Remarks at the Institute of Security and International Studies, Daniel R. Russel, op. cit.

⁸ "Thai leader emphasizes equal distance from Japan, China", *Nikkei Asian Review*, 10 February 2015.

⁹ *Thailand 2014 Human Rights Report* (Washington, D.C.: US Department of State, 2015), available at <<http://www.state.gov/documents/organization/236692.pdf>>.

¹⁰ "Thailand: Tier 3", *2015 Trafficking in Persons Report* (Washington, D.C.: US Department of State, 2015), available at <<http://www.state.gov/j/tip/rls/tiprpt/>>.

¹¹ Nopparat Chaichalearmmongkol, "Thailand Disputes its Human Trafficking Designation", *Wall Street Journal*, 28 July 2015.

refugee crisis, and that Malaysia had been upgraded from Tier 3 to Tier 2 despite the discovery of mass graves at human trafficking sites along its border with Thailand.¹² In the case of Malaysia, some observers suggested that Washington's motives in raising the country's status from Tier 3 to Tier 2 were purely political as the U.S. government cannot negotiate trade deals with Tier 3-ranked countries, and Malaysia is a participant in the TPP process.¹³

The absence of a U.S. ambassador to Thailand for ten months after Ambassador Kristie Kenney left her post in November 2014 did not help matters. The long delay was largely the result of the time-consuming Senate approval process for diplomatic nominations, but was perceived in Thailand as yet another U.S. punitive measure in the wake of the coup. In August 2015 the Senate finally confirmed veteran diplomat, and former special envoy for North Korea, Glyn Davies as U.S. ambassador to Thailand. Davies' main priority will be to try to mend bilateral relations, a challenging task now that elections have been postponed until at least mid-2017.

U.S.-Thai Military Cooperation and the Impact on America's Asian Rebalance

U.S.-Thai military cooperation — described by a 2015 U.S. Congressional report as being in many ways the central pillar of the bilateral relationship — has been the main victim of the coup.¹⁴ In the wake of the putsch, and in accordance with legislative obligations, Washington immediately withheld US\$4.7 million in military and security aid to Thailand. This included Foreign Military Financing (used for the acquisition of U.S. defence equipment, services and training), International Military

¹² Thitinan Pongsudhirak, "TIP shows a Thai-US alliance under strain", *Bangkok Post*, 31 July 2015.

¹³ See, for instance, Shawn W. Crispin, "US-Thailand Relations on a Razor's Edge", *The Diplomat*, 11 August 2015, available at <<http://thediplomat.com/2015/08/us-thailand-relations-on-a-razors-edge/>>.

¹⁴ Emma Chanleet-Avery, Ben Dolven and Wil Mackey, *Thailand: Background and U.S. Relations* (Washington, D.C.: Congressional Research Service, 29 July 2015), p. 6, available at <<https://www.fas.org/sgp/crs/row/RL32593.pdf>>.

Education and Training (grants for training and educating foreign military personnel at U.S. institutions) and Peacekeeping Operations funding (used to support multilateral peacekeeping and stability operations).¹⁵ U.S.-Thai bilateral naval exercises under the annual Cooperation Afloat Readiness and Training (CARAT) programme (which Thailand has participated in since 1995) were cancelled and the Royal Thai Navy (RTN) was disinvited from the 2014 Rim of the Pacific (RIMPAC) exercise, the world's largest maritime warfare exercise hosted by the U.S. Pacific Fleet in Hawaii. High-level dialogue between senior U.S. and Thai military officials was also suspended.

Other military cooperation programmes also came under review, including the Cobra Gold combined exercises which have been held annually since 1982, and which in recent years have become something of a barometer of U.S.-Thai relations. In an obvious display of displeasure with the Thai military for initiating the putsch, Washington indicated that it might cancel the exercises in 2015 or even move them to another country.¹⁶ The NCPO, however, seemed unfazed by this gambit and reportedly asked the U.S. government to justify why it wanted to hold Cobra Gold in Thailand anyway.¹⁷ Later in the year, however, and in the interests of preserving the alliance's totem, Washington decided to proceed with a scaled-down version of Cobra Gold that would exclude the amphibious landing component and instead focus on Humanitarian Assistance and Disaster Relief (HA/DR) operations. Cobra Gold 2015 was held over a nine-day period in February 2015. The United States contributed 3,600 military personnel to the exercise, down from 4,300 in 2014 (and 13,000 in 2000).¹⁸

¹⁵ U.S. State Department Daily Press Briefing, Washington, D.C., 11 June 2014.

¹⁶ "US cuts more Thailand aid, considers moving exercises", *Channel News Asia*, 25 June 2015.

¹⁷ "Junta keeps US waiting over Cobra Gold", *The Nation*, 14 July 2014.

¹⁸ U.S. participation in Cobra Gold has fluctuated over the years, depending on the state of U.S.-Thai relations and U.S. military commitments in other parts of the world. In 2002, 14,000 U.S. military personnel took part in Cobra Gold; this fell to 3,600 in 2007, before rising to 9,500 in 2013. Information provided by the Public Affairs Office, U.S. Marine Corps Forces, Pacific Command.

In April 2015, the postponement of a preparatory meeting between Thai and U.S. military officials for Cobra Gold 2016 led to speculation that the United States was considering cancelling the exercise in protest at the junta's repeated deferment of popular elections.¹⁹ In June, however, U.S. Assistant Secretary of State Scott Marciel confirmed that the exercises would take place in 2016, though once again they would be limited in size and restricted to HA/DR cooperation.²⁰ While both sides appear keen to continue the annual exercises, the future of Cobra Gold is likely to depend on political developments in Thailand over the next few years. Cancellation of the exercises cannot be ruled out.

In 2015 there was a partial restoration of U.S.-Thai military cooperation, even as political relations deteriorated. In September, the Thai Navy participated in a CARAT exercise with the U.S. Navy and U.S. Marine Corps at Sattahip Naval Base.²¹ A month later, naval liaison officers from the Thai Navy took part in the U.S.-led Southeast Asia Cooperation and Training Exercise (SEACAT) at the Changi C2 Centre in Singapore, together with their counterparts from the United States, Singapore, Brunei, Indonesia, Malaysia and the Philippines.²² The focus of the small-scale simulated exercise was counter-piracy and combatting other transnational threats in the Straits of Malacca and South China Sea.²³ According to Ambassador Davies, U.S. and Thai officials

¹⁹ Wassana Nanuam, "US scraps Cobra Gold preparation meeting", *Bangkok Post*, 15 April 2015.

²⁰ Marisa Chimprabha and Naphakhun Limsamarnphun, "US decision on 2016 Cobra Gold welcomed", *The Nation*, 13 June 2015.

²¹ "Missilex, Comrels and Band Performances Highlight of Successful CARAT Thailand", Press Release, Destroyer Squadron 7 Public Affairs, 2 September 2015, available at <http://www.navy.mil/submit/display.asp?story_id=90868>.

²² Erik Slavin, "Navy joins multilateral piracy exercise in Southeast Asia", *Stars and Stripes*, 5 October 2015.

²³ Greg Adams, "SEACAT: A Southeast Asian Multilateral Powerhouse", Navy Live, 8 October, available at <<http://navylive.dodlive.mil/2015/10/08/seacat-a-southeast-asian-multilateral-powerhouse/>>.

may resume high-level strategic dialogue in December 2015.²⁴ Press reports also suggest that Admiral Harry Harris, the recently appointed Commander of U.S. Pacific Command based in Hawaii, is planning to visit Thailand in the near future.²⁵

Nevertheless, the overall downgrading of U.S.-Thai military-to-military relations post-coup represents a setback for the Obama administration's Asian rebalance. Thailand is America's oldest ally in the region (dating back to a bilateral treaty signed in 1833) and has been a formal treaty ally since the signing of the Manila Pact in 1954. Of America's five treaty allies in the Asia-Pacific region, Thailand is the only one in mainland Southeast Asia.²⁶ During the first few decades of the Cold War, America and Thailand forged a tight strategic partnership to contain the spread of communism in Asia. The United States provided Thailand with massive economic and military aid during the 1950s and 1960s; U.S. bombers operated from U-Tapao and other airbases and U.S. Navy ships utilized Sattahip during the Vietnam War; Thailand itself contributed over 10,000 ground troops to the conflict in South Vietnam. Following the end of the war in 1975, the U.S. withdrew its forces from Thailand but military cooperation between the two countries remained extensive.

As the Cold War drew to a close, however, the alliance began to lose cohesion in the absence of a commonly perceived threat. It experienced a brief rejuvenation post-9/11 as Thailand and the United States intensified counter-terrorism cooperation and the government of Prime Minister Thaksin Shinawatra provided low-key support for the Bush administration's military interventions in Afghanistan and Iraq. However, America was forced to curtail its military engagement with Thailand following the Thai military's ouster of Thaksin in September

²⁴ "US ambassador hopes for early return of democracy", *The Nation*, 16 October 2015.

²⁵ Kavi Chongkittavorn, "Welcome to Thailand's diplomatic jamboree", *The Nation*, 19 October 2015.

²⁶ The other four are Japan, South Korea, the Philippines and Australia.

2006. Due to legislative requirements, Washington was forced to suspend military aid to Thailand. U.S. military aid to the Kingdom did not reach pre-2006 levels again until shortly before the 2014 coup.²⁷

In 2012 Washington tried to revive the alliance as part of its Asian pivot. In November, then U.S. Secretary of Defense Leon Panetta travelled to Bangkok and enthusiastically announced the two sides had agreed to “move this alliance into the twenty-first century”.²⁸ Given that two priority areas for the pivot are to strengthen America’s bilateral alliances and expand the U.S. military presence in Asia, Panetta stated that stronger U.S.-Thai military ties were “crucial” to the rebalance strategy.²⁹ The two sides issued a *2012 Joint Vision Statement for the Thai-U.S. Defense Alliance* that emphasized the alliance’s importance in tackling transnational threats, responding to natural disasters, contributing to global peacekeeping and addressing maritime security issues.³⁰ During a visit to Thailand later the same month by President Barack Obama, the Yingluck government announced that it would enter into talks on the TPP, the economic component of the pivot.

Yet neither the democratically elected government of Yingluck, nor its military successor, has evinced genuine enthusiasm for America’s pivot. Unlike in the 1990s the problem is not the lack of shared threat perceptions but diverging threat perceptions. Increasingly the United States has come to view China as a strategic competitor in Asia. Rising tensions in the South and East China Seas have generated a great deal of anxiety across the Asia-Pacific region and, in the words of U.S. Secretary of Defense Ashton Carter, “China’s behavior is encouraging

²⁷ Chanleet-Avery, Dolven and Mackey, *Thailand: Background and U.S. Relations*, op. cit., p. 6.

²⁸ Nirmal Ghosh, “US-Thai security alliance revived”, *Straits Times*, 16 November 2012.

²⁹ *Ibid.*

³⁰ *2012 Joint Vision Statement for the Thai-US Defense Alliance*, U.S. Department of Defense, 15 November 2012, available at <<http://www.defense.gov/releases/release.aspx?releaseid=15685>>.

and strengthening our alliances and partnerships.”³¹ This is undoubtedly true for the main Southeast Asian claimants in the South China Sea, the Philippines and Vietnam, as well as Japan, Australia and even India. But Thailand has no territorial or maritime boundary disputes with China, and nor does it believe that it has a stake in the South China Sea. To all intents and purposes, Bangkok has been an uninterested observer as tensions have surged in the South China Sea since 2007–08, and as country coordinator for ASEAN-China relations in 2012–15, Thailand did very little to push for a Code of Conduct for the South China Sea to reduce those tensions. Moreover, the Thai elite does not view China as a source of strategic threat or instability; quite the reverse in fact — trade with China is seen as vital to the country’s future economic prospects and Beijing is also viewed as an important security partner. Many Thais view the U.S. pivot as targeted at China, and that if Thailand is seen to be an active participant in the U.S. strategy, relations with Beijing will inevitably suffer.³² Tellingly, a poll conducted in 2012 showed that more Thais considered the U.S. rebalance to be a negative rather than a positive for Thailand (35.09 per cent versus 27.35 per cent) because of the damage it could do to Thai-China relations.³³ According to veteran Thai journalist Kavi Chongkittavorn, this explains why “Thailand remains the only U.S. ally still ‘mute’ to the U.S. pivot.”³⁴ Although the Yingluck government pledged to participate in the TPP process, it did not follow up on its commitment (and cannot until Thailand’s Tier 3 human trafficking status is lifted). Moreover, Thai governments, whether

³¹ “The Scholar as Secretary: A Conversation with Ashton Carter”, *Foreign Affairs* 94, no. 5 (September/October 2015), p. 74.

³² Sasiwan Chingchit, “After Obama’s Visit: The US-Thailand Alliance and China”, *Asia-Pacific Bulletin*, Number 189 (4 December 2012), available at <<http://www.eastwestcenter.org/sites/default/files/private/apb189.pdf>>.

³³ Cited in John Lee, *China’s Economic Engagement with Southeast Asia: Thailand*, Trends in Southeast Asia 2013 #01 (Singapore: Institute of Southeast Asian Studies, 2013), p. 29.

³⁴ Kavi Chongkittavorn, “Relations with major powers shake-up status quo”, *The Nation*, 13 April 2015.

civilian or military, have also responded very cautiously, and on a case by case basis, to U.S. requests to increase its military presence in the country, especially the deployment of surveillance assets which could be used to spy on China. Thus in 2012, the Yingluck government rejected a proposal from the U.S. space agency NASA to use U-Tapao airbase for climate change research, and in May 2015 the junta refused a U.S. request to use Thai airbases to conduct maritime surveillance missions to monitor Rohingya refugees — though eventually it did allow U.S. aircraft to use Thai airspace, escorted by Thai aircraft.³⁵ An earlier, less controversial, U.S. request to station transport aircraft at U-Tapao as part of earthquake relief efforts in Nepal was, however, granted.³⁶

Future developments may also presage a reduced U.S. military presence in Thailand. U-Tapao, which lies close to the resort town of Pattaya, will be developed into a commercial airport to better serve the country's tourism industry.³⁷ As a result, military aircraft may be allocated fewer landing slots. Reports also suggest that the Thai government is considering allowing a Chinese company to modernize the Sattahip naval base.³⁸ If Thailand goes ahead and purchases three submarines from China, it is conceivable that the docking facilities for those vessels will be built at Sattahip with Chinese support. The People's Liberation Army – Navy (PLA-Navy) might also become a more frequent visitor to the refurbished port, and Beijing might pressure Bangkok into reducing, or even ending, U.S. access to Sattahip.

As Desmond Walton, a retired colonel and former U.S. defence attaché to Thailand notes, Thai restrictions on the “unfettered access

³⁵ Prashanth Parameswaran, “Did Thailand Just Approve a New US Aircraft basing Request?”, *The Diplomat*, 29 May 2015, available at <<http://thediplomat.com/2015/05/did-thailand-just-approve-a-new-us-aircraft-basing-request/>>.

³⁶ *Ibid.*

³⁷ “Thailand to develop new commercial airport”, *Straits Times*, 4 June 2015.

³⁸ Shawn W. Crispin, “Thai Coup Alienates US Giving China New Opening”, *Yale Global Online*, 5 March 2015, available at <<http://yaleglobal.yale.edu/content/thai-coup-alienates-us-giving-china-new-opening>>.

that was historically granted to U.S. forces” is detrimental to the pivot because the Kingdom “offers U.S. forces the only reliable access point to mainland Southeast Asia”.³⁹ The U.S. Congressional Research Service considers U.S. access to the strategically located and well-equipped U-Tapao air base to be “invaluable” to America’s military posture in the Asia-Pacific region.⁴⁰ For instance, U-Tapao served as the headquarters for the U.S. military’s relief operations following the 2004 Indian Ocean Tsunami.⁴¹ The *2012 Joint Vision Statement* had stressed that “Thailand’s support of U.S. presence in the region enables the stability that will allow the Asia-Pacific region to prosper under the principles of open and free commerce, a just international order, fidelity to the rule of law, and open access by all to shared maritime, space, and cyber domains.”⁴² In comparison, the U.S. military’s ability to cooperate with, and utilize the facilities of, its counterparts in other mainland Southeast Asian countries is severely constrained: in Vietnam because of the sensitive nature of Sino-Vietnamese relations; with Myanmar because of Congressional restrictions introduced after the military seized power in 1988; and in Laos and Cambodia because of their close relations with the PRC. When it comes to America’s military partners in mainland Southeast Asia, no other country can offer the same level of access as Thailand — access that the United States can no longer take for granted.

THAI-CHINA RELATIONS POST-COUP

Post-coup, Thai-China and Thai-U.S. relations are a study in contrasts. Whereas the latter have nose-dived, the former have made important

³⁹ Desmond Walton, “Saving America’s ties with Thailand”, *Wall Street Journal*, 22 July 2015.

⁴⁰ Chanleet-Avery, Dolven and Mackey, *Thailand: Background and U.S. Relations*, op. cit., p. 6.

⁴¹ John Bradford, “Waves of Change: Evolution in the US Navy’s Strategic Approach to Disaster Relief Operations between the 2004 and 2011 Asian Tsunamis”, *Asian Security* 9, no. 1, p. 20.

⁴² *2012 Joint Vision Statement for the Thai-US Defense Alliance*, op. cit.

strides at every level — political, economic and especially military-to-military.

Political Relations

China's response to the 2014 coup was a virtual replay of its reaction to the ouster of Thaksin, Yingluck's brother, in 2006: the foreign ministry called on all sides to exercise restraint, increase dialogue and restore order as soon as possible.⁴³ Unlike Washington, Beijing has not called on the junta to hold fresh elections or transfer power to elected civilian officials, and nor has it criticized the junta's human rights record. The NCPO has been highly appreciative of Beijing's hands off approach to the country's domestic troubles. During a visit to Bangkok by Chinese Defence Minister Chang Wanquan in February 2015, for instance, Prime Minister Prayuth thanked China for "understanding the political situation" (the implication being, of course, that the United States did not).⁴⁴ Chang responded that Beijing would never interfere in Thailand's internal affairs, and that the Kingdom had its full support.

The PRC's post-coup stance has strengthened the Thai narrative that for the past four decades Thailand has always been able to rely on China's support during crisis periods: e.g. during the 1973 energy crisis when China sold oil to Thailand at "friendship prices"; China was Thailand's primary strategic ally during the decade-long Cambodian Crisis; Beijing provided financial support when the Thai economy buckled during the 1997–98 Asian Financial Crisis; and after the 2006 coup, China recognized the new government immediately and bilateral relations continued as normal. In Thailand, these events, among others, have created a very positive image of China as a country that always has the Kingdom's national interests at heart, irrespective of who holds power in Bangkok. In contrast, the United States is often perceived as

⁴³ Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on 23 May 2014, Chinese Ministry of Foreign Affairs.

⁴⁴ Wassana Nanuam and Patsara Jikkham, "Thailand, China bolster military ties as US relations splinter", *Bangkok Post*, 6 February 2015.

self-interested, uninterested in Thailand's problems and, when political power shifts, punitive. As Thai-China relations have deepened, widened and strengthened, officials from both sides have come to describe bilateral relations in familial terms, such as that between cousins or even brothers. The bonhomie reached a new, and slightly embarrassing, level in August 2015 when, during a joint press conference in Kuala Lumpur, General Tanasak, Thailand's Deputy Prime Minister and Foreign Minister, declared that if he were a woman he would fall in love with his Chinese counterpart Wang Yi!⁴⁵ During 2015, the fortieth anniversary of the establishment of diplomatic ties has provided ample opportunities for the two sides to laud the smooth development of bilateral relations since 1975.

While both Thai elite and public perceptions of China are generally positive, this does not mean that the junta's tilt towards the PRC has gone uncriticized in Thailand. A number of commentators have expressed unease that, by moving closer to China, the junta is deviating from a decades-long policy of keeping the Kingdom's relations with Washington and Beijing more or less in equilibrium.⁴⁶ Critics have pointed to three issues as evidence of the negative implications of the junta's pro-China posture.

The first concerns an agreement between the two countries under which China will provide technology and financing for a high-speed rail link in Thailand. The interest rates and repayment terms offered by China have been blasted as being ungenerous, and led the *Bangkok Post* to describe the PRC as the "transactional superpower".⁴⁷ The second issue is the junta's decision to purchase three submarines from China (examined in more detail in a subsequent section). Aside from the

⁴⁵ "If I were a woman I will fall in love with his excellency": Thai general admits man crush on China's foreign minister Wang Yi", *South China Morning Post*, 6 August 2015.

⁴⁶ "Balanced diplomacy' call to handle coup critics", *Bangkok Post*, 12 August 2014.

⁴⁷ "Are we being railroaded by China?", *The Nation*, 17 March 2015; "PM's Japan visit heralds 'hedging' strategy", *Bangkok Post*, 23 February 2015.

strategic rationales, the proposed acquisition has been criticized as tying the Thai Navy too closely to the PLA-Navy. As Thai scholar Thitinan Pongsudhirak has warned, the submarine deal could “crucially shift Thailand’s geopolitical posture from its traditional hedging among the major powers to a lopsided embrace of Beijing”.⁴⁸

The third issue is the junta’s decision to deport over a hundred Uighur refugees in July 2015. Since the early 1990s, and especially as bilateral economic relations have expanded, successive Thai governments have been sensitive to China’s political interests, especially those that touch on so-called “core interests” such as Taiwan, Tibet and Xinjiang. Over the past few years, hundreds of Uighurs from China’s restive Xinjiang province have passed through Southeast Asia in a bid to reach Turkey, home to a sizeable Uighur diaspora. In early 2014, several hundred Uighurs who had entered Thailand illegally were detained by the security forces. Bangkok allowed 173 to travel to Turkey, but in July 2015 forcibly repatriated 109 to China. The Thai decision was not only condemned by human rights groups in Thailand, but also by the United States, Turkey, the European Union and the United Nations. The junta claimed that it had acted in accordance with international law and even resisted requests from Beijing to repatriate all the Uighurs.⁴⁹ China rejected criticisms of the deportations, labelling the Uighurs as illegal refugees or Islamic extremists intent on travelling to conflict zones in the Middle East.⁵⁰

A month after the deportations a bomb blast at the Erawan Shrine, a popular tourist attraction in Bangkok, killed 20 people and injured more than 100, mostly ethnic Chinese tourists from China and Malaysia. Initially, many security analysts were sceptical of a link between the deportations and the attack, and instead suspicion fell on Malay-Muslim separatist groups from the Far South, international terrorist groups such as the Islamic State, or even elements of the Thai security services. In

⁴⁸ Thitinan Pongsudhirak, “Subs put too many eggs in China basket”, *Bangkok Post*, 13 July 2015.

⁴⁹ Amy Sawitta Lefevre and Pracha Hariraksapitak, “Thailand, under fire, says it rejected China’s request to deport all Uighur Muslims”, Reuters, 10 July 2015.

⁵⁰ “Thailand’s repatriation fully justified”, *Global Times*, 15 July 2015.

mid-September, however, the Thai police made a series of arrests — apparently including ethnic Uighurs from the PRC — and blamed the bomb attack on a gang of human traffickers seeking revenge for the Uighur deportations in July.⁵¹ But contradictory statements from senior Thai officials concerning the ethnicity, nationalities and motives of those arrested have confused the issue. The identity of the perpetrators and their motives might become clearer when the case goes to trial in late 2015. If a link is established, as one respected observer has noted, the “Thai government has paid a high price for leaning too close to Beijing after the military coup”.⁵²

In response to criticism of its allegedly excessive pro-China policies, the junta claims that Thailand continues to maintain a neutral position and pursues good relations with all the major powers — in the words of General Tanasak, “We’re open and always play it straight with any [sic] sides”.⁵³ During a visit to Tokyo in February 2015, Prime Minister Prayuth told reporters that his government sought equal relations with both China and Japan.⁵⁴ As evidence of its even handedness, the junta has pointed out that while China will construct the north-south line of the country’s high-speed rail network, Japan will construct the east-west line.⁵⁵ The junta has also highlighted the visit to Thailand in March 2015 by Russian Prime Minister Dmitry Medvedev, during which Russian defence sales and other trade deals were discussed.⁵⁶ Nevertheless, despite the junta’s assertions to the contrary, China has clearly emerged as Thailand’s preferred major power partner since the May 2014 coup.

⁵¹ “Thai police say Uighur trafficking ring behind Bangkok bombing”, *The Guardian*, 15 September 2015.

⁵² Thitinan Pongsudhiraki, “Bangkok blast erupts from poor diplomacy, transnational crime”, *Straits Times*, 8 September 2015.

⁵³ “Foreign Minister denies Russia, China pivot”, *Bangkok Post*, 13 April 2015.

⁵⁴ “Thai leader emphasizes equal distance from Japan, China”, *Nikkei Asian Review*, 10 February 2015.

⁵⁵ “Japan to develop Thai high-speed rail links”, *Straits Times*, 13 May 2015.

⁵⁶ “Russia eyes military sales to Thailand, rubber deals”, Reuters, 9 April 2015.

Economic Ties

Political instability and violence in Thailand over the past few years have shaken investor confidence in the Kingdom and depressed GDP growth. As China's is Asia's biggest economy, and Thailand's largest trade partner, it is unsurprising that the junta has looked to strengthen trade and investment links with the PRC as a means to revitalize the faltering economy. China has responded positively.

The NCPO has been particularly keen to proceed with commercial deals its predecessor signed with China. The most important is the proposed high-speed rail system. In October 2013, after several years of discussions, Thailand and China signed an MOU under which the PRC would provide technology, as well as partial financing, for a north-south high-speed rail line from Nong Khai province in the northeast of the country to Bangkok, and import one million tons of rice from a stockpile of 16 million tons accumulated as a result of a populist measure introduced by the Yingluck government to appease farmers in the northeast of the country.⁵⁷ The so-called "rice for rail" arrangement collapsed, however, when in January 2014 Thai authorities charged former Prime Minister Yingluck with corruption in relation to the rice programme. In December 2014, during a visit to Beijing by Prime Minister Prayuth, "rice for rail" was not only restored, but expanded. Under the terms of a new agreement, China agreed to provide rolling stock and operating systems for a north-south route and western spur, partly financed by a 20-year loan.⁵⁸ China also agreed to purchase up to two millions tons of Thai rice, plus 200,000 tons of rubber.⁵⁹ Construction of the high-speed line is scheduled to begin in late 2015 and the project is slated for completion in 2018. However, as

⁵⁷ Wen Zha, "Personalized Foreign Policy Decision-making and Economic Dependence: A Comparative Study of Thailand and the Philippines' China Policies", *Contemporary Southeast Asia* 37, no. 2 (August 2015), p. 253.

⁵⁸ "Thais on right track with rail expansion", *Straits Times*, 23 December 2014.

⁵⁹ Prashanth Parameswaran, "Why is China Buying One Million Tons of Rice from Thailand?", *The Diplomat*, 11 August 2015, available at <<http://thediplomat.com/2015/08/why-is-china-buying-one-million-tons-of-rice-from-thailand/>>.

mentioned above, the terms of the deal have been criticized by some as being largely in China's favour.

As noted earlier, Thailand reneged on a pledge to join the TPP. However, it remains enthusiastic about the other major free trade deal under negotiation, the Regional Comprehensive Economic Partnership (RCEP) which includes the ten ASEAN members and China, Japan, South Korea, India, Australia and New Zealand. Bilaterally, in 2012, Thailand and China agreed on a "Comprehensive Strategic Cooperative Partnership", which included the goal of increasing two-way trade to \$100 billion by 2015.⁶⁰ According to the Bank of Thailand, bilateral trade amounted to \$57 billion in 2014 — higher than the country's trade with Japan (\$51.4 billion) and the United States (\$34.5 billion).⁶¹ Slowing economic growth in China, however, and a consequent fall in demand for commodities, suggests that the \$100 billion target may not be met this year. Nevertheless, this is unlikely to alter perceptions within Thailand that China will remain its primary economic partner long into the future.

Defence Cooperation

Thailand's defence cooperation with China is the most extensive among all the ASEAN members and has been characterized by a series of "firsts". Since the 2014 coup, the tempo of Sino-Thai defence diplomacy has accelerated.

Military cooperation between the two countries dates back over three decades to the Cambodian Crisis of 1978–91. Following Vietnam's invasion of Cambodia in December 1978, Thailand felt threatened by the presence of large numbers of Vietnamese troops along its border with Cambodia, and turned to China, Vietnam's adversary, for strategic support and reassurance. Over the course of the next decade, China provided that reassurance by bringing military pressure to bear on Vietnam — by firing

⁶⁰ Lee, *China's Economic Engagement with Southeast Asia: Thailand*, op. cit., p. 15.

⁶¹ For trade statistics, see Bank of Thailand website, available at <<https://www.bot.or.th/Thai/Pages/default.aspx>>.

shells across their land border — whenever the Vietnamese military violated Thai sovereignty during pursuit operations against Khmer Rouge guerrillas who were resisting Vietnam’s occupation. In return, Thailand facilitated the delivery of Chinese weaponry to the Khmer Rouge.⁶²

China also helped provide Thailand with the means to resist Vietnamese aggression. It was during the Cambodian Crisis that Thailand became the first ASEAN country to acquire military equipment from China. Beginning in the early 1980s, China transferred to the RTA tanks, armoured personnel carriers, artillery and anti-aircraft guns at no cost or heavily discounted “friendship prices”.⁶³ While Chinese weapons were not as advanced as those supplied to Thailand by the United States, they proved adequate for RTA skirmishes with Vietnamese forces along the border. In 1989, Thailand ordered six frigates from Chinese shipyards, thereby becoming the first ASEAN country to buy naval vessels from the PRC.⁶⁴ Following Vietnam’s withdrawal from Cambodia in 1989, and the international peace agreement that ended the conflict a few years later, defence cooperation between Thailand and China decreased, although the two sides continued to exchange high-level military delegations throughout the 1990s.

Under Prime Minister Thaksin, military-to-military ties surged. In 2001, Thailand became the first ASEAN country to establish annual defence and security talks with China. This was a critical development as it paved the way for closer military cooperation between the two countries in three important areas: observation of each other’s exercises; resumed Chinese arms sales to Thailand; and combined training and exercises. Beginning in 2002, Chinese military observers began to attend the annual Cobra Gold exercises, while Thai officers were invited to observe major PLA drills. In 2001, Thailand agreed to purchase rocket-propelled grenades from China, and a year later placed an order at a

⁶² For more details see Ian Storey, *Southeast Asia and the Rise of China: The Search for Security* (Abingdon, Oxon: Routledge, 2011), pp. 129–30.

⁶³ *Ibid.*, p. 130.

⁶⁴ *Ibid.*

Chinese shipyard for two Thai-designed offshore patrol vessels which were delivered three years later.⁶⁵ In September 2005, in another first, the Thai armed forces became the first Southeast Asian military to conduct a combined training exercise with the PLA: a landmine clearing exercise along the Thai-Cambodian border. In November 2005, the Thai and Chinese navies conducted a combined training exercise in the Gulf of Thailand.⁶⁶

The 2006 coup did not disrupt the development of Thai-China military ties. Indeed Beijing sought to take advantage of the fissure the coup had created in U.S.-Thai relations. Following Thaksin's ouster, the United States suspended US\$24 million in military aid. Declaring the coup to be Thailand's internal affair, Beijing immediately recognized the new military government and offered US\$49 million in defence credits. These credits were later used to purchase Chinese-manufactured C-802 anti-ship missiles which were deployed on the frigates Bangkok had received from China in the early 1990s.⁶⁷ The pace and scope of Sino-Thai military exercises was also stepped up post-Thaksin. In July 2007, Thai and Chinese Special Forces undertook jungle warfare training and other activities in Guangdong Province, China — the first time Chinese Special Forces had exercised with a foreign counterpart.⁶⁸ A follow-up Special Forces exercise was held a year later in Chiang Mai, Thailand, and a third in Guilin, China in 2010.⁶⁹ In the same year, the Thai and Chinese armed forces achieved another first when Marines from the two countries participated in a combined exercise in the Gulf

⁶⁵ Ibid., p. 139.

⁶⁶ Ian Storey, "China Bilateral Defense Diplomacy in Southeast Asia", *Asian Security* 8, no. 3 (September–December 2012), p. 303.

⁶⁷ "Cabinet nod for B7.7bn to buy arms equipment", *Bangkok Post*, 26 September 2007.

⁶⁸ "China, Thailand stage combined training of special troops", *Xinhua*, 16 July 2007.

⁶⁹ "Thai-Chinese special forces launch anti-terror combined training", *Xinhua*, 11 July 2008; "Experts: Sino-Thai joint drill serves to frighten terrorist forces", *People's Daily*, 12 October 2010.

of Thailand.⁷⁰ A second Thai-China Marines exercise took place in May 2012 in Guangdong.⁷¹ Under Prime Minister Yingluck, bilateral military cooperation continued to expand into new areas. Since 2007 the two sides had been discussing defence industry cooperation, but it was not until April 2012 that agreement was reached to jointly manufacture multiple rocket launchers.⁷² In February 2014, at the invitation of the Thai armed forces, 25 PLA personnel participated in the HA/DR component of Cobra Gold.⁷³

Post-coup, Thailand's generals have increased the momentum of defence cooperation with China. Two developments in particular are worthy of attention. The first is the expansion of exercises to include training between the Thai and Chinese air forces. Agreement in principle to conduct combined air exercises was reached in 2012, and since then the two sides have been engaged in preparatory planning for this complex undertaking. Thai and Chinese air force pilots have been familiarizing themselves with each other's fighter aircraft, the Gripen and J-10 respectively.⁷⁴ According to the *Bangkok Post*, the Thai air force's decision to use Swedish-built Gripen jets rather than U.S.-supplied F-16s is because the former, like the J-10, are 4.5th generation aircraft while the latter are 4th generation.⁷⁵ However, a more likely explanation is that the Thai air force is almost certainly restricted under the original terms of the contract signed between the United States and Thailand from using its F-16s to exercise with countries such as China due to U.S. sensitivities. The Thai-China air exercises — codenamed Falcon Strike 2015 — took place from 12 to 30 November 2015 at the Korat Royal Thai Air Force

⁷⁰ Richard S. Ehrlich, "Chinese train with Thai forces for the first time", *Washington Times*, 27 October 2010.

⁷¹ "China, Thailand begin joint military training", *China Daily*, 11 May 2012.

⁷² Wassana Nanuam, "Top brass China visit secures joint missile deal", *Bangkok Post*, 28 April 2012.

⁷³ Tan Hui Yee, "China makes modest debut at Cobra Gold", *Straits Times*, 12 February 2014.

⁷⁴ Wassana Nanuam, "Prawit pushes new era of military ties with Beijing", *Bangkok Post*, 2 April 2015.

⁷⁵ *Ibid.*

Base, and were the first between the PLA-Air Force and a Southeast Asian air force.⁷⁶

The second, perhaps more significant, development is Thailand's decision in principle to purchase of three submarines from China. The RTN has been keen to acquire a submarine capability since the early 1990s, not because there is a compelling strategic rationale but mainly, it seems, in order to keep up with the submarine acquisition programmes of neighbouring countries. Over the past decade, some of Thailand's ASEAN partners have acquired, or started the process of acquiring, some very impressive subsurface assets. Singapore currently operates six refurbished submarines that previously belonged to Sweden and has ordered two new vessels from Germany; Malaysia has two French-built *Scorpene*-class submarines; Vietnam has taken delivery from Russia of four *Kilo*-class submarines with two more on order; and Indonesia has ordered three *Chang Bogo*-class submarines from South Korea and is considering buying at least two *Kilos* from Russia.

However, the high cost of submarines and related port infrastructure has been an obstacle to the RTN's submarine ambitions. In 2008, in an effort to advance defence cooperation between the two countries at a time of strained U.S.-Thai relations, Beijing offered to sell Bangkok two refurbished Type 039 *Song*-class submarines. The RTN rejected the offer because the vessels were not as technologically sophisticated as the submarines being inducted by other Southeast Asian navies.⁷⁷ Nevertheless, even as the Thai navy began looking at other options (mainly German and South Korean), the door to a Chinese submarine sale remained open, especially as China offered to train Thai sailors at the Qingdao Submarine Academy.⁷⁸ Following the 2014 coup, China pushed harder for a deal by offering the RTN upgraded capabilities in the form of three brand new S-26T diesel-electric submarines — an export variant of

⁷⁶ “Chinese, Thai air forces to hold first joint exercise”, Reuters, 11 November 2015.

⁷⁷ Ian Storey, “From Strength to Strength: Military Exercises Bolster Sino-Thai Relations”, *China Brief* XII, Issue 12 (22 June 2012).

⁷⁸ Wassana Nanuam, “Defence brass raise scope on sub training”, *Bangkok Post*, 30 April 2015.

the Type 039A *Yuan*-class which is an improved version of the *Song*⁷⁹ — for US\$1.03 billion. According to media reports, the submarines are to be equipped with air-independent propulsion (which allows the vessels to remain submerged for longer periods of time), and that China’s offer included combat systems, crew training, technology transfers, a two-year warranty and generous repayment terms over seven to ten years.⁸⁰

When the deal was announced in June 2015, however, both Thai and foreign defence analysts questioned the strategic rationale of the proposed acquisition.⁸¹ Thailand has no major territorial or maritime boundary disputes with its neighbours, and does not have any strategic rivals in Southeast Asia or beyond. While Thailand faces a host of transnational security issues, such as people, drugs and arms trafficking, submarines are unsuitable for addressing such threats. Nor are they appropriate for HA/DR operations. Submarines would also be of no utility in the Thai military’s ongoing conflict in the Far South with Malay-Muslim separatists. Questions have also been raised whether the submarines can operate in the relatively shallow waters of the Gulf of Thailand.

Criticism led to a postponement of the deal as Prime Minister Prayuth asked the RTN to justify the acquisitions. The navy responded with a nine-page document which argued that it needed submarines to protect the country’s maritime economic interests, including resources, transportation and tourism.⁸² The paper also noted that Thailand was lagging behind its neighbours in terms of submarine capabilities, and the Chinese deal offered the best technology at the best prices.⁸³ The RTN’s

⁷⁹ Christopher P. Carlson, “Inside the Design of China’s Yuan-class Submarine”, *USNI News*, 31 August 2015.

⁸⁰ “Navy releases document on why it needs submarines”, *The Nation*, 31 July 2015.

⁸¹ See, for instance, Wasamon Audjarint, “BT36 billion procurement?”, *The Nation*, 4 July 2015; and Supalak Ganjanakhundee, “Submarines for what? We face no major threats”, *The Nation*, 8 July 2015.

⁸² “Navy releases document on why it needs submarines”, *The Nation*, 31 July 2015.

⁸³ *Ibid.*

weak rationales failed to convince sceptics. However, if —a formal purchase agreement has yet to be signed — the sale goes ahead, this will be by far Thailand’s biggest defence acquisition from China to date, and will bring the navies of the two countries into a very close relationship for decades to come. As such, it deals another setback to America’s Asian rebalance.

CONCLUSION

Since the early 1970s, Thai perceptions of the PRC have undergone a dramatic transformation — from existential threat to one of the Kingdom’s most valuable and reliable Great Power partners. Over the same period of time, and especially since the end of the Cold War, Thai perceptions of the United States have also shifted, albeit less dramatically. America became much less important to Thailand as the strategic rationales for the alliance dissipated, China’s economic power grew and domestic political strife put bilateral relations under great strain. The May 2014 coup has catalysed these trends.

The United States and Thai officials still emphasize the importance of their 182-year old partnership. But the gap between rhetoric and reality is widening. Political relations have nosedived as the junta has arrogated itself sweeping powers, curtailed fundamental freedoms and repeatedly deferred fresh elections. Washington has said that relations cannot return to normal until democracy is restored. Thais accuse Americans of political hypocrisy and double standards. Moreover, for Prayuth and his supporters, political stability and entrenching the power of traditional elites at a time when the country’s revered monarch is ailing, takes priority over everything else, including relations with its treaty ally.

The coup has had a deleterious impact on U.S.-Thai military cooperation, the central pillar of bilateral relations. Washington has suspended strategic dialogue with Bangkok, withheld military aid and downsized combined exercises. Reduced defence cooperation and restricted access to Thai military facilities poses an impediment to the Obama administration’s Asian rebalance, as America’s military-to-military relations with other countries in mainland Southeast Asia are severely constrained, despite recent improvements with Vietnam and

Myanmar. In any case, Thai governments, whether civilian or military, have shown little enthusiasm for the pivot because of perceptions that the strategy is essentially designed to contain the PRC and Thai participation would be inimical to Thai-China relations. Bangkok is not even interested in joining the TPP, the pivot's economic plank. And unlike some of its ASEAN partners who have overlapping claims with Beijing in the South China Sea, Thailand does not view the PRC as a strategic threat. Thus, since the rebalance was announced, alone among America's alliances and partnerships in the Asia-Pacific region, U.S.-Thai relations have deteriorated.

In stark contrast with Thai-U.S. relations, the positive trajectory of Thai-China relations has accelerated since May 2014. The PRC has remained largely silent on Thailand's internal affairs, and this has allowed the two countries to focus on strengthening economic ties and military cooperation. The "rice for rail" deal brokered by the Yingluck government is back on track, combined air force exercises have taken place and if the junta follows through on its decision to buy three submarines from China, Thailand will become the PRC's closest defence partner in Southeast Asia.

In the short term, the prospects for U.S.-Thai relations are less than encouraging. The NRC's rejection of the draft constitution in September means that the junta will retain power until at least 2017 and, given the army's clear ambition to remain the supreme political arbiter, conceivably much longer. Continued deferment by the Thai military of popular elections will put bilateral ties under further strain. Cobra Gold, the annual drills that underpin the alliance, could be reduced to symbolic exercises or even cancelled altogether. Other areas of U.S.-Thai cooperation which have not been affected by the coup, such as intelligence, counter-terrorism, counter-narcotics and law enforcement, could also suffer.

Medium to long term, the path of U.S.-Thai relations remains very uncertain. Despite positive views of China, the Thai elite do not want to become dependent on the PRC — and nor do they wish to see the country's relationship with America completely atrophy. This suggests that at some point Thai leaders will seek to restore balance to their geopolitical relations with Washington and Beijing. In the present situation of

military rule, however, achieving that balance will be difficult, perhaps even impossible, to achieve. As such, Thailand's relations with America will remain stalled, while the Kingdom's cooperation with China enters a higher gear.

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