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Chairman Chabot and Members of the Subcommittee, thank you for the opportunity to appear before you today to discuss the recent coup in Thailand.

The U.S.-Thai Relationship

Mr. Chairman, last year, we commemorated 180 years of friendly relations with Thailand, one of our five treaty allies in Asia. We have enjoyed very close relations, and U.S.-Thai cooperation on regional and global law enforcement, non-proliferation, and security has been extremely good. Our militaries engage in a wide range of important bilateral and multilateral joint exercises. Thailand is host to the largest such event in the Asia-Pacific region, the annual Cobra Gold joint exercise, which brings together the armed forces of 27 countries, including the United States, Thailand, Indonesia, Japan, South Korea, Malaysia, Singapore, and a number of observer countries. These exercises provide invaluable opportunities for our militaries to develop important relationships and increase coordination and cooperation, including on responding to humanitarian disasters.

For many years, Thailand also has been an important partner on humanitarian goals and priorities. It hosted hundreds of thousands of refugees after the Vietnam War, and even today hosts 140,000 refugees, including politically-sensitive minority groups which face problems or persecution elsewhere in the region. Thailand has long played a constructive role in the Asia-Pacific region, including as a member of ASEAN and APEC. In recent years, we have worked closely with the Thais to respond to natural disasters in the region, including when neighboring Burma was hit by a devastating cyclone in 2008. We also work closely together on health

issues, one of our major cornerstones for successful bilateral cooperation with the presence of the Centers for Disease Control and Prevention and the Armed Forces Research Institute of Medical Science (AFRIMS), where they have helped develop the only vaccine for HIV/AIDS ever proven efficacious in human trials.

Commercially, the United States is both Thailand's third-largest bilateral trading partner with more than \$37 billion in two-way trade, and its third-largest investor with more than \$13 billion in cumulative foreign direct investment. Thailand has the second-largest economy in Southeast Asia, after Indonesia, and our American Chamber of Commerce in Bangkok represents a diverse body of more than 800 companies doing business across nearly all sectors of the Thai economy.

Our Embassy in Bangkok is a regional hub for the U.S. government and remains one of our largest missions in Asia, with over 3,000 Thai and American employees representing over 60 departments and agencies. We enjoy close people-to-people ties, and more than 5,000 Peace Corps Volunteers have served successfully in Thailand over the past 52 years.

So for all these reasons, we care deeply about our relationship and about the people of Thailand. For many years, we were pleased to see Thailand build prosperity and democracy, becoming in many ways a regional success story as well as a close partner on shared priorities such as counterterrorism, wildlife trafficking, transnational crime, energy security, and conservation of the environment.

Thailand's Political Situation and Coup

Over the past decade, however, Thailand has grappled with an internal political debate that has increasingly divided not only the political class but society as a whole. Describing this complex debate would take more time than we have today, but in the simplest terms it is between supporters and opponents of former Prime Minister Thaksin Shinawatra, whose approach to politics and governance gave him significant influence but also made him a polarizing figure. The debate also reflects deeper conflicts between different segments of society based both on socio-economic status and on geography. For the past ten years, Thai politics has been dominated by debate, protests, and even occasional violence between these groups competing for political influence. These divisions led to a coup in 2006 and again, unfortunately, last month.

This latest coup came at the end of six months of renewed, intense political struggle between rival groups that included months-long demonstrations in the streets of Bangkok and occupations of government buildings. Efforts to forge a compromise failed, and on May 22 the armed forces staged a coup. Military

leaders argued that the coup was necessary to prevent violence, end political paralysis, and create the conditions for a stronger democracy.

Our position during the past decade of turbulence, and specifically during the recent six months of turmoil, has been to avoid taking sides in Thailand's internal political competition, while consistently stressing our support for democratic principles and commitment to our relationship with the Thai nation. On numerous occasions, we publicly and privately stated our opposition to a coup or other extra-constitutional actions, stressing that the only solution in a democracy is to let the people select the leaders and policies they prefer through elections. We consistently communicated that message directly to Thai officials, at high levels, through our Ambassador in Bangkok and during the visits of senior State Department officials to Thailand, as well as through both high-level and working-level military channels.

When the coup nonetheless took place, we immediately reiterated our principled opposition to military intervention. Beginning with Secretary Kerry's statement on May 22, we have consistently criticized the military coup and called for the restoration of civilian rule, a return to democracy, and full respect for human rights and fundamental freedoms, including the freedoms of expression and peaceful assembly. We have told Thai officials that we understood their frustration with their long-standing political problems, but also stressed that coups not only do not solve these problems, but are themselves a step backwards.

Initially, we held out hope that – as happened with the 2006 coup – the military would move relatively quickly to transfer power to a civilian government and move towards free and fair elections. However, recent events have shown that the current military coup is both more repressive and likely to last longer than the last one. The ruling military council has continuously summoned, detained, and intimidated hundreds of political figures, academics, journalists, online commentators, and peaceful protesters. It continues to censor local media sources and the internet, and has in the past weeks blocked international media as well. Actions by military authorities have raised anxiety among minority groups and migrant workers living within Thailand. For example, recent reports indicate that close to 200,000 Cambodian workers have fled Thailand out of fear that the military council will crack down on undocumented workers.

The military government has said that it will appoint an interim government by September, and has laid out a vague timeline for elections within approximately 15 months. Its stated intention, during the period of military rule, is to reduce conflict and partisanship within society, thereby paving the way for a more harmonious

political environment when civilians return to control. Meanwhile, the military government has begun a campaign to remove officials perceived to be loyal to the previous government. Many board members including chairs (mostly appointed by former Prime Minister Yingluck Shinawatra and former Prime Minister Thaksin Shinawatra) of Thailand's 56 state owned enterprises have been strongly encouraged to resign their positions in favor of military-selected replacements. Rapid, sweeping changes are being proposed in the energy and labor sectors, and greater foreign investment restrictions are being considered in industries like telecommunications.

We do not see, however, how the coup and subsequent repressive actions will produce the political compromise and reconciliation that Thailand so desperately needs. We do not believe that true reconciliation can come about through fear of repression. The deep-rooted underlying issues and differences of opinion that fuel this division can only be resolved by the people of Thailand through democratic processes. Like most Thai, we want Thailand to live up to its democratic ideals, strengthen its democratic institutions, and return peacefully to democratic governance through elections.

Protecting Our Interests and Preserving Democracy

Our interests include the preservation of peace and democracy in Thailand, as well as the continuation of our important partnership with Thailand over the long-term. We remain committed to the betterment of the lives of the Thai people and to Thailand regaining its position of regional leadership, and we believe the best way to achieve that is through a return to a democratically elected government.

The coup and post-coup repression have made it impossible for our relationship with Thailand to go on with "business as usual." As required by law, we have suspended more than \$4.7 million of security-related assistance. In addition, we have cancelled high-level engagements, exercises, and a number of training programs with the military and police. For example, in coordination with the Department of Defense, we halted bilateral naval exercise CARAT (Cooperation Afloat Readiness and Training), which was underway during the coup, and canceled the planned bilateral Hanuman Guardian army exercise. We continue to review other programs and engagements, and will consider further measures as circumstances warrant. Many other nations have expressed similar views. Our hope is that this strong international message, plus pressure from within Thailand, will lead to an easing of repression and an early return to democracy.

At the same time, mindful of our long-term strategic interests, we remain committed to maintaining our enduring friendship with the Thai people and nation,

including the military. The challenge facing the United States is to make clear our support for a rapid return to democracy and fundamental freedoms, while also working to ensure we are able to maintain and strengthen this important friendship and our security alliance over the long term.

Moving forward, it is important that the transition to civilian rule be inclusive, transparent, timely, and result in a return to democracy through free and fair elections that reflect the will of the Thai people. After democracy is restored, we fully hope and intend that Thailand, our longtime friend, will continue to be a crucial partner in Asia for many decades to come.

Conclusion

In closing, let me make one final point. Strong, enduring, bipartisan Congressional support for our efforts to move Thailand back towards its democratic tradition and to preserve our long-term friendship and interests are essential for a successful outcome.

Thank you for inviting me to testify on this important topic. I am happy to answer any questions you might have.