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# Thailand's Precarious Balance between Domestic Politics and Foreign Policy in the Prayuth Era

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## **Executive Summary**

- Thailand's modern political history was marked by complex dynamics between military, monarchical, and democratic forces. The most recent military coup in 2014 led to Prayuth Chan-ocha becoming prime minister.
- Prayuth's administration has tried to strengthen its authority by adopting hyper-royalist ideologies and constitutional amendments despite lacking complete legitimacy. This has harmed relations with traditional allies like the U.S.
- The article argues that Prayuth's domestic issues and lack of legitimacy have significantly impacted foreign policy, leaving less room for strong U.S. security ties. However, collaboration is still necessary due to shared economic interests and regional security challenges.
- Balance of threat theory and omnibalancing theory provides a framework for understanding Thailand's foreign policy complexities under Prayuth, explaining how external threats and internal political imperatives shape Thailand's foreign relations.
- Regional dynamics, especially China's influence and ASEAN's role, significantly impact Thailand's foreign policy. Thailand seeks to balance great power interests while engaging with neighbors through regional frameworks.
- Thailand's economic ties with the U.S. and China have shaped its foreign policy. While the U.S. remains important, China's growing economic dominance has made Thailand more dependent, requiring a delicate balancing act.
- Under the new Srettha Thavisin administration, Thailand's foreign policy is expected to prioritize foreign policy continuity, economic pragmatism, and regional cooperation while carefully navigating between the U.S. and China. Strengthening ties with ASEAN and middle powers may also be part of its foreign policy recalibrations.

## **Introduction**

Since its founding, Thailand has been a distinctive Southeast Asian player, navigating challenging internal and foreign political environments. Thailand set itself apart from its

neighbors by retaining its independence during the European powers' colonization of the region.<sup>1</sup> Given its strategic position as a buffer state between various political and cultural influences and its central location in mainland Southeast Asia, its importance has always been evident. This strategic location has also influenced its foreign policy, particularly during the Cold War when Thailand was a significant ally of the United States.

Numerous coups and constitutional amendments in Thailand's political history during the 20th century showed ongoing conflict between military, monarchical, and democratic forces.<sup>2</sup> The military has played a major role in this dynamic, with multiple involvements in civilian politics. A new era in Thai politics began in 2014 with the most recent military coup, which Prayuth Chan-ocha led. The restoration of order in the face of political turmoil and corruption scandals justified the coup. Later, Prayuth Chan-ocha became prime minister of a civilian government after emerging from the junta, but doubts remained regarding the validity of his administration.

Prayuth's administration has been notable for attempts to strengthen his position of authority through various tactics, including the adoption of hyper-royalist ideologies and constitutional amendments.<sup>3</sup> Although many Thais and the international community view him as lacking legitimacy, these tactics have stabilized his power. This lack of legitimacy and the domestic emphasis on maintaining control has harmed Thailand's international relations, particularly with traditional allies like the United States.

This article contends that the domestic problems that the military-backed Prayuth Chan-ocha government is dealing with have had a significant impact on Thailand's foreign policy; there is less room for strong security ties with the United States due to the inward pull of domestic politics, which is characterized by a lack of legitimacy and adherence to hyper-royalist ideas. Nonetheless, some degree of collaboration between the two countries has become necessary due to similar economic interests and newly emerging regional security challenges. Thailand is, all in all, treading carefully as it tries to balance its external alliances and domestic imperatives.

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<sup>1</sup> Dayley, R. & Neher, C. D. (2013). *Southeast Asia in the New International Era*. U.S.: Westview Press.

<sup>2</sup> Sinpeng, Aim. "Crises and Coups." In *Opposing Democracy in the Digital Age: The Yellow Shirts in Thailand*, 49–78. University of Michigan Press, 2021. <http://www.jstor.org/stable/10.3998/mpub.11666233.8>.

<sup>3</sup> Winichakul, Thongchai. "Thailand's hyper-royalism: Its past success and present predicament." *Trends in Southeast Asia* 7 (2016).

The article will be organized as follows: It will first lay out the theoretical framework—which will be based on the balance of threat theory and omnibalancing—for examining Thailand's foreign policy. It will then explore Prayuth's lack of legitimacy and look at the state of domestic politics, especially the monarchy's role. The historical background of Thailand-US relations, specific changes in Prayuth's foreign policy, and an examination of the current security and economic ties are covered in the following parts. The essay will also examine the region's dynamics and the direction Thailand's foreign policy will likely take in the current administration. The findings will be summed up in the conclusion, along with thoughts on how Thailand could balance its foreign and domestic policies.

## **Conceptual Framework: Balance of Threat Theory and Omnibalancing Theory**

Stephen M. Walt's balance of threat theory<sup>4</sup> from the 1980s suggests that governments establish alliances based on perceived threats and other states' power capabilities. Four criteria are combined to determine the threat level: offensive capabilities, perceived intent, geographic closeness, and aggregate power (including military capabilities). Walt contends that states unite not against the most powerful state in and of itself but rather against the source of the greatest threat.

Using this theory to examine Thailand's foreign policy, one may examine how the country views dangers in its surrounding region and how this perspective influences its alliances, especially with the US. For instance, China's rise to prominence in the region has altered the balance of power in Southeast Asia. The perceived threat has occasionally decreased even though China's total might be significantly greater than Thailand's. However, China's expanding economic clout may change Thailand's assessment of the threat, which could impact Thailand's relations with the US and other regional players.

According to Steven David's omnibalancing theory<sup>5</sup> Domestic risks should be considered in addition to exterior threats when assessing a state's foreign policy. Leaders make foreign policy

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<sup>4</sup> Walt, Stephen M. "Alliance Formation and the Balance of World Power." *International Security* 9, no. 4 (1985): 3–43. <https://doi.org/10.2307/2538540>.

<sup>5</sup> David, Steven R. "Explaining third world alignment." *World politics* 43, no. 2 (1991): 233-256.

choices that aim to balance internal and external dangers because they are perceived as primarily focused on their own survival. The notion is especially relevant to Prayuth Rochā's regime, which dealt with serious internal opposition and legitimacy deficits.

The Prayuth administration in Thailand has had to consider how foreign policy decisions may affect the country's internal political climate. From a traditional balance of threats perspective, alignments that make sense—like fortifying relations with the U.S. to counterbalance China—might be avoided or minimized if they risk escalating internal unrest or endangering the government's hold on power. For example, overly close ties to the United States could incite the US's focus on human rights and democracy. The 2014 coup and subsequent military rule in Thailand have strained relations with the US, which has expressed concerns about democratic backsliding, making his rule more vulnerable at home.<sup>6</sup>

Thailand's foreign policy, especially during the Prayuth administration, has been juggling domestic issues while reacting to external threats. The balance of threat theory explains Thailand's complex policy with China and the United States. Even though China's operations in the South China Sea present a concern, and the United States is a longstanding ally, Thailand has consistently avoided openly supporting the United States in regional conflicts to avoid upsetting China.<sup>7</sup> This is explicable given the complexity of the threat, in which China's economic dependence and the geopolitical realities of its proximity both play significant roles.

Moreover, the omnibalancing theory clarifies why home politics are equally important in determining this foreign policy position. Born out of a military coup, Prayuth's regime lacked the full legitimacy of being a duly elected government. Maintaining support from the military and monarchy, which were the cornerstones of his authority, was crucial, but so was controlling the expectations of a public becoming more vocal in favor of democratic reforms. Therefore, there had to be a delicate balance when taking actions that could improve Thailand's security or worldwide reputation but possibly raise domestic unrest or upend the status quo.

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<sup>6</sup> Pavin Chachavalpongpun, "An Unreconciled Gap Thailand's Human Rights Foreign Policy versus Its Lèse-Majesté Crisis," *JOURNAL of INDO-PACIFIC AFFAIRS* →JANUARY, 2024, <https://media.defense.gov/2023/Dec/05/2003352243/-1/-1/1/JIPA%20-%20CHACHAVALPONGPUN.PDF>.

<sup>7</sup> Angela Clare, "ASEAN and the South China Sea," [www.aph.gov.au](http://www.aph.gov.au), August 25, 2021, [https://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Library/pubs/rp/rp2122/ASEANSouthChinaSea](https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp2122/ASEANSouthChinaSea).

Under Prayuth's leadership, for example, the yearly Cobra Gold military drills<sup>8</sup> with the United States have continued, highlighting the significance of preserving important security relationships. Nonetheless, great care has been taken to control the exercises' appearance and scope to prevent upsetting China or unsettle domestic audiences who would interpret them as an excessive amount of American influence.

Furthermore, Prayuth's administration is skilled at omnibalancing conduct, trying to maintain positive ties with China and the United States without fully committing to either.<sup>9</sup> The delicate balancing act that goes into taking part in both U.S.-led initiatives and China's Belt and Road Initiative is an example of this. By doing this, Thailand hopes to stay out of their strategic rivalry while benefiting economically from both powers.

Therefore, the balance of threat and omnibalancing theories offer a useful framework for understanding the complexities of Thailand's foreign policy under Prayuth Chan-ocha. They explain how the interaction of internal and external factors, particularly in relation to the US, shapes Thailand's foreign policy. These theoretical stances show how Thailand's foreign policy is not only a reaction to international dynamics but also heavily influenced by the imperatives of maintaining and advancing internal political stability.

## Prayuth's Legitimacy Deficit

2014 was a pivotal moment in the political narrative of Thailand, spearheaded by then-Army Chief Prayuth Chan-ocha. The Yingluck Shinawatra government was overthrown in a coup that was the most recent in a string of military interventions in Thai politics, ostensibly to restore order amid political unrest and allegations of corruption.<sup>10</sup> The National Council for Peace and Order (NCPO), a military junta led by Prayuth, signaled the start of military-backed governance. However, the legitimacy of this government had subsequently been questioned.<sup>11</sup>

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<sup>8</sup> Reuters, "Biggest US Force in Years Joins Thai Military Exercise," Voice of America, February 12, 2018, <https://www.voanews.com/a/biggest-us-force-in-years-joins-thai-military-exercise-/4251169.html>.

<sup>9</sup> Gustavo Mendiola, "An Examination of Foreign Policy Strategies of Middle Powers during Great Power Competition: A Case Study of Thailand's Strategic Hedging between a Dominant USA and Ascending China," *Assumption University-EJournal of Interdisciplinary Research (AU-EJIR)*: 4, no. 1 (January 2019), [https://www.researchgate.net/publication/360608784\\_An\\_Examination\\_of\\_Foreign\\_Policy\\_Strategies\\_of\\_Middle\\_Powers\\_During\\_Great\\_Power\\_Competition\\_A\\_Case\\_Study\\_of\\_Thailand%27s\\_Strategic\\_Hedging\\_Between\\_a\\_Dominant\\_USA\\_and\\_Ascending\\_China#fullTextFileContent](https://www.researchgate.net/publication/360608784_An_Examination_of_Foreign_Policy_Strategies_of_Middle_Powers_During_Great_Power_Competition_A_Case_Study_of_Thailand%27s_Strategic_Hedging_Between_a_Dominant_USA_and_Ascending_China#fullTextFileContent).

<sup>10</sup> Mark Fenn, "Thailand on the Brink," *thediplomat.com*, January 10, 2014, <https://thediplomat.com/2014/01/thailand-on-the-brink/>.

<sup>11</sup> "Post-Poll Prayut Govt Will Lack Legitimacy, Says Academic," *nationthailand*, December 10, 2018, <https://www.nationthailand.com/in-focus/30360137>.



The story of preserving the monarchy and restoring stability, a recurrent motif in Thailand's political history, served as the foundation for the 2014 coup.<sup>12</sup> After the coup, the NCPO disbanded the Senate, suspended the constitution, and imposed a stringent temporary constitution that gave the military broad authority.<sup>13</sup> Following an election condemned by international observers for its lack of fairness and openness, Prayuth became prime minister via appointment rather than through an electoral process.

Serious questions about Prayuth's legitimacy have arisen because of the way he set up his government. According to Beetham<sup>14</sup>, legitimacy in governance derives from three sources: evidence of consent from the governed, justification of shared views, and legal validity. Because Prayuth's rule was established through a coup, it is not legally legitimate and does not have the people's approval that democratic elections normally grant. Restrictions on dissent and political freedoms exacerbate this imbalance even further.

This lack of legitimacy has numerous domestic ramifications. Domestic unrest and protests have resulted from the suppression of political opposition and the restriction of civil liberties, including implementing laissez-faire legislation. Notably, youth-led movements calling for democratic reforms have led these protests. Since democratic backsliding frequently draws criticism from other governments and human rights organizations, potentially harming international relations and economic alliances, the legitimacy deficit has also impacted Thailand's reputation abroad.

## **The Impact of Hyper-Royalist Ideologies on Prayuth's Governance**

Hyper-royalist beliefs have been a fundamental component of Prayuth's political agenda. Thailand's reverence for the monarchy is essential to the country's character and has historically given the government credibility. Prayuth's dictatorship has bolstered support for and legitimized its rule by using hyper-royalist policies and rhetoric. This involves the stringent

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<sup>12</sup> Panuwat Panduprasert, "The Military and Democratic Backsliding in Thailand" (2019), <https://core.ac.uk/download/pdf/200759262.pdf>.

<sup>13</sup> Kate Hodal, "Thai Junta Dissolves Senate as Army Tightens Grip," the Guardian, May 25, 2014, <https://www.theguardian.com/world/2014/may/25/thai-junta-dissolves-senate-coup-bangkok>.

<sup>14</sup> David Beetham, *The Legitimation of Power*. (Basingstoke: Macmillan, 1991).

use of lèse-majesté laws, which make any criticism of the monarchy illegal and have been employed to stifle opposition and solidify the monarchy's hold on power.<sup>15</sup>

There have been major implications from Prayuth's government's absorption of hyper-royalist ideology. First, it has produced a situation in which criticizing the government's policies could be seen as an assault on the monarchy, thereby shielding the government from criticism. Second, it has strained relations with sections of society, especially the younger ones, who place a higher value on civil liberties defense and are less deferential to established authorities. Hyper-royalism's role in legitimizing Prayuth's authority indicates an omnibalancing maneuver. The administration hopes to neutralize domestic concerns by using the strong regard that many Thais have for the monarchy through its close alignment. However, this alignment makes it more difficult for the government to meet the increasing calls for democratic reform without seeming to threaten the monarchy. The military coup that preceded Prayuth Chan-ocha's administration, the measures taken to quell criticism, and the government's dependence on hyper-royalist beliefs to maintain control are the causes of its lack of legitimacy. The effects of this shortfall on foreign policy and internal stability highlight the difficulties militarily backed regimes encounter in gaining and retaining legitimacy. This application of hyper-royalist ideology reflects the complexity of government in modern-day Thailand.

## **Regional Dynamics and Thailand's Foreign Policy**

Thailand's foreign policy is significantly influenced by its strategic location in Southeast Asia, where regional dynamics, particularly the influence of China and the Association of Southeast Asian Nations (ASEAN), play a crucial role. Balancing the interests of great powers while engaging with neighboring countries and regional blocs has been at the heart of Thailand's diplomatic endeavors. Without a doubt, Thailand's foreign policy aims to balance relationships with all countries, particularly the US and China. It prioritizes economic cooperation and ASEAN centrality in regional security. However, Thailand faces challenges due to domestic issues and shifting geopolitical dynamics.

China's rise as a global power has profoundly affected Southeast Asia, and Thailand is no exception. As China continues to assert its economic and strategic interests in the area,

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<sup>15</sup> Winichakul, Thongchai. "Thailand's hyper-royalism: Its past success and present predicament." *Trends in Southeast Asia* 7 (2016).



Thailand has noticed that Beijing's actions are increasingly influencing its foreign policy. The comprehensive strategic cooperative partnership between Thailand and China underscores the depth of their relationship, which includes substantial trade, investment, and infrastructure development under China's Belt and Road Initiative (BRI). The BRI, in particular, has cemented China's role as a key economic partner for Thailand, providing much-needed infrastructure funding and development, particularly the high-speed rail connecting China's Kunming with Bangkok.<sup>16</sup>

On the other hand, ASEAN plays a central role in shaping Thailand's foreign policy. As a founding member of ASEAN, Thailand has a vested interest in promoting regional stability, economic integration, and collective bargaining power in international affairs. ASEAN's non-interference and consensus-based decision-making principle aligns with Thailand's diplomacy approach. Through ASEAN, Thailand can engage with other regional powers within a multilateral framework, which helps to mitigate the influence of any single great power.<sup>17</sup>

Thailand's foreign policy reflects a classic balancing act in international relations. It seeks to maintain favorable relations with both China and the United States. This strategy is not only a response to the rivalry between the two great powers but also a reflection of Thailand's national interests, which require it to navigate carefully in a geopolitically complex region. Thailand's approach is consistent with the concept of hedging, where states avoid committing to one side and instead engage with multiple great powers to ensure national security and economic prosperity.<sup>18</sup>

In addition to great power dynamics, Thailand's engagement with neighboring countries is multifaceted, encompassing economic, political, and security dimensions. Thailand actively participates in sub-regional cooperation frameworks such as the Greater Mekong Subregion (GMS) and the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS), which focus on connectivity, economic integration, and sustainable

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<sup>16</sup> Benjamin Zawacki, "U.S.-Thai Relations Have an Alliance Problem," *Foreign Policy*, May 12, 2023, <https://foreignpolicy.com/2023/05/12/united-states-thai-relations-alliance-china-problem/>.

<sup>17</sup> Acharya, Amitav. *Constructing a security community in Southeast Asia: ASEAN and the problem of regional order*. Routledge, 2009.

<sup>18</sup> Goh, Evelyn. "Meeting the China challenge: The US in Southeast Asian regional security strategies." 2005.

development.<sup>19</sup> These sub-regional initiatives allow Thailand to strengthen economic ties and collaborate on transboundary issues with its neighbors.

Moreover, Thailand's participation in broader regional blocs like the Asia-Pacific Economic Cooperation (APEC) and the East Asia Summit (EAS) demonstrates its commitment to multilateralism and its desire to be an active player in regional affairs. Its role in APEC, for instance, allows Thailand to engage in economic dialogues with Pacific Rim countries and promote free trade and investment in the Asia-Pacific region.<sup>20</sup>

In the security realm, Thailand's involvement in the ASEAN Regional Forum (ARF) and its partnership with the United States through the Cobra Gold military exercises highlight its efforts to contribute to regional security and stability while maintaining strong defense ties with the United States.<sup>21</sup> The relationship is further reinforced when Thailand seeks to strengthen security and military ties with the US, as seen in the Joint Vision Statement 2020<sup>22</sup>, which emphasizes cooperation, interoperability, and modernization. Balancing these security relationships while maintaining strategic autonomy is crucial for Thailand, especially with the US-China rivalry intensifying.

Thailand's foreign policy is a careful orchestration that considers the multifaceted dynamics of regional geopolitics. China's increasingly assertive presence and ASEAN's cohesive role have significantly impacted the nation's strategic decisions despite having historically strong defense ties with the United States. Thailand's balanced approach to great power engagement is a pragmatic strategy to navigate the complex interplay of regional international relations. Thailand fosters economic integration, political dialogue, and security cooperation through active participation in regional and sub-regional initiatives. This multifaceted foreign policy ensures that Thailand remains an integral player in the evolving landscape of Southeast Asian geopolitics.

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<sup>19</sup> Chambers, Paul, and Poowin Bunyavejchewin. "Thailand's foreign economic policy toward mainland Southeast Asia." 2019, [https://www.iseas.edu.sg/wp-content/uploads/pdfs/ISEAS\\_Perspective\\_2019\\_64.pdf](https://www.iseas.edu.sg/wp-content/uploads/pdfs/ISEAS_Perspective_2019_64.pdf)

<sup>20</sup> Tommy Walker, "As World Leaders Gather for APEC Summit, Thailand Seeks to Boost International Relations," Voice of America, November 15, 2022, <https://www.voanews.com/a/as-world-leaders-gather-for-apec-summit-thailand-seeks-to-boost-international-relations/6835089.html>.

<sup>21</sup> Prashanth Parameswaran, "Is the U.S.-Thailand Alliance Permanently Frozen in the Post-Coup Era?," World Politics Review, March 30, 2017, <https://www.worldpoliticsreview.com/is-the-u-s-thailand-alliance-permanently-frozen-in-the-post-coup-era/>.

<sup>22</sup> U. S. Embassy Bangkok, "Joint Vision Statement 2020 for the U.S. - Thai Defense Alliance," U.S. Embassy & Consulate in Thailand, November 17, 2019, <https://th.usembassy.gov/joint-vision-statement-2020-for-the-thai-u-s-defense-alliance/#:~:text=The%20special%20relationship%20between%20the>.

## Thailand's Economic Balancing Act between the United States and China

Thailand's economic ties with the United States and China have significantly shaped its foreign policy and bilateral relations. As one of Southeast Asia's most dynamic economies, Thailand has benefited from its strong economic links with both superpowers. However, China's growing economic influence in the region has challenged Thailand to balance its strategic and economic interests with the United States.

The United States has been one of Thailand's most important trading partners. Thailand exports diverse products to the U.S., including electronics, agricultural goods, and auto parts.<sup>23</sup> Moreover, the United States has been a significant source of foreign direct investment (FDI) in Thailand, contributing to the growth of key industries such as energy, chemicals, and finance<sup>24</sup>. The foundation of this economic relationship has been a shared commitment to promoting open trade and investment flows, which has been crucial to Thailand's economic development strategy.

Trade agreements have also played a significant role in shaping Thailand's economic relationship with the United States. Thailand had engaged in bilateral trade discussions and benefited from the generalized system of preferences (GSP), which allowed many products to enter the U.S. market at reduced tariff rates. Since then, Thailand has asked the US to hasten the renewal of the GSP scheme, which was set to expire in 2020, to guarantee that both US importers and Thai exporters will continue to enjoy these benefits.<sup>25</sup> The depth of the economic relationship is also reflected in investment patterns, with U.S. companies maintaining a strong presence in Thailand due to its favorable location, low-cost labor, and supportive business environment.

However, China's growing economic dominance in the region has substantially impacted Thailand's foreign policy and its relationship with the United States. China has now become

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<sup>23</sup> “Thailand | United States Trade Representative,” ustr.gov, n.d., <https://ustr.gov/countries-regions/southeast-asia-pacific/thailand>.

<sup>24</sup> OECDiLibrary, “4. Trends and Qualities of FDI in Thailand | OECD Investment Policy Reviews: Thailand | OECD iLibrary,” www.oecd-ilibrary.org, n.d., <https://www.oecd-ilibrary.org/sites/59874f17-en/index.html?itemId=/content/component/59874f17-en>.

<sup>25</sup> Phusadee Arunmas, “Thailand, US Work to Renew GSP Perks,” *Bangkok Post*, March 14, 2024, <https://www.bangkokpost.com/business/general/2758168/thailand-us-work-to-renew-gsp-perks>.

Thailand's largest trading partner regarding two-way trade.<sup>26</sup> Chinese investments in Belt and Road Initiative (BRI) infrastructure projects have deepened economic ties between the two countries. The economic gravitational pull of China is exemplified by projects such as the high-speed rail link between China and Thailand<sup>27</sup> which illustrates the strategic economic partnerships being forged.

As a result of its increasing economic interdependence with China, Thailand now finds itself in a position where it must carefully balance its relations with both superpowers. The dependency theory<sup>28</sup>, which argues that periphery states become economically reliant on core states, can explain Thailand's growing economic dependence on China. This dependence has cast a looming shadow on Thailand's foreign policy decisions, potentially at the expense of its long-standing alignment with the United States. Thailand's growing economic ties with China have had implications for its relationship with the United States. While the U.S. remains an important economic partner, the Thai government has had to calibrate its policies to avoid antagonizing its major partners. This delicate balancing act is once again reflected in Thailand's hedging strategy, which seeks to minimize the potential strategic risks of aligning too closely with one power over the other while maximizing economic benefits from both.<sup>29</sup>

The influence of economic factors on Thailand-United States relations has been evident on several occasions. For example, when the U.S. downgraded Thailand's status in the Trafficking in Persons (TIP) report, potentially affecting trade benefits, Thailand quickly responded by intensifying its anti-trafficking efforts.<sup>30</sup> This demonstrates the importance Thailand places on maintaining favorable economic terms with the United States. Conversely, Thailand has been cautious in refraining from openly supporting the United States' actions that could be perceived as antagonistic to China, such as freedom of navigation operations in the South China Sea, as this could jeopardize its economic relationship with Beijing. Bangkok's close economic links to China and its no territorial claims in the SCS mean it often takes a non-blaming stance on

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<sup>26</sup> International Trade Administration, "Thailand - Market Overview," [www.trade.gov](https://www.trade.gov/country-commercial-guides/thailand-market-overview), July 25, 2022, <https://www.trade.gov/country-commercial-guides/thailand-market-overview>.

<sup>27</sup> Heather Chen, "China Is Trying to Connect Southeast Asia by High-Speed Rail. Here's How That's Going," CNN, March 26, 2024, <https://edition.cnn.com/2024/03/25/travel/china-south-east-asia-travel-train-infrastructure-intl-hnk/index.html#:~:text=Meanwhile%2C%20a%20second%20high%2Dspeed>.

<sup>28</sup> Dos, Santos T. "The structure of dependence." *American economic review* 60, no. 2 (1970): 231.

<sup>29</sup> Medeiros, Evan S. "Strategic hedging and the future of Asia-Pacific stability." *The Washington Quarterly* 29, no. 1 (2005): 145-167.

<sup>30</sup> U.S. Department of State, "Thailand - United States Department of State," United States Department of State, June 15, 2023, <https://www.state.gov/reports/2023-trafficking-in-persons-report/thailand>.

SCS issues.<sup>31</sup> Similarly, although adhering to the "One China" policy, Thailand maintains informal ties with Taiwan, particularly in the economic sphere. In improving its informal ties, Thailand needs to exercise caution to avoid upsetting China.<sup>32</sup>

Thailand's economic interests fundamentally shape its foreign policy, particularly in its interactions with the United States and China. Thailand has had to carefully navigate its relationships with both superpowers, seeking to secure access to the U.S. market, attract American investment, and maintain the benefits of the GSP while simultaneously deepening economic ties with China through trade and participation in the BRI.

As Thailand balances its economic interests with the United States and China, it must employ deft diplomacy to maintain its strategic autonomy and avoid becoming overly dependent on either power. The complex interplay of trade agreements, investment patterns, and China's growing regional influence will continue to shape Thailand's foreign policy and position within the broader Indo-Pacific region.

## **Future Trajectories**

With the election of Prime Minister Srettha Thavisin in the post-Prayuth era, Thailand's foreign policy is about to undergo a phase of fine-tuning and gradual changes. The new coalition government's foreign policy course will be determined by its desire for continuity, stability, and economic pragmatism, even though it is expected to implement certain reforms. This section examines the country's prospective foreign policy paths going forward, especially in light of its close ties with the US and China and the broader effects of internal political shifts on its foreign policy.

Thai foreign policy has long been known for its capacity to remain consistent despite internal political upheavals. It is anticipated that Prime Minister Srettha Thavisin will continue this legacy by adhering to the tried-and-true "bamboo diplomacy" strategy<sup>33</sup>, which stresses adapting rather than resisting the winds of change. This consistency is essential to protecting

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<sup>31</sup> Leticia Simões, "The Role of ASEAN in the South China Sea Disputes," E-International Relations, June 23, 2022, <https://www.e-ir.info/2022/06/23/the-role-of-asean-in-the-south-china-sea-disputes/>.

<sup>32</sup> Chulacheeb Chinwanno, "Rising China and Thailand's Policy of Strategic Engagement," n.d., [https://www.nids.mod.go.jp/english/publication/joint\\_research/series4/pdf/4-3.pdf](https://www.nids.mod.go.jp/english/publication/joint_research/series4/pdf/4-3.pdf).

<sup>33</sup> Chachavalpongpun, Pavin. "Thailand: the enigma of bamboo diplomacy." In *Routledge Handbook of Diplomacy and Statecraft*, pp. 204-214. Routledge, 2012.

the kingdom's interests, preserving diplomatic predictability, and keeping the trust of foreign allies. Thailand has established itself as a major player in the region thanks to its long history of using non-confrontational diplomacy with strategic hedging. To maintain ongoing initiatives, especially those about trade, security, and regional cooperation, the Thavisin administration is expected to stick to these well-established foreign policy precepts.

Under Prime Minister Srettha Thavisin, another element that will significantly impact Thailand's foreign policy is the economic urgency following the COVID-19 outbreak. The administration is anticipated to take a transactional approach to economic revitalization<sup>34</sup>, looking for partnerships and investments that may provide quick and palpable returns. This could entail aggressively seeking free trade agreements that promote growth, leveraging Thailand's geostrategic location to draw in foreign direct investment (FDI), and marketing the country as a hub for trade and logistics. In this regard, the Thavisin administration will likely concentrate on practical and win-win agreements with major international players, particularly those offering financial, technological, and infrastructure assistance. This implies that domestic economic policies will significantly influence foreign policy decisions, with the ultimate objective being the promotion of a rapid economic recovery.

Thailand will also continue to walk a diplomatic tightrope as it navigates the geopolitical balance between China and the United States. As previously discussed, Thailand and China have a complex relationship that includes substantial infrastructure investments from China and close economic links. In addition, the historical security partnership with the US remains significant, particularly in light of the US's increased interest in Southeast Asia to contain China's growing influence. The administration of Prime Minister Srettha Thavisin will need to move deftly through this geopolitical terrain to maximize the advantages of both alliances while lowering the possibility of getting caught in the crossfire of great power rivalry. A sophisticated strategy that considers both the Thai people's interests and the changing regional security architecture will be needed to achieve this delicate balancing act.

In this light, Thailand's relations with the US might be reevaluated in the administration of Prime Minister Srettha Thavisin. The goals of ASEAN members, who favor an inclusive and

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<sup>34</sup> Francesca Regalado and Gwen Robinson, "Thailand's Srettha Focuses on Economic Gains in Foreign Policy," Nikkei Asia, September 25, 2023, <https://asia.nikkei.com/Politics/International-relations/Thailand-s-Srettha-focuses-on-economic-gains-in-foreign-policy>.

cooperative regional order, have not always coincided with the US's counter-Chinese influence-focused policy in Asia<sup>35</sup>. With a fresh start, the Thai government may redraw the contours of its alliance with the US, aiming for more equitable partnership terms and more robust guarantees of support. As part of this realignment, Thailand might take a more autonomous stand on foreign policy and promote its interests within the framework of the US-Thai alliance. It might also entail advocating for a more expansive engagement approach from the US that addresses technical cooperation, economic development, and security issues. For instance, it was noteworthy that Microsoft, one of the biggest tech conglomerates of the United States, announced in May 2024 that it was investing in a regional data center located in Thailand, estimated to be worth one billion USD.<sup>36</sup> This huge investment could bolster Thailand's ambition to become a regional digital economy powerhouse and enhance Thailand-US economic ties.

Under Prime Minister Srettha Thavisin, a major component of Thailand's foreign policy may be an increased emphasis on ASEAN and regional frameworks. Thailand may advocate for increased cooperation in the areas of the digital economy, infrastructure development, and regional economic integration<sup>37</sup> as a counterweight to its bilateral ties with the world's superpowers. Thailand is also expected to strengthen its position as a key actor in Southeast Asia's economic architecture by supporting initiatives like the ASEAN Economic Community (AEC) and the Regional Comprehensive Economic Partnership (RCEP). To this end, Thailand may further solidify its position as a regional leader by actively participating in regional forums and influencing the conversation on topics like the digital economy, the green economy, and regional connectivity.

Recalibrating Thailand's foreign policy may also entail strengthening connections to other middle powers. The Thavisin administration perceives nations like Australia, Germany, France, Japan, and Saudi Arabia as strategic partners that can provide scientific and economic cooperation without the geopolitical ramifications of the US-China competition. This is evident

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<sup>35</sup> Min Zhang Lim, "Asean Nations Take Comfort from Not Being Forced by US and China to Choose Sides: Ng Eng Hen | the Straits Times," [www.straitstimes.com](https://www.straitstimes.com/singapore/asean-nations-take-comfort-from-not-being-forced-by-us-and-china-to-choose-sides-ng-eng-hen), June 12, 2022, <https://www.straitstimes.com/singapore/asean-nations-take-comfort-from-not-being-forced-by-us-and-china-to-choose-sides-ng-eng-hen>.

<sup>36</sup> Joseph O' Connor, "Microsoft Investment in Thailand Is a Sign of Progress," Thai Examiner, May 4, 2024, <https://www.thaialexaminer.com/thai-news-foreigners/2024/05/04/microsoft-investment-in-thailand-is-a-real-sign-of-progress-digital-economy-growth/>.

<sup>37</sup> Azizah Saffa, "Thailand Fostering ASEAN's Economic Integration – OpenGov Asia," OpenGov Asia, August 31, 2023, <https://opengovasia.com/2023/08/31/thailand-fostering-aseans-economic-integration/>.



in Thavisin's busy schedule in his diplomatic visits abroad, where he has acted as his country's salesman.<sup>38</sup> Thailand is likely to continue to diversify its foreign policy portfolio, become less reliant on any one big power, and access new markets for assistance, innovation, and investment by forging closer ties with these countries. A wide approach to international relations is reflected in the collaborations with middle powers, which will likely cover topics like public health, infrastructure, education, defense cooperation, the digital economy, the green economy, and sustainable development.

With the appointment of Prime Minister Srettha Thavisin, Thailand's foreign policy has entered a new phase. Although continuity will serve as a compass, a nuanced and adaptable strategy will be required to tackle the intricate dynamics of US-China relations and revive the economy after the pandemic. Transactional economic engagements, a balancing act between global powers, and a revived commitment to regional and middle-power diplomacy are predicted to characterize Thailand's foreign policy. Thailand can effectively traverse the dynamic geopolitical landscape by upholding its traditional bamboo diplomacy, which protects its national interests and fosters stability and development. In doing so, Thailand would work to preserve its strategic independence and sovereignty in a world that is becoming increasingly multipolar.

## **Conclusion**

This paper has examined how Thailand's domestic politics under military-backed Prime Minister Prayuth Chan-ocha have impacted its ability to maintain its traditional close foreign policy alignment with the United States. It applied relevant international relations theories like the balance of threat and the omnibalancing theory to analyze Thailand's complex balancing act between external strategic imperatives and internal political dynamics.

It highlighted Prayuth's legitimacy deficit stemming from his origins in a military coup and his government's reliance on hyper-royalist ideologies to consolidate power domestically. This has pulled Thailand's politics inward, reducing space for robust security relations with the U.S. However, economic interdependencies and emerging regional security issues have sustained functional cooperation.

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<sup>38</sup> Charlie Campbell, "Thailand's New Prime Minister Is Getting down to Business.," TIME, March 12, 2024, <https://time.com/6899782/thailand-prime-minister-srettha-thavisin-business-hub/>.

Thailand's deep economic ties with the U.S., underpinned by trade flows and investments, remain crucial in shaping its foreign policy balancing act between major powers. However, growing economic over-reliance on China has introduced new variables, necessitating careful diplomacy to avoid over-alignment with either superpower. Regional dynamics also profoundly impact Thailand's strategic decisions, with both China's assertive presence and the ASEAN framework playing pivotal roles.

In conclusion, Prayuth Chan-ocha's Thailand has been juggling home politics and foreign policy, putting regime stability first while trying to keep working relations with the United States. In the post-Prayuth world, its foreign policy will probably continue to be shaped by domestic factors, regional dynamics, strategic hedging amidst the growing rivalry of the United States and China, and economic pragmatism, which calls for careful diplomacy and strategic engagement with major world powers. As it stands, Thailand's foreign policy continues to be a difficult tightrope dance between domestic needs and external alignments.

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