Hedging, Alignment, and Unintended Consequences

The Geopolitical Meaning and Outcomes of Thailand’s Procurement of Chinese Submarines

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Abstract

Thailand’s potential acquisition of three Yuan-class submarines from China has sparked discussions, prompting some to view it as a strategic shift toward China. This article assesses this procurement decision within the context of Thailand’s governance challenges in defense procurement and its modest maritime security goals. The article reveals that while the 2014 junta intended this purchase as a strategic message, two factors temper its significance. Firstly, Thailand maintains a unique perspective on its alliance with the US, striving for equidistant positioning among great powers. From this standpoint, obtaining Chinese submarines served as a short-term diversion of pressure, rather than a substantial realignment. Secondly, Thailand assigns relatively low priority to seapower in its military planning, mitigating the submarine purchase’s automatic implication of trust in China. However, it is emphasized that Thailand does not fully control the risks stemming from efforts to maintain strategic ambiguity, such as bolstering China’s logistical presence in Thailand, leading to unintended outcomes, including the weakening of the Thai–United States military alliance.

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The Cold War marked the acme of Thai–United States strategic cooperation, with US military infrastructure development in Thailand serving as a crucial indicator of trust. Between 1961 and 1963, the United States initiated the construction of contingency-related facilities at the Sattahip naval base. This endeavor also included the construction of a strategic road linking Sattahip to the northeastern city of Korat, enhancing Thailand’s ability to swiftly deploy military forces in response to potential threats from China or North Vietnam through Laos. The enhancements comprised landing ship ramps, piers, a breakwater, and a dredged harbor.¹

Fast forward to 2022, and the Thai Navy openly acknowledges a significant development: the state-owned enterprise China Shipbuilding and Offshore Inter-

national Co Ltd (CSOC) will be responsible for constructing a THB 950-million (USD 26.4-million) submarine base at Sattahip, in preparation for the three Yuan S26T submarines Thailand is procuring from China. The question arises: Is Thailand now gravitating toward China’s sphere of influence in a manner similar to its previous alignment within the US alliance fraternity? Recent years have witnessed growing speculation about Thailand’s use of arms procurement to signal its geopolitical alignment.

This speculation gained momentum after the military government of General Prayuth Chan-o-Cha confirmed Thailand’s intent to proceed with the purchase of submarines from China, a move many interpreted as signaling discontent with US criticism of the coup and the Congressional suspension of USD 4.7 million in defense aid.

This article delves into Thailand’s 2017 decision to acquire Chinese submarines, asking whether it was evidence of a major realignment in the context of US–China rivalry. The article analyzes the decision from two vantage points: the organizational and politico-military. This approach aids in addressing the pivotal questions. First, was there an intent to convey a geopolitical message through this purchase? Second, if such an intent existed, what did this signal signify? Was it a major strategic shift or was it more a warning shot to the United States not to take Thailand for granted?

To tackle the first question, the article employs an organizational perspective, keeping in mind Graham Allison’s insight that “a government is not an individual. . . It is a vast conglomerate of loosely allied organizations, each with a substantial life of its own.” Consequently, the article explores the extent to which this decision was a product of Thailand’s navy as opposed to the executive branch. Here, the article posits that the Thai Navy had substantial reservations about the quality of Chinese armaments but ultimately yielded to Prime Minister Prayuth’s choice.

On the second question, the article contends that the decision to strengthen ties with Beijing following the harsh US condemnation of Thailand’s 2014 coup was indeed intended as a signal to caution Washington against applying additional pressure. However, the article asserts that this signal was intentionally subdued, as

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Thailand’s foreign policy establishment remained committed to maintaining equi-distance in relations with major powers.

This article unfolds in four distinct sections. The subsequent segment introduces a theoretical framework situating Thailand’s foreign policy preferences within the context of recent literature on small state hedging, denoting the act of maintaining ambiguity regarding alignment amid great-power competition. The second part scrutinizes the nature of Thailand’s defense procurement and evaluates the evidence surrounding whether the decision to procure submarines from China was initiated by the Thai Navy or the executive government. This analysis is instrumental in determining the case for the existence of a geopolitical signal. The third segment examines the substance and significance of this signal within the backdrop of Thailand’s enduring politico-military preferences. Before concluding, the article assesses the potential long-term consequences of this decision, particularly its impact on the health of Thailand’s alliance with the United States.

It should be noted that the most recent development in the submarine procurement has rendered the future uncertain. The newly-elected Thai government in 2023 has requested China to exchange the submarines for frigates and to temporarily postpone the submarine deal. This recent decision comes after protracted deliberations and significant uncertainty regarding the potential cancellation of the deal and the compensation that might be pursued. This was due to Germany’s restriction on exporting MTU396 diesel engines to China, a result of the European Union’s arms embargo. At the time of writing, China has not accepted the replacement proposal.

**Temporal Hedging, Dominance Denial and Thai Foreign Policy**

In their 2015 paper discussing the strategic hedging of secondary states in the Asia Pacific region amid the rivalry between the United States and China, Darren Lim and Zack Cooper offered a definition of hedging. They characterized hedging as behavior primarily confined to the security realm, with the intention of fostering ambiguity regarding alignment. This ambiguity, from the perspective of the hedging state, serves to obscure its potential alignment choice in the event of a conflict between the two major powers. This posture of waiting has also been termed temporal hedging.

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Thailand has demonstrated a historical pattern of temporal hedging during significant moments in its modern Westphalian statehood. During World War I, it formally embraced neutrality until 1917 when it declared war on the Central Powers. While there were substantial identity-driven motives for Thailand’s desire to conform to Western norms concerning warfare, there were also practical realist reasons. One of King Vajiravudh’s ministers succinctly articulated this perspective, noting that justice would be determined by the strongest power, regardless of international law.8

In World War II, Thailand once again delayed its decision making. It chose to align with Japan only when confronted with the fait accompli of Japanese invasion and occupation in December 1942. This decision came after unsuccessful attempts to secure security guarantees from Britain in the lead-up to the conflict. It is entirely plausible that Thailand is presently adopting a temporal hedging strategy in response to the escalating competition between the United States and China, with the aim of postponing its alignment choice, either indefinitely or until the last possible moment.

Lim and Cooper also highlight the intricate balancing act that a hedging secondary state must perform. It must engage with, manage risks, and reassure both major powers simultaneously, underscoring its goodwill.9 This intricate management of relations with multiple powers aligns with Kuik’s concept of dominance denial, wherein smaller states aim to safeguard their autonomy by conveying the message that they can pivot toward other powers if any one exerts excessive pressure.10

Thailand’s adept accommodation of multiple great powers serves to safeguard its autonomy by capitalizing on the competition among these powers for influence. This approach echoes the legacy of King Chulalongkorn, who shielded Thailand from colonialism in the late nineteenth century through a similar strategy. Among Thailand’s royalist officials, King Chulalongkorn’s foreign policy is highly esteemed and viewed as a blueprint for navigating the contemporary multipolar strategic environment. In 2010, Thailand’s former Foreign Minister Dr. Surakiart Sathirathai gave a speech to members of Thailand’s foreign policy audience stating that:

[T]he thing that we should know and apply currently, the most important thing for me, is the royal foreign policy, when amidst the colonialist trends of the Great Powers in that period, [we pursued a policy of] building a

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9 Lim and Cooper, “Reassessing Hedging,” 702.
balance of the great powers or a policy of building close ties with one Great Power to balance other Great Powers (Balance of power and influence).\textsuperscript{11}

During a 2015 interview, a senior Thai government advisor and academic hinted that Thailand would apply this approach to its alliance with the United States, saying that:

\ldots dynamics are going to be more and more complicated. There are many areas that we share interests. Other areas that we might not share interests and things could become more competitive. So the challenge is how can you separate. Thailand is in very good position to do that. It’s a Thai diplomatic hallmark. It’s the Saranrom approach. It’s the flexible with the wind. It’s the Middle Path approach. It’s now officially called a bridge approach. Saranrom is named after an old palace. It’s very much a model that many countries try to emulate but it's not easy. We develop this position over centuries with the Thai finesse, leadership, and now political leaders allow us to do this.\textsuperscript{12}

While Thai leaders maintain confidence in the rationale behind this strategy and their ability to execute it, both temporal hedging and dominance denial strategies entail certain costs. Ambiguity introduces risks, including the possibility that the primary great-power partner questions the utility of its secondary power counterpart. In the forthcoming sections, this article will assess whether we can regard the submarine purchase as an instance of dominance denial hedging, and if so, whether Thailand can effectively manage the associated risks. However, before delving into this analysis, it is essential to determine whether an intentional signal was indeed conveyed.

\textbf{Was the Submarine Purchase a Signal?}

From a statistical perspective, China has emerged as a progressively significant source of arms for Thailand. In the period spanning 1950 to 2009, imports of US arms significantly overshadowed all other suppliers. Among the 22 countries engaged in arms sales to Thailand, the United States stood as the preeminent contributor, accounting for 56 percent of the total by dollar value during this era. The second-largest supplier was China, with a share of 13 percent. However, when we

\textsuperscript{11} Special Address by Dr. Surakiart Sathirathai, วัฒนธรรมนานาชาติ ทรรศน์ของความยุติธรรมของชาติ หน้าที่และความถูกต้อง, (press release, Royal Thai Navy, 19 October 2010), https://rtnpr.blogspot.com/.

examine a more recent period, from 1989 to 2009, the dominance of US arms sales declined. During this interval, the United States accounted for 45 percent, while China’s contribution rose to 22 percent of Thailand’s recent armament imports.\textsuperscript{13}

Scholars commonly regard arms purchases from a major power as a relatively weak form of alignment since they indicate a willingness to acquire capabilities about which the major power possesses substantial knowledge and control.\textsuperscript{14} However, attributing Thailand’s gradual shift to an increasing alignment with China presents certain hazards. This line of reasoning presumes a unitary, rational state while neglecting how a state’s internal characteristics can influence its response to the external environment. It also fails to consider other potentially significant factors in arms procurement decision making, such as pricing, conditionality, and opportunities for kickbacks.

Within Thailand, the concept of a unitary state is somewhat problematic. Under Thailand’s civil-military relations, central governments, especially civilian ones exposed to the risk of coups, often exert limited control over arms procurement. The majority of such decisions are led by individual armed services with relatively minimal oversight. In my 2018 book on Thai strategic culture, I identified various patterns in arms procurement, including moderate spending compared to other Southeast Asian states and a tendency for defense expenditures to rise following coups.\textsuperscript{15} Of particular relevance here is the enduring quid pro quo arrangement between Thai governments and the military services. In this compact, the military accepts the government’s allocated defense budget, and, in return, the services retain the autonomy to procure as they see fit.

Had this compact been applied to the submarine acquisition, the Thai Navy would have had the liberty to select its source. It is reasonably safe to assert that if left to its own devices and with an ample budget, the Thai Navy would not have opted for Chinese submarines. The Thai Navy has a long-standing preference for procuring submarines from European suppliers. Many Thai Navy officers have received their education in Europe and perceive European submarines as superior in terms of capability and endurance compared to Chinese submarines.\textsuperscript{16} In alignment with this preference, the navy pursued Kockums submarines from Sweden in 1995 and U-206 submarines from Germany in 2012. On each occasion, debates

\textsuperscript{14} Lim and Cooper, “Reassessing Hedging,” 705.
\textsuperscript{16} “How necessary is it for Thailand to have submarines?” [จำาเป็นแค่ไหนที่ไทยต้องมีเรือดำน้ำ], \textit{KomChadLuek Online}, 8 February 2016, https://www.komchadluek.net/.
revolving around resource allocation and the financial crisis of the 1990s obstructed these acquisitions. In contrast, experiences with Chinese armaments, including problems with Chinese-made frigates and the Thai Army’s Chinese T-69 tanks (which were ultimately discarded as artificial coral reefs), have left a lingering sense of distrust. These issues raised concerns regarding the safety of personnel in deep-sea scenarios.

Considering the Thai Navy’s historical preference for European submarines and their reservations regarding Chinese submarines, it is reasonable to infer that the central government exerted more than usual influence in the decision to procure from China. A statement made by a Thai Navy officer in a 2016 interview supports this inference. Captain Wachiraporn Nakornsawang alluded to the challenge of governments “wanting a special relationship with some countries while the RTN [Royal Thai Navy] has a view that the submarines of that country are not to its preferred specifications.” He emphasized that “most of the people leading the acquisition have been politicians or from the military service that has political power.” This clearly alluded to the Thai Army, an institution with significant financial resources and a history of coup involvement.

In 2017, a Thai navy source disclosed additional details about the submarine tender evaluation, confirming that the government exerted pressure on the navy to select the Chinese submarines. The source presented comprehensive evidence indicating that the Thai navy had conducted a comparative assessment of the Chinese submarines against those offered by European and Korean companies. The evaluation revealed that the Chinese submarines fell short in various significant tender criteria. Specifically, the CSOC submarines demonstrated weaknesses in their ability to safely operate in shallow water, maintain maximum speed, travel quietly, track multiple targets, and facilitate submariners’ rescue. Additionally, their batteries and the overall lifespan of the submarines were shorter. However, due to the government’s signaling, the Navy devised methods to exclude the European and Korean vessels while highlighting that the Chinese offered three boats for the price of two.

In essence, it appears that, faced with a history of unsuccessful efforts to acquire submarines in the post-Cold War era, the Thai Navy acceded to the government’s

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17 BBC Thai, “Submarine of RTN’s dreams became 100% Chinese, with various support costs will be THB 5 billion” [เรือดำน้ำในฝันทัพเรือไทยที่เป็นจีน 100% กับฝั่งเบี้ยสนับสนุนรวมแล้ว 5 หมื่นล้าน] Prachachat.net, 14 December 2022 https://www.prachachat.net/.
18 “How necessary is it for Thailand to have submarines?”
choice. As one media article aptly noted, “in a period when the coup made other choices out of reach due to price and conditions, Chinese submarines were better than no submarines at all.”

In summary, the preponderance of evidence suggests that Thailand’s submarine procurement was not solely about capability but also intertwined with geopolitics and diplomacy. In the subsequent section, this article endeavors to gain a deeper understanding and calibration of what this acquisition might imply regarding Thailand’s alignment, while analyzing it in the context of long-standing biases in Thai military operational and politico-military thinking.

**What Signal Was Intended?**

There is little doubt that the criticism leveled by the United States at the 2014 coup, along with the Congressionally-mandated suspension of USD 4.7 million in defense aid, prompted significant contemplation regarding the Thai–US relationship and, to some extent, the emergence of a pro-China sentiment. According to US official Scot Marciel, Principal Deputy Assistant Secretary of the Bureau of East Asian and Pacific Affairs, the “coup and post-coup repression” made it impossible for the United States to go on with “business as usual.” Senior US officials reinforced this message in public speeches within Thailand. Senior US State Department official Daniel Russell criticized the coup during a speech at Chulalongkorn University, stating,

> I’ll be blunt here: When an elected leader is deposed, impeached by the authorities that implemented the coup, and then targeted with criminal charges while basic democratic processes and institutions are interrupted, the international community is left with the impression that these steps could be politically driven.

Conservative Thais and a significant portion of the Thai mainstream media responded vigorously to the criticism. There was a prevailing perception of US hypocrisy. Commentators observed that Thailand was not receiving the same treatment as other countries that had carried out coups, raising doubts about whether

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20 BBC Thai, “Submarine of RTN’s dreams became 100% Chinese.”
21 “China may gain from Thai-US Cobra Gold spat,” *The Nation*.
“the US would apply the same standards of engagement to all allies, such as Egypt or Israel.”

24 The Thai-language press voiced complaints that the “US really wasn’t interested in democracy or human rights very much. It has supported coups in Egypt, Ukraine, Iraq, Iran, Algeria and other countries all over the world that help its national interests.”

Our 2017 research among Thai military officers revealed a substantial unease regarding the US stance. Notably, our respondents perceived the military threat from the United States as more substantial than that posed by any other major power, including China. In contrast, China’s nonjudgmental position regarding the coup cast it in a favorable light for Thais sensitive to foreign criticism. Sino-Thais, for instance, turned to China not solely based on ethnic identification but rather in defense of Thailand’s royalist-nationalist conservatism. Paisal Puechmongkol, a Sino-Thai lawyer and an aide to Deputy Prime Minister Prawit Wongsuwan following the 2014 coup, advocated for Thailand to realign its security and foreign policy away from the West and toward Russia and China.

In this context, the regime’s dispatch of former Deputy Prime Minister Somkid Jatusripitak to China to meet with Chinese Vice President Li Yuanchao and facilitate an agreement for enhanced bilateral cooperation in 2014 may have conveyed the message that Thailand would not be isolated, notwithstanding US criticism.

The submarine purchase might similarly have been a form of dominance denial messaging. This aligns with Thai strategy, which has historically exhibited a pronounced inclination toward politico-military strategy over pure military strategy. The Thai military has typically measured its success not merely by the capacity to achieve operational success in a conventional military operation against a peer force but by the extent to which the deployment of its military resources advanced its objectives in relation to major powers. Thailand has employed the military sphere as a means of diplomatic signaling, as seen when Rama VI dispatched troops to Europe during World War I and when Prime Minister Phibun Songkram sent a deployment to the Korean War. During the last major security crisis faced by Thailand, which entailed Vietnam’s occupation of Cambodia in the 1980s, the Thai

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military achieved its most substantial and noteworthy strategic impact through cooperation with the Chinese military in providing support to the Khmer Rouge forces along the Thai–Cambodian border. In contrast, the planning for repelling Vietnamese forces crossing into Thai territory, including the scenario of a full-scale Vietnamese invasion, appeared comparatively lackluster, with weak implementation.\(^{29}\)

However, the question of how robust this message was requires careful calibration of the level of trust and the strength of the signal. Many analysts tend to view the selection of a submarine supplier as a reliable indicator of alignment because submarine capabilities are often both important and sensitive. They are important because a submarine capability can be pivotal to a state’s overall defense strategy, and sensitive because the supplier possesses in-depth knowledge of the submarine’s technical capabilities and limitations, as well as the ability to provide or withhold maintenance and spare parts. To gauge the strength of the geopolitical signal, it is essential to determine the weight Thailand assigns to submarines in its overarching defense and military operational planning. Assessing how Thailand rationalizes the need for submarines and their actual importance for its defense becomes crucial in evaluating the decision to place trust in China.

Thai declaratory policy offers relatively limited insight. Thai Navy officers generally speak in broad terms, emphasizing the necessity for capabilities in all three domains: air, surface, and subsurface. High-ranking leaders mention that neighboring countries already possess submarines. In fact, Thailand’s internal *National Maritime Security Plan 2015–2021* specifically references Vietnam and Myanmar in this context. An officer from the National Security Council, interviewed in 2017, commented on the submarine acquisition, stating, “Of course we don’t expect to go to war. But in terms of having capable defence forces it’s better to have them just to make our defence capability complete. If something happens we will not be in a difficult position.”\(^{30}\)

Potential maritime disputes with neighboring countries could be a motivating factor. As responsible members of the Association of Southeast Asian Nations (ASEAN), Thai policy makers generally remain reserved regarding the potential for disputes over maritime boundaries and resources to escalate into conflicts. Thailand has overlapping maritime claims with Myanmar, Vietnam, Malaysia, and Cambodia.\(^{31}\) An agreement in 1997 resolved the 3,903-km\(^2\) overlap with Vietnam,

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and the two countries engage in biannual joint patrols. In contrast, the overlap with Cambodia covers a much larger area (27,000 km$^2$), lacks an equivalent agreement, and was the scene of a militarized territorial dispute in the 2008–2011 temple crisis. Thai officials may envision submarines as playing a role in a possible escalation of a Thai–Cambodian standoff at sea.

However, procuring submarines for managing a boundary dispute over resources with a neighboring country differs significantly from preparing for a substantial military threat to Thailand’s homeland. In the latter case, Thai security planners appear to perceive limited genuine challenges. In a survey conducted in 2016 and 2017, we questioned 1,800 Thai military officers about the likelihood of military threats. When asked about their sense of security from external military threats, the median response stood at 7 on a 1–10 Likert scale, with 10 signifying “very secure.”

Historically, the place of maritime strategy and the role of Thailand’s navy in military operational planning attribute less, rather than more, importance to the acquisition of submarines. An interview with a Thai military officer in 2012 revealed that “in history, Thailand has not recognized the potential of maritime strategy because it has perceived itself as a land power rather than a maritime power, despite being a coastal state.” Thailand traditionally exhibited greater proficiency in land warfare than maritime operations.

For instance, during the outbreak of war between Vietnam and Siam in 1833 under the rule of Rama III (1824–1851), the Siamese held an advantage on land but proved less proficient in maritime battles. Even during the height of the colonial threat to Thailand in the late nineteenth century, when the modern Thai military was shaped under the reign of King Chulalongkorn (1868–1910), the approach continued to prioritize land forces. Thailand’s defense strategy revolved around the expansion of its army. In 1902, King Chulalongkorn initiated universal conscription, reflecting his land-centric strategy. This was mirrored in an augmented army budget that surpassed the navy’s budget in 1902 and subsequently more than doubled it. Remarkably, as late as 1908, King Chulalongkorn contemplated the complete elimination of the

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32 Blaxland and Raymond, “Tipping the balance in Southeast Asia?”
35 Military expenditure was 11.5 percent of government spending in 1902–03 (army 6.1 percent, navy 5.4 percent), 13.1 percent in 1903–04 (army 8.2 percent, navy 4.9 percent), 17.3 percent in 1904–05 (army 10.8 percent, navy 6.5 percent). Noel Alfred Battye, “The Military, Government and Society in Siam, 1868-1910: Politics and Military Reform During the Reign of King Chulalongkorn” (PhD thesis, Cornell University, 1974), 464.
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navy. Fortunately for the navy, his National Defense Council advised against such a move.³⁶

The consistent skewing of the Thai defense budget toward the army has been a persistent feature since that era, further accentuated by the political dominance of the Thai Army.³⁷ This, coupled with a propensity to underfund maintenance, has resulted in some of the Thai Navy’s most significant acquisitions becoming inoperable. A prominent instance is the Thai Navy’s helicopter carrier, the Chakri Naruebet. Delivered in 1997, the vessel was equipped with the British short-take-off combat aircraft known as the Sea Harrier. In 1999, the navy reported that all nine Sea Harrier aircraft were inoperable because of insufficient funds to send them to the United States for servicing.³⁸ By 2012, the carrier saw limited use, and the short-take-off and vertical landing Harriers were no longer in service.³⁹

In conclusion, it is highly probable that Thailand intended to convey a heightened interest in a strategic relationship with China through its submarine purchase. It was likely a signal to the United States that alternative partners were available if needed. However, precisely assessing the strength of this signal requires consideration of other factors. Thai military planning traditionally downplays maritime strategy and naval capability. Consequently, Thai decision makers may not have attached great importance to the military advantages offered by submarines, and they may not have viewed them as a critical defense capability vital to Thai security. Therefore, they might not have regarded the choice as a profound manifestation of trust in China.

Unintended Consequences, Costs, and Outcomes

Thailand’s elites may believe they effectively manage their major power relations through Saranom-inspired hedging strategies, such as temporal hedging and dominance denial. In fact, in August 2017, a senior advisor to the Thai government claimed that the Chinese submarine purchase successfully achieved the desired goal of obtaining US attention.⁴⁰ However, as noted by Lim and Cooper, maintaining ambiguity carries risks of unintended consequences. One such risk is that China’s advances lead to increasing reliance and dependence, potentially deepening

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³⁹ “SAAB to upgrade Thai aircraft carrier combat system,” Jane’s Defence Weekly, 25 April 2012.
the Thai–China strategic relationship in a path-dependent manner, which may contradict Thailand’s preference for omnidirectional alignment. For example, Thailand, seeking to address past issues with Chinese-made equipment, is establishing Chinese maintenance and logistics support facilities on Thai soil, potentially enhancing China’s capacity to provide logistical support to its military from Thai territory. Another risk is that the United States, observing China’s growing role in Thai defense planning, may reduce, rather than increase, its investment in the alliance.

There is evidence that both of these risks may be materializing. US interest in Thailand has waned since the 2014 coup, compared to other Southeast Asian states like Vietnam and Indonesia. The last US president to visit Thailand was Barack Obama in 2012. Donald Trump visited the Philippines and Vietnam but never Thailand. Joe Biden has visited Cambodia, Indonesia, and Vietnam but not Thailand. Furthermore, US Secretary of State Antony Blinken has visited Indonesia more frequently than Thailand. Even the flagship of the alliance, multilateral exercise Cobra Gold, has reduced in size since the 2006 coup. From 1986 to 2004, the average participation was about 17,000 persons, but since the coup in 2006, the average has been around 10,500, indicating a 40-percent decline. Most recently, the United States declined Thailand’s request to purchase the F-35 Joint Strike Fighter, with the US ambassador to Thailand citing security as one of the reasons.

This trend has coincided with the growth in the Thailand–China strategic relationship. Thailand was the first country in Southeast Asia to conduct a military exercise with China in 2005, focusing on demining and humanitarian exercises. Over time, the relationship expanded to include exercises between special forces in 2007, marines in 2010, and air forces in November 2014. Initially, these activities were relatively modest, likely reflecting residual sensitivity to US perceptions, and focused on nontraditional areas such as humanitarian relief and counterterrorism. However, reports suggest that the exercise content is evolving. For instance, the most recent joint naval exercise Blue Strike included joint command, joint

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43 “Secretary of State’s Travel,” US Department of State, 2023, https://www.state.gov/.
47 “Chinese air force to train with Thai pilots,” Bangkok Post, 7 November 2014, 2.
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antisubmarine operations, helicopter cross-deck landings, mutual presence on each other’s ships, jungle survival, urban combat, and helicopter fast-roping. According to the Chinese side, the exercise demonstrated a “high level of trust and deep integration” and had a strong combat orientation.\(^\text{48}\)

Another aspect of the growing strategic relationship is the proliferation of Chinese logistics support and military production facilities throughout Thailand, some co-located with Thai military bases. This includes a jointly-funded Chinese-built weapons maintenance center in the northeastern Thai province of Khon Kaen and a warehouse for spare parts of Chinese-made military equipment in the nearby province of Nakhon Ratchasima.\(^\text{49}\) Additionally, there is another Chinese military hardware repair facility at the Thai air force base of Takhli in Nakhon Sawan.\(^\text{50}\) The submarine purchase will elevate this Chinese logistics presence to a new level since the company building the submarines, CSOC, is also constructing the submarine pier and base at Sattahip.\(^\text{51}\) Notably, one of the most attractive features for China in selling submarines to Thailand is the basing infrastructure established at Sattahip, which will, for obvious reasons, be capable of hosting and supplying China’s own Yuan-class submarines.

Overall, China has displayed significant acumen in seizing opportunities arising from international realignments and domestic political crises. Thai interest in arms purchases from China dates to the 1980s when Thailand and China formed a pseudo-alliance to counter Vietnam’s presence in Cambodia. During that time, China offered gifts and sales at friendship prices, including heavy artillery, tanks, and Jianghu-class frigates.\(^\text{52}\) Bates Gill, a scholar of Chinese defense planning, noted that China’s approach in offering defense materiel at heavily discounted prices to Thailand in the 1980s resembled its deals with Pakistan.\(^\text{53}\) Like Pakistan, Thailand’s coastline may offer China additional basing options and routes to the sea, which align with China’s goal of complicating any blockade plans that the United States and its allies might have in the event of a South China Sea shipping blockade.


\(^{49}\) “Russia courts Southeast Asian partners with authoritarian streaks, Putin looks to capitalize on wariness of China and the West,” Nikkei Asia, 16 January 2018 https://asia.nikkei.com/.


\(^{51}\) “The Navy explains the allegations,” Royal Thai Navy.


A similar comparison can be made with China’s timing in strengthening its defense relationship with Cambodia. Two years after Hun Sen’s 1997 coup against the so-called second prime minister Norodom Ranariddh, China began providing significant military aid worth millions of dollars.54 The Thai case is analogous, with discussions of submarines commencing one year after the 2014 coup in Thailand, when the Prayuth junta cabinet lifted the halt on submarine projects imposed in 2012.55 In March 2017, Prayuth confirmed a “buy two submarines, get one free deal” from China.

Furthermore, China would also stand to gain from the precedent and symbolism of selling submarines to a US ally. This move could serve to elevate the profile of its arms exports and align with its broader strategy of undermining the US alliance system in the Indo-Pacific. In fact, as the Thai navy insider suggested, from China’s perspective, the submarine sale signifies “China gains an ally, while Thailand gains a submarine.” While this perspective may be inaccurate, it is one that could be shared by other countries in the region.56

However, the submarines themselves might not be sufficient to convince regional players like India, Japan, and Australia that Thailand has firmly aligned with China, given Thailand’s reputation for balancing relationships between the great powers. Likewise, the Philippines and Vietnam, the ASEAN states most likely to have disputes with China, might not view this acquisition with significant concern, as tolerance for the strategic choices of individual ASEAN members is a deeply ingrained principle. Nevertheless, ASEAN’s unity, which is already delicate, would likely further weaken.

Conclusion

This analysis of Thailand’s procurement of Chinese submarines concludes that Thailand’s submarine purchase was indeed a geopolitical signaling effort. However, for two significant reasons, the purchase served as a relatively weak alignment signal. Firstly, despite Thailand’s formal alliance with the United States, Bangkok’s politico-military strategy prioritizes autonomy and the preservation of ambiguity through dominance denial. Secondly, the relatively low priority accorded to maritime forces in Thai defense planning does not necessarily imply that Bangkok has a high degree of trust in Beijing.

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55 BBC Thai, “Submarine of RTN’s dreams became 100% Chinese.”
56 “Navy source reveals that they had to acquire Chinese submarines,” Isra News Agency.
The article further notes that Thailand’s ability to manage the risks stemming from unintended consequences of its strategic hedging practices may be less effective than anticipated. While Thailand may have intended to signal its appeal to other major powers, this carries the unintended risk of Washington reducing its engagement with Thailand rather than seeking to improve relations with the monarchical-military regime. Several indications suggest a decline in US engagement, from reduced high-level visits to Thailand to the scaling back of the multilateral exercise Cobra Gold.

Conversely, China is actively striving to deepen and expand its relationship with Thailand, thereby enhancing its strategic position in mainland Southeast Asia. Thailand may feel compelled to accept some of China’s proposals to avoid offending this great-power partner, including engaging in more ambitious and combat-oriented military exercises with China and increasing its logistics support presence. Notably, China’s construction of the submarine base at Sattahip for Thai Yuan-class submarines could potentially open the door for China to base, resupply, and service its own submarines in the future. These developments further exacerbate the trust deficit with the United States, increasing the risk that the United States will continue to reduce its investment in Thailand while strengthening relationships with other Southeast Asian partners, such as Vietnam and the Philippines.

In summary, Thailand is engaged in a high-risk bargaining game in which the outcomes of reduced strategic autonomy and a hollow alliance are entirely plausible. Particularly, if Thailand overestimates its indispensability to the United States as it deepens relations with China, Bangkok may find itself increasingly marginalized by the United States and increasingly dependent on China.

Dr. Greg Raymond

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