

CHAPTER 7

Thai Security Outlook in the Great Game of Mainland Southeast Asia

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Introduction

The intensification of ongoing geopolitical and regional trends, underpinned by a growing rivalry between China and the United States on the one hand and exacerbating maritime tension between China and several ASEAN states on the other, continues to shape the contours and directions of Thailand's security outlook. Immediate neighbours along the borders are still foremost among Thai security concerns. In addition, the virulent conflict between the Thai state and the Malay-Muslim ethno-nationalist insurgency in the country's deep south persists as one of the deadliest internal conflicts in the world. Equally intractable but more consequential, is Thailand's other internal conflict—its national crisis and confrontation revolving around the contested aftermath of a long and successful royal reign. Border concerns and internal conflicts notwithstanding, Bangkok's security outlook has increasingly adjusted to the geopolitical tussle in the South China Sea, the growing divergence of interests and positions between maritime and mainland ASEAN states, and the superpower manoeuvres between China's rise and the United States' "pivot" to Asia.

This essay takes stock of the emerging geopolitical realities and imperatives in Thai security, foreign policy outlook, and direction in the context of overarching dynamics in mainland Southeast Asia. The relative and uneasy calm and stability under the government of Prime Minister Yingluck Shinawatra present a timely occasion to reassess Thai security concerns. Unsurprisingly, the Yingluck government has maintained Thailand's traditional focus on concentric circles of foreign relations, first and foremost on immediate neighbours next door and the broader Southeast Asian orbit, to the major powers and the wider regional context. Myanmar's further political opening and economic reforms bode well for Thailand, and are a boon for mainland Southeast Asia and ASEAN more broadly. But prospects emanating from Cambodia bode ill. While the flames over the Preah Vihear Temple have significantly dissipated after Yingluck's election victory (owing to close ties between her brother

Thaksin Shinawatra and Cambodian Prime Minister Hun Sen), the International Court of Justice is set to issue a verdict in late 2013 as to the status of the adjoining 4.6 square kilometres. A decision that favors Phnom Penh at the expense of Bangkok's perceived or real territorial loss may fuel Thailand's domestic crisis, and inflame bilateral relations with adverse repercussions for ASEAN.

Yingluck's Consolidation of Security and Foreign Policies

After 18 months in office following an overwhelming electoral mandate in July 2011, Prime Minister Yingluck has parlayed her solidifying domestic standing for growing international credibility. While her government's foreign and security policy directions are still inchoate and tentative, Yingluck's priority on next-door relationships is clear. Alongside Myanmar's political transition and economic reforms, Thailand's refocus on immediate neighbours has placed a renewed and unprecedented spotlight on mainland Southeast Asia as a beckoning sub-region coming into its own, straddling China and the Indian subcontinent with all major powers and global interests in the chase for its immense potential and prospects.

Yingluck's first several months in office were largely written off as her government was consumed with handling a flood crisis. When Thailand's worst deluge in decades subsided in early 2012, the Yingluck government began to implement its raft of campaign pledges in earnest. These mainly pandered to domestic electoral bases, such as a hike in the daily minimum wage, rice price guarantees, and rebates for first-time purchases of homes and cars. While perennial critics of Yingluck's brother, former Prime Minister Thaksin, labelled these and other "populist" policies as fiscal profligacy, supporters who voted her and Thaksin's Pheu Thai Party to a majority victory cheered on. Largely absent from the cut-and-thrust of Thai politics in Yingluck's first year has been foreign relations and external security concerns.

As her domestic agenda went into motion, Yingluck went abroad more often. Her role in foreign affairs became prominent because the foreign minister, Surapong Tovichakchaikul, is seen more as Thaksin's trusted lieutenant than Thailand's chief diplomat. For the same reason, senior diplomats at Thailand's foreign ministry were more salient in setting policy tone and content. At the defence ministry, Thaksin's close friend Air Chief Marshal Sukhumpol Suwannat has been at the helm more

to manage government-military relations than to chart Thai defense posture and security outlook. The military's top brass were similarly focused on domestic political positioning, and their efforts to subdue the southern insurgency have yielded few results. Security policy was thus largely subsumed under foreign relations. The multifaceted diplomacy of Yingluck's foreign policy apparatus set out to restore key relationships with immediate neighbours, particularly Cambodia and Burma/Myanmar. Yingluck visited both countries early in her administration, Phnom Penh in September 2011, and Yangon and Naypyidaw the following December, and has revisited both countries since.

To be sure, Cambodia was Thailand's most pressing foreign policy priority. The Preah Vihear Temple controversy erupted in 2008 under the administration of Samak Sundaravej, Yingluck's predecessor and Thaksin's then-proxy. Thai-Cambodian relations reached a nadir in 2009-11 under the Democrat Party-led government of Abhisit Vejjajiva. The anti-Thaksin yellow shirts and Abhisit's fiery foreign minister, Kasit Piromya, had been instrumental in the attack against Samak's government for allowing Cambodia's listing of Preah Vihear Temple as a UNESCO World Heritage Site. Prime Minister Hun Sen of Cambodia also contributed to the bilateral controversy and complications by taking Thaksin's side. In 2011, prior to the election, both sides engaged in military skirmishes in the contested 4.6 square kilometres land area where Preah Vihear Temple is located. The clashes claimed more than two dozen lives, scores of injuries, and thousands of displaced bystanders. It was the worst regional conflict since ASEAN's formation 45 years ago. Under Yingluck's helm, in view of the friendship between Thaksin and Hun Sen, the Thai-Cambodian front has regained calm and stability. The bilateral spat has been de-politicised, and the military presence on both sides has been scaled down dramatically. As alluded to above, the next flashpoint is the International Court of Justice's clarification of its 1962 ruling (which awarded the temple but not the adjoining land to Cambodia), a case Cambodia submitted during Abhisit's tenure. If the contested area is adjudicated in Cambodia's favour, the anti-Thaksin columns are likely to go on the march again, renewing volatility, turmoil, and potential violence in Bangkok. Such a decision could also lead to renewed military skirmishes along the border, thereby challenging ASEAN's cohesiveness under its new secretary-general, Le Luong Minh. Despite close ties between Thaksin and Hun Sen, the ICJ verdict could worsen the bilateral relationship and put ASEAN's vaunted aims of an ASEAN Community by 2016

to the test. However, despite the ICJ decision expected in the last quarter of 2013, it is possible that both Cambodia's and Thailand's current governments will try to maintain tension and conflict, and thereby avert a serious embarrassment for ASEAN as long as both the Hun Sen and Thaksin camps are ensconced in power.

Thailand's western front stands in contrast. The Democrat Party-led government did not preside over bilateral turmoil and mayhem, but went along with Burma/Myanmar's opening and reforms following the November 2010 elections. That Yingluck's government has followed suit and broadened this bilateral partnership is attributable to Burma/Myanmar's indispensable role in Thailand's foreseeable economic development. Relations with Burma/Myanmar are remarkably non-partisan in deeply polarised Thailand. Thai dependence on Burma/Myanmar runs the gamut from migrant workers and natural gas import, to drugs suppression. Yingluck has continued and solidified the multibillion-dollar development of Dawei deep-sea port megaproject. The Thai government has effectively assumed a lead role in project financing, design, and development of the Dawei concession, which was earlier awarded to Italian-Thai Development, a heavyweight in the Thai construction industry. Burma/Myanmar increasingly provides an assortment of lifelines for future Thai economic development. Irrespective of Thailand's color-coded political divide, whichever side assumes power is unlikely to put Thailand's most vital bilateral relationship at risk.

Laos and Malaysia to a lesser extent are naturally crucial in Thailand's foreign policy outlook, but they have not figured as central as Cambodia and Myanmar. Laos exports substantial hydropower to Thailand, and is in the process of building the controversial Xayaburi dam which is opposed by myriad rights and environmentalist groups. The land-locked communist state's accession to the World Trade Organisation after 15 years of negotiations and preparations is likely to spur steady economic growth over the next decade and diversify aid, trade, and investment patterns away from China and Thailand towards the rest of the world. Vientiane's WTO accession can be seen as Laos' "coming out" manoeuvre aimed at addressing the imperative of economic development, and to maintaining centralised rule under its communist party. It is a grand exercise in "having the cake and eat it, too," not unlike similar non-democratic regimes in Hanoi, Beijing, and other residual communist states. Engrossed in its own growing political tensions, Kuala Lumpur has maintained stable

relations with Bangkok. Also, Thailand appears in need of Malaysian assistance in the ultimate settlement of the Malay-Muslim insurgency in its southernmost border provinces—one of the deadliest internal conflicts in the world that has claimed more than 5,000 deaths since it flared up in January 2004 under Thaksin’s watch. High-level Malaysian officials have reportedly offered to be a third-party broker, but such efforts thus far have not borne fruits of peace and stability.

The Major Powers in Thailand’s Orbit

Among the countries of Southeast Asia, Thailand holds special and resilient relationships with all of the major powers that are the region’s movers and shakers. While its neighbours have had prickly relations in the recent or distant past with either China or Japan, Thailand is counted as a valued partner through thick and thin by both Beijing and Tokyo, even as it remains a formal ally of the United States. It is these special relationships with the big powers in the constellation of regional relations that Thai policymakers are trying to leverage and harness for Thailand’s role and standing on the global stage in the months ahead.

The formal alliance with the US is the most conspicuous. Bangkok signed on to the Manila Pact in 1954, which established a precursor to ASEAN known as the Southeast Asia Treaty Organisation (Seato), cemented by a joint communiqué between the two countries in 1962 as the Cold War intensified. Established almost 180 years ago, Thai-US relations reached their contemporary apex in June 2003 when former Prime Minister Thaksin visited former President George W. Bush at the White House, and returned with a package of reciprocal benefits. Thaksin enticed the Bush administration to start negotiations for a bilateral free-trade agreement and placed Thailand as a “major non-NATO ally” (MNNA) in exchange for sending Thai troops (mainly in support areas of medical and engineering) to assist in both US-led wars in Afghanistan and Iraq. Thailand also signed onto the Container Security Initiative, and provided exemptions for US personnel in legal cases involving the International Criminal Court. Not since the Cold War in which Thai soldiers fought alongside American GIs in the Korean and South Vietnam theatres, had the Thai-US relationship been so invigorated.

After a military coup ousted Thaksin in September 2006, partly owing to the bilateral trade negotiations which skirted around civil society scrutiny, Thai-US relations became increasingly adrift, held hostage by Thailand's domestic political volatility and turmoil. The Americans have tried during the post-coup period to "revitalise" this bilateral alliance, one of its five major bilateral treaty spokes in East Asia, in both Track I and II endeavours, but thus far to no avail. The Thai-US alliance is certainly not what it used to be, and appears in need of a complete revamp after more than two post-Cold War decades.

China is different vis-à-vis the US. Unhindered by input-output bottom lines and accountability requirements like the Americans, the Chinese have deftly fostered cosy ties with Bangkok. Thai-Chinese relations have warmed to levels unseen since the anti-Vietnam years when Thailand was ASEAN's frontline state in a standoff against the Hanoi-backed Heng Samrin regime in Phnom Penh, a united front that included the Beijing-supported Khmer Rouge. While Thai-Chinese ties have never been estranged since their normalisation and Bangkok's adoption of a one-China policy in the mid-1970s, this subtle but deepening bilateral partnership has never been closer. It is reinforced by the role of the overseas Chinese, who became economically integrated and ethnically seamless entrepreneurs in Thai economic development over the past century. As China towers over the early 21st century, Thailand's natural omnidirectional hedging between the major powers has augured well for the Bangkok-Beijing axis. China was the only major power to recognise Thailand's putsch in 2006, and allowed high-level contacts with coup-appointed government officials. In recent years, the Chinese have sponsored more Thai middle-ranking military officers for training in China than ever. Thai-Chinese ties have been bolstered by annual joint military exercises since 2003, and Thailand was the first Southeast Asian country to host the People's Liberation Army on its territory.

The same can be said of an unprecedented number of Thai students receiving scholarship opportunities to study in China. More Confucius institutes dot the Thai landscape than in any other Southeast Asian country. China also provides sanctuaries and mobility for Thaksin, and a frequent home for Thailand's Crown Princess Maha Chakri Sirindhorn. Much of the recent deepening in Thai-Sino ties was built on the late 1990s, when Thailand's most devastating economic crisis in decades was met with Chinese goodwill in the form of aids and loans, while the US Treasury stood by

in favour of a painful IMF bailout package. For the Chinese, the Thai front is about open-ended relationship-building for long-term strategic gains, rather than short-term convertible benefits. Irrespective of how Thailand's domestic political drama plays out, the Chinese will likely end up on the winning side. Such a long-term view is enabled by the continuity and long periods of stable Chinese leadership, and a top-down authoritarian system that can decide and operate on long-range planning. As a result, a new "CLMT" grouping appears in formation among Cambodia, Laos, Myanmar, and Thailand. The acronym used to be "CLMV," which included Vietnam and denoted new ASEAN members in the 2000s. CLMT, on the other hand, refers to the mainland-based sub-region that is increasingly under China's influence.

To be sure, the US also went along with the Thai coup in its own way, notwithstanding its pro-democracy rhetoric and automatic suspension of IMET (International Military Education and Training program), as WikiLeaks cables have revealed. But ironically, Washington has not reaped the same credit. As a telling example, Thaksin's visit to the US in August 2012 elicited howls of protest and a demonstration in front of the US embassy in Bangkok, whereas his regular appearances in China and Hong Kong were treated as par for the course in Thailand. The request by the US' National Aeronautics and Space Administration to conduct a joint study of climate change with Thai counterparts, which was viewed by anti-Thaksin elements with suspicion, had to be cancelled in June 2012. Thailand has veered towards Beijing for understandable heritage, hedging, and interest-driven reasons, but its relative drift from Washington is a conundrum. Revitalising Thai-US relations first and foremost requires an admission and a prognosis of this drift. Insisting and pretending otherwise, as US officials and diplomats have inclined, is likely to favour Beijing at Washington's expense. It would be beneficial neither to Washington nor Bangkok, which aspires for a balanced footing among the major powers.

Beyond China and the US, Thailand's true and fortuitous friend is Japan. When the region was ravaged by the Second World War, the characteristic disunity of Thai leaders enabled Bangkok to officially end up on Japan's losing side. Unlike their regional peers, Thais harbour no latent ill will from the 1940s towards the Japanese, which the Japanese are aware of. Bangkok is their longstanding economic springboard, a regional headquarter of choice that suits and caters to Japan's interests and preferences. Recent China-Japan tensions have caused a rethink among Japanese

companies and small- and medium-sized enterprises, and more of them are likely to diversify away from China towards Southeast Asia, with a sway towards Thailand for its production and industrial support networks.

Yet other major powers have made growing forays in Southeast Asia. India's two decades of "Look East" policy have made limited footprints, and the recent huge power outage in India has brought Indian strategic wherewithal into doubt. Nevertheless, Thailand has always been close to India on the people-to-people Track III basis. India provides the roots of Thai culture, language, and religion. Thousands of Thai students have been boarding in the Indian foothills for decades, even while New Delhi was more insular and its economy leaning towards socialism. As the "new" Japan, South Korea's impressive rise as an OECD country and growing "middle power" status with soft power projections such as the regionally popular *Dae Jang Geum* television series and the viral *Gangnam Style* YouTube videos, bode well for Thailand. Unlike China and Japan, it is an East Asian country where ordinary Thai passport holders do not need a visa to visit, thanks to Thailand's wartime contribution in the early 1950s. Seoul in the northeast, and Bangkok in the southeast form an ideal geographical partnership of like-minded countries with similar backgrounds. More can be made of Thailand's promising ties with other rising regional middle powers such as Australia, which views Thailand as the most important ASEAN member after Indonesia. Even Russia, a new member of the East Asia Summit, enjoys a special friendship with Thailand dating to the late 19th century when Siam (as Thailand was known until 1939) was in search of powerful European friends to counterbalance European imperialism, particularly France's territorial ambition. As for the European Union, Thailand can count on strong partnerships in trade and investment with key European countries such as Germany, the United Kingdom, and the Netherlands. Even the French, Thailand's arch-nemesis during Siamese years under the colonial threat, do not suffer lasting bitterness among Thais.

Thai leaders are currently cognisant of this optimal and unrivalled mix of major powers relations in Thailand's orbit. But Thailand's international problem is domestic. Until its existential domestic conflict is resolved, Bangkok is likely to underachieve and underwhelm despite its past profile and future potential as an up-and-coming middle power in mainland Southeast Asia.

Mainland, Maritime and Regionalised Southeast Asia

Thailand's re-focus on next-door neighbours and the dynamics and contours of its' near abroad and farther afield enables a different lens to view regionalism. ASEAN is Southeast Asia's regional organisation, and Asia's most durable. It has succeeded in preventing interstate wars from within since its' founding in 1967. ASEAN has reached the pinnacle of its integration efforts in its attempt to forge an ASEAN Community by the end of 2015, resting on the three pillars of ASEAN Political and Security Community (APSC), ASEAN Economic Community (AEC) and ASEAN Socio-Cultural Community (ASCC). The blueprints of these plans are ambitious, and ASEAN is likely to fall short once again in need of a re-launch of its community objectives. But the organisation is likely to be able to maintain its momentum. Owing to historical mistrust in East Asia, the ten-member organisation has proved its staying power as a steer and steward of regional cooperative vehicles, spanning Asia-Pacific Economic Cooperation, the ASEAN Regional Forum, the ASEAN Plus Three, the East Asia Summit, and, more recently, the ASEAN Defence Ministers' Meetings Plus.

But the region of Southeast Asia is moving ahead in the face of regionalist rhetoric and aspirations. Maritime Southeast Asia features states that have locked horns with China over territorial claims in the South China Sea. The Philippines and Vietnam are at the forefront, with Malaysia, Indonesia, and Brunei in support, *vis-à-vis* China. The South China Sea has thus become an arena of tension and conflict, inviting the US as a countervailing superpower to check Beijing's assertiveness, especially in view of the "rebalance" strategy under President Barack Obama's administration. The interests and concerns of maritime Southeast Asian states are divergent from the CLMT, which were either silent or supportive of Cambodia's pro-China stance at the annual regional ministerial meeting in Phnom Penh in July 2012, when ASEAN failed to produce a joint statement due to the insistence of the Philippines and Vietnam to include language on the South China Sea disputes.

On the other hand, mainland Southeast Asia's CLMT are growing as a sub-regional market of more than 200 million consumers where southern China is included. Mainland Southeast Asia, which connects Northeast, South, and Southeast Asia and more than 3 billion people in all, has thus entered an unprecedented period of promise and expectation, revolving around Myanmar's budding transformation

under the leadership of President Thein Sein and opposition leader Aung San Suu Kyi, and Thailand's restored next-door ties. The ongoing infrastructure development in the mainland is increasingly connecting the land routes in all directions, both east-west and north-south. Borders erected during colonial times matter decreasingly as the flows and movements of goods, peoples, trade, investment, and overall development criss-cross the scene. It is a sub-region being wooed, as in the Central Asian great game of the 19th century, with China as the resident superpower and the United States with its staying power, with Japan heavily invested and India as a civilizational cradle. Burma/Myanmar may be where China meets India, but Burma/Myanmar-Thailand form the strategic corridor that could pivot and mould the shape of things to come in the mainland with broader repercussions for the entire Asian landmass.

It appears that maritime Southeast Asia is increasingly leaning towards Washington, whereas mainland Southeast Asia is more influenced by Beijing. Regional discussions and meetings on peace and stability should focus on the ever-elusive and contested regional architecture. A working regional framework must rely on what used to be known as the G-2, namely the China-US relationship. If China can step back on South China Sea claims and the US can reassure Beijing of its benign re-balance, both maritime and mainland would have more common interests under the ASEAN umbrella, which can act as a bridge and linchpin of regional security and stability.

Implications for Thailand's Defence Sector

In view of the foregoing trends and dynamics, Thailand's defence sector will be prioritised and consumed by the country's two internal conflicts and one external tussle on the border with Cambodia. These three conflicts take place amidst geopolitical tension and turmoil besetting the region. The two internal conflicts are the prolonged national political crisis, and the southern Malay-Muslim insurgency, whereas the external conflict concerns the Thai-Cambodian border over the Preah Vihear Temple controversy. For Thailand's defence sector, the two internal conflicts are home-grown and thus far have had little external involvement. The national crisis and confrontation have forced the defence establishment to securitise the monarchy's role in Thai society. Challenges to the monarchy-centred Thai political order have been deemed security threats and suppressed accordingly. The southern insurgency

has taken on a life of its own and become a paramount security priority for Thai defence establishment. Eventually, a negotiated solution will have to be found when the defence sector is more prepared to engage in political negotiations. The Thai-Cambodian tension is a seriously deadly security concern. Lives have already been lost over the temple conflict. The ICJ's decision is likely to produce more tumult both at home in Thailand's domestic crisis, and also in bilateral relations with potential military confrontation. In turn, the likelihood of renewed tension over Preah Vihear will test ASEAN's institutional cohesion and diplomatic skills.

On the other hand, the broader geopolitical and geo-economic competition and rivalry between China and the United States are consequential for Thailand's defense sector. On the stock of bilateral relations, Thailand remains close to Washington after 180 years of friendship and almost 60 years of a bilateral security alliance. But Bangkok's flow of bilateral relations with Beijing is growing thick and fast. Thai diplomatic, political, military, and economic alignment with Beijing appears inexorable. Thus the stock still favors the US, but the flow is more towards China. As a result, Thai diversification of weapons procurement away from Washington towards other countries will continue, including more tanks from Ukraine and fighter jets from Sweden. Thailand's "Cobra Gold" flagship military exercise with the US will continue and expand to include other countries, but more military exercises and activities with China are likely. Yet Thailand's shifting posture from Washington towards Beijing will be a matter of degree and nuance over decades, not a zero-sum equation.