



Thailand: Background and U.S. Relations

Thailand is a long-time military treaty ally and economic partner of the United States. The United States operates numerous regional offices from the Bangkok Embassy, one of the largest American diplomatic missions in the world. Bilateral cooperation includes security initiatives and operations, law enforcement efforts, and regional health and education. These ties endure, but more than a decade of political turmoil in Thailand, including military coups in 2006 and 2014, have complicated U.S.-Thai relations.

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

2019 Elections

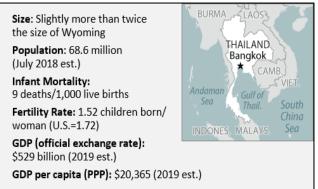
Thailand conducted nationwide elections in March 2019its first since 2011—and seated a new government led by Prime Minister Prayuth Chan-ocha, the former Commander-in-Chief of the Royal Thai Army who led the junta responsible for the 2014 coup. The polls were conducted under new rules drafted by the junta that provided structural advantages for military-backed parties, raising questions about the new government's popular legitimacy. Voting ran smoothly overall, but the Election Commission of Thailand was widely criticized for releasing inconsistent and delayed results, raising skepticis mabout the credibility of the tallying process. Official results showed that the main opposition party had won the highest number of elected seats. Prayuth's party, however, was able to form a coalition government with the support of the military-appointed Senate. On July 19, 2019, the U.S. State Department notified Congress of its certification that a democratically-elected government had taken office in Thailand, signaling that it was lifting coup-related aid restrictions that had been in place since the 2014 coup (see "Security Relations" below).

Political Divisions and Protests

Thailand remains deeply politically divided, with the potential for more conflicts ahead. The political turmoil has involved a broad clash between the political establishment (a mix of the military, royalists, senior bureaucrats, and many urban and middle-class citizens) and democracy activists, rural Thai citizens, and backers of former Prime Minister Thaksin Shinawatra, who was deposed in the 2006 coup and now resides overseas. The country's political opposition has evolved in recent years with the establishment of a range of new parties, but the military's control over the political process remains largely protected.

Since February 2020, protesters have taken to the streets in Bangkok and in other provincial capitals. Students led the initial wave of protests-which were largely peacefulafter a Thai court dissolved an opposition political party. The protesters called for political reform and constitutional revisions and openly challenged the monarchy. After the protests peaked in July 2020, the government cracked down, arresting several of the protest leaders, declaring a state of emergency, and instituting restrictions on gatherings-ostensibly to curtail the spread of Coronavirus Disease 2019 (COVID-19). Smaller but more aggressive protests have continued, calling for a range of economic and social changes as well as criticizing the government's pandemic response after cases and deaths swelled. As anger has intensified, the Prayuth government has responded with more force and further criminalized dissent, drawing condemnation from international rights groups.

Figure I. Thailand at a Glance



Source: CIA World Factbook, 2020, World Bank.

Criticizing the monarch has long been illegal in Thailand, and the definition of *lese majeste* has expanded in recent years to include even subtle criticisms of the king, palace, or government. King Maha Vajiralongkorn, who succeeded his widely revered father in 2019, is reportedly deeply unpopular with the public for his profligate lifestyle and history of capricious and often violent behavior. The 2020 pro-democracy protests were notable not only for their overt criticism of the monarchy, but also because they drew support from students from across the political spectrum.

Thailand and the COVID-19 Pandemic

The pandemic has badly damaged Thailand's economy. The tourism-dependent country has imposed strict and shifting restrictions on travelers, and many analysts see the industry's ability to reopen as critical to helping Thailand's economy recover. Infection rates have remained high: as of January 25, 2022, the country had reported nearly 2.4

million COVID-19 cases, and over 22,000 deaths. Vaccination rates have risen. Thailand made extensive use of a vaccine produced by China's Sinovac, utilizing over 31.5 million doses, but it has shifted to other vaccines, including those produced by AstraZeneca and Pfizer.

Security Relations

U.S.-Thai security relations, which date back to cooperation in the Korean and Vietnam Wars, have long been the highest-profile pillar of the U.S.-Thailand relationship. In addition to hosting military exercises, Thailand has provided the U.S. military with access to important facilities, particularly the strategically located Utapao airbase and Sattahip naval base. The U.S. military used Utapao for refueling operations during its campaigns in Iraq and Afghanistan in the 2000s, as well as for humanitarian relief efforts in Asia, including after the 2004 Indian Ocean tsunami and 2015 Nepal earthquake. U.S. officials state that intelligence and law enforcement cooperation with Thai counterparts remains a priority, particularly as the United States confronts international criminal and drug networks active in the sub-region.

Despite the imposition of coup-related foreign aid restrictions under §7008 of annual appropriations measures following the 2014 coup, the United States continued most non-military aid and cooperation, including the large-scale annual Cobra Gold military exercises. The Trump Administration's July 2019 certification of the March 2019 elections as democratic allowed the resumption of State Department-administered military assistance, including Foreign Military Financing (FMF) and International Military Education Training (IMET). The Biden Administration has continued IMET and FMF assistance for Thailand, allocating \$2.6 million in IMET funding in FY2019 and FY2020, and \$2.68 million in FY2021. Thailand also was allocated \$34.4 million in FY2020 FMF through the Southeast Asia Maritime Security Initiative (SAMSI) and the Advanced Targeting Development Initiative (ATDI) for maritime security and other projects. In 2021, the United States provided Thailand \$7 million in Countering Chinese Influence Fund (CCIF) aid for English, technical, operational, and professional training.

Trade and Economic Relations

Thailand is an upper middle-income country, and trade and foreign investment play a large role in its economy. The country's economy, heavily dependent on tourism, suffered as a result of the COVID-19 pandemic, and GDP contracted by 6.1% in 2020 before rebounding to 1.0% growth in 2021. Thailand is the 25th largest export destination for the United States. Two-way trade of goods in 2020 was valued at \$48.8 billion, with \$37.6 billion in Thai exports to the United States and \$11.2 billion in U.S. exports to Thailand. In 2020, compared to 2019, U.S. exports to Thailand decreased by 16%, while U.S. imports from Thailand increased by 12%.

The United States is Thailand's third largest trading partner, behind Japan and China. Thailand is a member of the Regional Comprehensive Economic Partnership (RCEP) trade agreement, but not the Comprehensive and Progressive Agreement for Trans-Pacific (CPTPP)

agreement that evolved from the Trans-Pacific Partnership, a proposed agreement from which the United States withdrew in 2017. Thai-U.S. trade discussions have focused more recently on Thailand's poor intellectual property (IP) rights protections, and protection and subsidization of its large agriculture industry. Thailand has remained on the U.S. Office of the Trade Representative's (USTR) Section 301 IP Watch List since 2018. Historically, Sino-Thai economic ties have been close, with deep trade and investment ties. As a member of the China-led Belt and Road Initiative (BRI), Thailand is involved in a high-speed railway project that would connect southern China with several Southeast Asian nations to its south. The project, which the Prayuth government has supported, has raised concerns in Thailand about whether it can be operated profitably and other aspects of its financial and technical assistance terms.

Thailand's Regional Relations

Thailand's importance for U.S. interests in Southeast Asia stems fromits strategic location, its large economy, and its good relations with its neighbors. Thailand was one of five founding members of the Association of Southeast Asian Nations (ASEAN), and it has extensive trade and investment relations across the region. Japan is its largest source of foreign direct investment. Alongside its treaty alliance with the United States, Thailand has long had close cultural and economic ties with China, and some defense linkages have developed. Unlike several of its neighbors, Thailand has no territorial disputes with China in the South China Sea and has been loathe to take an assertive stance against China's actions there.

Thailand shares a 1,500-mile border with Burma, and its interactions with Burmese governments over the years have arguably been more intensive than those of any other country. Following Burma's February 1, 2021, coup d'etat, Thailand has been involved in diplomacy with the Burmese junta, and with efforts to provide humanitarian assistance to conflict-affected regions in Burma. Thailand hosts over 90,000 Burmese refugees who have fled over recent decades, and thousands more who have fled since Burma's 2021 coup. Thailand also relies on substantial natural gas imports from Burma, and a Thai company is one of the leading partners of Burma's military-run oil and gas firm.

Human Trafficking Record

The U.S. government reports that Thailand continues to face challenges in combating human trafficking, including forced labor and sexual exploitation. The State Department's 2021 Trafficking in Persons (TIP) Report downgraded Thailand from a Tier 2 ranking to a Tier 2 Watch List ranking, indicating that the government of Thailand does not fully meet the minimum standards for the elimination of trafficking as set out by the Trafficking Victims Protection Act of 2000 (TVPA, P.L. 106-386, as amended), and that while the government is making significant efforts to do so, it merits enhanced scrutiny.

Emma Chanlett-Avery, Specialist in Asian Affairs **Ben Dolven**, Specialist in Asian Affairs

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