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DEPARTMENT OF STATE

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HANDLING INDICATOR

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ANALYSIS BRANCH

TO : DEPARTMENT OF STATE

EA/PM

DATE: May 22, 1967

FROM : Amembassy BANGKOK

SUBJECT : U.S. Policy Assessment

REF : A) 11 FAM 212.3-5
B) Country Assistance Strategy Statement, September 1966

Action Assigned to THAI
Noted
July 3, 67
EA/T

1. Introduction Note

a. The Country Assistance Strategy Statement which comprises pages two through seven of the Country Assistance Program for FY 1968 represents a comprehensive, thoroughly coordinated, mission-wide effort to provide precisely the sort of report required by 11 FAM 212.3-5. The Ambassador personally reviewed and participated extensively in the actual drafting of the CASS and it represents the authoritative stock-taking and policy recommendations called for by 11 FAM 212.3-5.

b. There have been no basic changes in our assessment of the Thai scene since the submission of the CASS in September of 1966. Rather than repeat or paraphrase the CASS submission, we are incorporating that report by reference and supplementing it with the following summary comments as our report to meet the requirements of 11 FAM 212.3-5.

2. Policy Objectives

a. The salient fact of our relations with Thailand is that both Thailand and the United States share the fundamental policy of maintaining with each other a close relationship and alliance. Insofar as Thailand is concerned, this policy flows from the belief that alliance with the United States is the best way to meet Thailand's basic objectives of independence, economic progress and security from Communist aggression.

GROUP 3
Downgraded at 12-year intervals,
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Drafted by: POL:WMWright/JHLong:diw 5/12/67
Clearances: POL:DOrwick (in draft)
ECON:JRFluker (in draft)
OPR:MSpeath
POMIL:WCWalstrom
Contents and Classification Approved by: DCM:NHannah

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b. For the United States, the war in Southeast Asia, focusing on Vietnam at this time, is the dominant fact controlling current American policy toward Thailand. The need for Thailand as a base for our operations in Vietnam and Laos is exigent and, for the duration of the conflict, is the central consideration in our relationship.

c. The broader U.S. interest in Thailand, however, will continue after the Vietnam conflict is resolved, and will continue to require a close and mutually profitable association between Thailand and the United States. We will continue to need a stable and hospitable base for the application of U.S. power in Southeast Asia. We will continue to need the political benefits which flow from an Asian ally sharing and actively pursuing our foreign policy objectives in this area. Not least, we will continue to need Thailand as an example of the benefits which accrue to an underdeveloped country from close association with the United States.

d. Our long-run objective in Thailand, therefore, is to ensure the maintenance of Thailand as a secure, politically stable, and economically progressive ally. Our objectives, therefore, are the same as Thailand's. Stated in the simplest possible terms, our policy is to see Thailand succeed.

3. Stresses in the Relationship

a. Our present activities in Thailand--dictated by the necessities of the Vietnam conflict--are in no way inconsistent with these long-run objectives. We are, in fact, merely realizing fully the benefits implicit in the Thai-U.S. relationship.

b. We are, however, in the posture of a man making full use of his overdraft privileges at the bank. The massive American military presence in Thailand puts strains upon our relationship in that it makes colorable the criticism of the RTG for undue reliance upon and subservience to the United States. The prominent role that Thailand is playing in supporting U.S. policy in Southeast Asia has made it a natural focus for communist counteraction, of which the insurgency in the Northeast is the most explicit and visible example. The RTG's vigorous response to the insurgency, in turn, puts pressure upon the resources available for economic and social development. The American presence in Thailand has led to increasing Congressional and media examination, and inevitably some of it has been critical, to the bitter resentment of Thai officials. Finally, there are those conservative souls who are outraged by the impact of the modern world on traditional Thai social values, and who find in the American military presence an easier target than the cosmos.

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c. None of these factors constitute any immediate or serious danger to the U.S.-Thai relationship. The key to that relationship is the confidence of the Thai Government in the ability and the will of the U.S. to provide the shield and the assistance which Thailand needs to realize its national objectives. Our activities have served to strengthen greatly that confidence and the net effect, therefore, is to strengthen the relationship.

4. What Partnership Is About

a. Our present policies in Thailand continue to be the most effective way of meeting our objectives. Unstinting support of the present government is implicit in our acceptance of their unstinting cooperation in making available to us the facilities we need for our operations in Southeast Asia. It is a fact that the Thai have responded in timely fashion to every request we have made of them relating to our security operations in Southeast Asia. It is only partly true that they have done so because they see our security interests as their own. A reason of at least equal importance is the deep desire on the part of the Thai Government to demonstrate a generous response to their ally's needs. In return they expect a similar response from us.

b. There have been many cynical things said about Thailand expecting a quid pro quo for her cooperation. Undoubtedly she does, that is what an alliance is all about. She has never, however, made her acceptance of an American request contingent upon the return of something of value. The style of our relationship is of the highest importance to the Thai and we must realize this in responding ungrudgingly to their legitimate needs.

5. Economic Assistance

a. The remarkably wise and effective management of the still underdeveloped Thai economy has given Thailand ready access to some world credit markets and made Thailand a relatively attractive place for private foreign investment. The effect of this is to relieve the United States of the obligation for extensive economic assistance of the conventional sort used to stave off economic chaos. Increasingly, the Thai turn to us for assistance only in connection with activities in which they believe we share a common interest. In practical terms, this comes down mainly to matters relating to Thai security.

b. Thailand is being subjected to a concerted and externally inspired campaign of subversion. It is concentrated in, but by no means restricted to, the Northeast. Our response to the Thai requests for assistance with their counterinsurgency program is of the highest importance in the maintenance of our relationship. The Thai do not wish and are not prepared to see the U.S. engaged in actual operations.

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They do, however, recognize the need for assistance, primarily in training and material and advice. They see their insurgent problem as an indivisible part of the Free World's security efforts in Southeast Asia. It was to meet this problem that the Thai-American alliance was created. It is, therefore, incomprehensible to the Thai that we should be anything but responsive to their needs for support of their counter-insurgency activity. For example, the eagerness of the United States Government to withdraw the immensely valuable helicopter support which we provided to the Thai CI effort until February of 1967 was never understood by the Thai, and was finally just accepted as one of those inexplicable products of the workings of the mysterious American mind.

c. The specific programs which flow from the above discussions are set forth in detail in the CASS.

6. Thailand's Regional Role

a. Implicit, and in some cases explicit, in the above description of the congruity of U.S. and Thai objectives in the maintenance of a secure, politically stable and economically progressive Thailand is a similar parallelism of objectives in SEA as a region. The Thai Government, and particularly its able Foreign Minister Thanat Khoman, recognize that these Thai national objectives cannot be attained and preserved in the long run in the absence of Asian regional and Southeast Asian subregional security, politically stability and economic development. Our interests in Asia require the same.

b. Thailand has been and will continue to be a full and vocal SEATO partner. The alliance is regarded as the primary means of guaranteeing the security of Thailand and Southeast Asia by providing the legal and political basis for a continuing U.S. commitment to the area. Thailand has played an active and in some cases initiating role in indigenous efforts to develop regional institutions for political consultation and economic cooperation. It has in addition played the role of mediator in cases of bilateral differences between her Southeast Asian neighbors. Outstanding example of these contributions to its own and our regional objectives can be seen in the formation of ASPAC, the revival and revitalization of ASA, efforts to create a broader association of SEA countries similar to ASA, active participation in regional economic and social organization and conferences such as the ADB, ECAFE, SEAMES and the SEA conference on economic development, and assistance to Indonesia and Malaysia in ending "confrontation". We can expect Thailand to continue its efforts in this direction and the U.S. should provide quiet encouragement while at the same time exercising care not to give the impression of behind-the-scenes dictation or interference in what are basically truly Asian initiatives.

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7. Political Development

a. One factor which deserves separate treatment is the implication for American policy of Thai political development over the next few years. Thailand's government structure is explicitly temporary in that the present administration itself is pledged to return the country, sooner or later, to a representative system of government with an elected parliament. The government has been extremely cautious in approaching the task of honoring this pledge. However, there has been considerable progress within the past year, and it now appears that the Constitution may be promulgated before the end of 1967. This would put the parliamentary elections sometime in 1968. It also seems likely that there will soon be considerable liberalization of the form of local government in Thailand, with municipal elections likely during 1967.

b. It is possible that this timetable will be stretched out. Certainly, there is no great public pressure for a new constitution, and there are many people, within and without the government, who question the wisdom of exchanging Thailand's current stability and progress for the uncertainties involved in a return to a system which has not worked well in Thailand in the past.

c. The government, however, has taken steps to minimize the dangers. The draft constitution now under consideration provides for a strong executive and places legal and procedural safeguards against the excessive domination of administration by parliament.

d. In short, it appears that the Thai Government is attempting to create the kind of legal structure in which a limited representative element can be introduced into the Thai polity without excessive risk to Thai stability. This approach is thoroughly justified in terms of Thailand's past experience. In this mission's view, moreover, it is only this kind of gradual approach which holds any real promise for the future of representative institutions in Thailand. Given the realities of the Thai scene, a precipitate return to full parliamentary government might well prove to be another brief interlude of disorder, risking a reassumption of authoritarian power by one or another power group.

8. The U. S. Posture toward Political Development

a. During the period of transition, whether it comes this year or next, it will be necessary for the United States to behave with great delicacy and discretion. Our whole-hearted support for the present government must not put us into a position in which we appear to be opposed to representative institutions in Thailand, for in many ways the proponents of such institutions are our natural ideological allies. Even more important, however, is for us to avoid giving the impression that whatever liberalization takes place is somehow due to American pressure or influence. All Thai would resent this, and the present government would find it intolerable. It is, after all, almost certain that the present ruling group will continue to exercise the dominant influence upon Thai policy for the foreseeable future.

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b. We do not believe that the kind of political innovations likely to come within the next year or so will endanger the U.S.-Thai relationship nor significantly threaten Thailand's political stability. To the contrary, it seems clear that whatever innovations are allowed will be carefully structured to permit the continued exercise of broad power by the present leadership group, albeit with more public scrutiny and comment. We believe that to be in the best interests of both Thailand and the United States.

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