
Guest Commentary

The illusions of Thailand's 'marketplace' foreign policy

by a Bangkok Observer

In early January, at the invitation of Thailand Prime Minister Chatichai Choochavan, Hun Sen, the prime minister of the Vietnamese-backed government of the People's Republic of Kampuchea, arrived in Bangkok for a visit, although Thailand has no diplomatic relations with the Phnom Penh regime. The subsequent row over the visit that erupted between the Foreign Ministry and its partisans, and the prime minister's office and its supporters, reflects the conflict between the proclaimed "professional experts" of the former and the "spontaneity" and "new thinking" of Chatichai's advisers. Foreign Minister Siddhi Savestila's low-key but persistent fashioning and execution over almost a decade of a reliable and clearly articulated foreign policy has served to reassure Thailand's allies and to prevent misjudgment on the part of her adversaries.

Historically, in style and substance, it is in line with foreign policy principles and conduct that have served the Kingdom of Thailand well since the 19th-century onslaught of the colonial powers, and that succeeded in securing its independence. The major premises of recent Thai foreign and security policy were developed and firmly established under Prime Minister Kriangsak Chomanan (1978-80) and during the first and second governments of Prime Minister Prem Tinsulanond (1980-88), shaped mainly by drawing the consequences of the 1973-75 U. S. withdrawal from Vietnam and the 1979 Vietnamese invasion of Cambodia:

1) While deprived of direct protection by U. S. Southeast Asia-based military forces, a close security relation with the United States was nonetheless maintained and remains a cornerstone of foreign and security policy.

2) When the People's Republic of China signaled cessation of support for the Communist Party of Thailand's insurgency in the second half of the 1970s, the opportunity was grasped to improve relations with the P.R.C., a process cautiously advanced further following the Vietnamese invasion of Cambodia.

3) Close consultation and stepped-up collaboration with ASEAN (the Association of Southeast Asian Nations) was given high priority, the viability and voice of the association being accorded greater international significance and respect as the result of its outstanding economic success.

4) A clear-cut policy of correct relations with the Indo-

chinese nations, in perception of ideological differences, was established and adhered to.

It might be surmised, for example, that Prime Minister Prem's Moscow visit last year reflected the outcome of a determination to probe the real intentions behind Mr. Gorbachov's highly touted new Asian policy initiatives.

However, with the entry of Prime Minister Chatichai and "The Advisers," notably M.R. Sukhumbhand and Messrs. Kraisak and Pansak, virtually overnight and without much consultation with either the foreign minister or senior Foreign Ministry "bureaucrats," a "New Foreign Policy" is born.

A major point in the "new thinking" is prestige ("face"). Chatichai said it still quite carefully in his foreign policy address to the Foreign Correspondents Club on Dec. 22, 1988:

"Thailand has come of age in every respect. We are becoming stronger and more mature, and more self-confident in our strength."

In an interview with *Khao Pises* a few days earlier, adviser M.R. Sukhumbhand was rather more explicit:

"We are much stronger today, our weapons considerably more up-to-date. I think we have become a regional-level superpower, held in awe by regional states. They see that our economic base has become much stronger. Our policy in the past was that of a weak party. . . . We are much stronger now, but the habit of being an underling to other countries makes us forget just how strong we are."

Two substantive points can be discerned: first, turning Indochina from a battlefield into a marketplace; second, a new appreciation of and closer ties with the Soviet Union. Aspects of this were laid out by M.R. Sukhumbhand during a Dec. 13, 1988 panel discussion at Thammasat University. He is quoted by the *Bangkok Post* Dec. 14 as having said that:

1) Previously "Thailand's relations with the Soviet Union [had] suffered because of the Communist superpower's backing of Vietnam. But recently Thailand has looked at the Soviet Union *more as itself* than as Vietnam's backer" [emphasis added].

2) The Soviet Union is assuming a bigger role in solving the Kampuchean problem, so closer ties with the Soviet Union are inevitable.

3) The Kampuchean problem is likely to be solved in a way that satisfies all parties, and the Soviet Union will play the most important role.

Was the Soviets' backing of Vietnam the only reason for problematical Thai-Soviet relations? Does looking at the Soviet Union "more as itself" somehow improve one's evaluation of the Communist superpower—e.g., of its social and economic system? And how and why, exactly, is the Soviet Union likely to "play the most important role" in solving the Kampuchean problem?

In the interest of improving relations with China and of having a freer hand in Europe, the Soviets are putting some pressure on Vietnam. Withdrawal of Vietnamese troops from Kampuchea might also allow the Soviet Union to reduce aid to Vietnam, now estimated at over \$2 billion per year. All this will serve the Soviets well, including Mr. Gorbachov's international image as "peacemaker."

But how does that add up to solving the Kampuchean issue or imply the inevitability of closer Thai-Soviet relations? Vietnamese withdrawal is one necessary ingredient of bringing peace to Kampuchea. But will the Soviet Union then become a major player in Southeast Asia and in the Indochina "marketplace"?

The Hun Sen visit

The extent to which the "new thinking" of the prime minister's foreign policy advisers can wreak havoc with a difficult foreign policy issue, was amply demonstrated by the visit of Premier Hun Sen. The visit came at a time when the course toward a Kampuchean settlement had been mapped out and progress was being made at a satisfactory pace. Predictably, Hun Sen's visit caused consternation and angry reactions among Thailand's allies.

The Second Jakarta Informal Meeting (JIM-II) of all parties to the Indochina conflict, scheduled for early February, was put in doubt and had to be put back together in a series of hurried consultations: Kampuchea's Prince Sihanouk, agreed by all parties to be crucial to a settlement, would not attend; China said nothing and, thus, a lot; Vietnamese Foreign Minister Nguyen Co Thach was delighted that Sihanouk might "miss the train," and Soviet Ambassador to Thailand Anatoli Valkov conveyed a message from Soviet President Gorbachov praising "Thailand's decision to initiate direct contacts with Phnom Penh as a bold and far-sighted action and a practical start in implementing Thailand's idea to turn Indochina from a battlefield into a marketplace."

Regional implications

The regional implications of the turn in Thai foreign policy are by no means negligible. Thailand has fared well, over the past 10 years of the Cambodia conflict, by acting in close collaboration with her ASEAN partners. Talk of the "Indochina marketplace" with Bangkok as its banking center, or General Chavalit's even more ambitious "Golden Penin-

sula" (*Souvannaplame*) concept, comprising Thailand, Burma, and the three Indochinese nations, reinforce the suspicion in ASEAN that Thailand is seeking new alliances and fortunes.

Prince Sihanouk, predictably, but in light of historical precedent not altogether inappropriately, was quick to react to such a prospect. In a Feb. 1 interview with the Paris paper *La Croix*, he charged that Thailand and Vietnam were conspiring to turn Kampuchea into a shared condominium with the P.R.C., acting as chairman of the board of directors. Sihanouk already experienced this in the 1960s, when the Thailand-based Khmer Serie and the South Vietnam-based Khmer Krom (both CIA-spawned, under different chairmen of the board) had significant influence in the western and eastern Kampuchean provinces.

But the Prince's warnings and forebodings aside, reality is that a peninsular Thai-Vietnamese power-sharing arrangement, aping similar global deals, is an illusion. Neither Thailand nor Vietnam, at present, has the wherewithal to guarantee peace in Kampuchea. In today's world, like it or not, there is no such thing as a "regional superpower." Vietnam tried playing such a role after 1975, only at the expense of becoming increasingly a Soviet client. For Thailand to act out such a foolish fantasy, coupled with lessened commitment to ASEAN, would simply force her into a client relationship with China—a status from which she successfully liberated herself in the early 19th century.

Greater dependence on China, already evident in General Chavalit's military equipment deals, will, in turn, further alienate ASEAN partners Indonesia and Malaysia, setting in motion a process which even the authors of such policies would probably find abhorrent. Amazing, what havoc a combination of naiveté, ignorance, and the promise of cheap logs, gems, and a few hotel construction contracts, can wreak with a well-established foreign policy. (Note that Hun Sen's defense minister, who accompanied him to Bangkok, is one of Kampuchea's largest gem dealers.)

What is the alternative?

Contrary to adviser M.R. Sukhumbhand's statements in *The Nation* on Feb. 17, time for peace in Kampuchea is not "running out." At present, the only immediate beneficiaries of a quick settlement would be Vietnam, the Soviet Union, and the Khmer Rouge. Vietnam would benefit economically, the Soviets would further enhance their image as peacemakers, and the Khmer Rouge would stand as the militarily strongest Cambodian faction, able to dictate terms. A rush into an early formal settlement without clear-cut resolution of the Kampuchean factional situation, is a prescription for civil war, not a prelude for lasting peace and reconstruction.

Emphasis on ASEAN unity must be the paramount concern, if a durable Kampuchean settlement is to be reached—for two reasons: One, of the principal parties to the peace process, only the ASEAN partners have built the kind of

societies characterized by the basic liberties, economic program, and stability that can serve as a model and point of perspective for Kampuchea. Just consider the patently absurd notion of the Soviet Union and China posing as guarantors of peace, free elections, and successful economic development. Two less likely candidates for initiating and helping sustain such a development could hardly be found worldwide.

ASEAN must put itself and its own success forward as the model to emulate. Thailand, per force of geographical circumstances, will be the spearhead of this, much as previ-

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ously she found herself in the role of front-line state. But only a unified ASEAN will be a credible counterforce to contending Soviet and Chinese regional ambitions. Thailand alone can attempt to play such a role only at the price of a disastrous potential course.

Nobody should be blinded by the glitter of the past two years of Thailand's economic success and talk of achieving Newly Industrialized Country (NIC) status in the next few years. At this point and into the foreseeable future, only ASEAN as a whole and in concert with its major trading partners has the economic resources and technical capabilities to be of true assistance and a partner in Kampuchean reconstruction and overall Indochinese economic development. This is not a job for fast-buck (baht) operators, rushing in and grabbing what they can. Former "economic czar" Boonchu Rojastien's warning against such a notion of "Indochinese marketplace" at a Feb. 8 National Institute for Development Administration seminar is well taken: "Don't let those who want to reap one-sided benefits go [to Indochina]. Don't use the hit-and-run tactic."

And there are potential political pitfalls as well, as pointed out by former National Security Council Secretary General Prasong Soonsiri in *Matichon Weekly*: "Politicians who are traders often think like traders. Politicians who are bankrolled by traders will be pushed by the traders to do this and that for them. The Laotians, Khmers, and Vietnamese know

which of our parties are supported by traders. When they [Indochinese] want anything, they will use the traders who are the sponsors of political parties to put pressure for changes."

The notion of "marketplace" provides entirely the wrong direction and approach. Are we just going to legalize the present "informal" trade (smuggling) and then let the Invisible Hand (in whose pocket?) take care of the rest?

To put a positive interpretation on Prime Minister Chatichai's vision of converting the battlefield into a marketplace, it is first of all necessary to identify the major economic problems at hand and then to define a joint ASEAN-Indochina development strategy.

While there are obvious differences in level of development, both for the ASEAN members and for the nations of Indochina, deficiencies in infrastructure (energy, transportation, communications) are the principal obstacle to sound economic growth.

A second major social and economic policy problem is defined by the urgent need to resettle over 500,000 Indochinese refugees, the majority of whom are presently sheltered in border camps in Thailand. A comparative development plan for a joint attack on and solution to these problems should be defined as the principal economic policy challenge for ASEAN and Indochina through the remainder of this century, and simultaneously as the only viable framework for durable peace in the region.

The ASEAN and Indochinese countries now have a population of close to 400 million people, which will reach over 500 million by the end of the century. Located strategically at the crossroads of the major Indian-Pacific Oceans trade routes, between the world's two largest population centers—India and China—and endowed with ample indigenous resources, long-term economic development prospects for the region are excellent. The question is whether the political and business leaders of Southeast Asia can muster the vision and courage to jointly undertake the necessary infrastructure and population development projects to convert an outstanding potential into a future reality. Large-scale development of the Mekong River for hydroelectric and irrigation purposes has long been on the drawing board. A canal through the southern isthmus of Thailand ("Kra Canal") has been proposed and studied on numerous occasions. It would serve like no other project to integrate Southeast Asia's transportation infrastructure and make the most of the region's trade and industrial development potential. In this construction phase, such projects would give meaningful employment to several hundred thousand people; after completion they would define a bright future for their children and grandchildren.

Let planning for such projects, and discussion of their significance for the region's future, become part of the Kampuchean peace negotiations, and let talks of impending civil war after Vietanese withdrawal be converted into talk of how to win the peace for Southeast Asia's 400 million.