

RELEASE IN PART B6

Webb

From: Huma Abedin

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To: hdr22@clintonemail.com**Subject:** Webb

Asia team is recommending you put a call into Jim Webb before we leave. Webb sent the article below to EAP noting his fear that we are losing influence in Thailand and its neighbors. Scot Marciel in EAP called to follow up with him but you might want to check in with Webb too. Article notes that you chose to go to Indonesia and not Thailand on your first trip.

ASIA HAND

When allies drift apart

By Shawn W Crispin

BANGKOK - When a Thai court last year refused to turn over an Iranian national United States authorities claimed was part of a missile parts smuggling operation, it marked the first-ever failed extradition between the two long-time strategic allies. The Thais ruled that because the suspect was an active Iranian military official, he was exempt under their bilateral extradition treaty with the US. The two sides are now wrestling again over the extradition of Viktor Bout, the alleged Russian arms dealer nabbed last year in a US Drug Enforcement Agency sting operation in Bangkok. While the Americans claim Bout has conspired to kill US citizens, the Thais have allowed the judicial review to drag for months and initially appointed an inexperienced judge to preside over the hearings. The Thai prosecutor meanwhile has failed to introduce lines of questioning recommended by the US Embassy and Foreign Ministry officials have told their US counterparts they must also consider bilateral ties with Russia in handling the case. Thailand's lack of cooperation on such key US security issues marks a significant departure for the bilateral relationship, signaling to some that Washington is slowly but surely losing influence over its long time strategic ally. It was only five years ago that the US granted Thailand major non-North Atlantic Treaty Organization treaty status, a military reward for Bangkok's cooperation in Washington's "war on terror" campaign, including the capture outside of Bangkok of key al-Qaeda suspect Riduan Isamuddin, better known as Hambali. Thai and US officials now acknowledge the relationship has drifted, due to diverging strategic interests and mounting trade tensions over intellectual property protection issues and the failed negotiation of a bilateral free-trade agreement (FTA) that Thai officials feel retrospectively was being foisted on them. Thailand's new willingness to confront the US on core strategic and trade issues heralds a potentially important shift from a US-dominated unipolar era to a new China-inclusive bipolar regional balance of power. The US has lost substantial regional ground to China, which has leveraged soft power initiatives and economic integration into hard power gains, including unprecedented joint naval and later this year special forces operations with Thailand. The US maintains substantial military, intelligence and law enforcement ties with Thailand, including the annual Cobra Gold joint military exercises, but some analysts now contend that's

led to an over-securitization of the relationship. Meanwhile, US-Thai economic ties have hit a new nadir, stemming from a US Trade Representative Office's decision in 2007 to put Thailand on its "priority watch list" of the world's worst intellectual property offenders. The downgrade was a reaction to the Thai government's use of so-called compulsory licensing to produce and distribute cheaper generic versions of drugs - including HIV/AIDS and cancer medicines - on which US pharmaceutical companies hold patents. The tussle, both US and Thai officials acknowledge, has undermined "trust" in bilateral economic ties. Beyond business, it's also clear that Thailand fails to share the US's threat perception of China's rapid regional rise. Thai foreign policy wonks point to the fact that China acceded in 2003 to the Association of Southeast Asian Nation's (ASEAN) treaty of amity and cooperation while the US five years later still refuses to sign on. One Bangkok-based Chinese diplomat says that any US attempt to contain China would be neither "realistic" nor "pragmatic" because of its growing economic integration with the region, and that any such move would have "no support" from Thailand or other regional countries. That assessment, however, is probably only half right. Bangkok's Institute of Security and International Studies (ISIS) director Thitinan Pongsudhirak sees a peninsular-versus-mainland dichotomy emerging in Southeast Asia, with mainland states falling under Beijing's sway and island nations (including coastal Vietnam) insecure about China's rise in the strategic league with the US. With Cambodia, Laos and Myanmar now firmly in China's orbit, Thailand, with feet in both camps, is thus key to Beijing's mainland consolidation. Emma Chanlett-Avery, a US Congressional Research Service specialist, views US-Thai ties as a "legacy alliance" without a "sustaining strategic dialogue". She says that the US defense establishment wonders whether Thailand could be trusted as a treaty ally if a conflict with China ever erupted. One telling test of that allegiance could come from a US request - as part of the Pentagon's ongoing transformation and realignment initiatives - to relocate strategic assets from Northeast Asia to Thai military facilities, a potential proposal that China would no doubt resist. New best friendIt is thus no doubt significant that new US Secretary of State Hillary Clinton chose to visit Indonesia and sidestep Thailand during her first trip to Southeast Asia. Some in Bangkok see a Thai snub in Clinton's travel schedule, where the US's top diplomat visits the region and leaves just a week before Thailand plays host to the ASEAN annual summit meeting - an event past US secretaries have attended. While some commentators have pointed to the symbolism of Clinton's Indonesia visit, in light of President Barack Obama's time there as a youth, others view it as the first overture towards forging a new strategic relationship with the island nation. Military experts say securing new maritime bases outside of Northeast Asia would give the US 7th Fleet significant new naval forward projection capabilities vis-a-vis China, particularly for the US's ability in a potential conflict to blockade the nearby Strait of Malacca, where its estimated 70%-80% of China's imported fuel now flows. Indonesia, which has competing maritime claims with China including in oil and gas rich areas, is believed to view warily China's fast improving naval capabilities. Still it's not clear that the US intends any time soon to downgrade its strategic commitment to Thailand. US diplomats and Thai Foreign Ministry officials speak to the need to "refresh" rather than radically overhaul the relationship. But if Obama's gambit to recast US diplomacy towards countries with (supposed) shared democratic values, then Indonesia's fast-emerging democracy arguably better meets those criteria than Thailand's backslide to military-influenced politics and a gathering crackdown on free expression, in the name of upholding a monarchy. Obama's announcement that he would shutter all the secret prisons the George W Bush administration established in allied countries to detain and interrogate captured terror suspects spoke directly to Thailand and its complicity in the controversial policy. A US Embassy official in Bangkok previously admitted such a facility once existed in Thailand, but that it was closed down after The Washington Post exposed it and in later reporting revealed the torture techniques used against terror suspects there. The US's intimate ties to elite and influential retired Thai military officials, long-time relationships often forged in the conflicts of the Cold War era, has arguably compromised Washington's ability to genuinely

promote democracy and human rights in Thailand. Those foreign policy objectives were under Bush subordinated to strategic concerns, which often cross-cut democracy promotion initiatives - as the US's secret prison policy demonstrated. There is a nagging suspicion among some Thai observers that the US gave the wink to the military coupmakers who in 2006 toppled Thaksin Shinawatra's democratically elected and, perceived by some in Washington, a China-leaning government. The Thai military has since become a prominent force in politics and there are mounting concerns the top brass might suspend democracy altogether to ensure a smooth royal succession after King Bhumibol Adulyadej eventually passes from the scene. Whether the US would be willing to downgrade its strategic commitment to Thailand in such an eventuality would be an important test of Obama's proclaimed democratic commitment. One US participant at a recent ISIS event held in Thailand stressed the importance of US access to Thailand's U-Tapao air base, the only facility in Southeast Asia capable of supporting large-scale logistical operations, was "impossible to underestimate" to its military interests. The US has made liberal use of those Thai facilities to land and refuel aircraft traveling across the Pacific on their way to military campaigns in Iraq and Afghanistan. Thus some believe the patron-client dependency dynamic that characterized US-Thai ties during the Cold War, when Washington showered Bangkok with desperately needed military and economic assistance, has shifted in the new bipolar regional order. Says one former Thai ambassador: "The US is simply less important to us than it was in the past."