Obama in Thailand: Charting a New Course for the Alliance?

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President Barack Obama’s trip to Thailand on November 18 did not have the “first-ever” historic weight of his visit to Myanmar or even to Cambodia, where he attended the East Asia Summit. However, it reaffirmed a relationship that had been in drift, if not disrepair, for the past five years. This lull in relations had been due to distraction more than dispute: Bangkok had been inward-looking after the 2006 coup and several years of political instability after that, while Washington was focused on countries which posed a greater threat to terrorism and on relations in the region with new momentum, such as Indonesia and Myanmar. The president, accompanied by Secretary of State Hillary Clinton, was preceded by Secretary of Defense Leon Panetta, who visited Bangkok the week before to confer with Thai Defense Minister Sukumpol Suwanatat.

Obama’s visit hit a number of symbolic marks. His audience with King Bhumibol Adulyadej corrected an oversight when President George W. Bush visited Thailand in 2008 but failed to meet with the monarch. His meeting with Prime Minister Yingluck Shinawatra signaled US confidence in the resilience of Thailand’s democratic system, although tensions between pro-Thaksin groups and more establishment elements are far from resolved. Beyond these salutes to Thailand’s leaders, this was Obama’s first visit to a US treaty ally in Southeast Asia. Indeed, with Yangon and Phnom Penh his only other stops, Obama would have slighted Thailand if he had not touched down in Bangkok first.

This diplomatic catch-up was important, but the Obama and Panetta visits also addressed an underlying question in US-Thai relations since the end of the Cold War: what is the purpose of the treaty alliance in the 21st century? One concrete and immediate answer to this question was Bangkok’s announcement that Thailand will join the Proliferation Security Initiative, expanding cooperation in a critical area. However, two other primary “deliverables” offer additional answers to that question—a joint vision statement issued by the two defense ministers and Thailand’s announcement that it will join negotiations to enter the Trans-Pacific Trade Partnership (TPP)—neither of them definitive.

A Vision for a Renewed Alliance? In contrast to other US treaty alliances in Asia—Japan, South Korea, the Philippines and Australia—the US-Thailand alliance has no ongoing legal framework that calls for regular review and negotiation. Instead, the alliance is based on two historic documents: the 1954 Manila Pact, a regional security agreement with the United States and its Asian allies, and the 1962 communiqué between Thanat Khoman and Dean Rusk, then the Thai Foreign Minister and US Secretary of State, respectively. Parts of the Manila Pact remain in force, such as Article V, which requires signatories to “act to meet the common danger” in the event of an attack in the treaty area. (Former Philippine President Gloria Arroyo invoked the Manila Pact to justify the Philippines’ support of US intervention in Afghanistan after September 11, 2001). However, it is less clear that the Thanat-Rusk Communiqué is still operative. While it reaffirmed the US view that the independence and integrity of Thailand was vital to US national interests, its core was “the
firm intention of the United States to aid Thailand...in resisting Communist aggression and subversion,” a threat that is more remote with the end of the Cold War. Moreover, the Thai government considered that the communiqué was abrogated by the Nixon Doctrine, promulgated in the late 1960s, which provided the justification to begin the withdrawal of troops from Southeast Asia. In response, in 1969, Thanat advocated that Thailand move away from the formal treaty alliance with the United States and begin reconciliation with China.

Despite this lack of a binding framework, the US-Thailand alliance has endured, albeit in diluted form. The 2012 Joint Vision Statement for the Thai-US Defense Alliance, subtitled “A 21st Century Security Partnership,” signed by Panetta and Sukumphol, attempts to reframe the alliance in the absence of a mutual major threat that motivated the Cold War alliance. The statement “supports Thailand’s position as a regional leader,” emphasizing such cooperative features as the annual Cobra Gold exercises. It encourages regional cooperation on several non-traditional security threats and on a global level in a variety of sectors, from maritime security to peacekeeping. This runs parallel to a new companion initiative, for the United States and Thailand to work together to promote economic development in targeted third countries. Another section reaffirms the desirability of alliance interoperability, although Thailand’s increasing multinational approach to weapons’ purchases makes that increasingly difficult. Lastly, the statement pledges to maintain a high level of military-to-military exchanges, an area that had fallen off markedly in recent years and was revived only this year with the visit to Thailand of General Martin Dempsey, Chairman of the Joint Chiefs of Staff.

The statement hones closely to Thai interpretations of the alliance, but is more indirect on some US objectives, such as expanded access to Thai bases and ports to support the Pentagon’s strategy of “flexible basing.” However, analysts argue that the statement is not a formal commitment of the same caliber as the Manila Pact and the Thanat-Rusk Communiqué, in that it makes no reference to the criteria for mutual defense. That may be exactly the point: lacking a clear common threat that would require such a firm statement of commitment, the alliance may be moving to address regional non-traditional security threats that affect both countries in a broader context.

The TPP: Push or Pull? In contrast to the Joint Vision Statement, Bangkok’s decision to seek entry into the Trans-Pacific Partnership, announced during Obama’s visit, has more opaque origins. Opinions vary on whether the decision was unanimous across the Thai foreign policy system—it was announced by the Ministry of Commerce—and the extent to which it was pitched to appease Washington. Domestic political opposition has also raised questions of whether the government consulted with parliament sufficiently before the announcement. In any event, the decision marks a move beyond the failed attempt to negotiate a US-Thailand Free Trade Agreement in the mid-2000’s.

The United States continues to be Thailand’s largest export market, and the Yingluck government aims at preserving that status. However, Thai Central Bank officials are nervous about the implications of joining the TPP for Thai capital flows. They believe that the United States will insist on the free movement of capital that will hinder the Thai government’s ability to keep foreign currency flows under control, a problem which helped spark the 1997 Asian financial crisis. Intellectual property rights issues will also be on the table; since the 1980’s IPR issues have been a tumultuous area in US-Thailand trade relations. However, the entry of three new countries into TPP talks this year—Canada, Mexico and Thailand—will slow the negotiations.

In the meantime, as an ASEAN member Thailand will enter into negotiations on the Regional Economic Comprehensive Partnership (RECP), a regional FTA that includes ASEAN, China, Japan, South Korea, Australia, New Zealand and India. There may be considerable overlap between the TPP and RCEP; in the meantime, by participating in both, Thailand will be able to distribute its trade negotiations to include all of its major trading partners in the region.