NSC BRIEFING

11 August 1953

THAILAND

Thailand is the only country in Southeast Asia that has been free from Communist insurgency since World War II. Different from its neighbors, it has a long tradition of independence. It is the second largest rice exporter in the world and its location in the center of the peninsula would make it, in Communist hands, an excellent base for pressures on Burma and Malaya. Thus it constitutes a prize for the Communists at least as attractive as Indochina.

The present government's anti-Communist position is well established. It has consistently followed the US lead in foreign policy. The internal Communist threat is negligible. That troops have fought in Korea, and American economic and military aid has been welcomed and appreciated. And Thailand has not shared the suspicion of such aid which is held in the neighboring countries of Burma and Indonesia. It must be noted that it does not exert much influence on its neighbors who are inclined to view Thailand as an American satellite.

The military clique now in control of the government came to power by a coup d'etat in 1947. There are no organized forces within the country which threaten its control. But there are weaknesses in its rule.

NO CHANGE IN CLASS. TI DECLASSIFIED CLASS. CHANGED TO: TS S C NEXT REVIEW DATE:

Approved For Release 2002/01/03 : CIA-RDP79R00890A000100070016-2

SEURE

- 2 -

The government is professedly democratic but in fact it is a military dictatorship. If, under external pressures, the government suddenly reversed its foreign orientation and domestic policies, there could be little if any popular resistance.

Potentially serious factionalism exists within the ruling clique, and could explode at any time. Governmental corruption is blatant and deep-seated; so far, however, there is no convincing evidence that this applies to its handling of American aid. This corruption not only provides fuel for political rivalries but it saps the country's economic strength. Moreover, during the past few months, a falling rice market is cutting down the high prosperity that Thailand has enjoyed since the end of the war.

Of Thailand's 20 million inhabitants, three million are Chinese -- potentially a fifth column. The Thai Communist movement consists almost entirely of Chinese, but so far it is believed to have only about 2,000 hard-core members and about 100,000 sympathizers. In the northeast, just across the Mekong River from Laos, there are some 50,000 Vietnamese whose sympathies are largely with the Viet Minh. They would be a serious security menace if the Viet Minh captures Laos. The government has already removed several thousand of these to other parts of the country.

These weaknesses and soft spots would not be cause for concern if there were no external threat. But on the north Communist China is a continuing threat, and to the east last spring the Viet Minh came close to taking Laos. The Viet Minh will probably attempt to overrun Laos this fall.

Leaders in Bangkok are already worried by Peiping's establishment last winter of a Thai Autonomous Government in southern Yunnan. They are inclined to believe reports that Pridi, the prime minister they deposed in Bangkok back in 1947, is in China and connected with this new autonomous state. When the Viet Minh moved into Laos, the Bangkok government was badly frightened, and was inclined to view the two events as part of an over-all Communist plan aimed directly at Thailand.

The government's immediate reaction then was to seek a greater American commitment, either directly or through the UN, and it will undoubtedly do so again if confronted by similar circumstances.

Turning to the future -- the fighting season in Indochina is again approaching. The Viet Minh is making preparations to renew its campaign in Laos. Bangkok leaders will then once again be faced with some very critical decisions.

- 4 -

In a National Intelligence Estimate dated 25 May it was stated that if the Communists should consolidate a position on Thailand's borders and threaten to invade Thailand, the resistance that Thailand would make would depend on whether its leaders believed sufficient external assistance could be counted on. Specifically, it was observed, they would demand a US commitment to support and defend Thailand. If they were given such a commitment and were convinced that US help would be immediate and effective, it was thought that the Thai leaders would stand firm. If, on the other hand, it did not appear that the necessary amount of US aid would be forthcoming, they would probably yield to Communist demands.

Nothing has occurred to alter that estimate.