

CHAPTER V

The Indochina Policy of Chatichai Administration

In this chapter, the Chatichai administration and its policy of turning Indochina "from a battlefield to a market place" will be examined. First, the chapter will touch on the nature of the administration briefly and the people concerned with the policy. Secondly, it will go into the substance of the policy with some empirical events, namely the abolishment of "strategic items" toward Indochina, Chatichai's visit to Laos, the invitation of Premier Hun Sen of the unrecognized Phnom Penh regime to Bangkok, and the Tokyo Conference on Cambodia. After these, the paper will describe the increased trade between the kingdom and the neighboring states, and expansion of contacts between them. To make the Chatichai's policy clearer, that of the previous Prem administration will be cited throughout the chapter upon necessities. As a whole, the data utilized in this chapter are quite empirical as well as descriptive due to the aforementioned objectives. The assessment and analysis of these data and events will be presented in the following concluding chapter VI.

1. Chatichai Administration

In one sense, the assumption of premiership by Chatichai was an accident. Since the predecessor PM Prem Tinsulanonda declined to continue his another premiership, despite calls for it by major winning parties in the July 1988 general election, the post came to Chatichai as his Chart Thai Party gained the majority in the election. His party won 87 seats and FM Siddhi's Social Action Party followed the former with 54 seats, out of the 357 seats in the House of Representatives.¹ Chatichai launched his administration with other five parties, namely, Social Action, Democrat,

¹ The turnout of the election: Chart Thai 87, Social Action 54, Democrat 48, Puam Thai 35, Prachakhon Thai 31, Rassadorn 21, Prachachon 19, Puangchon Chao Thai 17, Palan Dharma 14, Community Action 9, Progressive 8, Muang Chon 5, United Democracy 5, Liberal 3, and others 1. *FEER*, 4 August 1988.

Rassadorn, United Democracy and Muang Chon, hence a six-party coalition government. Among 45 cabinet members, only one was non-party figure² and the rest were all from the coalition parties. Therefore, this was the first administration headed by an elected prime minister since the Seni Pramoj's one of 1976.

More significant was that among 45 cabinet members, 33 were business-cum-ministers and some of them were allegedly corrupted in their backgrounds, having undesirable connections with those who were said to commit illegal economic activities. For this, though the administration was regarded as being legitimately democratic, it was suspected to be highly business-oriented from the beginning. Indeed, soon later, press dubbed the cabinet "kitchen cabinet" or "buffet cabinet", indicating that the cabinet members were thought to have good accesses to business interests and to get easily what they wanted.

Chatichai himself was once a businessman. In the field of diplomacy, he was Ambassador to Argentina, Austria and Switzerland mostly during the 1960s. After he was called back to Thailand, he served as the Director-General of the MFA's Political Department, Deputy Premier, Deputy Foreign Minister and Foreign Minister in the open politics years in the mid-1970s and played a role in normalizing Thai-Sino relations. In the previous Prem administration, he served as Industry Minister (1980-1983) and Deputy Prime Minister (1986-1988). Considering his background, it is understandable that he was enthusiastic in economic and trade field in his diplomacy. Moreover, his Chart Thai Party was understood as a congregation of business-cum-politicians.

2. Emergence of New Policy Makers

The Chatichai administration was unique on the point that he introduced extra-bureaucratic a peoples to some pparatuses in the government by appointing peoples to such entities directly by himself. This caused sometimes conflicts between bureaucrats and the extra-bureaucrats throughout

² Meechai Ruchupan.

his tenure. The cabinet members directly concerned with foreign affairs were all from coalition parties:

Foreign Minister Siddhi Savetsila; Served Secretary General of the National Security Council between 1975 and 1978, Deputy Premier in Kriangsak administration, Foreign Minister entirely in the Prem administration; Retired from the post in August 1990. Leader of Social Action Party between 1986 and 1990.

Commerce Minister Subin Phinkayan; First appointed to Commerce Ministry in the first Chatichai government. Transferred to Foreign Minister in the cabinet reshuffle in August 1990, Social Action Party MP. During the Prem years, served as Minister of University Affairs and Deputy Finance Minister. Civil Engineer.

PM's Office Minister Pong Sarasin; In charge of Ministries of Foreign Affairs, Communications and Commerce, the Office of Judicial Council, the Office of Narcotic Control Board, the National Statistic Office, and the Office of Auditor-General. Engaged in manufacturing, maritime transportation and financial businesses. Financier and Deputy Leader of Social Action Party.

Army Commander-in-Chief Gen. Chavalit Yonchaiyudh Former Commander of the Second Region and advocate of "political offensive" operations toward the Communist Part of Thailand, Promoted to the Army Commander in 1986 after then PM Prem transferred Gen. Sangat Chaloeuy for his failed coup attempt in the same year. Desired to go into political arena, understood the Cambodian conflict as a "civil war" which was contrary to the Thailand's official stance.³

In addition to these ministers, the premier invited young academics to a newly established Private Advisory Group of Prime Minister composed of young academics, and gave a certain authority to the group to formulate his foreign policy. The group held regular meeting on the eve of the weekly cabinet meeting at the Baan Pitsanuloak building, then being called Bann Pitsanuloak group popularly. The members were academics of leading universities in Bangkok:

M.R. Sukhumbhand Paribatra: Director of the Institute of Security and International Studies at Chulalongkorn University, critical of Indochina policy of the Prem administration and urged the government to take more flexible stance, Sometimes criticized FM Siddhi; resigned the position of adviser in August 1989 after he making a sensitive comment over the role and position of the

³ From various sources such as newspapers and news magazines. In regard to the perception of Chawalit on the Cambodian problem, see footnote No.5 below.

military in Thai politics;

Kraisak Choonhavan: Lecturer of political economy at Kasetsart University, son of premier Chatichai, committed with social activities of labor affairs and rural development; joined the advisory group in his private capacity; acquainted with Vietnamese and Cambodian leaders through his several visits to Vietnam in 1970s and 1980s in the guise of academic research in the countries.

Pansak Vinyarat: Former editor of *Social Science Review*, newspaper writer, expert of information science, the sole Thai journalist who visited Hanoi in 1974, graduated from London School of Economics and Political Science.

Surakiart Sathienthai: Lecturer at Chulalongkorn University, specializing in international trade law and GATT; dealt with trade frictions with the U.S.

Bavornisak Uvanno: Constitutional and public law specialist, actively engaged in working on the intellectual property law, graduated from the University of Paris.

Narongchai Akrasanee: Vice President of Thailand Development Research Institute, internationally known economist specializing in international trade and industrial development.

Juanjai Ajanand: Professor of Faculty of Economics, Chulalongkorn University; majoring in international trade, former adviser on international trade to ESCAP, the United Nations University and the Ministry of Commerce.⁴

Among the ministers, only Siddhi and Chawalit continued their respective positions from the previous administration. Though they served to the same administrations, Chawalit and Siddhi were said to have different perceptions of the state of Cambodian problem.⁵ The members of the advisory groups were acquainted with one another since they had often made contacts, i.e. academic conferences and seminars, concerning diplomatic and trade issues such as the then outstanding intellectual property rights issue between Thailand and the U.S., and Thai-Laos relations.⁶ Among

⁴ *Ibid.*

⁵ Chawalit was an advocate of democracy, albeit his own version. According to Kraisak, Chawalit told him that he did not regard Cambodia and Laos as Thailand's buffer zone against Vietnam. The Army Commander triggered a controversy in 1987 over how to understand the Cambodian problem as he expressed his perception that the Cambodian problem was basically a "civil war":

I see the Kampuchean conflict as a "civil war", a domestic problem in a communist country... Therefore, the Soviet Union cannot deny it has a role in trying to resolve the conflict because it is a leader in the socialist world... This is how army view the Kampuchean conflict, which is quite different from the view held by the Foreign Ministry...

The Nation and *Bangkok Post*, 4 November 1987. Against his remarks, the Ministry of Foreign Affairs on the following day expressed its displeasure to the Army. FM Siddhi tried to minimize an undesirable effect, by responding: "I think the army chief may clarify his view on this issue soon... We believe this is his personal opinion." *The Nation*, 8 November 1987.

⁶ Interview with Kraisak. Away from the seven advisers, the Chatichai administration

them, Sukhumbhand, Kraissak, Pansak were said to engage deeply in policy formation and practice in regard to Indochina. The group was officially recognized by the premier in 17 August 1989, a week after the cabinet was sworn in by His Majesty the King. Chatichai was said to want to show his boldness in the field of foreign affairs. This was deeply related with his diplomatic experience in the 1970s, for example, when he was deputy FM and managed to negotiate oil trading with People's Republic of China though Thailand and China did not have diplomatic relations. His negotiation with the PRC then contributed to the establishment of diplomatic tie between two countries in 1975. According to Kraissak, Chatichai wanted to show such big hits again in his tenure.⁷

3. New Policy: "From Battlefield to Market Place"

Before discussing the "from a battlefield to a marketplace" policy of Chatichai, it is necessary to review the basic modality of Thailand's Indochina policy of the previous Prem administration. The basic and principle policy of the kingdom toward the Cambodian issue during the Prem years was handled by FM Siddhi and it was composed of two main pillars: 1) cooperation with ASEAN members who had agreed on a comprehensive solution, and 2) Thailand's national security concern that external threats would spill over from Vietnam through Cambodia and Laos spilling over to the kingdom in various forms. Nevertheless, these two were highly and deeply correlated and it is almost impossible to distinguish internal insecurity from external instability, and vice versa. In other words, the internal subversion, dissent activities, and the likes were all regarded as being connected with threats from external spheres. Indeed, the successive administrations in the past, regardless of being military or civilian, discussed with the PRC about the communist

reportedly had 787 so-called advisers who were paid 200 Baht for attending a meeting. Among ministries, the top in number was Interior Ministry with 387 advisers, Agriculture Ministry had the second largest number 130, Industry Ministry 89, Communications 52, Education 22, Foreign Affairs 20, Commerce 16, Justice 14, Finance 9, Public Health 7, and University Affairs 8. Neither the Science Ministry nor the Defense Ministry had advisers. In addition to these, the PM himself had 22 advisers from business and academic communities and the Chart Thai Party, who were paid 22,000 Baht per month. *Bangkok Post*, 25 June 1989.

⁷ Interview with Kraissak.

insurgency in the kingdom and tried to treat the issue with something the PRC would accept, as described in the chapter III.

In regard to the 2), the principal concern shared among the government in Bangkok was the Communist Party of Thailand (CPT). To tackle the communist insurgency, the Prem administration launched the so-called "political offensive", a tolerant measure toward the CPT approaching its members with rehabilitation, amnesty, housing, and the likes. The measure succeeded greatly and brought the substantial decline of the insurgencies and the authority declared in 1984 of victory against the CPT.⁸ Hence, the major concern of national security in Thailand (in a military and physical sense) was the threat from the neighboring external front, that was Indochinese communist states, particularly Vietnam who had been the rival of the kingdom over what the Thai considered their buffer zone, i.e. Cambodia and Laos.

The policy critically and repeatedly urged by the Prem government, which corresponds to 1), was a package of a total withdrawal of the Vietnamese armed forces from Cambodia; neutral and independent, and non-aligned Cambodia, and the endorsement of these by international community with a monitoring force in the country, and acceptance of the ASEAN Peace Concord by the Indochinese communists. These conditions became the ASEAN's as well as Thailand's principle. Thailand repeatedly emphasized it due to being the front line state and succeeded in continuous persuasion of ASEAN members and international community to accept it through various channels and efforts by then. The principle became more elaborated later. ASEAN and Thailand reached as the set of conditions which they designated as comprehensive political solution; 1) the withdrawal of foreign troops from Kampuchea, 2) the exercise of the right of self determination by the Kampuchean people, and 3) the establishment of a neutral, independent and non-aligned Kampuchea

⁸ The clashes between the government and the CPT drastically went down after the 1982 political offensive and accordingly the defection of the members peaked at 2,771 in 1982. At the juncture of 1986, the government-estimated strength of the CPT membership declined to 480 from the peak 1,400 in 1978. A special feature of "Prem and His 8 Years at the Helm" in *Business Review* magazine, January 1, 1988, pp.25-31.

which posed no threats to its neighbors.⁹ And as Thailand was concerned, Vietnam and the Heng Samrin regime in Phnom Penh was identified as one entity based on the fact that Vietnam invaded and occupied Cambodia and installed the regime. In addition, Laos was also thought to be highly influenced under Vietnam's clout.

Therefore, economic transactions toward the Indochinese states were quite unenthusiastic one. This was well reflected in a Siddhi's speech "Foreign Policy Directions of Thailand as a Rising Economic Power" at the World Economic Forum in October 1987, for example. The FM touched no more than a mere fact between the kingdom and them: "there are also prospects for an increase in trade between Thailand and Laos. As for Vietnam and Kampuchea, the political settlement of the Kampuchean problem would allow us to develop healthy trade directions with both countries."¹⁰

The kingdom urged also foreign countries as well to accept her blockade policy towards Vietnam and Cambodia. Deputy FM Prapas Limpabandhu, being apparently aware of eagerness of Japanese corporations to go into Vietnam, warned in the interview by a Japanese business magazine that though "the events happening in the neighboring socialist states" would not influence Thailand, "we know that Vietnam is instigating Kampuchea. (What) We want Japanese government (is)...to minimize her commercial and economic cooperation with Vietnam. I think this should be done by both the government and public sector simultaneously. The cooperation between Thailand and Japan depends on mutual understanding of political affairs and trust in it, ultimately. The improvement of this political cooperation is ought to be considered as foundations of further commercial and economic cooperation (between the two nations)."¹¹ His remarks well explained the nature of Thai

⁹ Siddhi, "Welcoming Remarks by H.E. Air Chief Marshal Siddhi Savetsila, Minister of Foreign Affairs of Thailand, Chairman of the Standing Committee at a Reception of Commemorating the 20th Anniversary of ASEAN, Saranrom Palace, Bangkok, 29 July 1987" in MFA ed., *Collection of Speeches 1987: ACM Siddhi Savetsila, Minister of Foreign Affairs*, n. d., p.47.

¹⁰ Siddhi, "Foreign Policy Directions of Thailand as a Rising Economic Power, Speech by His Excellency A.C.M. Siddhi Savetsila, Minister of Foreign Affairs at the World Economic Forum National Meeting on Thailand, Bangkok, 28 October 1987" in MFA, *Ibid.*, p.71.

¹¹ Interview article of Prapas in *Kokusai Keizai: Tai Tokushuu* (International Business: Special Feature of Thailand) [in Japanese], Vol.24, No.9, p.230.

policy toward the Indochinese states at that time, i.e. "politics-before-trade".

Soon after his assumption of office, PM Chatichai expressed the grand design of his policy toward Indochina that his administration would place weight on economy in dealing with the socialist states.¹² The new policy, as the dubbing implies, was highly related with increasing might of Thai economy, and Chatichai and his private advisors were well aware of it as well as the liberalizing Indochinese economies. Borrowing the well-deliberated explanation of a press, he launched a policy which was "grassroots-oriented, economic-based, people-led, military-supported, outward-looking open-door policy" on national, regional and international affairs.¹³ To put it more precisely, the policy called for 1) private sector to lead in developing people-to-people relations through trading with the Indochinese states, 2) Thai military authority to follow up by promoting contacts with the top brass of these states to demonstrate Thailand's intention of peaceful coexistence with them, 3) the government to utilize the mutual understanding cultivated by the people-to-people and the military-to-military relationships to build up mutually satisfying official relations with them (in the near future).¹⁴

Unlike Prem and Siddhi, the Chatichai put a great extent on economy, hence foreign trade, in his diplomatic maneuvering with the Indochinese states. This tendency on economy derived from his experience as a diplomat till the mid-1970s, as briefly described earlier. In any sense, it was apparent that he regarded economy as a driving engine to break the political deadlock or antagonism between the kingdom and her neighbors.

¹² *The Nation*, 5 August 1988. In his policy statement given at the Joint Session of House and Senate in August 1988, the premier expressed that he would emphasize economy and its influence to foster Thai economy:

(3) *Improving economic and political relations especially expanding trade and promoting good relations and friendship, with neighboring countries in order to coexist peacefully and in a friendly atmosphere for mutual benefit...*

(6) *Promoting ties with developing as well as developed countries...to enable economic and technical cooperation, expansion of markets for Thai agricultural and industrial products, tourism, sources of capital, raw materials technology and knowledge...*

The Nation, 23 August 1988.

¹³ Thech Chongkhadikij, "Chatichai's Strategy", *Bangkok Post*, 12 December 1988

¹⁴ *Ibid.* Parenthesis added.

In this regard, it is more valuable here to analyze his understanding of the relationship between politics and economy. Chatichai, who often described himself as being a “simple man” who liked “simple home truths”, made the point clear in his speech at the Foreign Correspondent Club of Thailand in December 1988. In the speech, Chatichai revealed his general perspective of the ongoing political changes in world affairs:

The first of these (changes) is the fast and irreversible growth of interdependence...As the weapons of war become more lethal and destructive, and as social, economic, and technological linkages across political boundaries expand and multiply, all nations of this world are increasingly interdependent in their fate... (And this assumption leads to) Partly as a consequence of growing interdependence, the state's capacity to determine its own future, its ability to be master of its own destiny, will diminish.¹⁵

Then, “as a consequence of the foregoing trends”, the premier moved on to explain his idea of economy:

Politics, I believe, will take second place to economics. To be sure, politics will continue to be of crucial importance, especially where a nation's security from external military threats is at stake. But, as I see it, leadership of all nations are likely to shift their attention more and more towards economics—towards economic well-being as the guarantee of long-term security.¹⁶

The premier said that not only industrialized nations but also “non-communist developing nations” were engaging in boosting economic development sometimes in conflict with the industrialized countries. And socialist states, in his eyes, “will increasingly abandon their ideological purity in favor of more pragmatic, more liberal economic strategies, to ensure that progress does not pass them by”.¹⁷ These analyses led the premier to his own viewpoint on “politics among nations”:

¹⁵ Chatichai's speech at the Foreign Correspondents Club of Thailand on 22 December, 1988. Text is from *The Nation*, 23 December, 1988.

¹⁶ *Ibid.*

¹⁷ *Ibid.*

I believe that conflict and tension in the politics among nations will continue to diminish. Growing interdependence, together with the overriding concern with economics, is helping to bring about rapprochement and detent in almost all adversary relationships. (And) I believe that all the trends I have discussed combine to create a situation where the lines dividing friends and adversaries are no longer self-evident or clear cut.¹⁸

About the nature of diplomacy in general by then, according to Chatichai, it was "all about the art and science of strategic management" because nations had "allied themselves together in military blocs to prevent war or to win war", then with clear battle lines: "on one side were friends and on the other side were foes". But now the diplomacy became the art and science of "management of peace, of managing relationships with both friends and adversaries across all issue-areas to ensure that one's interests are protected and enhanced" because the battle lines no longer existed with allies divided by differences over economics and adversaries reaching out to each other to cooperate for mutual benefits, then battle lines no longer exist in their old forms.¹⁹

These perceptions, being economic importance highly attached, derived from his understanding of the state of Thailand at the time. The premier repeatedly expressed that Thailand was moving closer toward becoming a Newly Industrialized Country (NIC), and for this the kingdom would in the foreseeable future churn out more industrial products than domestic demand would absorb. In addition, he was confident that the Indochinese countries would take a long time to keep up with his country's economic development and to become Thailand's competitors in the world market.²⁰ For example, immediately after he came to office, he declared that he was open to private business sector to consult him of their business activity, and the sector also praised his new policy. One business leader welcomed it: "as far as business is concerned, a clear-cut policy is important because it gives us confidence".²¹ The premier was apparently aware of the booming

¹⁸ *Ibid.*

¹⁹ *Ibid.*

²⁰ Chatichai's remarks given to local merchants at a seminar in Hat Yai, Songkhla. *The Nation*, 18 September 1988.

²¹ Remarks of the President of Thai Rice Exporters' Association Samarn Ophaswonese, *The*

economy and needs to expand its market to foreign frontiers as the leader of the cabinet of business-cum-politicians.

At another place, the premier reiterated his two "simple home truths" about the relationship: 1) that in wars, there are no winners; and 2) that common prosperity is the best guarantee of peace. He explained the reasons for these two truths with his own logic. Chatichai acknowledged that "war cannot be ruled out and there can be no simple preventive cure for armed conflicts among states" and "as a retired soldier, I still hold that sometimes it is necessary to fight...for what one believes is right" though, he emphasizes that economic interdependence would reduce risk of armed confrontation:

When nations and peoples trade with one another, when nations and peoples invest on one another's land, when nations and peoples interact with one another across a broad spectrum of economic endeavors, and when nations and peoples enjoy mutual benefits from these endeavors, they have little incentive to bear arms against one another....I believe that all regional states must participate fully in the process of economic development, that they must engage on mutually beneficial exchanges so that the fruits of economic development are shared. For in the last resort, common prosperity is the best guarantee against armed hostilities.²²

Regarding the relations with Indochinese states, although the premier reiterated the basic demand of the kingdom that Vietnam should withdraw its troops from Cambodia, he expressed his own approach in dealing with the Indochinese since he believed that the process of change taking place at the moment called for "an active, innovative, and yet realistic approach to international affairs".²³ He clearly declared that rapprochement with Vietnam was one of his top priorities and

Nation, 6 August 1988. Chatichai's first place of economy is attestable by many episodes. One of them was that he was the first premier who visited the Security Exchange of Thailand (SET) in January 1989 since its establishment in 1975.

²² Chatichai's speech given at the international seminar "Indochina: From War Zone to Trade Zone" in Bangkok on 28 April 1988. The text is from *The Nation*, 29 April 1988. The seminar was attended by Vietnamese Deputy PM and Foreign Minister Nguyen Co Tach, Laotian Commerce and Economic Relations Minister Phao Bunnaphonh, People's Republic of Kampuchea's Deputy Premier Kong Somol.

²³ Chatichai's speech at the Foreign Correspondents Club of Thailand. *The Nation*, 23

showed his confidence to do it:

*We must work more resolutely for closer and more constructive relationship with our ideologically-different neighbors. This is to ensure that the fabric of peace in this region is strengthened and that our neighbors can be allowed to participate fully in the process of regional economic development....Hanoi must not be encouraged to think that expansion through the use of military force is a legitimate and rewarding endeavor...But I also believe that Vietnam is in the process of adjusting herself to reality and reaching out in earnest to adversaries both to extricate itself from the Kampuchean quagmire and to develop its ailing economy.*²⁴

He was confident to take risk, as he admitted, to maneuver the new approach based on his "firm belief" that Thailand came "of age in every respect: we are becoming stronger more mature, and more self-confident in our own strength. The age of 'bending with the wind' is over". In this regard, Chatichai later deliberated it with another phrases: "we cannot influence the direction of the wind and storm but we can set the destination of our journey".²⁵ Interesting in his speech was that he never referred to the Cambodian issue in a direct manner and China as well. It was almost a formula in the speeches of his predecessors. According to one press article, this was the first time in nine years that a key foreign policy speech by a Thai leader did not mention the Cambodian problem. In almost all previous government speeches both at home and abroad, the Cambodian issue and even the refugee problems had been cited as the main stumbling blocks between Thailand and her Indochinese neighbors, the article pointed out.²⁶ It was obvious that the new administration placed a special emphasis on economy and trade with the neighbors.

Away from economy and trade, where the Cambodian problem was concerned, the difference between the Chatichai and the Prem administrations was sharp in their perception of the CGDK, especially the Khmer Rouge and its main sponsor, China. Regarding the Khmer Rouge, the

December 1988.

²⁴ *Ibid.*

²⁵ *The Nation*, 11 June 1989.

²⁶ *The Nation*, 23 December 1988.

perceptions of advisers—Sukhumbhand's and Kraissak's—might be of importance since they had for long been critics of the Thailand's policy on the CGDK. Again here before reviewing their perceptions and urges, it is necessary to see how the kingdom dealt with the issue.

In the Prem years, the kingdom often raised questions against any moves which would accord to Vietnam's initiative in resolving the Cambodian issue. As described in the chapter III, when soft-liner approaches emerged in the region, such as the Kuantan principle affirmed between Indonesia and Malaysia, and the Cocktail Party proposal agreed in principle between Indonesia and Vietnam, Thailand managed to exclude such moves from ASEAN's stand vis-à-vis Vietnam at large. Instead, the kingdom, especially along with another hardliner Singapore, was to consolidate three Khmer resistance forces to merge as one political entity designated as the CGDK at the ASEAN level. At the same time, Thailand allied herself with China for the congruent national interest of one another, i.e. neutral, nonaligned and independent Cambodia, thus reducing Vietnamese clout. Thailand hence clandestinely granted China to supply military assistance to the Khmer Rouge through Thai territory, though the kingdom ostensibly continued to deny it.

This logic was basically shared by the bureaucrats of the MFA as well. In the anonymous discussion between the bureaucrats and academics, albeit it was in 1985 when the military and political situation was still fluid in Cambodia, the officials reiterated the necessity that Thailand should support the CGDK including the Khmer Rouge because the group was the *de facto* military might vis-à-vis the Heng Samrin regime, thus Vietnam. Asked about the reason behind Thailand's support for the resistance government, the officials frankly admitted the CGDK's role against Vietnam: "what they (the CGDK's forces) can do, however, is to prevent Vietnam from establishing a 'fait accompli' in Kampuchea and to launch sabotage operations inside Kampuchea. More military pressure would be imposed on Vietnam if the CGDK grew in strength."²⁷ Against the criticism that

²⁷ *The Kampuchean Problem in Thai Perspective: Positions and Viewpoints Held by Foreign Ministry Officials and Thai Academics*, Asian Studies Monograph No.32, Institute of Asian Studies,

the support given by the Thai government to the CGDK was synonymous with her support to the Khmer Rouge, the MFA officials contended that such criticism was not accurate because "the conflict began when one country used its military strength to topple the legal government of another".²⁸ And since Thailand and ASEAN urged that the withdrawal of all foreign troops from Cambodia and the right of self determination of the Cambodians, the kingdom "believes that the most appropriate way to get rid of the Khmer Rouge is through the holding of free elections". According to the officials, not supporting the CGDK was as if Thailand had "agreed with Vietnam that its forces were dispatched to Kampuchea at the invitation of Kampuchians to help suppress Pol Pot and acknowledge that the root cause of the problem was the Khmer Rouge, rather than the invasion and occupation...by Vietnamese forces."²⁹

More interesting is that these officials, again albeit the discussion was held in 1985, held something like superpower determinism. Whether or not it was a shared perception within the MFA, one official is apparently urging the power game by superpowers which, the official seems to wish, would be supportive to Thailand:

We should view the Kampuchean situation in this way: if the Thai policy of calling for support for the CGDK is successful, Chinese influence in the region will also expand. But American influence

Chulalongkorn University, August 1985, p.31.

²⁸ *Ibid.*, p.24.

²⁹ *Ibid.*, p.25. Simultaneously however, it should be noted that opinions in the MFA were sometimes split: one official made a point about how to deal with the Khmer Rouge:

We must accept that sometimes we have to adhere to established principles and on certain occasions we have to take real politik into consideration. With regard to Pol Pot (and Ieng Sary), this is an issue of real politik. We may exchange these two Khmer Rouge leaders for a Vietnamese recognition of Prince Sihanouk and Son Sann or achievement of a political settlement. These are to be taken into consideration. If we always adhere to principles, then we may have to discard several of our points.

On whether or not Thailand should have negotiations with Vietnam on the Cambodian issue, one opinion supported that both party should:

My notion is probably different from my colleagues'...If we want to end this dispute, then we will have to talk. We have two alternatives; i.e., to let the situation drag on for another ten years or to let the problem be solved within two years. If we choose the second option, then we will have to start the discussion. The problems of how the negotiations should be conducted, when and where they should be held are not significant.

Ibid., p.50 and pp.44-45, respectively.

*is expanding as well. This can be seen in the American assistance worth US\$5 million to the CGDK through Thailand. This should make Vietnam realize that it is costly to maintain her troop in Kampuchea... We would like Vietnam to note that the United States is increasing its support for the CGDK and China is possibly going to do so too.*³⁰

Needless to mention to the armed forces that actually experienced the clash with the Vietnamese forces along the Thai-Cambodian border in 1979 and 1986, the Ministry of Foreign Affairs (MFA) also urged the comprehensive approach, of course from their own view point as to sustain the ties with other ASEAN fellow members.

In theory, this policy rested to a great extent on whether or not Sino-Soviet rapprochement would be materialized. Additionally the policy was limited to *de jure* interpretation of the conflict, i.e. the Cambodian problem was caused by the Vietnamese invasion and occupation, and Thailand was not directly involved in the conflict. That is to say, the issue was basically the matter of the communist bloc, hence if the bloc, now divided into two camps, turned to be conciliatory, then the Cambodian issue would almost automatically be resolved to a great extent. As a matter of fact, Siddhi reiterated the roles of the two communist superpowers at many occasions. In December 1988, before Chatichai revealed his intention to welcome Hun Sen, Siddhi said although he would go "anywhere to bring peace to the region and speed up the peace process in Kampuchea", the countries he had in his mind were in fact these two giants: "I decided to go to China in response to Foreign Minister Qien Qichen's invitation...I feel that the prospect of a breakthrough largely depends on the two superpowers (China and the Soviet) and that the Kampuchean issue will be resolved next year. Hanoi should be aware of a message from Moscow and Beijing that it should formulate a timetable on the troop withdrawal".³¹ Extending this interpretation, if the two communists had failed their rapprochement, the Cambodian issue would go on deadlock and prolong. In this regard, Siddhi placed high profile on the superpowers' relations on the issue. In short, his world view was more or

³⁰ *Ibid.*, pp.40-41.

³¹ *The Nation*, 8 December 1988

less superpower determinism.

On the contrary, the advisory group had a different vision of scenario. As will be discussed below, the advisers were advocates of discarding the Khmer Rouge, and of reviewing Thailand's relation with China as well. Sukhumbhand for instance warned the fragile and instable "alignment" forged between Thailand and China in his work of 1987.³² He acknowledged the alignment contributed to some extent to the security of Thailand vis-à-vis Vietnam during the Prem years, he claimed uncertainty of the alignment:

*The present close relationship between Thailand and the PRC ultimately is based on one thing, and one thing only, namely a common interest in preventing a Vietnamese military diktat in Indochina.... even though Thailand and China shared a common interest in preventing a Vietnamese military diktat in Indochina, their goals are not necessarily identical and the divergences between them may have an adverse impact on the development of their relationship in the future.*³³

The scholar of security issue claimed that the Thai-Sino alignment would not develop to a desirable alliance because of three realities between them: 1) low economic interactions, 2) hatred by Thai leaders against the Khmer Rouge, and 3) incredibility of China as a deterrent force against Vietnam.³⁴ And he concluded that though "China's ability and willingness to offer Thailand protection has been one of the bases for the development of close bilateral ties especially in the security area", he contended:

The scope and extent of this evolving relationship will partly be determined by what Beijing can offer to the kingdom.... Since it is likely.... that over the longer run the PRC's ability to contribute to Thai security will be, and will be seen to be, circumscribed, the Thais will not be anxious to upgrade their security cooperation with China and indeed will not hesitate to down grade it, if the

³² Sukhumbhand, *From Enmity to Alignment: Thailand's Evolving Relations with China*, Institute of Security and International Studies, Chulalongkorn University, 1987.

³³ *Ibid.*, p.39 and 42.

³⁴ *Ibid.*, pp.39-45.

*utility of the Chinese connection diminishes.*³⁵

In regard to the Khmer Rouge, Sukhumbhand was scathing about the treatment by ASEAN and Thailand of the resistance faction. He said in July 1988 that though the trends of rapprochement among superpowers at the time seemed favorable to a settlement of Cambodian problem, fundamental problem remained: how to persuade Vietnam to get out and stay out of Cambodia and a revival of the Khmer Rouge.³⁶ He went so far as to criticize the government's policy toward the Khmer faction:

*Thai government, among others, takes a rather complement attitude towards this problem, at most admitting that the Khmer Rouge issue can be tackled as a part of the political settlement or after that political settlement has been reached. This is partly due to conceptual naivety, partly due to hear of antagonizing Thailand's Chinese patron, partly due to continuing distrust of Vietnam and partly due to the existence of bureaucratic vested interests in the Khmer Rouge connection.*³⁷

Therefore, the academic urged that in order to resolve the Cambodian problem, the Khmer Rouge issue should be "seen and tackled as a top-priority issue". He warned that leaving the issue "to the eve or the morrow of a political settlement is to do too little, too late, ultimately at too great a cost".³⁸ Then, he appealed for a need of "political will of the highest order on the part of Thai leaders" and "political will to take risks inherent in such an endeavor".³⁹

In November 1988, after being appointed to an adviser, Sukhumbhand reiterated, this time in regard to arms purchase, that the Thai-Sino relation was not unlimited one: "we have been trying to explain (to other ASEAN members, especially Indonesia) that we are a very practical country...At present we have border problems and have to make our armed forces more modern. There is a need

³⁵ *Ibid.*, p.46.

³⁶ Sukhumbhand, "Peace in Kampuchea Is Not at Hand, Part 1", *The Nation*, 21 July 1988.

³⁷ *Ibid.*

³⁸ *Ibid.*

³⁹ Sukhumbhand, "Unholy Alliance Must End", *The Nation*, 22 July 1988. The two articles of him are consecutive, being the former as part 1 and the latter as part 2.

for weapons that are inexpensive. So we have to go to China. *But this does not mean that we will let China dominate us*".⁴⁰

Kraisak also expressed similar concern of Chinese role and Khmer Rouge in the peace process.⁴¹ As soon as he was appointed as an adviser, he urged that Thailand should stop supporting the Khmer Rouge: "Thailand must take initiative if China doesn't change its stand toward the Khmer Rouge" because he said many countries still did not trust the faction for their "tarnished reputation".⁴² All things regarding the role of China and the Khmer Rouge considered, the advisers were skeptical of China's role in resolving the Cambodian issue and regarded the communist giant as being an obstacle sometimes in Thailand's diplomatic interests.

Naturally, Chatichai's new policy and the joining of the advisers whose perception of Cambodian problem differed from that of MFA invited not only appraisal but also criticism since it seemed to depart from what Thailand had done so far. And the criticism came from various quarters of the society. FM Siddhi in December 1988 warned at the seminar of his Social Action Party in Chiang Mai that Chatichai's initiative in foreign relations was "sensational diplomacy" and the new policy is "only his desire, and not exactly the policy of the ruling coalition". The FM urged that Thailand's policy toward the Indochinese must be "gradual, discreet and tactful" and should not "embrace a man who is carrying a knife pointed at our neck, otherwise our friendly countries would feel that we have changed our stand simply out of selfishness", and therefore "a personal wish must be distinguished from a government policy."⁴³ More important criticism of him was that he reiterated insulation of MFA in the field of diplomacy. The FM insisted that government agencies and the private sector must cooperate with one another in implementation of *foreign policy whereas the MFA was responsible for supervising the activities* so that they would proceed along with the

⁴⁰ *Bangkok Post*, 14 November 1988. Emphasis added.

⁴¹ In the interview, Kraisak said: "China had a peculiar and their own somehow strange world view and sometimes we could not understand it immediately".

⁴² *The Nation*, 16 August 1988.

⁴³ *The Nation*, 25 December 1988.

same policy direction.⁴⁴ Even after the establishment of the advisory group, Siddhi continuously insisted on the principle, while acknowledging the new policy to extent ostensibly, by warning that Thailand should not depart from its basic principle which was interpreted by him as “peace must come first before we can go full stream ahead in our cooperation with Vietnam and Kampuchea in the march toward common prosperity in this region. We must never allow ourselves to be susceptible to wishful thinking”.⁴⁵

Deputy PM Pong Sarasin (SAP) also remonstrated with the advisers on their role in foreign affairs. “It seems that they don’t understand the role of advisers. They seem to want to have a say in everything”, “I know they are still young. All kids are like that—wanting to show off. I want to make them understand what their real duty is. *They are advisers, not implementers*”. Pong admitted that the advisers were energetic and at times had useful ideas, “sometimes when we get stuck, it’s good to have others help us think. *But just think, don’t do it*”.⁴⁶

The criticism by Prasong Soonsiri, former NSC Secretary-General, was somewhat traditional; hence being more consolidated with what he saw threats. He pointed out various factors which would pose unfavorable conditions to the kingdom such as the expanding Soviet presence in Vietnam, Burmese political turmoil, remnants of the CPT members now in student, labor and mass media bodies and so on, he warned that “the government should look at the situation carefully with the political situation becoming like that between 1976 and 1977”.⁴⁷ He pointed out that it has to be achieved in phases: Vietnamese withdrawal and election by the Cambodian people of their own government, and “then there will be trade”. Like Siddhi, he also warned that if Thailand did not take

⁴⁴ *Ibid.* Parenthesis added.

⁴⁵ Siddhi’s address given to local and military officials assigned to the North. *The Nation*, 4 February 1989. Despite general skepticism in the MFA toward the advisory group and its policy suggestions, the MFA began to assess a new Thai stand in the Cambodian issue as early as in August 1988, immediately after the Chatichai’s assumption of his premiership. But the conclusion was almost as same as before.

⁴⁶ *The Nation*, 20 March 1989.

⁴⁷ *Bangkok Post*, date is not available for miscopying. Probably between September 1989 and early January 1989.

the phasing steps, "our relationship with other countries which have supported us will become fragile" and "they would prefer to keep quite and the Thailand would have to stand alone".⁴⁸

From academia, Khien Theeravit, then the Director of Institute of Asian Studies of Chulalongkorn University and an Indochinese affairs expert, was also critical to the new policy, particularly the invitation of Hun Sen by Chatichai. Khien, douching on the efforts the countries concerned had made since the invasion by Vietnam in 1978, claimed that the Chatichai-Hun Sen talks ran "counter to international and United Nations' principles".⁴⁹ In addition, the academic who was deeply committed to Thailand's foreign policy formulation during the years of Premier Prem, warned that not only the Phnom Penh regime but also Vietnam would increase bargaining power. In regard to how to deal with such a complex matter as the Cambodian problem, the Director declared that "this matter should be handled by the Foreign Ministry, which has diplomatic skills and expertise. Inexperienced persons could cause irreparable damage".⁵⁰ In general, leading experts and academics on Indochina issues were critical to the premier's new policy.⁵¹

To the contrary, the Prime Minister had a different idea. Though the PM and FM attained reconciliation with each other in February 1989 over the allegedly discrepancy between them regarding the Hun Sen's visit to Bangkok, the premier still sustained his own understanding of foreign policy formulation and implementation. Though the premier flattered the FM, the premier said in similitude that the divergent roles played by the MFA and Government House could be useful as far as they "stick to the same song", explaining: "like in music, there may be high and low pitches

⁴⁸ *Ibid.*

⁴⁹ *The Nation*, 28 January 1989. Khien's remarks were expressed at a debate on "Hun Sen Visit" at Chulalongkorn University on 27 January 1989.

⁵⁰ *Ibid.*

⁵¹ For example, Kramol Thongthammachart and Theera Nucheum, both of Chulalongkorn University. *Ibid.* Kramol said at the seminar that the visit of Hun Sen was "*de facto* recognition (of the regime in Phnom Penh)":

We cannot call him the puppet regime of Vietnam because we have recognized him unofficially. What shall we do with the other three Khmer factions who are recognized by the United Nations?

Ibid. and *Bangkok Post*, 28 January 1989.

from various instruments. We can play different notes but we must play the same music. This is what I consider team spirit".⁵²

3.1 Abolishment of "Strategic Goods" and Associated Business Promotion Schemes

Thailand neither encouraged nor banned foreign trade with Indochinese states during the Prem years. In December 1981, after the border clashes in the previous year between the kingdom and Laos, the government adopted a strategy to ban exporting 273 items from Thailand to Indochinese states. These items were drawn up by the National Security Council (NSC) and generally dubbed "strategic goods", most of which were daily necessities such as bicycles, ironware, aluminum, canned food, generators, plastic and metal containers and even rubber contraceptives and sanitary napkins, pharmaceuticals, and tires. In addition to these, seasoning powder was also banned because the Viet Cong were said to have used it to apply to bullet and shrapnel wounds to stem bleeding.⁵³ Though Thai private business sector tried to penetrate the Indochinese market by various ways and means and simultaneously continued to urge a "trade-before-politics" policy, they were faced with the "politics-before-trade" strategy by the government.

However the pressure to review or abolish strategic items (not all) came from within. In May 1983, Democratic Party leader Bichai Rattakul, former FM during the Seni administration in 1976, suggested "trade-before-politics" policy as a path leading to a political settlement of the Cambodian problem within the framework of the U.N. resolutions.⁵⁴ But Siddhi, in response to the Bichai's suggestion, contended that politics should come first before trade because such a move would undermine efforts to break the political deadlock on the Cambodian issue if the strategic items were allowed to reach Hanoi, it would strengthen and prolong the Vietnamese occupation in

⁵² Remarks at a party to mark the *Saranrom Day*. *Bangkok Post*, 8 March 1988. At the party, Siddhi praised Chatichai for the reconciliation between them and putting an end to the "political storms and turbulences" which hit the MFA.

⁵³ *FEER*, Vol.121, No.36., 8 September 1983

⁵⁴ *FEER*, 29 September 1983.

Cambodia.⁵⁵ The pressure to separate politics and economics continued however. In August the following year, nine representatives of the Foreign Affairs Committee of the House of Representatives headed by former PM Kriangsak Chamanand paid a visit to Laos and met Laotian PM Kaysone Phomvihane. The committee members were consulted by the Laotian government and they urged the Thai authority to review a list of the 273 items. After the visit, Committee Secretary Paitoon Kruagaew na Lumpoon gave his support to the Laotian request: "it would contribute to peace in the region if the trade and cultural exchange were separated from the Cambodian issue".⁵⁶

The echo of open or less-restricted trade with Indochinese states was augmented more when Thais came to know that Singapore, another hawkish party vis-à-vis Vietnam, was reaping the benefit of trading with Vietnam and Cambodia by reselling Thai products. Two Committees in the House—foreign affairs and commerce—jointly made a proposal of fostering direct trade with the neighbors in February 1986, after discussing pros and cons of the trade based on a research paper presented by Thai Farmers Bank. With the data given in the report that the Indochinese imported goods worth 18,700 million baths annually and most of which were produced in Thailand, the MPs urged to reduce the number of items to by half of them, indicating the strategic items restrictions as being the stumbling block in the Thai-Indochinese trade.⁵⁷

The same demand came from private sector too as Thai economy came to enjoy booming led by exports, particularly from Northeast region which shared border with Laos and Cambodia. When the Joint Public-Private Consultative Committee held a regional meeting in Northeast at which PM Prem presided, the local businesses raised to the Premier the liberalization of trade with Laos. The Premier responded to it giving no more than a cliché of the hitherto policy: "the Ministry of Foreign Affairs, the National Security Council, as well as the Ministries of Interior and Commerce

⁵⁵ *The Nation*, 2 June 1983.

⁵⁶ *FEER*, 8 September 1983.

⁵⁷ *The Nation Review*, 8 February 1986; *Bangkok Post*, 8 February 1986.

solve this problem".⁵⁸ The pressure of open trade continued in the following month at the meeting of local chamber of commerce in Udon, now about Thai-Cambodian border trade. However these demands were dismissed by the MFA and military by reason that such trading was militarily and diplomatically imprudent and economically impractical.⁵⁹ In these scenes the echo from the private sector was supported by MPs. Bangkok MP Col. Prachak Sawangchitr (Chart Thai Party), who used to be the Commander of 2nd Army Division in Prachin Buri in 1981, accused the MFA of overlooking the Indochinese market and concentrating on only political matters with the Indochinese: "the Foreign Ministry must function not only as a diplomat but also a salesman".⁶⁰ Nakhon Phanom MP Veeravorn Sittitham (also Chart Thai Party) suggested barter trade between Thailand and Laos, with the former providing matches, slippers, sugar and gunny bags and the latter exchanging the Thai products with minerals and timbers.⁶¹ However these urges met rejection almost whenever they appeared based on the assumption that such deals would transfer technological know-how and capital of Thailand to build up the "economic base" of Vietnam.⁶²

It was not until the Chatichai's declaration in the fall of 1988 that the list of strategic items was abandoned. Soon after his coming to office, the premier made his intention to reduce and to eventually abolish the list of strategic items because the Indochinese trade, particularly with Laos, was dormant due to the items, and revealed that he had already ordered the NSC and Interior Ministry to review it.⁶³ At this stage, the MFA was apparently reluctant to take a sudden action to do it. Though one anonymous senior MFA official said to a press that his colleagues recently had agreed to conduct a study on the benefits of trading with Vietnam in the future, he emphasized the prospect

⁵⁸ Translated and quoted in Anek Laothamatas, *Business Associations and the New Political Economy of Thailand: From Bureaucratic Polity to Liberal Corporatism*, Westview Press, 1992, p.95.

⁵⁹ *Ibid.*

⁶⁰ Remarks at a seminar on "How to Open the Indochinese Market?". *The Nation*, 18 October 1988.

⁶¹ *Bangkok Post*, 20 August 1986.

⁶² *The Nation*, 8 January 1988. The explanation by MFA Director-General of Political Department M. R. Dhepvakul at the House Committee of Foreign Affairs.

⁶³ *Bangkok Post*, 9 September 1988.

of bilateral trade with Vietnam would grow *if* Indochina rebuilt their economies.⁶⁴ Nevertheless, the NSC already convened its meeting in late August 1988 to begin assessing pros and cons of relaxation of trade with Indochina together with high-ranking officials from Ministries of Industry, Commerce, Interior and the Armed Forces. The NSC reportedly discussed opening more checkpoints on common borders with Laos and Cambodia.⁶⁵

In December 1988, the government reached the conclusion to slash the number of strategic items from 61 to 29, and to establish two more trade checkpoints in Chiang Rai and Nakhon Phanom.⁶⁶ At this stage, the authority still sustained banning the 29 items because they were essentially applicable for military purposes. In October the following year, at the place of Thai-Lao Joint Committee for Trade, Cultural, Scientific and Academic Cooperation held in Vientiane, Chawalit revealed that the Thai side had decided to scrap immediately the remaining list of 29 items.⁶⁷

In regard to Cambodia, the Thai cabinet finally declared in August 1990 the abolishment of trade embargo of foods and pharmaceuticals among those banned to trade along the Thai-Cambodian border area since 1981.⁶⁸ At the same time, the authorities of Armed Forces, the Customs Office, Police, Immigration Bureau and others concerned agreed to open a border-trade market in Aranyaprathet to consolidate smuggling businesses to formal and official market.⁶⁹

It took a bit longer for the Chatichai government to take clear actions in economic and trade relations with Vietnam, which was reasonable since the socialist country was deeply committed with the Cambodian problem. Vietnam was continuously quite enthusiastic to promote open and free trade with Thailand even before the Chatichai years. Whenever the Vietnamese FM Nguyen Co

⁶⁴ *The Nation*, 26 September 1988. Emphasis added.

⁶⁵ *Bangkok Post*, 27 August 1988.

⁶⁶ *The Nation*, 21 December 1988

⁶⁷ *The Nation*, 7 October 1989.

⁶⁸ *Touan Aja Youran 1990*, p.4-53.

⁶⁹ *Ibid.*

Thach came to Bangkok, he expressed Vietnamese wish of trade but failed to materialize it in the face of "politics-before-trade" policy of Thailand. But the Chatichai administration replaced it with "trade before-politics". (See the second last section in this chapter).

3.2 Chatichai's Visit to Laos

Chatichai himself revealed his desire to visit Indochinese states from the beginning of his tenure, if situations would allow it. This came to be realized first as he visited Laos in November 1988. Before Chatichai came to office, the bilateral relation had been quite hostile and adversary in the mid-1980s, particularly when their military forces clashed against one another over sovereignty of the small village of Ban Rom Klao in Phitsanulok province. The border dispute influenced almost all dimensions of the Thai-Lao relations. Once single negative event happened between them, it tended to be related with other issues. For example, Siddhi's speech of 1984 attested the norm. FM said in the speech at first that he wanted to believe the intrusion by Laotian forces into Thai territory in March 1984 was a result of a "case of genuine misunderstanding" by the Laotians about the road construction by the Thais along the border. But the situation, he continued, deteriorated by "unsolicited interference by Vietnam in this bilateral issue" and the "quiet diplomacy (between Thailand and Laos for resolving the issue) has been overshadowed by ideological posturing, propaganda rhetoric". At greater length, he continued:

Certainly it would be her advantage to side track improving Thai-Lao relations. Vietnam would gain by crating a siege atmosphere which would provide an excuse to maintain her grip on smaller neighbors. Conceivably she also may be attempting to burden Thailand with another border problem and tarnish our image..... International attention given to the Thai-Lao border may in Vietnam's thinking lead to less attention for the Kampuchean situation..... And then perhaps to charge others with violation of territorial integrity is Vietnam's way of trying to lessen the stigma of, or even make acceptable, her blatant violation of Kampuchea's sovereignty and territorial integrity.⁷⁰

⁷⁰ Siddhi, "Address by Foreign Minister Siddhi Savetsila at the Foreign Correspondents Club of Thailand, 27 June 1984" in MFA, *Collection of Speeches by H. E. A.C.M. Siddhi Savetsila, Minister of Foreign Affairs (January-December 1984)*, n. d., pp.25-27.

Soon after Chatichai came to office, Laos expressed in September through the state-run *Radio Vientiane* her willing to normalize the bilateral relations. Interesting enough was that the Laotian authority accused Siddhi by name in the radio statement that he was stubborn enough to prolong the Thai-Lao border dispute and his stance was against the Chatichai's new policy.⁷¹

Chatichai paid an official visit to Vientiane in November 1988 upon the invitation by Laotian PM Kaysone Phomvihane. The official visit was the first one to Laos by a Thai premier since the Kriangsak's in 1979. The visit was arranged in advance by the advisers, in this case Sukhumbhand, and Army Commander Chawalit. Chatichai was accompanied by Siddhi, Interior Minister Praman Adireksan and other ministers and high-ranking officials. During the two day talks between Chatichai and his Laotian counterpart Kaysone, the both sides agreed to further the existing framework architected by the ceasefire agreement of February 1988⁷² to a more comprehensive cooperation mechanism. In the Joint Communiqué, two sides confirmed that 1) a joint committee be formed to solve the border problem, 2) the construction of a bridge over the Mekong linking the two countries, 3) the bilateral cooperation toward a political settlement of the Cambodian problem, 4) tackling the Lao refugee issue with the UNHCR, and 5) exchanging military attaches. In addition, the Thai side expressed to render her cooperation to the Laotians in the fields of telecommunication networks, hydroelectricity, and agricultural and investment in export-oriented production.⁷³

In line with this Communiqué, the both sides established the Thai-Lao Border Committee at the end of the year and convened the first session in Bangkok. In the first meeting, they agreed to continue the negotiation over the territorial dispute and to set up working groups to review and

⁷¹ *Touan Ajia Youran* 1989, p.4-44.

⁷² Thailand and Laos engaged in military clash since the end of 1987 over the sovereignty of small villages of Ban Rom Klao in Pitsanuloak. They reached at truce in 22 February following year. After this, the two sides held negotiations twice on measures to resettle the border dispute and agreed to set up the bilateral Joint Military Committee to monitor the ceasefire process, but they went on deadlock however.

⁷³ MFA, *Thailand Foreign Affairs Newsletter*, November 1988, p.3.

investigate the 1907 French-Siamese Accord with which the both sides had interpreted in different manners in regard to Thai-Laos demarcation around the villages.⁷⁴ This Committee convened the second session in February 1989 in Vientiane at which the both parties agreed to the following: 1) Laos would make efforts to create incentives for Thai investors by drawing up an accord of protection and promotion of Thai investments, 2) both countries would grant permissions to those who would be given special pass (both Thais and Laotians) so that these peoples can go into each territory by 70Km from the border, 3) the both would appoint experts to foster the reviewing and investigation of the 1907 Franco-Siamese Accord, 4) Thailand will assist Laos in the fields of agriculture, public health and scientific research.⁷⁵

When Chatichai made his second visit to Laos in November 1990, he and Laotian PM Kaysone agreed to advance the planned Thai-Lao Bridge and enter into a joint venture in constructing a large scale hydro-power dam in the Mekong river tributary in the Laos side, while they were aware of the border dispute and the alleged Thai support of anti-government force in Laos, for example, were not fully cleared.⁷⁶ New Thai FM Subin followed the Chatichai's visit in the mid-November and agreed with Laotians to grant some 7 million baht-worth aid to Laos for technological improvement, and signed the aviation agreement which allowed two new air routs, Vientiane-Chiang Mai and Vientiane-Khon Kaen.⁷⁷

The significance of the Chatichai's visit is that the bilateral relations turned to the one which Thailand (and Laos also) tried to conduct diplomatic activities by issues areas, i.e. separating the border dispute and other issues. Thai diplomats were well conscious of the separation in the negotiation with their Laotian counterparts. In a bilateral talk between officials of both sides in November 1989, for example, MFA Director-General of the International Organizations Department

⁷⁴ MFA, *Thailand Foreign Affairs Newsletter*, December 1988, p.6; *Tounan Ajia Youran 1989*, p.4-45.

⁷⁵ *Tounan Ajia Youran 1989*, p.4-44.

⁷⁶ MFA, *Thailand Foreign Affairs Newsletter*, November 1990, p.7.

⁷⁷ *Ibid.*

Nitya Phibunsonggram pointed it out that during the previous years the Thai side continued to encourage sports and cultural exchanges between the two peoples "despite the border conflict which reared its ugly head in the middle of last years".⁷⁸ Hence, the Chachai's initiative toward Laos was basically shared among the MFA officials as well, albeit the advisers joined the formation and implementation of Thailand's Laotian policy.

3.3 Invitation of Hun Sen to Bangkok

The most highlighted maneuver of Chatichai's Indochina policy must be his invitation of Hun Sen, the Premier of People's Republic of Kampuchea, to Thailand since the kingdom did not recognize the regime and instead created and supported the resistance Coalition Government of Democratic Kampuchea (CGDK) including the Khmer Rouge. The advisory group again prepared for the visit almost secretly, unknown to the MFA and FM Siddhi because the advisors thought the chief and bureaucrats of the MFA were hesitant to take any actions contradicting to what they had done so far in regard to the Cambodian problem, hence the advisors regarded the ministry incapable to do such an "innovative thing".⁷⁹ In any case, the Hun Sen's visit was quite sensitive because of the simple fact that the Cambodian problem was the top priority in Thailand's as well as ASEAN's political and diplomatic issues. Therefore, Chatichai's initiative toward the Cambodian problem sometimes saw difficulties and obstacles in both domestic and external fronts.

The controversy over whether Thailand should make a contact with the Phnom Penh regime came to surface with the Chatichai's response to foreign correspondents in December 1988 at which he delivered the speech quoted earlier. In the session of question-and-answer between the premier and the reporters, he said he would welcome the leader of People's Republic of Kampuchea (PRK) because Thailand's ideal policy he said involved making friends with each and every one of her neighbors, and that the kingdom now was in "the period of implementation" of the ideal policy.

⁷⁸ *The Nation*, 1 August 1989.

⁷⁹ Interview with Kraissak.

At the same time however, he strongly contended that his welcome attitude to Hun Sen would not mean the kingdom changed her foreign policy on the Cambodian issue.⁸⁰ Nevertheless his decision to meet Hun Sen in Bangkok in January 1989 made the premier's new approach stand at the front line of Thailand's foreign policy.

Chatichai himself had already expressed separation of politics and economy several times from the beginning: "trade is trade and politics is politics. Don't mix them up" because he said Thai private sector was already trading with Indochina and "this is nothing new. We have to support them. We even want them to expand the trade".⁸¹ And he applied this formula to Cambodia too. Kraisak explained the background of the separation in the following fashion, touching other countries including ASEAN members:

"By then, everybody, even those who were persistent to the ASEAN's policy toward PRK and Vietnam, came to know that the policy was almost artificial. You know, there were many Thai goods there in Phnom Penh and Vietnam traded through Singapore. Singapore, yes they were the most hawkish in the issue, but they were clever to do the trading while claiming the so-called comprehensive solution. That, there was no congruence in their policy. Other members were almost similar to Singapore. Japan, France, U.K., all of them was there in Cambodia. Why not Thailand?"⁸²

Kraisak added that the CGDK was just in the jungle along the Thai-Cambodian border and its members were always quarreling with one another while the PRK maintained more than three fourth of the land and had a good administrative capability.⁸³ Sukhumbhand also pointed out invalidity of trade embargo against Vietnam and Cambodian, saying that Thai-Vietnamese trade was valued at about US\$20 million a year while Singapore had trade with Vietnam worth US\$200

⁸⁰ *The Nation and Bangkok Post*, 23 December 1988.

⁸¹ *The Nation and Bangkok Post*, 9 September 1988.

⁸² Interview with Kraisak

⁸³ *Ibid.*

million annually and a large part of which consisted of Thai products.⁸⁴ Other advisers also shared the similar viewpoints. Indeed, when Hun Sen came to Bangkok on 25-28 January 1989, he met and discussed economic and trade cooperation with Thai business leaders and the PRK premier proudly repeated his connection with the business leaders later while people in general were more interested in political and diplomatic implications of the talks.⁸⁵

A week after the Hun Sen-Chatichai Talks, the premier confidently said at the first "Meet the Prime Minister" session on 30 January 1989 that his simple truths were correct: "the talks with Hun Sen last week supported the idea that when trade is being discussed, everyone talks the same language". And he also said "Thailand has no formal relations with the Hun Sen government, but *if the Jakarta meeting proves successful and leads to a general election in Kampuchea, then it will be time to start talks officially*. I have heard that some Thai businessmen have already visited Kampuchea to explore business opportunities".⁸⁶

In May 1989, Chatichai offered Bangkok as a venue for the four Cambodian factions to negotiate ceasefire before they would attend the Paris International Conference on Cambodia (PICC) scheduled in the summer. Interestingly, Hun Sen of the PRK and Sihanouk of CGDK agreed to the proposal while Khieu Samphan of the Khmer Rouge rejected it. By around then, the formers gradually became to be admitted as substantial key players in the resolving the Cambodian problem and Thailand's semi-official acknowledgement of Hun Sen augmented it.

The advisers played key roles in the Hun Sen-Chatichai talks, clearly without a total consent of the MFA. When Chatichai revealed his intention to have a talk with the PRK leader in January 1989, FM Siddhi was about to leave for Brunei to attend an ASEAN foreign ministers'

⁸⁴ *Bangkok Post*, 14 November 1988.

⁸⁵ Though Chatichai and Hun Sen talked on the first day of the latter's visit, its substance remained almost unknown. The Thai premier at the time was said to rather put his heart into hearing Hun Sen's assertions. Interview with Kraissak. Press reports of the time also suggested it.

⁸⁶ *Bangkok Post*, 31 January 1988



meeting on Cambodia and he reportedly had no concrete information about the planned talk.⁸⁷

Though he commented at least ostensibly the planned talks between Chatichai and Hun Sen would be positive to resolve of the prolonged issue after coming back from the ASEAN meeting, the FM reportedly was apparently up set.

To communicate with the Phnom Penh regime, the advisory group utilized their own channels with the regime, particularly those of Kraissak who maintained contacts with Vietnamese and Cambodian authorities.⁸⁸ When the Phnom Penh leader came to Bangkok, the miscommunications and non-communications between the Government House and the MFA became more apparent. Hun Sen was escorted from Vientiane by two advisers—Sukhumbhand, Surakiart, and joined by Kraissak and Pansak in Bangkok, and the Cambodian premier was briefed about his itinerary of his trip in the city and the agenda for his talks with Chatichai by these advisers, not by the MFA. Moreover, before going to Vientiane, the advisers approached two Indochinese ambassadors in Bangkok—Le Mai of Vietnam and Khamphan Simmalavong of Laos—in order to arrange details of schedule and itinerary of the Hun Sen's visit in secret.⁸⁹

After the Chatichai-Hun Sen talks in January, Thailand in effect turned her hitherto stand on the Cambodian issue on one hand while the kingdom appeased other ASEAN members that the country would maintain the ASEAN's coordinated idea of comprehensive solution at the same time. This stand was sometimes dubbed "two track policy" or "double track policy" in which the MFA would pursue and maintain ties with ASEAN while the Government House would forge an informal

⁸⁷ FM Siddhi told press on the day he left for Brunei on 20 January 1989 that he did not know any details about the Hun Sen's planned visit to Bangkok: "I am the Foreign Minister and I don't even know (about his arrival). I don't even know who liaised the visit". Asked what he would say to the ASEAN foreign ministers at the meeting in Brunei when they would ask him about the visit, Siddhi replied: "I won't brief them because I don't know. If I'm asked, I can't answer. We have to ask them to ask (Indonesian Foreign Minister Ali) Alatas because our premier briefed President Suharto (about the visit)". Bangkok Post, 21 January 1989. Chatichai had briefed the planned visit to the Indonesian President on 19 January 1989.

⁸⁸ Interview with Kraissak. He said he had been to Vietnam and Cambodia several times and cultivated contacts with these foreigners when he was a lecturer at Kasetsart University.

⁸⁹ *The Nation*, 26 January 1988

and unofficial contact with Phnom Penh. However, the two track policy broke up after the comprehensive approach appeared to be almost impossible mainly because of the internal conflicts among the three resistance forces within the CGDK externally.

Its eventual implication to Thailand's internal front was quite significant. As discrepancy in the two track diplomacy between the Government House and the MFA became larger, the latter yielded to the former. Siddhi finally announced in November 1989 that he would give his way to the former on the foreign policy related to Indochina. On 15 November, Chatichai convened the NSC and told the MFA to follow the line of the Government House on Indochinese policy to avoid contradictions between the two apparatuses. Following day, Siddhi abruptly declared he would "give PM Chatichai freedom of navigating role in resolving the Cambodian problem". He then compromised to the premier by saying: "the MAF has already carried its might. The Cambodian problem should be resolved by Cambodians themselves. The MFA will reduce its role in the problem and concentrate on practical issues of trade and economy such as expansion of overseas market and struggle against protectionism for Thai entrepreneurs".⁹⁰

Related with the changing stand of Thailand on how to speed up resettlement for the Cambodian issue, significant change in pattern of coalition in the problem emerged. For example, right after the Hun Sen's visit to Bangkok in January 1989, a ruling Social Action Party MP Prasob Bussarakam, who was also chairman of the House Committee on Foreign Affairs, voiced strong objection to the visit: "By allowing Hun Sen to visit here, we are providing a public forum for the Heng Samrin regime. It implied Thailand's recognition of invaders". On the other hand, an opposition Prachachon Party MP Phiraphan Phalusuk expressed a similar perception as the advisers had: "I don't see any damage resulting from this visit. We have to see who is in control in Phnom Penh".⁹¹ After the step-by-step approach came about, Vietnamese Deputy PM and FM Nguyen Co

⁹⁰ *Touan Aja Youran 1990*, p. 4-30. Translated by the author.

⁹¹ Comments made by Prasob and Phiraphan respectively at the seminar "The Hun Sen's

Thach showed his support for the Thailand's urge and credited it. When he came to Bangkok in October 1990, he proposed again a new regional cooperation mechanism hosted by Thailand and said that it was not necessary to wait for the Cambodian conflict to be solved before implementing this regional cooperation.⁹² Thach furthered that Thailand, Vietnam and Indonesia should take up a leading role in the cooperation in the fields of science, education, and culture and Chatichai also agreed with it. The two leaders also agreed on the nature of the Cambodian problem that the problem was now away from outside players and in the hands of the warring Cambodian factions and the United Nations.⁹³

3.4 Tokyo Conference on Cambodia

Tokyo Conference on Cambodia was convened in June 1990. By the conference, the Cambodian problem saw new developments. In relation to Thailand, the kingdom officially expressed to pursue so-called "step-by-step" approach that gave more legitimacy to the Phnom Penh regime in the future coalition government by four Cambodian factions, rather than the comprehensive solution, particularly after the failed second PICC in the 1989 summer. Chatichai at that time spreading his idea, which was called the "step-by-step" approach that all the factions would agree to truce and an International Control Mechanism (ICM) would verify the ceasefire and the unilaterally claimed withdrawal of Vietnamese forces from Cambodia, and a quadripartite government would be established. At the same time, the premier reiterated a need of talks and negotiations only by Cambodian four factions to resolve the internal aspect of the Cambodian conflicts. But the Khmer Rouge continued to reject such negotiations because they might include the PRK as an admitted party. By January 1990, Chatichai came to be unhesitant to express that Thailand would pursue its own approach even though some other countries would be against it:

Visit" at Chulalongkorn University on 27 January 1989. On the day, Hun Sen was still in Bangkok. *The Nation*, 28 January 1989.

⁹² MFA, *Thailand Foreign Affairs Newsletter*, November 1990, p.8.

⁹³ *Ibid.*

*Vietnam's military withdrawal took place without acceptable international supervision or verification; power-sharing among the four Khmer factions remains an unresolved problem; and the fighting continues, and with it the danger of more Kampuchean and Thai blood being spilled. Therefore, Thailand will not cease to play her part in the search for a just and durable solution to the conflict in Kampuchea.*⁹⁴

Additionally, there was an important development at the Thai domestic level. In January 1990, a group of 90 ruling as well as opposition MPs delivered a petition in which the MPs expressed their support to the step-by-step approach and called the premier to move against the Khmer Rouge. The petition urged the premier to stop the Khmer Rouge from using Thai soil as a sanctuary and to start a program to persuade 300,000 Cambodian refugees to go back to their home. The MPs called on the government to cut off the flow of arms and logistic, and personnel supplies to the CGDK forces.⁹⁵

The Thai-Japanese jointly ventured conference was convened in such fluid political environments. Japanese diplomats in charge of the conference approached first of all the Thai counterparts, the members of advisory group, not the MFA. This proposal of the Conference had its significance in two points that both the Japanese and Thais considered that the conference would be a two-way one between Sihanouk and Hun Sen in effect, instead of the four-way talks which had face failure at many occasions so far in almost all venues; and that both Japanese and Thais expected the two-way talk would exclude Khmer Rouge in effect from future peace process. These were virtually against the principle of the ASEAN and the Thai MFA.

The preparation for the conference began when Chatichai went to Japan in April 1990. On the day Chatichai arrived in Tokyo, the Chief of Southeast Asian Affairs of Japanese MFA tried to find three Thai entourages—Kraisak, Pansak and Surakiart—to propose the conference. The Thai advisers quickly responded to the suggestion in favor on the same day and both sides agreed that the

⁹⁴ "Chatichai's opening address at the Williamsburg XVIII Conference in Chiang Mai, 11-14 January 1990" in MFA, *Thailand Foreign Affairs Newsletter*, January 1990, p.12.

⁹⁵ *The Nation*, 19 January 1990; *FEER*, 1 February 1990.

Thai premier would propose the idea of convening the conference to his Japanese counterpart PM Toshiki Kaifu during the official talk on the following day.⁹⁶ According to the Japanese bureaucrats, the Thai advisors expressed their understanding of the Cambodian problem in the following reasoning:

- 1) The Vietnamese threat to Thailand was diminishing dramatically because Vietnam was facing a severe economic crisis, since under Gorbachev aid from the Soviet Union had been strictly curtailed;
- 2) The inception of Vietnam's military withdrawal from Cambodia (in September 1989) was viewed as evidence of the domestic crisis in Vietnam;
- 3) The imminent threat stemmed no longer from direct military confrontation with the Vietnamese military. Rather, the danger looming across the border arose from the destabilizing splintering of power among Cambodian factions, and the possibility that the instability could spill over into Thailand.⁹⁷

During the meeting on the eve of Chatichai-Kaifu Talks, the Thai advisers then emphasized "a necessity of a fresh strategy corresponding a new reality" for Cambodia as well as Thailand.⁹⁸ Thereafter, when it came to dealing with the Cambodian issues, the Japanese diplomats, "while maintaining communications with the Thai Ministry of Foreign Affairs, would often visit Phitsanulok to hold repeated discussions with advisers".⁹⁹

The conference asked all the four factions to attend and indeed all of them came to Tokyo. But, when they came to discuss about the issue of power sharing of a post-conflict government, the Khmer Rouge insistently rejected the proposal which regarded the share basically twofold-the PRK,

⁹⁶ Masaharu Kono, *Wahei Kousaku* (Peace Operations) [in Japanese], Tokyo: Iwanami Shoten, 1999, p.81-85. Kono was then Director of the First Southeast Asia Division, Bureau of Asian and Pacific Affairs, MFA (Japan). He was the first Japanese official to make a contact with the PRK in February 1990 in an unofficial manner. At this moment, Japan did not recognize the PRK yet.

⁹⁷ Tadashi Ikeda, *The Road to Peace in Cambodia: Japan's Role and Involvement*, Tokyo: The Japan Times, 1998, p.31. Ikeda was then Japanese Minister to Thailand, Charge d'Affaires to Cambodia, and engaged in the Tokyo Conference from the beginning as . Interesting is that the volume touches little the Thai MFA.

⁹⁸ Kono, *Ibid.*, p.84-85.

⁹⁹ Ikeda, *Ibid.*, p.33.

and Sihanouk's and Son Sann in effect. After all the Khmer Rouge continued to yield to the proposal and continued boycotting to the conference. Finally, only Hun Sen and Sihanouk gave their signature on the Joint Communiqué on the last day, leaving it open to other two factions, Son Sann's and Khieu Samphan's. Nevertheless, this formula of the future government of Cambodia, that is the one composed by the Phnom Penh regime and Sihanouk's faction supported by Son Sann's leaving the Khmer Rouge being minimum, was compatible to the assumption of Chatichai's idea about power sharing in the government after all.

The Chatichai's initiative, seen in the invitation of Hun Sen and the Tokyo Conference, aimed at resolving the Cambodian problem through dealing with all the Cambodian internal factions, away from the Thailand's hitherto principle, i.e. presuming the Phnom Penh regime and Vietnam as one identity. This must be the crux of what he declared in his policy speech "an active, innovative, and yet realistic approach to international affairs".¹⁰⁰ In effect his initiative in retrospect was a well planned and prepared at large. And through its conduction, his advisers continuously exceeded the MFA.

4. Increased Trade between Thailand and Indochina

As briefly touched earlier, though the trading with Indochina states were not totally banned during the Prem administration, it was "neither promoted nor limited". The fundamental logic of this seemed to be a Thai version of what Chinese took against Vietnamese during the conflict—"bleeding Vietnam white". Again Siddhi, immediately after the PRK enacted the foreign investment law, he showed negative attitudes: "they have enacted a new investment code to lure foreign capital from the West, paint a picture that China is getting on friendly terms with Vietnam, used some interest group here to build up pressure on Thai government on our policy of maintaining economic pressure on

¹⁰⁰ Chatichai's speech at the Foreign Correspondents Club of Thailand. *The Nation*, 23 December 1988.

Vietnam, so on so forth".¹⁰¹

However against the passivity within the government side, private sector in fact engaged in trading with Cambodian, Laotian and Vietnamese partners in various ways. And their business contacts saw the light when Chatichai assumed his premiership in August 1988. The new premier's stance was quite clear cut: "Trade is trade and politics is politics. Don't mix them up"¹⁰² and inaugurated various schemes to promote trade among them. The review and eventual abolishment of the list of strategic items was supported by further schemes. The administration quickly moved to create favorable environments to foster the trading.

One of them was expansion of the introduction of *baht* in the regional trading. First of all, the expectation of *baht* in regional trade was high in the Thai financial community, particularly the trade with Laos for example. When Commerce Minister Subin Pinkayan visited Laos together with 70 businessmen and bureaucrats in January 1989 to negotiate further cooperation between the two countries, Narong Srisa-an, Senior Executive Vice president of the Thai Farmers Bank expressed his expectation of use of *baht* as a regional hard currency: "it's inconvenient to use the dollar for transactions because of the exchange rates that are involved. Laotian merchants are widely accepting the Baht, so the possibility is high for cooperation in this area". The Thai delegation reportedly proposed Thai-Laotian joint venture in banking service with the State Bank of Laos in the meeting.¹⁰³ Vietnamese and Laotians also supported the idea. The governors of central banks of two countries suggested the use of Thai *baht* in trade settlement at a banking seminar in January 1989. Upon these demands, the Thai government decided to use the *baht* in trade settlement in April the same year.¹⁰⁴ In January 1991, another example, the cabinet approved a Commerce Ministry's proposal to establish trade offices in Phnom Penh and Hanoi to further emerging trade.

¹⁰¹ *The Nation*, 24 January 1988.

¹⁰² *The Nation*, 9 September 1988; *Bangkok Post*, 9 September 1988.

¹⁰³ *The Nation*, 16 January 1989

¹⁰⁴ *Bangkok Post*, 13 April 1988.

To such moves, the neighbors showed positive attitudes. Right after the Chatichai-Hun Sen talks in January 1988, the PRK officially declared to have set up a commission to deal in economic and trade affairs with Thailand chaired by Vice Premier and Defense Minister Tia Banh.¹⁰⁵ Vietnamese FM Thach made a proposal in November 1990 in the meeting with his Thai counterpart FM Subin of the revival of the 1978 Joint Commission to foster closer bilateral relations. Subin accepted it and the Thai MFA suddenly materialized it by handing two drafts of agreement: 1) draft of agreement between Thai and Vietnamese governments on the Establishment of Joint Committee on Economic Cooperation, and 2) draft of agreement between them for Promotion and Protection of Investment.¹⁰⁶ These favorable trends continued even after the Chatichai administration was overthrown by the military coup in February 1991.

In addition, Thailand gradually emerged as a regional power over Indochina by offering financial and technological assistances to them. For example, the Anan Panyarachun's cabinet approved the plan in April 1991, two months after the coup, of Foreign Aid Program of two hundred million baht worth which included Indochina and Myanmar as recipient countries. And in August the same year, the government institutionalized the Foreign Assistance Policy Implementation Committee chaired by Foreign Minister in which the committee approved assistance programs for Indochina. The Indochinese programs included:

Laos: 90 million baht (130 training programs, 30 scholarships; supplies of pharmaceuticals, medical equipments, school textbooks, educational materials)

Cambodia: 20 million baht (establishment of a Rural Development Model Center, stockbreeding industry assistance, agricultural training, establishment of Thai Cultural Center, medical and public health planning, school constructions)

Vietnam: 21 million baht (supply of agricultural materials to occupational training center and

¹⁰⁵ *FEER*, 2 March 1989. Tia Banh was reportedly an ethnic Thai.

¹⁰⁶ MFA, *Thailand Foreign Affairs Newsletter*, November 1990, p.8.

College of Agriculture, public health planning, government officials training)¹⁰⁷

In any sense, the trade between Thailand and Indochinese states experienced a great increase after Chatichai declared his policy, and the following data explains the soaring trend of trade quite well. (Table 16)

Table 16. Thailand's Trade with Indochina (1975- 1992)

Unit: Million US\$

	1975	1976	1977	1978	1979	1980
<i>Vietnam</i> E	2.9	1.1	15.6	11.8	21.4	12.4
I	0.9	0.4	0.1	0.5	0.6	1.1
<i>Laos</i> E	12.5	18.4	14.3	17.7	31.8	44.5
I	5.0	2.3	2.4	2.8	2.6	1.8
<i>Cambodia</i> E	6.5	0.5	0.5	-	8.3	32.2
I	0.4	0.7	0.6	-	-	-
	1981	1982	1983	1984	1985	1986
<i>Vietnam</i> E	0.4	0.5	0.9	8.6	0.3	1.1
I	0.4	0.8	0.4	0.7	0.6	1.7
<i>Laos</i> E	26.6	33.5	33.1	17.3	19.8	29.9
I	0.8	1.7	1.2	1.0	1.2	1.3
<i>Cambodia</i> E	4.9	1.5	0.2	-	0.4	-
I	-	-	-	-	-	-
	1987	1988	1989	1990	1991	1992
<i>Vietnam</i> E	4.3	4.7	16.1	18.2	22.0	77.0
I	2.9	9.2	46.0	94.0	116.0	80.0
<i>Laos</i> E	37.2	51.3	63.8	65.8	77.0	121.0
I	5.9	22.4	43.7	44.4	47.0	41.0
<i>Cambodia</i> E	-	0.6	0.1	0.8	5.0	66.0
I	-	-	2.4	9.4	12.0	93.0

Source: International Monetary Fund, *Directions of Trade Statistics Yearbook*, 1982, 1986, 1990, 1992, 1996.

¹⁰⁷ Itoga Shigeru and Thanin Paem, "Kakudaisuru Tai to Indoshina Sangoku no Keizaikankei (Expanding Economic Relations between Thailand and Three Indochinese States)" in Itoga ed., *Baatsu Keozaiken no Tenbou* (The Prospect of Bhat Economic Zone) [in Japanese], Tokyo: Institute of Developing Economies, 1993, pp.41-42.

5. Increased Contacts between Thai and Indochinese Societies

In proportion of increasing trade, the focus and area of contacts between Thailand and the neighbors expanded to various fields. It may be valuable to cite some of these contacts by country to attest it:

Laos

On riding the liberalization between Thailand and Laos, business-related exchanges between the two countries increased more after 1988. Laos Maritime and Thai Authority of Express Transportation decided to establish a committee in charge of water transporting of construction materials for a new dam in Laos in October 1989. Delegation of Chambers of Commerce of Udon Thani and other Northern provinces visited Vientiane and met the acting Laotian President Phumi and the both sides talked about Thai investment and Laotian barter trade in the same month. The City of Vientiane and Nongkhai province concluded an accord of tourism promotion between the two municipalities in December 1988. Thai Army carried out a voluntary task to pave the Wat Tat Arung square in the Laotian capital in October the same year. In the financial cooperation, the State Bank of Laos and Bangkok Union Bank jointly established the first joint venture bank, Joint Development Bank, in Vientiane in October 1989. The Thai Military Bank followed in December the same year by setting up its liaison office in the Laotian capital. A new Laotian aviation company, Lao Aviation, began service in July 1991 between Vientiane and Bangkok.

Cambodia

Opposition parties' MPs also paid visits to unrecognized Phnom Penh. Led by Prachachon Party Secretary-General Veera Musigapong, about 20 MPs went to the capital through Cambodian province of Koh Kong in January 1989 which was thriving for Thai-Cambodian border trade. Among them, Thanit Traiwut organized private Thai citizens and went to Phnom Penh to celebrate the 10th anniversary of the Heng Samrin regime earlier in the same month.¹⁰⁸ This visit followed by

¹⁰⁸ *The Nation*, 24 January 1989.

the House Committee of Foreign Affairs in February the same year. During his first visit in January 1989, Hun Sen himself met Thai business leaders such as Chair of Jewelers's Association Soonthon Pongprakit, Vice President of Federation of Thai Industries Anan Panyarachun and Nakhorn Thon Bank's Suvit Wanglee, and discussed trade promotion between the two countries. The governor of PRK's State Bank of Cambodia talked with Thai bankers in December 1989 and invited foreign partners to set up a first commercial bank in the country. This materialized in June 1991 in the form of the accord to establish the commercial bank between Siam Commercial Bank and the Cambodian Central Bank. This was followed by serial agreement with the Central Bank and Thai Farmers Bank and Thai Military Bank respectively in 1991. A delegation of Thai Buddhists stayed in Phnom Penh in November 1990, and met and discussed with the speaker of Cambodian Parliament Chea Sim about revival of Buddhism in Cambodia. In October 1990, Bangkok Airways released its plan to inaugurate scheduled flight of twice a week connecting Bangkok and Phnom Penh. The number of flight increased in February 1991 to five times a week, and the flight business was added by another Thai-Cambodian joint venture, SK Co., in November and by the agreement of resumption of the same rout by Cambodian Airways and Thai International in October the same year.

Vietnam

After agreeing in principle between Chatichai and Thach in August 1988 to foster bilateral trade, the private sector enthusiastically engaged in contacting their Vietnamese counterparts. The delegation of Thai B.H. Inter Trade Corporation visited Vietnam at the invitation of Chamber of Commerce of Vietnam and FM Nguyen Co Thach, and discussed feasibility of investment in the fields of retail trade, traffic, postal and communications, mining, fishery and others in October 1988. The group of Thai Rice Exporters' Association led by Samarn Ophaswonee succeeded in December. In 1989, Thai and Air Vietnam agreed to increase the flight between Bangkok and Ho Chi Minh in March. The Thai Board of Trade concluded an accord with Vietnamese Commerce of Chamber to

cooperate in investment plans in the field of construction, hotel industry, cotton spinning, glass, and finance in May. Thai MFA relaxed criteria of issuing visas to Vietnamese who would visit Thailand for business, religious, sports and cultural objectives in November. In 1990, the representatives of Bar Association of Thailand visited Vietnam in April to talk with their counterparts to expand cooperation between jurists of both countries, and the authorities of Thai and Vietnamese fishery industry agreed to set up their joint venture company, Thai Vietnamese Fisheries Co., headquartered in Bangkok in November. In the following year, the president of Rice Polishers' Association of Thailand paid a visit to Vietnam and agreed with his counterparts on exchanging information of production, trade and technology of rice growing in January, the delegation of Defense College of Thailand went to Vietnam at the invitation of Vietnamese People's Institute of Military Affairs in August, and the Bank of Thailand's group made an official visit to negotiate cooperation with the State Bank of Vietnam in December.

These were of course just some parts of the visits and exchange of peoples between Thailand and Indochinese states during the Chatichai years. At a glance of these examples clearly shows that the peoples concerned with the exchanges ranged from private business community, government bureaucrats, to military officers.

Nevertheless one should be minded that these contacts were sometimes not necessarily favorable. Among the increased contacts by various peoples, there were some "un-Thai activities" or bit strange events, though these were not completely proved. For example, when Thai businessmen began to flood into Laos, some section of Laotian society came to bear genitive attitude toward the new tide. Although its real intention and objective was unclear and controversial, the Laotian state-owned *Radio Vientiane* aired a comment which harshly criticized Thailand:

Having failed to destroy our country through their military might, the enemy has now employed a new strategy in attacking us through the so-called attempt to turn the Indochinese battlefields into a market place...the reason the enemy had to switch to this strategy is because their armed

*provocations were ineffective. This is why they have turned to a new weapon, one without firepower, the effectiveness of which is much greater than that of other weapons.*¹⁰⁹

There appeared various speculations about the comment, and some press reports about them implied that it was a handiwork by Thais. A newspaper quoted the standpoint that the premier's advisors suspected "foul play" by some Thai companies doing business in Laos and saw the radio comment as a form of "protest" by such companies.¹¹⁰

In summer 1991, local Thai businessmen and politicians reportedly instigate concerned Laotian authority to claim her full sovereignty over two islands on Mekong which were divided to Thai and Lao territories. The peoples allegedly did it in the hope that they could open casino business on the islands if the islands be in Laotian domain because the business was prohibited on Thai soil.¹¹¹

In regard to Cambodia, Trat MP Thanit Traivut, who had already made a great profit by unofficial trade through neighboring Cambodian Koh Kong province, made three trips to Phnom Penh 1989, not just to talk to senior PRK officials about trade, but to ask them to try to keep the continuing battle among the Khmer factions away from the Trat-Koh Kong border region.¹¹²

In spite of these unproven stories or gossips, they are significant on the points that the contacts between some Thais and their "partners" might be indifferent to their respective nationalities in pursuit of their own business profits and interests, and that such contacts sometimes might not be controlled only by official or central apparatus of the government as contacts by all walks of life of a country continue to increase.

¹⁰⁹ *FEER*, 27 July 1989; Bangkok Post Weekly Review, 16 July 1989, quoted in Donald E. Weatherbee, "Thailand in 1989: Democracy Ascendant in the Golden Peninsula", *Southeast Asian Affairs 1990*, Institute of Southeast Asian Studies, p.353.

¹¹⁰ *Bangkok Post*, 18 July 1989.

¹¹¹ *Tounan Ajia Youran 1991*, pp.4-59 and 4-60.

¹¹² *FEER*, 12 October 1989.

6. External Factors and Reactions Contributed to Chatichai's Policy

Major Powers' interests in Indochina varied so much when Chatichai was in office between August 1988 and February 1991. Though their stances except for that of China on the Cambodian problem was more or less passive in general, they constituted substantial "external aspects" of and impeded a political resolution of the decade-long conflict as these aspects were deeply associated with East-West relations and internal conflict in communist world. That, in theory once the relations among major powers, particularly the bilateral relation between the U.S. and the USSR, and that between China and the USSR, had seen major *rapprochement*, these external aspects would expectedly contribute to resolve the external aspects. Indeed, the politics among the major powers saw substantial changes and shifts at the time in the face of the very last phase of Cold War. In other words, the major powers were at threshold of reviewing and reconstruction new foreign policies in the face of such changing environments of world politics at large, and they virtually acknowledged Chatichai's new approach to Indochina and the Cambodian problem at large albeit some of them expressed displeasure at some scenes.

United States

United States had suggested three major objectives in regard to the Cambodian problem since 1978 — (1) a total and verified withdrawal of Vietnamese forces from Cambodia, (2) a prevention of a return to sole power in Phnom Penh of the Khmer Rouge, and (3) as large a role as possible in any new Cambodian government for the non-communist forces led by Sihanouk.¹¹³ In fact, the U.S. had given primacy to the first one among the three in light of her grand policy of confrontation with the Soviet. For this, the U.S. followed ASEAN's basic stand on the problem on the point of international wisdoms such as self-determination and non-aggression, and supported China on the Chinese strategy of confrontation with Soviet-Vietnamese alliance. Therefore, the U.S.

¹¹³ Thomas L. Freidman, "Bush Said To Shift Cambodian Policy", *The New York Times*, July 7, 1989

policy on the Cambodian issue during Ronald W. Reagan's administration (1981-1989) was belligerent and was full of Cold War contexts. A statement of Secretary of State George P. Shultz in 1985 in which he justified American aids to foes of the Soviets, explains the American view of the issue:

Negotiated solutions require two things. First, we or the friends we support, must be willing to negotiate a fair solution... We or our friends must pursue negotiation and compromise in good faith and with dedication. Such an attitude strengthens moderates on the other side, helps defuse radicalism and offers hope for a solution.....But this is only half the story..... Only when they (the other side) see the futility of their military "solutions" and the resolve of opposing strength will real compromise become possible...Diplomacy is unlikely to work unless there is effective resistance.¹¹⁴

However, the policy began to change when the U.S.-Soviet relations turned to be reciprocal between the new U.S. administration of George Bush (1989-1993) and the Soviet's regime of Secretary General Mikhail Gorbachev, particularly after the two leaders agreed to put a period to Cold War in their talks in Marta in December 1989. Nevertheless, when the Chatichai met Hun Sen in January 1989, the U.S. was at the very beginning of the Bush administration and did not shape any concrete scheme to meet new developments related to the Cambodian problem. For this, an American reaction to the Chatichai-Hun Sen talks was nothing more than a noncommittal one. Though U.S. Ambassador to Thailand Daniel O'Donnahue was reportedly surprised at the news, he was quoted to have commented that he has to closely monitor the developments on Cambodia because "Thai foreign policy changed very fast".¹¹⁵ And any strong opposition to the Thai-PRK contact was delivered from the U.S.

After the Chatichai-Hun Sen meeting, the U.S. government began to elaborate her policy to wards Cambodia and to shift gradually her emphasis from its first objective—a withdrawal of

¹¹⁴ George P. Shultz's speech to the Pilgrims Society in December 1985, in "Excerpts from Shultz Remarks on Aid to Rebels", *The New York Times*, December 11, 1985.

¹¹⁵ *The Nation*, January 19, 1989.

Vietnamese forces from Cambodia, to the other two goals—a prevention of the Khmer Rouge from retaining power and a Cambodian government headed by Sihanouk. One of the major backgrounds behind the shift was the criticism for long from the Congress that the hitherto U.S. policy of supporting non-communist factions of the CGDK indirectly but virtually recognized legitimacy of the genocidal Khmer Rouge as well.¹¹⁶ At juncture of February 1989 when President Bush met Chatichai in Tokyo, the U.S. president came to suggest with explicit words that the U.S. would place more emphasis on the second objective:

*In my discussion with Prime Minister Chatichai of Thailand, (with some other ASEAN leaders), we had a chance to talk about the latest developments in the area, with particular emphasis on Kampuchea. What remains clear from these discussions is the absolute requirement that we maintain ASEAN unity and support for a political settlement in Cambodia featuring an interim government led by Prince Sihanouk ... The goals as ever are twofold: full and permanent Vietnamese withdrawal from Cambodia and the permanent prevention of a return to power by the Khmer Rouge.*¹¹⁷

In addition, the Bush administration implied in July 1989 that the U.S. would not necessarily persist in a complete dismantlement of the Hen Samrin regime as long as Sihanouk had

¹¹⁶ See for example, "Cambodia Issue Again Flares in U.S.", *The New York Times*, April 29, 1985; "Congress Curbing Bush's Ability to Aid the Cambodian Guerrillas", *The New York Times*, November 15, 1989.

¹¹⁷ "The President's News Conference in Tokyo, February 25, 1989", from the website of George Bush Presidential Library and Museum at <http://www.bushlibrary.tamu.edu/index.php> Nevertheless, when it came to how to prevent the Khmer Rouge's retaining of power, the U.S. did not yet shape any concrete measures. For example, in April 1989 which was almost three months after the first Chatichai-Hun Sen talks and more than a month after the Chatichai-Bush summit in Tokyo, the President revealed almost nothing:

Q: Mr. President, are you going to offer military aid to the non-Communist resistance in Cambodia?

The President: No, no discussion of that yet, no decision taken on that yet.

Q: Mr. President, we're coming --

The President: I'll continue to give good support to the process and certainly to Sihanouk's efforts.

Q: Did you say no decision or no discussion on that?

The President: No decision and -- not with me -- can't recall, but I'm not anywhere close to making a decision of that nature.

"Interview with Members of the White House Corps, April 20, 1989", available at <http://www.bushlibrary.tamu.edu/index.php>

genuine authority in a future national government.¹¹⁸ The U.S. finally declared in July 1990 that the U.S. would suspend the existing policy to support the CGDK's in its seat at the United Nations since the coalition government included the Khmer Rouge, and would open negotiations with Vietnam on settling the Cambodian issue.¹¹⁹ This shift in the policy was a result in part of which Vietnam had got its military forces in the previous summer, and then the first goal of the American policy was achieved. Secretary of State James A. Baker III pointed out the significance of the shift, right after his talk with Soviet counterpart Shevardnadze in Paris in July 1990:

Another policy goal was to prevent the return of the Khmer Rouge. We've not been able to achieve that goal and, in fact, it would appear that the risks are greater as we move forward that that might occur. So we want to do everything we can to prevent a return of the Khmer Rouge to power. That has been one of our policy goals all along that we've not been able to achieve.¹²⁰

At juncture of June 1990 when the Thai and U.S. leaders talked in Washington, the American policy had already turned from a mere support to the ASEAN's stand to a more precise one, i.e., how to implement a general elections in Cambodia and to prevent a revival of fighting between CGDK and the Hun Sen regime.

And we also talked about resolving the tragic conflict in Cambodia. And we agreed that both our countries should continue our diplomatic efforts to end the violence, to achieve a comprehensive solution that meets the aspirations of the Cambodian people by assuring genuine self-determination through free and fair elections under U.N. auspices and in the presence of an international peacekeeping force.¹²¹

One might consider that the statement quoted above was a commonplace made by the two

¹¹⁸ "The World: Now, the U.S. Looks at Cambodia Differently", *The New York Times*, July 16, 1989.

¹¹⁹ Thomas L. Friedman, "U.S. Shifts Cambodian Policy: Ends Recognition of Rebels, Agrees to Talks with Hanoi", *The New York Times*, July 19, 1990.

¹²⁰ *Ibid.*

¹²¹ "Remarks Following Discussions with Prime Minister Chatichai Choonhavan of Thailand, June 14, 1990", available at <http://www.bushlibrary.tamu.edu/index.php>

leaders. Indeed there were differences between Thailand and the U.S. on how to implement the "prevention", i.e. Thailand claimed so-called "step-by-step" approach which aimed at a ceasefire among the four warring Cambodian factions and then monitor the withdrawal of the Vietnamese forces while the U.S. pursued a comprehensive solution which placed weights on a simultaneous implementation of the ceasefire and monitoring. However, these were merely technical matters and moreover the reality in Cambodia was that the Hen Samrin regime had already controlled majority of the land. In addition, though the U.S. made clear that the country would not support the CGDK, the Americans continued to be indecisive in how to achieve the objective till the Cambodia Peace Accord was concluded in October 1991. Indeed, in the face of Chatichai's theory that "whether the Khmer Rouge is going to enrich their power or not depends on Sihanouk and Son Sann" and "if Sihanouk and Son Sann support them, the Khmer Rouge is stronger. If not, then the Khmer Rouge is weaker"¹²², the U.S. did not and could not give any substantial answer. The indecisiveness of the U.S. gave certain room to Chatichai to continue his policy as a consequent.

Japan

Concluding the Japanese reaction to the Thai initiatives at first, the economic power welcomed it and went on to cooperate with the Thai administration as seen in the Tokyo Conference on Cambodia in June 1990. This was because Japan at the time was at the beginning of attempting to upgrade her diplomatic influence and saw the Cambodian problem as the first test case of the challenge.

Japan's foreign policy in general could be described as this simple phrase, "*seikei-bunri* (separation of politics and economy)". Even when dealing with communist countries under the Cold War environment, Japan pursued economic interests first while maintaining her stand of "a member of West". Indeed, Japan pursued this logic of separation of politics and economy at the initial stage

¹²² Chatichai's interview given to *The Washington Post*, November 11, 1989.

of the Cambodian problem in her relation with Vietnam but only faced with strong opposition from ASEAN. In 1982, Japan reluctantly decided "suspension" of economic assistance to Vietnam for reason of the Vietnamese occupation in Cambodia. In addition to the economy-oriented diplomacy, most of ASEAN members as well as Indochinese states were anxiety over a politically-assertive Japan for their bitter experiences of the WWII years, and Japan was also conscious of these and prudent in political arena in Asia. Therefore, Japan followed the ASEAN in the Cambodian problem for almost a decade at large.

This modality in Japanese foreign policy toward Cambodia and Asia in general began to change in 1988 when Prime Minister Noboru Takeshita launched his diplomatic initiative designated as International Cooperation Initiative. The Initiative, which was revealed in the summer 1988, contained three major goals of Japan's new foreign policy— 1) strengthening of cooperation to achieve peace, 2) promotion of international cultural exchange and 3) expansion of Japan's Official Development Assistance (ODA).¹²³ Though these terms were seemingly commonplace in international community, these were quite important on the point that Japan came to assert her political role in international politics and the first goal in particular implicitly included a possibility that Japan would dispatch military forces, namely Self Defense Forces, abroad. In this sense, the Initiative was certainly a risky challenge. Elaborating the first goal of strengthening of cooperation to achieve peace in regard to the Cambodian issue, Takeshita expressed during his tour to ASEAN countries in the summer of 1989 that Japan would seek "the prevention of any return to the inhumane policies of the past associated with the Pol Pot regime," thus exclusion of the Khmer Rouge.¹²⁴

¹²³ "Statement by His Excellency Mr. Noboru Takeshita, Prime Minister of Japan, at the Fifteenth Special Session of the U.N. General Assembly, June 1, 1988" in Ministry of Foreign Affairs (Japan) ed., *Diplomatic Bluebook 1988: Japan's Diplomatic Activities*, available at the website of the Ministry at <http://www.mofa.go.jp/policy/other/bluebook/1988/1988-appendix-2.htm>

¹²⁴ Remarks appeared in (3) Cambodia Problem, 1. International and External Situations in General, Section 2. Asia-Pacific Region, *Ibid.*, available at <http://www.mofa.go.jp/policy/other/>

Moreover, Japan came to acknowledge the Phnom Penh regime. Japanese Ministry of Foreign Affairs dispatched an unofficial "fact-finding" mission to Phnom Penh in February 1990, the first contact with Cambodian government in Phnom Penh. After the study, the Japanese government was convinced that the Phnom Penh regime which "probably controlled major parts of the country" was a substantive entity and was more or less independent from Vietnamese influence, the leadership of the regime had already discarded the ideology of socialism since the mid-1980 and they seemed to think that a multiparty politics would be inevitable in the future, and majority of people abhorred the Khmer Rouge and supported the Hun Sen's regime.¹²⁵ These perceptions were accordant with those of the Thai advisers, and the Japanese diplomats hereafter became enthusiastic about forging a coalition with the Thai advisers on the Cambodian issue.¹²⁶ And the coalition became materialized in the form of Tokyo Conference on Cambodia in June 1990.

As described earlier in this chapter, the Japanese diplomats frequently consulted with the Thai advisers. Even after the Chatichai administration was overthrown by military in February 1991, Japan continued to show off her willingness to commit herself to rehabilitation of Cambodia by, for example, holding a talk between Foreign Minister Taro Nakayama and Hun Sen in Ho Chi Minh in June 1991 and convening a ministerial conference on reconstruction of Cambodia in June 1992. In sum, Japan supported the Chatichai's approach from first to last since the Japanese saw desirable implications of the Thai policy to Japan's new foreign policy initiative.

China

As for China, the policy of Chatichai was problematic since the country, among major countries concerned had had the primary interest in supporting the CGDK as a bulwark against the "regional hegemon by Vietnam in Indochina" and accumulated a peculiar *de facto* alliance with

bluebook/1989/1989-2-5htm. At that time, Japanese

¹²⁵ Khono, *Ibid.*, pp.74-75.

¹²⁶ Within the Japanese MFA at that time, according to an insider, the Cambodian issue was understood as the first test case for which Japan should attest her diplomatic and political influences. Ikeda, *Ibid.*, p.19.

Thailand so as to pursue the interest. Additionally, the Cambodian issue in the eyes of China was deeply associated with her rivalry with the Soviet in Southeast Asia. For these reasons, China did not want any rapid development of the issue in order to prepare herself for a new international and regional order of post-Cold War era.

Chinese position regarding the Cambodian issue was calculated on her strategic interests in Indochina in general. As the PRC traditionally asserted that hegemonism in any form both at global and regional levels be impermissible since the Sino-Soviet strife brought out in the 1960s and it incorporated into the basic ideology in her foreign policy, and thus the PRC took severe stance vis-à-vis Vietnam which in the China's eyes was an ally of the Soviet. In addition to this Sino-Soviet rivalry in communist world, traditional antagonism between China and Vietnam also influenced the Chinese strategy in regard to the Cambodian issue. Deng Xiaoping's remarks on the Cambodian problem explained the Chinese logic quite well:

*The brazen and large-scale Vietnamese invasion of Kampuchea was not an isolated event, but rather part of the global strategy of big-power hegemonism... We could even say that the invasion would not only affect the Asian-Pacific region but also the overall international situation.... (So) we should support Kampuchea in its opposition to the Vietnamese aggression.*¹²⁷

This logic, however, began to dissolve in the late 1980s as the Soviet had relaxed its

¹²⁷ Nan Nianlong ed., *Diplomacy of Contemporary China*, New Horizon Press, Hong Kong, 1990, p.149. This volume is an English-translated version of the Chinese original one published by China Social Science Press in 1987. China was gravely concerned with a possibility that Vietnam would enter to the sphere of USSR even before the conflict in Cambodia came into surface. For example, just after the "punitive action" against Vietnam in early 1979, Chinese leadership urged the anti-Soviet policy in the negotiations with the Vietnamese. At the time, the Chinese suggested eight principles as prerequisites for restoration of the bilateral relations, and of them clearly indicated the Chinese fear of Vietnam's lean on the Soviets:

2. *Neither side will seek hegemony in Indochina, Southeast Asia or any part of the world, and each is opposed to efforts by any other country or group of countries to establish such hegemony. Neither side will station troops in other countries, and those already stationed abroad must be withdrawn to their own country. Neither side will join any military blocs directed against the other, provide military bases of other countries to threaten, subvert or commit armed aggression against the other side or against any other countries.*

Ibid., p.353.

position towards China since mid-1980s, particularly after the Vladivostok speech by Soviet leader Mikhail Gorbachev. Moreover, China's virtual ally in her global strategy, the U.S., and the Soviet put a period to Cold War in December 1989 in the summit between President Bush and Secretary general Gorbachev in Marta. Moreover, Vietnam had already withdrawn its armed forces from Cambodia by September 1989. All the things were against the existing strategy of China these years.

In September 1988, a month after Chatichai assumed his premiership, Chinese Premier Li Peng visited Bangkok and made no substantive comment to Chatichai's Indochina policy and merely reiterated China's existing position on Vietnam: "On no account should the Vietnamese be allowed to come to this market with guns".¹²⁸

In November of the same year, the Chinese leadership began to suggest a withholding of her assistance to the Khmer Rouge. Premier Li Peng implied such a withholding on the condition that: "if the Vietnamese can produce a timetable for the withdrawal of its troops that is satisfactory to all parties, and at the same time can subject its military pullout (to) international supervision".¹²⁹ However, Vietnam did not accept such a condition and instead expressed unilaterally in April 1989 a withdrawal of its troops by September 1989. While Vietnam virtually ignored the Chinese offer, the situation surrounding Cambodia turned into Vietnamese side by which Chatichai invited Hun Sen to Bangkok. During Hun Sen was in Bangkok, the PRC expressed her anxiety over the rapid development between Thailand and the regime in Phnom Penh and warned Thailand by wiring a Chinese official news agency's article of an interview with Prason Soonsri in which he criticized Chatichai for the Thai maneuvering.¹³⁰

The most decisive factor that compelled China to take into consideration in her stand on the Cambodian issue during the years Chatichai was in office must have been the Tiananmen

¹²⁸ *Xinhua*, 11 September 1988, in *Summary of World Broadcasts*, Far East/0255 A3/1, quoted in Charles McGregor, *China, Vietnam and Cambodia*, a paper presented to the 6th Regional Security Conference on International Security in Southeast Asia held at Chiang Mai in July 1989, p.23.

¹²⁹ *Xinhua*, 22 November 1988, in *Ibid.*, p.20.

¹³⁰ *Xinhua*, 25 January 1988, in *Ibid.*, pp.24-25.

Massacre of June 1989. This seemingly internal incident, however, affected Chinese foreign policy to a great extent because the entire international community condemned the Chinese leadership for the brutal suppression of democracy movements. Not to mention that naturally the Chinese leaders did their possible to minimize its undesirable implications to China's foreign policy maneuvering, but in fact the pressure from the international community limited China's capacity in her exertion to the Cambodian problem and Thai-Chinese relations as well. When Chatichai paid an official visit to Beijing in October 1989, the talks between the Thai premier and his counterpart Li Peng was nearly collapsed at the first session since the Chinese premier stood firm on a comprehensive political solution.¹³¹ Though the Chatichai's tour to Beijing ended with a positive impression ostensibly after a compromise between two countries was made by Deng Xiaoping's appeasement, the Chinese side was forced to make concessions to the Thai side. That, behind Deng's behavior was reportedly his impression with Chatichai's stand that Thailand regarded the Tiananmen incident as a Chinese internal affair and with Chatichai's efforts to explain the line to leaders of international community.¹³² In other words, this was an avoidable deal for the Chinese who met subsequent serial condemnations by international community on the Tiananmen incident, and indeed the Chinese chose this deal.

This constraint might affect the Sino-Vietnamese relations as well. The Chinese leadership at the negotiations with Vietnamese counterparts in the fall of 1990 allegedly acknowledged the power-sharing formula of 1 to 1 between the Hen Samrin regime and the CGDK, which was a great concession made by the Chinese.¹³³

To conclude, China's attitude to the Thai policy at its initial stage was a "wait-and-see", being afraid of any decline of the political as well as military might of the client, the Khmer Rouge.

¹³¹ Suthichai Yoon and Sompong Kittinaradorn, "PM Seeks US Backing for Peace Talks", *The Nation*, November 13, 1989.

¹³² *Ibid.*

¹³³ Kohno, *Ibid.*, p.140.

But after the stance of the U.S., China's major *de facto* ally *vis-à-vis* the Soviets, made her intention to exclude the Khmer Rouge and China in itself faced severe condemnation by international community for the suppression in the Tiananmen, China came to be completely defensive losing her interests in the Cambodian problem. Extending this Chinese defensiveness, China had nothing other than conceding the Chatichai's initiative against her will.

ASEAN and Vietnam

ASEAN members at large were so critical to Chatichai's policy on Indochina and the Cambodian issue because the policy was almost anonymous with the one which led to collapse of the ASEAN's joint stand on Indochina. Moreover, the members raged at the facts that the new Thai policy was virtually an opposite one which the kingdom had pursued before, and that the kingdom was the best beneficiary of the ASEAN's stand. To the contrary, Vietnam and PRK welcomed the unilateral initiative of Thailand since the components of the initiative corresponded with what the Indochinese states asserted.

ASEAN

It was ironic that the commonly calculated stand of ASEAN toward Cambodian problem was spoiled by the frontline state, thus the most beneficiary of it, Thailand. When Chatichai briefed Indonesian President Suharto his plan to invite Hun Sen to Bangkok in January 1989, the two leaders tried minimizing differences between the two members, just saying that the leaders "agreed to guarantee the smooth flow" of the planned second Jakarta Informal Meeting on Cambodia in the following month.¹³⁴ But the level of frustration among the ASEAN members gradually increased. When Chatichai suggested an idea of "step-by-step" approach in regard to political settlement of the Cambodian issue in late 1989, Indonesian Foreign Minister Ali Alatas, who had been already

¹³⁴ *Bangkok Post*, January 20, 1989.

dissatisfied with the Chatichai-Hun Sen meeting¹³⁵, rejected such an idea as being impractical.¹³⁶ Not to mention that the most critical figures were those who had toiled along the decade-long conflict and managed to maintain ASEAN's cohesion. Former Indonesian Foreign Minister Mochtar Kusuma-Atmaja who served as the ASEAN's interlocutor with Vietnam did not hesitate to express his distrust against Thailand, pinpointing the name of Chatichai, immediate after the first Chatichai-Hun Sen talk:

ASEAN's cohesion and political solidarity, slowly built up over a decade since the end of 1978, was dealt with a rude blow by Thailand's turn-around on the Kampuchean question in 1988. Prime Minister Chatichai's gyrations since then have seriously undermined ASEAN credibility.....The fact is that ASEAN is important to Thailand, whether the Thais recognize it or not, at least as a counter-weight to other powers in continental Southeast Asia, such as Vietnam and China.....His pronouncements on "Suwannaphume" as a Thai sphere of influence (over the continental Southeast Asia) reveal Thailand's possible ambitions or perceptions of its role in Southeast Asia, casting doubt on Thailand's commitment to ASEAN carefully nurtured by previous governments, especially that of Prime Minister Prem Tinsulanonda.¹³⁷

Another criticism came from the most hawkish member, Singapore, which jointly with Thailand of Prem's tenure had urged the hard-line policy toward Vietnam. Former Minister for Foreign Affairs as well as Senior Minister S. Rajaratnam, now under the title of Director of the Institute of Southeast Asian Studies in his article of 1989, reiterated the cohesive ASEAN's stand toward the Cambodian issue, alluding that the Chatichai's approach was dominated with money-politics:

One of the puzzling aspects of current ASEAN diplomacy is why it should want to throw away the

¹³⁵ *Ibid.*

¹³⁶ *The Nation*, November 25, 1989.

¹³⁷ Mochtar Kusuma-Atmadja, "Some Thoughts on ASEAN Security Co-operation: An Indonesian Perspective", *Contemporary Southeast Asia*, Vol.12, No.3, December 1990, pp.166-167. Roma added. His criticism appeared in the article in which he proposed a trilateral Indonesia-Malaysia-Singapore cooperation in security affairs.

*winning card it now holds; why should it want to snatch defeat from the jaws of victory? One explanation is the tendency of societies which have entered the phase of growing affluence to go for soft options when confronted with difficult problems. They have low threshold for pain, for stamina and for single-minded pursuit of a declared objectives.....An affluent society is one where politics of money takes command over politics of foresight. It is a one-move political chess player.*¹³⁸

Vietnam and the Hen Samrin Regime

Naturally, Vietnam welcomed the Thailand's new policy since it virtually recognized the regime of Phnom Penh as a substantive entity in the Cambodian problem. As soon as Chatichai came to office, Vietnamese Foreign Minister Nguyen Co Thach greeted Chatichai with applause. And in April 1989 which was two months after the first Chatichai-Hun Sen meeting, the Vietnamese endorsed the "Suwannaphume" comprising Thailand, three Indochinese states and Myanmar, and went on to suggest a "consultative body" led by Thailand.¹³⁹ In regard to the "step-by-step" approach, the Vietnamese Foreign Minister again expressed his sympathy to the idea as Vietnam had claimed that it already got out of Cambodia.

As for the Hen Samrin regime, the Chatichai's policy was the one the regime had for long waited for. When Hun Sen met Chatichai in their first meeting, he freely praised the Thai premier, saying: "the non-recognition does not mean that we cannot talk to each other. We are talking to each other to find out a way out of it. I can say that my visit here could be considered a success".¹⁴⁰ The premier of the regime in Phnom Penh also proposed regular consultations between Bangkok and Phnom Penh.¹⁴¹

¹³⁸ S. Rajaratnam, "Riding the Vietnamese Tiger", *Contemporary Southeast Asia*, Vol. 10, No.4, March 1989, p. 358. Roman added. He criticized in the article the U.S. for demolishing her supporting to CGDK as well.

¹³⁹ *The Nation*, April 29, 1989.

¹⁴⁰ *The Nation*, January 28, 1989.

¹⁴¹ *The Nation*, January 26, 1989.