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Carl Nelson

Introduction and Summary

U.S. objectives in Thailand remain those listed in last year's policy assessment (A-1023) and numerous subsequent documents. We seek to retain Thailand as an ally which will continue to support our efforts in Southeast Asia, specifically in Vietnam and Laos. We continue to support the government of Thailand in developing its economy and its political institutions, consistent with its own traditions, and in maintaining a capability to defend itself against external aggression and externally directed subversion.

Developments in Thailand in the past year were generally favorable to U.S. policy, though some brought with them complicating repercussions. Externally, Thailand significantly increased its participation in the Vietnamese war by sending combat troops to Vietnam, an action, however, paralleled by growing Thai doubts concerning U.S. staying power. Thailand also continued its pursuit of the longer range goal of regional cooperation and played a leading role in the formation of the Association of Southeast Asian Nations (ASEAN).

U.S.-Thai bilateral relations were marked by the build-up of U.S. military personnel in Thailand to about 47,000. While the build-up proceeded smoothly, the accumulated effect of the presence of such a large number of foreign troops began to be felt, and strains became manifest. Negotiations for a status of forces agreement, begun last May, continued off and on through the year, with prospects for a successful conclusion improving.

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Clearances:
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Domestically, the Thais made tangible progress towards a return to representative government. They held municipal and provincial elections, the first in ten years, and completed legislative work on the draft constitution that has been in preparation since 1959.

These encouraging developments, however, are partly offset by the mixed picture presented by the communist insurgency in Thailand. In the Northeast, the scene of the main communist effort, the RTG has pursued a well-balanced counter-insurgency program, has halted the spread of the insurgency in that area, and has taken a number of steps that should lead to reducing the danger. During the year, however, the insurgency broke out in other areas of the country, most notably in the North towards the end of 1967. The scope of the problem is smaller in the North than in the Northeast, but RTG countermeasures have been less effective, and the communist terrorists have demonstrated greater skill. Most recently, RTG leaders have shown signs of improving their counter-insurgency approach in the North.

External Developments

Vietnam. Thailand, which long had been firmly committed to the Allied effort in Vietnam, significantly increased its direct participation during the past year. In September the RTG sent a first contingent of combat ground troops, the 2,000 all-volunteer Queen's Cobras, who have since achieved a distinguished record. The RTG subsequently agreed to increase the size of its forces to a full division, and following agreement with the U.S. on equipment to be supplied, the additional troops went into training. As of now, the first increment is scheduled to be ready for deployment to Vietnam in July.

Given the security problem within Thailand, the government's action in committing as many troops as it did required courage, and also reflected recognition by Thai leaders that Thailand has a stake in the outcome in Vietnam. This, however, is not the only side of the Vietnam picture as far as Thai-U.S. relations are concerned. The RTG has been afflicted with growing doubts concerning U.S. staying power. These doubts have grown proportionately to the increase in anti-war manifestations in the United States and to the approach of the U.S. presidential election. They reached a peak in early April, following the President's limitation of the bombing and the announcement of his decision not to seek re-election. Subsequent U.S. actions and reassurances, especially the President's conversations with Prime Minister Thanom in Washington, have considerably eased Thai concern.

Thai leaders have stated that they welcome the opening of preliminary talks. They have also made it clear that while they earnestly wish for a peaceful settlement, they see little prospect of achieving an acceptable one in the immediate future. They appear now to believe that the gap between what the U.S. might consider acceptable and what would be acceptable to them is narrower than they had feared. It will be important for the U.S. to remember, however, that while the problem has been temporarily eased, it will continue to exist. Thailand is closer to Vietnam than are we. Its existence is at stake; ours is not.

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Under the circumstances, complete and unquestioning trust in U.S. intentions would be too much to expect. Moreover, from the point of view of Thailand's leaders, their situation is frustrating -- they have no alternative to reliance upon the United States. One hears of a traditional Thai practice of installing replacement leaderships to institute replacement policies, thereby permitting drastic shifts. The present Thai leadership, aside from its understandable reluctance to pursue a policy that will result in its replacement, is also aware that such a technique is unrealistic now. Thailand is too committed, and, besides, Communist China doesn't play the game properly. The choice for Thailand is limited to reliance on American strength, or friendly neutrality or worse towards Communist China. The experience of Burma and Cambodia with the latter approach has not inspired envy among the Thais.

Although the RTG is thus forced by circumstances to continue its reliance on U.S. military power, it does have considerable freedom of maneuver in determining the degree, style and price of its cooperation with us. It cannot, therefore, be taken for granted. In the case of the Vietnam war, the Thais have committed themselves and participated to the degree they have not only in response to their own interests, but also in response to our urging. They therefore will expect their voice to be heard and their needs to be accommodated in negotiating terms for peace.

Regional Cooperation. As the complement to its short-term objective of assisting in halting communist aggression in Vietnam, the RTG continued to pursue its long-range goal of encouraging regional cooperation. Thai efforts achieved a notable success with the formation, at a conference hosted by the Thais in Bangkok in August, of the Association of Southeast Asian Nations (ASEAN). ASEAN, comprised of the ASA partners Thailand, Malaysia, and the Philippines plus Singapore and Indonesia, owes at least something to the patient efforts of the Thais, especially Foreign Minister Thanat, in helping bridge the rift between Indonesia and Malaysia.

The Thai leadership looks upon regional association as the long term key to escaping from total security dependence upon the United States. The Thais recognized that only through cooperation can the nations of the area achieve sufficient strength to protect themselves. They also recognize, however, that the region will be dependent upon U.S. strength for a long time to come, and that regional strength is something for the distant future. They are, consequently, anxious not to jeopardize the existence of the new regional grouping by charging it now with a burden it can not hope to assume for many years, a point they made clear when the press reported at the time of Deputy Prime Minister Praphat's visit to Manila that he had urged a security role for ASEAN.

The Thais also envisage eventual expansion in ASEAN's membership. They had hopes of early accession by Ceylon, and look towards the eventual accession of Burma, Laos and even, granted a suitable adjustment of outlook, Cambodia.

Thai efforts to promote regional cooperation are extremely encouraging, and coincide with our own objectives. Nevertheless, to avoid jeopardizing promising developments by injecting ourselves into what should remain a local picture, we have kept our enthusiasm largely to ourselves and we should continue to do so.

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Bilateral US-Thai Developments. Major developments in our bilateral political relations with Thailand centered on our military presence here, and can be categorized as a bag of mixed blessings. The build-up to a present total of 47,000 military personnel proceeded smoothly but the accumulated effect began to make itself felt, as problems associated with the U.S. presence began to attract Thai attention, especially in the press. Targets for complaint included the alleged threat to Thai culture posed by the GI's, the sordid nature of the strips of brothels, massage parlors, etc. that grew up near bases, red-headed babies (about whom, however, no one has managed to stir up much real excitement), PX and commissary imports diverted to the local market, and, in the last half year, crimes committed, or thought to have been committed, by GI's.

The Mission and the American military authorities have engaged in a program designed to minimize the visible aspects of our military presence. Measures taken include expansion of on-base housing and on-base recreational facilities, control over where military facilities are located, effective orientation programs, etc. These measures can, of course, only minimize friction, not eliminate it. Foreign troops in these numbers in a country with a radically different culture inevitably create some misunderstandings. Moreover, in the case of Thailand, the country has undergone fairly rapid economic growth in the past decade and this has brought with it materialistic changes that have pushed aside some aspects of the traditional Thai culture. Thais who regret this price of modernization can seize on the U.S. military presence as the cause of a process that in fact predated it. However, in general, the atmosphere in Thailand continues to remain hospitable toward Americans, both in and out of uniform. What problems exist are exacerbated by adverse publicity generated by the Thai press. These sensational articles do inject annoying irritants into US-Thai relations. They are not, however, serious in the sense of jeopardizing U.S. policy at this time. Most Thais, especially those in responsible positions, have no desire to see an early and precipitous departure of U.S. troops.

Negotiations for a status of forces agreement reached a virtual impasse in November over Thai reluctance to issue a public document which could be construed as a limitation of Thai sovereignty or a hint of a return to the not-forgotten days of extraterritoriality. When the American side submitted a rewritten, short, "bare-bones" draft, Thai informal reaction was favorable. The Thai government has not yet completed its study of the new draft, but prospects for reaching agreement appear to be relatively favorable.

Meantime, while a SOFA was under negotiation, the RTG began, in the last half year, to exercise jurisdiction over U.S. military personnel. The only formal overall agreement covering U.S. personnel was that of 1950 granting immunity to military assistance group personnel. This agreement is still valid and the Thais still apply it to JUSMAG and certain other subsumed categories of personnel, but not to the more than 45,000 other troops here. We have proposed an understanding on legal safeguards that will apply in cases in which the Thai exercise jurisdiction pending a SOFA, and we appear to be close to agreement on a workable interim arrangement.

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Internal Developments

Progress towards representative government. During the past year the RTG made tangible progress in the direction of its announced goal of returning to representational government. On December 23 the government held municipal elections in 118 towns throughout the country, and on January 14 it held provincial elections. These were the first elections since the 1958 coup. They went off quite smoothly, considering the lack of practice on the part of voters, candidates, and election officials, and they demonstrated significant voter interest. They also demonstrated voter discrimination, since the more meaningful municipal elections drew almost twice as large a participation as did the provincial elections (49% to 27%). The municipal elections resulted in appointed mayors being replaced by elected ones. Elections were not held in the capital area of Bangkok and Thonburi, on the grounds that the government was preparing a law creating a new greater capital metropolis. Subsequently, however, the government decided the new capital administration would require some time to work out, and elections could be held in the meantime. The law authorizing local elections in Bangkok and Thonburi is currently being processed, with elections expected within a few months. Bangkok, too, will then have an elected mayor.

At the national level, the Constituent Assembly completed its work on the new draft constitution. The Assembly, which was formed in 1959 for the purpose of drafting a constitution, was a year ago still at the stage of revising the text after its first reading. The pace then quickened, clearly reflecting high-level agreement within the RTG that the constitution should be promulgated, whatever misgivings individual leaders might have over the prospect. The Assembly then proceeded to complete its second reading in four months, and its third reading in one session. Finally, sitting February 22 as a National Assembly, it voted to pass the constitution to the King, thereby completing all legislative work on the document. The text has since been copied on a single parchment and is ready for presentation to the King, who has stated he will not delay in promulgating it. The constitution calls for national elections, for the second house in a bicameral parliament, to be held within 240 days of promulgation. RTG leaders have suggested that security conditions might necessitate a delay in elections, but have shown no indications of actually planning such a delay.

It seems probable, therefore, that the constitution will be promulgated in the near future, and that elections will follow within the prescribed time limit. Political circles are stirring in anticipation, though the extent to which they can prepare openly is sharply limited by the fact that political activity is still legally banned. An electoral bill and a political party bill have been drafted and are currently being modified to take into account the views of a committee of ex-politicians formed to study them. It is expected that they will be enacted shortly after the constitution is promulgated. Meanwhile, the future political picture is hazy. Government leaders are seeking to lay the groundwork for a party that will support continuation of the present leadership and in the process are wooing ex-politicians of various shades of the political spectrum. The Democrat Party of Khuang Aphaiwong had been considered the only other known factor in the equation. Khuang, conservative, strongly pro-royalist, and fiercely devoted to democratic principles, had maintained some party cohesion during the ten years of no political activity, and the Democrats were expected to be the major non-government party, and to oppose the government. Khuang's

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death earlier this year changed the situation. None of his political heirs can match his stature and political acuity. His death, therefore, will probably reduce the effectiveness of opposition to the government. The communist party will remain clandestine, and the other leftist elements do not seem to have a significant early potential.

In any event, even with the constitution, the present government leadership is unlikely to have its position jeopardized for some time to come, though it might make minor readjustments within its own ranks. The constitution was carefully designed to avoid instability and the legislative branch, consequently, was designed to be far weaker than the executive. The new parliament will have the power to overthrow the government, but this power is more theoretical than actual. The elected house of parliament will, however, perform several important functions that are presently unfulfilled. It will provide a legitimate forum for criticism of the government and consequently for letting off steam. It will provide for the development of political parties. It will give the average citizen the feeling that there is someone in Bangkok to whom he can turn. Also, the constitution provides a legal framework for further democratization in the future.

Implementation of the constitution, therefore, promises a number, though far from all, of the advantages of democratic government, without attendant instability. It thus serves U.S. interests vis-a-vis Thailand. We must be careful, however, to avoid any implication that we are a behind-the-scenes sponsor, an implication that would be both strongly resented and incorrect.

Insurgency. The most serious internal problem facing the Thai government during the past year continued to be communist rural subversion and armed insurgency. The government's efforts to contain and eliminate it met with mixed success, and the threat to long-term Thai stability posed by the insurgency has not diminished. In the last half of 1967 and 1968 overt armed activity erupted in other areas besides the Northeast. In Northeast Thailand, focus of the major communist effort, approximately 1,500 armed insurgents are operating in several provinces from bases in remote, unpopulated hill areas. The government has disrupted insurgent activities to some extent in the Northeast by a combination of village defense programs around known insurgent redoubts, and conventional military operations that keep some communist units on the move, although they rarely result in significant casualties. Accelerated rural development and roadbuilding efforts have begun to have an impact in areas hitherto untouched by any RTG presence, but the well-being of the Northeast is far below that of Thai in some other regions. Formulation of the Northeast Economic Development Plan is a first step toward mitigating this discrepancy, which has its roots in the poverty of resources in the region.

Insurgents in the Northeast continue to avoid armed engagements with security troops, occasionally mounting harassing actions more for psychological than military purposes. Armed activity reached a peak in March 1967 and subsequently declined to a somewhat lower level that has continued since then. Insurgent groups have generally curtailed or halted their open activities in Northeastern villages when some form of permanent government presence, such as a small

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militia team, has been put in place. As far as we can ascertain communist units have generally not been successful in the Northeast in establishing a solid village base of support for more ambitious levels of anti-government activity. There are some indications they may be returning to a more clandestine phase of local recruitment.

In October 1967 the Royal Thai Army command in the Northeast took over primary responsibility under martial law for suppression operations. The immediate threat this posed to cooperation between the three principal elements that had shared responsibility up to then - the police and the civilian structure as well as the military - has abated, due to a strict construction of its mandate by the Army and to the wish on all sides to minimize the visible frictions caused by the change. While there are still serious gaps in coordination between police, military, and civilian officials in the Northeast, the situation shows some improvement, and RTA support for its units operating directly under army command is better than when such units were seconded to a joint forward headquarters.

In North Thailand, a sharp flareup of fighting in districts of two border provinces in November 1967 demonstrated the extent of communist subversion of the hill tribesmen there - chiefly Meo - and produced a serious but localized military threat. Small armed bands have mounted several highly effective attacks on Border Patrol Police and RTA units, and have inflicted numerous other casualties through skilled mining and booby-trapping of trails. The army has shown itself unprepared for combat under conditions in these districts, where rough jungle terrain and ignorance of the local population put it at a disadvantage. The military means used so far to counter the threat in the North have been largely unproductive, and have alienated many otherwise neutral tribesmen. As a result the government is apparently shifting to a policy of recognizing some tribal grievances, and trying to win tribal support as the first step in creating a local capability for self-defense.

Other pockets of insurgency exist in Peninsular Thailand, and the presence on Thai territory of some 800 to 1,000 armed troops of the Communist Malayan National Liberation Army, driven there at the successful conclusion of the Malayan Emergency, continues to pose a threat to Thai sovereignty in the border area.

American policy vis-a-vis the Thai insurgency remains that of assisting the Thai with equipment, training, and advice to enable them to provide security to villages in threatened areas, mount a development effort to improve living conditions in vulnerable parts of the country, and thus to prevent communist insurgency from taking the next step of establishing the extensive village base requisite for more purposeful armed insurgent action.

The demands on Thai resources to combat the Communist threat and to meet the needs for development will strain Thailand's budget and balance of payments, particularly during the phasedown of U.S. military expenditures which has already begun.

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Thailand will require continued material (and financial) support from the United States, the World Bank and other major aid donors to meet this threat. It will also be important to maintain the climate to attract private foreign investment, that has supported Thailand's economic growth. With growing interest of foreign investors in projects related to agricultural development, the private sector can provide major assistance to rural development, including areas presently threatened by the Communists.

U.S. programs in Thailand should continue to focus primarily on counter-insurgency. Our aid program should continue to concentrate on the two parallel fields of aid to the police, to improve the capability of the RTG to protect the villagers, and developmental aid, to improve access to insecure areas, increase the sense of the government's presence there, and start towards removing potential causes of disaffection. Our military assistance efforts should also continue to emphasize the improvement of the counter-insurgency capability of the Thai armed forces. They should, as well, continue to assist the RTG to modernize and increase the effectiveness of its forces for more conventional operations, and to provide for the Thai forces in Vietnam. The RTG, in this connection, would adamantly oppose anything approaching exclusive concentration on counter-insurgency assistance, particularly as they look at the potential threat from across the Mekong as an increasing one.

USIS has been in the anomalous position of devoting more of its resources to improving the image of the RTG than of the USA. This has been necessary, inasmuch as it is clearly in the U.S. interest to see that insurgency in Thailand is countered. This requires a village level psychological and information program, and the RTG has been unable to conduct an adequate program on its own behalf. At the provincial level, particularly in the Northeast, many officials understand the need for village communication and do a great deal of it. However, the information function is not institutionalized and there is no accepted structure and little equipment provision for provincial information work. Further, there is no effective organization for media production and distribution on the national level to support those trying to expound the government message in the provinces. USIS has had to carry the support burden in the provinces and the production and distribution burden from Bangkok. Efforts are being made to turn internal information operations over to the RTG as it can assume them, but the problem of RTG organization for information is extremely complex.

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