



## Thailand: Background and U.S. Relations

Thailand is a long-time military ally and economic partner of the United States. The United States operates numerous regional offices from the Bangkok Embassy, one of the largest American diplomatic missions in the world. Bilateral cooperation includes security initiatives and operations, intelligence and law enforcement efforts, and regional health and education programs. These ties endure, but nearly two decades of political turmoil in Thailand, including military coups in 2006 and 2014, have complicated relations. Many observers saw the May 2023 elections as likely to prolong instability, as a reformist party that earned the largest vote total was blocked from forming a government. Srettha Thavasin, a real estate tycoon, became Prime Minister in August 2023, leading a diverse coalition including military parties.

Efforts by successive Thai governments to manipulate political processes and suppress critics have raised questions about Thailand's prospects for returning to full democratic governance, including the peaceful transfer of power and protection for civil liberties. Human rights organizations have alleged numerous abuses, including the curtailment of freedoms of speech and assembly, harassment of government critics, use of *lese majeste* (offenses against the monarchy) laws to muzzle dissent, arbitrary arrests, and a lack of protections for human trafficking victims, laborers, and refugees.

Despite these trends, the United States maintains a military alliance with Thailand. With one of the region's largest economies and possession of key strategic military facilities, Thailand is an important strategic partner in Southeast Asia. As U.S.-China tensions shape regional decision-making, Thailand remains an arena of competition and an important component of the U.S. Indo-Pacific strategy. Congress and the Executive Branch may struggle to reconcile how to express concerns about human rights in Thailand without losing access and influence in the country.

### 2023 Elections

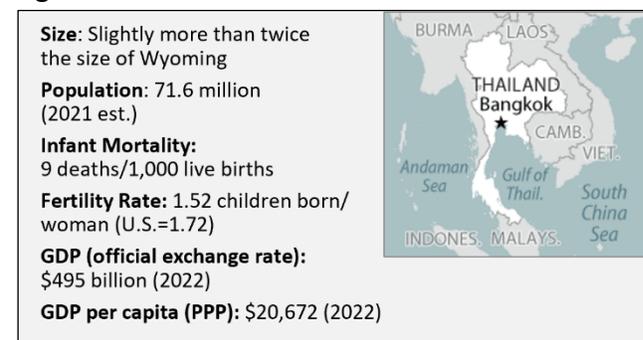
Thailand held elections in May 2023, the first since 2019. In heavy turnout, two reformist parties earned over 58% of seats in the Lower House of Parliament: the Move Forward Party, led by U.S.-educated Pita Limjaroenrat, which advocated for lessening privileges enjoyed by the military and royal palace; and Pheu Thai, associated with former Prime Minister Thaksin Shinawatra, who was deposed in the 2006 coup. Two military-backed parties finished with the third and seventh largest vote totals.

Under Thailand's current military-written constitution, a government is selected by combined vote of the elected Lower House and a 250-seat Upper House, whose members are appointed by the military. In July, an initial vote for a Pita-led coalition government failed. Parliament subsequently voted to void Pita's nomination as Prime Minister, and a constitutional court suspended him from

Parliament for failing to disclose his holdings in a defunct media firm before running for office, a move many observers consider politically motivated. In August, Pheu Thai formed an 11-party coalition, and Parliament approved Srettha as Prime Minister. As part of an apparent agreement, Thaksin returned from 15 years in exile in August 2023. He was immediately arrested on corruption charges and requested a royal pardon. On September 1, 2023, the king commuted his sentence from 8 years to 1 year. Thaksin, 74, currently is being held at a police hospital.

In its early weeks, the new government announced plans to implement a number of populist measures including digital-currency handouts to the public, agricultural and fuel subsidies, and lower public transportation fares.

Figure 1. Thailand at a Glance



Source: CIA World Factbook, 2023, World Bank. Map, CRS.

### Political Divisions and Protests

Thailand remains deeply politically divided, with the potential for more conflict ahead. Broadly, Thailand's political turmoil involves a clash between the political establishment (a mix of the military, royalists, and senior bureaucrats), young Thais seeking a democratic voice, and Thaksin supporters, traditionally associated with less-affluent rural citizens. Pita and the Move Forward Party had garnered the support of Thailand's young, urban voters, who are protesting the denial of their democratic choice. Move Forward's status as the primary opposition raises the possibility of street protests and civil disobedience in the months to come. Similarly, Pheu Thai's ruling coalition, which includes parties from across the political spectrum, may struggle to maintain unity and govern effectively.

Move Forward's call to lessen the monarchy's privileges is a major point of controversy in Thailand. Criticizing the monarch is illegal, and the definition of *lese majeste* has expanded over the past two decades to include even subtle criticisms of the king, palace, military, or government. King Maha Vajiralongkorn, who succeeded his widely revered father in 2019, is reportedly deeply unpopular with the public for his profligate lifestyle and history of capricious and often violent behavior. Since 2020, pro-democracy

protests have been notable for their overt criticism of the monarchy, as well as their support from students from across the political spectrum.

## Security Relations

U.S.-Thai security relations, which date back to the Korean and Vietnam Wars, have long been the highest-profile pillar of the relationship. In addition to hosting military exercises, Thailand provides the U.S. military with access to key facilities, particularly the strategically located Utapao airbase and Sattahip naval base. The U.S. military used Utapao for refueling operations during its campaigns in Iraq and Afghanistan in the 2000s, as well as for humanitarian relief efforts in Asia. U.S. officials say intelligence and law enforcement cooperation remains a priority, particularly as the United States confronts international criminal and drug networks active in the sub-region.

Despite the imposition of foreign aid restrictions under §7008 of annual appropriations measures following the 2014 coup, the United States continued most non-military aid and cooperation, including the large-scale annual Cobra Gold military exercises. The Trump Administration's certification of the March 2019 elections as democratic allowed the resumption of State Department-administered military assistance, including Foreign Military Financing (FMF) and International Military Education and Training (IMET). The Biden Administration has continued IMET and FMF assistance for Thailand, allocating \$2.0 million in IMET funding in FY2021, \$1.3 million in FY2022, and \$2.3 million in FY2023. Thailand also was allocated \$14 million in FY2021 FMF through the Southeast Asia Maritime Security Initiative (SAMSI) and the Advanced Targeting Development Initiative (ATDI) for maritime security and other projects.

## Trade and Economic Relations

Thailand is an upper middle-income country, and trade and foreign investment play a large role in its economy. The economy, heavily dependent on tourism, suffered as a result of the Coronavirus Disease 2019 (COVID-19) pandemic, and GDP contracted by 6.1% in 2020 before rebounding; GDP expanded by 2.6% in 2022. Thailand is the United States' 19<sup>th</sup> largest trading partner and 24<sup>th</sup> largest goods export market. Two-way trade in goods in 2020 was valued at \$48.8 billion, with \$37.6 billion in Thai exports to the United States and \$11.2 billion in U.S. exports to Thailand.

The United States is Thailand's third largest trading partner, behind Japan and China. Thailand is a member of the Biden Administration's Indo-Pacific Economic Framework (IPEF) initiative, which focuses on trade, supply chains, and clean and fair economic growth. It is a member of the Regional Comprehensive Economic Partnership (RCEP) trade agreement that includes Asia-Pacific countries. Thai-U.S. trade discussions have focused on Thailand's poor intellectual property (IP) rights protections and protection and subsidization of its large agriculture industry.

## Thailand's Regional Relations

Historically, Sino-Thai economic relations have been close, with deep trade and investment ties, and defense ties have been growing. As a member of the China-led Belt and Road Initiative (BRI), Thailand is involved in a high-speed railway project that would connect southern China with

several Southeast Asian nations to its south. Observers in Thailand have raised concerns about the project, including questions about its potential profitability and its financial and technical assistance terms.

Thailand's importance for U.S. interests in Southeast Asia stems from its strategic location, its large economy, and its good relations with its neighbors. Thailand was one of five founding members of the Association of Southeast Asian Nations (ASEAN), and it has extensive trade and investment relations across the region. Japan is its largest source of foreign direct investment. Thailand has no territorial disputes with China in the South China Sea and has been viewed as loath to voice opposition to China's claims, despite their impact on its ASEAN partners.

Thailand shares a 1,500-mile border with Burma (Myanmar), and its interactions with Burmese governments over the years have arguably been more intensive than those of any other country. Following Burma's 2021 military coup, Thailand has pursued diplomacy with the Burmese junta, including efforts to provide humanitarian assistance to conflict-affected regions in Burma. Thailand hosts over 90,000 refugees from Burmese internal conflicts over the past several decades, and thousands more who fled after Burma's 2021 coup. Thailand relies on natural gas imports from Burma, and a Thai company is a leading partner of Burma's military-run oil and gas firm.

The Thai government's initial statements about the Burmese coup were mild, and many analysts assessed that Thailand would be one of the Southeast Asian governments least willing to sharply criticize or isolate the military junta. Thailand nonetheless agreed to the unprecedented decision by ASEAN to refrain from inviting Burmese leader Min Aung Hlaing to summits in 2021 and 2022. Thailand's former Foreign Minister reportedly traveled to Burma in April 2023 and met both coup leader Min Aung Hlaing and imprisoned opposition leader Aung San Suu Kyi, seeking to "re-engage" with the parties to seek a peace process.

## Issues for Congress

Since 2014, Members of Congress have introduced numerous resolutions urging the government of Thailand to protect and uphold democracy and human rights, and conducted oversight of the executive branch's implementation of coup-related foreign assistance restrictions, as well as military-to-military engagements. Members have also expressed concern about Thailand's human trafficking record; the State Department's 2023 Trafficking in Persons Report rated Thailand as a Tier 2 nation, indicating the government does not fully meet the minimum standards for the elimination of trafficking as set out by the Trafficking Victims Protection Act of 2000 (TVPA, P.L. 106-386, as amended). As Thailand's current political turmoil evolves, Members may consider how the United States can continue to promote respect for democracy and civil rights, while also sustaining and possibly strengthening areas of bilateral cooperation.

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