

**Changing Relations in a Brave New Asia:
China, Thailand and the US**

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Abstract

You cannot begin to understand the wellsprings of Thailand's apparent drift toward China without understanding that the international system has changed from American dominance to a multipolar Asia. There is an active competition in Asia for superiority among China and the U.S. and Japan and, in the near future, India. The existence of this competition has given new freedom of maneuver to countries like Thailand, Myanmar, Malaysia and the Philippines. A multi-polar world is more fluid, competitive, and potentially more dangerous, and the US should not be surprised when Korea, the Philippines, Thailand, Malaysia, and Burma try to maximize their national outcomes in the more competitive international system.

From 1855 to the present, Thailand has had the most successful foreign policy in Southeast Asia. Thai diplomacy allowed it to avoid direct colonization, damage during World War II, backlash from being on the losing side in the Second Indochina War (1959-75), and the possibility that Vietnam's occupation of Cambodia (1978-1991) might have become permanent. At present, Thai diplomacy is being adjusted to the rise of China while maintaining Thailand's military security treaty with a more distant America.

Throughout the past 160 years Thailand has maximized its national interests even while being militarily and economically weak. It has done this through astute diplomacy, convincing a succession of major emerging powers that Thailand was standing with them, when in fact, Thailand always cultivated

relations simultaneously with the opposing coalitions of powers. Thailand always hedges rather than wholly committing itself to any emerging power or coalition, and this is exactly what Thailand has been doing with China and the U.S. during the 21st century. China today will be told, and Americans today may mistakenly believe, that Bangkok is bandwagoning with Beijing. As a small and militarily weak nation Thailand must live by its wits as it confronts the emergence of China while continuing to cultivate the Americans to determine whether the Yanks will remain in the game.

What do Thai foreign policy achievements look like over the last 160 years?

- Thailand did not become a colony like Burma, Laos, Cambodia, Vietnam, Malaysia, Singapore, and Indonesia.
- Thailand allied with the wrong side in World War II and declared war on the United States, but escaped foreign occupation or designation as a defeated Axis power.
- It became deeply allied with the United States from 1954 to the end of the Vietnam War in 1975, but escaped serious retribution from having been on the losing side.
- When Vietnam invaded and occupied Cambodia (1978-1991), Thailand felt its vital interests threatened. Thailand rallied ASEAN and the UN General Assembly to condemn the Vietnamese, and orchestrated a Chinese-supplied insurgency that inflicted enough casualties on the Vietnamese to convince Vietnam to withdraw “from its own Vietnam” in Cambodia.

How did the Thais attain all of these outcomes? At no point in time did Thailand achieve its ends by generating and applying its own military power. The underlying principles of Thai foreign policy for the last 160 years have been:

- Maximize Thai national sovereignty by being self-confident but non-confrontational and by channeling more powerful external forces to attain Thai national ends.

- Neither ideological commitments, nor friendships with other nations, are permanent. Only Thai national interests are perennial and alliances must be changed to accommodate shifts in the international balance of power. An axiom of Thai foreign policy is: always accommodate a rising power but never so completely as to eliminate Thailand's ability to shift in the opposite direction.
- In maintaining sovereignty, Thailand can act boldly when an opportunity presents itself. However, when confronted militarily, Thailand has acted non-confrontationally. During the colonial era it resisted politically when it could, crawled when it had to, but preserved its sovereignty when all others lost theirs. When Japanese troops landed in Thailand on December 8, 1941 Thailand sided with the rising power (Imperial Japan) but while taking other actions to convince the US government to ignore Thailand's declaration of war.
- Keep Cambodia out of the hands of those who govern Vietnam (Vietnam in 1978-91 or the French before them). Utilize outsiders, such as China and the United States, simultaneously to further Thai national interests along the easily penetrated Thai-Cambodian border.

There are several popular interpretations of Thai foreign policy:

- Thailand has "a bamboo foreign policy tradition;" bamboo bends with the wind but never breaks;
- Thailand is completely without scruples; it bends before the wind even gets there;
- When Thai national sovereignty is fundamentally threatened, as it was when the Vietnamese army stationed itself along the Thai-Cambodia border (1978-90), Thailand must stand its ground. Thailand rallied ASEAN, China, and the US to protect Thailand's interests rather than building up its own army to do the job. As former Prime Minister Seni Pramoj said to me in 1978, "Karl, when you get back to Washington tell them we

Thais are brave, we will fight to the last Cambodian.” There was nothing bamboo about Thai policy toward ending the occupation of Cambodia, but it still relied on its ability to mobilize and manipulate the resources of outside powers.

The Thai Tilt to China

Thailand has been adjusting its policies toward China ever since 1975 when it began to see China, in all its enormity, begin to develop, first economically and then militarily. In Thailand regimes and constitutions come and go. But Thailand persistently hedges its bets, by tilting toward whatever power is emerging in Asia (once Great Britain, subsequently the U.S., and now China) but without abandoning relationships with other powers who might be needed to preserve Thai sovereignty in some future scenario.

Thailand’s economic interactions currently favor leaning toward China because two-way trade with China is nearly twice as much as its two-way trade with the United States. One Belt One Road offers infrastructure projects from China that it cannot attain from the United States. Thailand is purchasing more weapons from China than it ever has before, and it is increasing its involvement with China in military exercises. But we should remember we have seen all of this before. Thailand has agreed to build three submarines in China, rather than in Sweden, Germany or the United States. In 1938-39 Thailand acquired four submarines from the then emerging Pacific power, Imperial Japan. These subs never saw military action and were sold as scrap in 1953. Then, as now, the non-military functions of the submarine deal are economic and political, incentivizing particular Thai naval officers to sustain an army-led government in Thailand.

What does China want from Thailand?

In Myanmar and Thailand, China wants to draw these smaller but strategically placed countries into China's economic, diplomatic and cultural orbit. It wants to displace the United States as the most influential outside power in Southeast Asia. The China Dream includes using massive infrastructure projects, military sales, and the soft power advantages of access to higher education in China to accelerate Thailand's movement out of the American orbit. China has, since 2012, significantly weakened ASEAN's diplomatic identity, and China wants to displace Thailand's ASEAN-centric regional identity.

From 1945 to the end of the Cold War, the Pacific was virtually a U.S. lake. The US supplied the security structure through a series of bi-lateral alliances. At substantial cost, the US-provided security structure supplied the peace that enabled the Asian economic miracle. American-supplied security, free trade, and access to the American marketplace facilitated the greatest explosion of economic growth mankind has ever witnessed. Since the mid-1970s, the world has witnessed the greatest expansion of wealth, in the shortest time, in the history of mankind, and most of this took place in Asia. First Japan, then Korea, Taiwan, and Hong Kong emerged. These countries were then followed by the Southeast Asian economic tigers: Singapore, Malaysia, Thailand and Indonesia, and lately even the Philippines. When I first went to Southeast Asia as a young graduate student in the late 1960s these places were war-torn, backward and impoverished. Now Southeast Asia has been mostly at peace since 1993 and it has become unrecognizably prosperous. Almost no one would have predicted in the 1960s a peaceful Southeast Asia generating an annual combined GDP of USD \$2.4 trillion for its 640 million inhabitants in 2016.

China, from the 1950s through the late 1970s, was a negative factor, known mainly for exporting revolution or for following utterly wrong-headed Maoist macro-economic models that sustained poverty and cultivated economic and social catastrophes like the Great Leap Forward and the Cultural Revolution. The giant in the North was to be feared, but not emulated, respected primarily

because of what China might do to you, not for what you might learn from it. China armed and trained rural insurgents capable of threatening weak and impoverished governments in Burma, Malaya and Singapore, Indonesia, Thailand, South Vietnam and Cambodia. As Mao said, "China had stood up" but she was mainly a negative example of what to avoid: isolation, low growth, troublesome politics, and interference in internal affairs.

A combination of events changed the US, China, and Southeast Asia, and, at the end of the day, weakened the relative position of the United States in Asia, both economically and militarily. The United States abandoned its ill-fated nation building efforts in South Vietnam, Cambodia, and Laos in 1975 and exited its military bases in the Philippines in 1993. The Association of Southeast Asian Nations came into being in 1967 after the fiery, expansionist President of Indonesia, Soekarno, was pushed out of power by the subdued and non-expansionist, Suharto. The unification of Vietnam and the ASEAN principle of non-interference in the internal affairs of member states calmed the borders of Southeast Asia.

The ideologically driven Mao Tse-tung died in 1976 and was replaced by Deng Xiaoping, the pragmatic developer. With the exception of Vietnam's invasion and occupation of Cambodia in 1978 and China's six-week invasion of northern Vietnam in 1979, Southeast Asia, once known as the Balkans of Southeast Asia, was becoming more peaceful and beginning rapid, export-led expansion. Under Deng, China entered the outside world and stopped trying to export revolution to Southeast Asia. China adopted state centered but export led growth that brought astonishing levels of economic growth and social change under an unapologetically authoritarian one-party state. Although history supposedly ended with the end of the Cold War with the dominance of liberal democracy and market capitalism, apparently the Chinese "didn't get the memo." China's combination of authoritarian rule and state-led, market-driven growth began to fascinate Southeast Asia. China made itself even more attractive to Southeast Asia by generating unprecedented demand for Southeast Asian commodities. When

explosive growth began to dominate the largest country in the world, the smaller nations of Southeast Asia began to understand that China was more of a prospect and less of a problem.

When the Cold War ended with the implosion of the Soviet Union, the United States seemed like the only power in the world, a Rome-like colossus poised to dominate world affairs for an indefinite period. The unipolar world, if it ever really existed, died from the combination of American exhaustion in Iraq and Afghanistan and the rapid economic growth of China, and China's modern military power. Over the last three hundred years, all nations that have experienced sustained and rapid economic expansion have immediately built serious power-projection capabilities: Great Britain after the industrial revolution, Germany after its unification, Japan in the late 19th and early 20th centuries, and now China is doing so in the wake of attaining status as the second largest economy in the world. Just as rapid American economic growth in the late 19th century created the Great White Fleet and German industrialization made possible a fleet of dreadnaughts, China's double digit economic growth fed China's military expenditures and its nationalist dream of dominating all waters near China, including the South and East China Seas.

US Policy Moving Forward?

- The uni-polar world is gone and the US needs to recognize that its capacity to compel conformity from alliance partners has already declined, that its regional monopoly of force is seriously eroded and that it must concentrate on our central national security missions. This means ratcheting down, but not abandoning, the emphasis on human rights and democracy building that came to dominate US foreign policy during the unipolar interval. The US must recognize that the era of unusual American predominance (under Clinton, George W. Bush, and Obama) has passed and that it needs to rebuild its now faded Southeast Asian alliance system. The multi-polar balance

of power will require bidding for support from undemocratic or even unsavory partners with whom the US would not have trifled during the period when it thought history had ended.

- Be patient and allow China to overplay its hand. Myanmar, under military rule, was perceived by outsiders as a virtual satellite of China. China supplied all of Myanmar's weapons and foreign assistance as well as much of its legal economic trade. Chinese State Owned Enterprises (SOEs) provided the engineering know-how and capital to plan and undertake infrastructure projects, some of which were completed while others like the massive Myitsone dam project alienated people at both the local and elite levels. Myanmar resolutely refused "to stay bought" and took advantage of the more fluid multi-polar world to move out of China's orbit.
- Keep as many bi-lateral US-Thai relationships alive as possible. It is particularly important to maintain US relations with the Thai military elite which, whether the US likes it or not, has run Thailand for most of the years since the 1932 abolition of the absolute monarchy.
- USAID funded scholarships should be re-instituted on a large scale, perhaps 50-100 per year to Thailand. At their high point in the late 1950s thousands of Thai officials were brought to the US for training and this American soft power profoundly influenced positive US-Thai relations for several generations.
- Much to US dismay, the Thai military again dominates political power but the US should not confront Thailand publicly over its system of government. Most Thais perceive US public criticism as an affront to Thailand's national sovereignty. The U.S. government should send its best to Thailand. US officials should be instructed to support a return to democracy in private, but refrain as much as possible from public criticism. The US

should underline its confidence in Thailand's ability to resolve its domestic political difficulties. The US should look forward to Thailand's return to democratic rule but at a pace that is Thai-prescribed rather than American-prodded. Criticizing Thailand in public is simply counter-productive to US national security interests, and US public criticism is a boon to China.

- Encourage Japan to compete with China in supplying infrastructure grants and low cost projects to Thailand. Burden sharing is an established principle in the US-Japan security arrangement and Japan should be encouraged and praised publicly for expanding its infrastructure foot print in Thailand.
- This is no time to retreat from involvement in Asia. The US should fill the gap created by withdrawal from TPP. If the US immediately completed a bi-lateral trade agreement with Japan (creating the largest consumer market in the world) and made it open to other TPP nations to join it, the US could again exercise economic predominance and remain in the game in Asia.
- Above all, do no harm. Lose no opportunity to express confidence in Thailand and in the history (and mythology) of positive US-Thai relations.