

THE ASIA-AUSTRALIA SURVEY 1996-97

**Centre for the Study of
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Editors

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Thailand

Background

Diplomatic relations between Siam (as Thailand was known to Westerners until after World War II) and Australia were of limited significance for either country prior to that war. The relationship was largely mediated through the British, the dominant European power in Siam. It was not until the end of World War II and the beginning of decolonisation that a recognisably Australian foreign policy emerged to deal with the changes then about to take place in the emerging countries of Southeast Asia.

Australia and Australians were involved with trade and commerce with Thailand during colonial times, and Australian investments in tin mining in Phuket were significant. Australian horses were popular with the Siamese cavalry and with owners in the racing industry. A small number of Australians were prominent in Bangkok society at the turn of the century. There were few Thais in Australia, although following the overthrow of the absolute monarchy in 1932, a small number of aristocrats sought political refuge in Australia. Prior to the war, Australia remained little known to most Thais, and the same was true for Australian knowledge of Thailand.

The tragic events of World War II etched an image of Thailand into the minds of Australians. While 'Australia Calling', which became Radio Australia, began broadcasting weekly half-hour Thai-language broadcasts in April 1942, it was the post-war newsreel and photographic images of the grim treatment of Australian prisoners-of-war in Thailand that heightened awareness of that country. Especially powerful were reports of the barbaric treatment of hundreds on the infamous Thailand-Burma Railroad. Many Australians contrasted the barbarism of the Japanese military with the assistance provided to prisoners by Thai villagers.

In fact, this support for the prisoners was mentioned by the Australian side when it negotiated a separate peace treaty with Thailand. This treaty, and its negotiations, were couched in terms that were less belligerent than those conducted by the British, and Australia supported the Thai government



Thailand profile

Official name	Kingdom of Thailand
Date of independence	1238 (traditional founding date)
Area	total: 514,000 sq. km land: 511,770 sq. km
Capital city	Bangkok (pop. 8.5 million, 1986)
Major cities	Chiang Mai (164,000) Nakhon Ratchasima (205,000) Haad Yai (138,000) Khon Kaem (131,000) Ubol Ratchathani (130,000)
<i>The Thai people</i>	
Population	58.7 million (1994) 25.4% urban (1994)
Population growth rate	1.6% (av. 1985–94) 1.3% (1994)
National languages	Thai, ethnic and regional dialects; English is the secondary language of the elite.
Major religions	Theravada Buddhism (95%); Muslim (3.8%)
Ethnic composition	Thai (75%); Chinese (14%); other (1%)
Life expectancy	69 years (1993)
Literacy rate	93% (1990)

in its negotiations with the British. Part of the final agreement included the upkeep of Commonwealth war graves at Kanchanaburi, a task which continues today. Officially, some 2,800 Australians died in Thailand, and 1,360 are buried at the cemetery.

Following the war, in December 1945, Australia established a mission in Bangkok, with a Consulate-General being established in 1946.

By the early 1950s Australian–Thai relations were increasingly oriented toward anti-communism and the Cold War. In addition to the political manipulation of the communist bogey in Australia and Thailand, a number of conflicts directed both governments' attention to anti-communism. These included the victory of the communists in China, the Korean War, the Indochina War, the Laos 'crisis', and the communist rebellion in Malaya. Symbolic of these concerns was Australia's and Thailand's membership of the Southeast Asia Treaty Organisation (SEATO), formed in 1954, with its headquarters in Bangkok.

Australia made a strong commitment to SEATO, and provided Thailand with considerable support both through this organisation and on a bilateral basis. Australia and Thailand operated a joint military technical training project, an official vehicle maintenance project, and supported the Tribal Research Centre under SEATO auspices. In the security area, Australia posted a squadron of jet fighters in Thailand during the Laos 'crisis', and it remained at Ubonratchathani from 1962 to 1968. Australia also constructed strategic airfields and roads and expanded military training for Thai personnel. In this context, Thailand's king and queen visited Australia in 1962, and spoke strongly of the communist 'threat' to both countries.

Australia's official aid (bilateral, SEATO and Colombo Plan) totalled about A\$500,000 per year in the late 1950s, averaged A\$2–3 million per year throughout the 1960s, rising to A\$6 million in the mid 1970s. Even bilateral aid appeared motivated by security concerns, as evidenced by road construction in the regions adjacent to the Indochina countries and in the Malay–Muslim separatist areas of the south. Of greatest significance for the future, however, was the training of Thai students in Australia. Under the Colombo Plan and other assistance programs, officially-sponsored Thai student numbers gradually increased from a handful in the early 1950s to 270 in 1976. The number of privately-funded students probably equalled this.

In trade and commerce, relations were limited, although Australia did dispatch trade missions to Bangkok from the late 1950s, and organised its biggest ever trade fair in Bangkok in 1966. Total trade was just less than A\$25 million in 1967–68, weighted overwhelmingly in Australia's favour, although Thailand's exports had more than doubled to in excess of A\$2 million after the introduction of the tariff preference system for developing countries. By 1975–76, trade had expanded considerably, to A\$68 million, of which one-third was imports to Australia from Thailand.

By the late 1970s, the Thai–Australian relationship was beginning to change. While the Thai Crown Prince received military training at Duntroon between 1972 and 1976, security concerns began to decrease in the early 1980s, virtually disappearing by the late 1980s. More significantly, Thailand's industrial development began to move the economy ever more rapidly, and by the late 1980s double-digit growth was creating a mini-economic powerhouse. Thailand was also becoming an important economic link to the countries of Indochina and southern China. While official (including military) Australian assistance continued to expand, and Australia and Thailand maintained friendly official relations, the focus of the relationship was beginning to move to the private sector. This was symbolised by the establishment of an Australian–Thai Chamber of Commerce in Bangkok in 1977, and Thailand's opening of a representative office of the Board of Trade in Sydney in the following year. A significant trade agreement was signed between the two countries in 1979, establishing regular trade discussions. The Australia–Thailand Business Council was formed in 1987, based in Canberra and Bangkok.

Economic profile of Thailand

GDP	Bt 3,601.6 billion/US\$142.8 billion* (1994 EIU estimate) * at 1 Mar. 96 exchange rate
GNP	US\$129.9 billion (1994)
Real GDP growth	8.6% (1995 EIU estimate) 7.6% (1997 EIU forecast)
GNP per capita	US\$2,210 (1994) US\$6,870 (at PPP 1993)
Unemployment rate	3.1% (1994)
Consumer price inflation	5.1% (av. 1985–94) 5.8% (1995 EIU estimate)

Merchandise trade

Exports	US\$41.8 billion (1994) trend growth 1990–94: 15.5% rank as world exporter: 25 share of world exports: 1.0%
Imports	US\$54.3 billion (1994) trend growth 1990–94: 12.4%
Principal exports	textiles and garments; computers and parts; electrical appliances (1993)
Principal imports	non-electrical machinery and parts; electrical machinery; fuels and lubricants (1993)
Main export destinations	US; Japan; Singapore (1993)
Main import sources	Japan; US; Singapore (1993)

Services trade

Services exports	US\$10.1 billion (1993) trend growth 1989–93: 18.7%
Services imports	US\$12.0 billion (1993) trend growth 1989–93: 15.8%

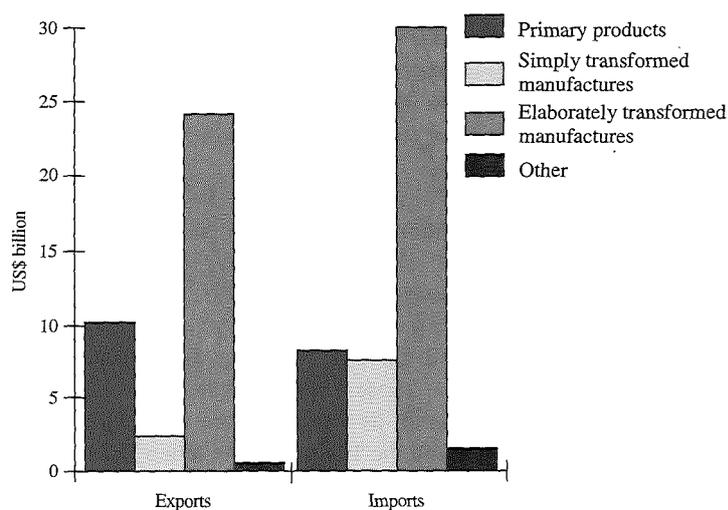
Aid became increasingly oriented toward enhancing Australian trade and investment, although some 'traditional' areas of cooperation (training and education, library support, rural development) continued. Tourism expanded greatly, first with large numbers of Australians visiting Thailand, and then with increasing numbers of wealthier Thais touring Australia, many on short duration group tours. Thai International and Qantas gained most benefit from this, and the latter utilised Bangkok as one of its regional hubs on the Australia–Europe run. In addition, the numbers of privately-funded Thai stu-

dents coming to Australia increased markedly, greatly outpacing those who were officially-sponsored.

Australians saw more of Thailand in their media as refugee numbers from Indochina increased and as more Australian reporters came to be based in Bangkok. Further raising the Australian population's awareness, a range of Australian non-governmental development organisations also emphasised Thailand. The Thai media regularly reported on Australia, especially tourism, cultural and educational issues, while advertisements promoting study in Australia were common in newspapers and magazines. Princess Sirindhorn, who visited Australia in 1992, produced a popular book about her visit. In Australia, Thai language instruction expanded beyond a few universities, also being offered in the technical education sector. The National Thai Studies Centre was established at the Australian National University and began a semi-regular Thailand Update conference for business, government and academics. Increasing numbers of Australian students were offered the opportunity to take part in exchange programs at the secondary and tertiary levels.

Officially, the two governments have signed a number of agreements. These include a 1974 Cultural Agreement, a 1979 Trade Agreement, a 1989 Development Cooperation Agreement, and a 1990 Economic Cooperation Agreement. In addition, there are Memoranda of Understanding covering Air Services (1982), Science and Technology (1987), Energy (1989), Research and Education (1991), Defence Logistics (1993), Health (1993) and Surveying and Mapping (1994). An agreement also exists to cover double taxation.

Merchandise trade by product type (Thailand), 1993



Source: DFAT, *The APEC Region Trade and Investment*, November 1995.

Total trade (Thailand)



Source: DFAT, *The APEC Region Trade and Investment*, November 1995.

The relationship between Thailand and Australia remains friendly and has matured in recent years. That the foundation is solid is demonstrated by the fact that even low diplomatic points can be negotiated. One reason for this is that the relationship is now built on much more than a political and diplomatic foundation. In the private economic sphere there have been significant developments and, as will be shown below, the relationship is being extended with important educational and cultural developments.

Political and diplomatic relations

The year 1995 saw bilateral political and diplomatic relations return to a more normal level following the roller-coaster ride of highs (the opening of the Friendship Bridge) and lows (over alleged Thai military support for the Khmer Rouge) in 1994.

Australia has continued its support for Thailand's elected governments. Following the election of the Chuan Leekpai government in September 1992, an excellent relationship developed between the two governments, with more than forty ministerial and Parliamentary visits in 1993, and a similar program in 1994. Chuan's proposed visit to Australia in 1995 was postponed due to political events in Thailand and the lead-up to the July general elections. However, Banharn Silpa-archa, leader of the Chart Thai Party, paid an official visit to Australia in March, as Leader of the Opposition. This visit became more significant following the 1995 election, when Banharn emerged as the new prime minister.

On his four-day visit to Australia, Banharn was accompanied by his closest advisers, including the chair of the House Human Rights Committee.

Other important members of the party were Surakiat Sathirathai, who was a controversial appointment as Finance Minister after the election, and Virasak Kowsurat, also a controversial appointment to Banharn's government team. At the time, the visit received little publicity in Australia, but was major news in Thailand as it was used to establish Banharn's credibility as a potential leader of the country. His speeches and visits received much coverage and were later used in election campaigning. Banharn was obviously impressed by his reception in Australia, and immediately after the election indicated that Australia would be his first overseas destination as prime minister. Following pressure from ASEAN partners, however, Banharn modified his plan. Even so, the new prime minister encouraged the view that Australia was a part of Asia, putting him out of step with some of his ASEAN and AFTA colleagues. Chart Thai Party policy documents urged closer economic and trade relations between Australia and Thailand.

A number of Thai ministers visited Australia during 1995. There was a spate of visits from the Chuan Cabinet in the first half of the year, beginning with Deputy Minister for Foreign Affairs, Surin Pitsuwan, in January. He was followed by Savit Bhotiwihok, Minister attached to the Prime Minister's Office and responsible for tourism and energy policy, in February. Major-General Sanan Kajornprasart, Minister of Interior, visited in March. Visits then ceased, probably in part due to the troubles facing the Chuan government as the election approached. After the election of the Banharn government, visits again began, with Chaiwat Sinsuwong, Minister for Industry, attending the APEC Small and Medium Industry Ministerial Meeting held in Adelaide in September. In October, Rakkiet Sugthana, Minister attached to the Prime Minister's Office, and Montri Danphaiboon, Deputy Minister of Commerce, visited Australia.

While not of the high profile of 1994, there were a number of Australian ministerial visits to Thailand. Gareth Evans made a brief visit in February. He was followed, in April, by the Minister for Immigration and Ethnic Affairs, Nick Bolkus. Following the Thai election, Minister for Trade, Bob McMullan, went to Bangkok in September, meeting with a range of ministers, including Banharn. Evans returned in late November to attend the 1995 Pacific Rim Forum. Finally, David Beddall, Minister for Resources, led a delegation of Australian coal producers to Thailand.

The Thai and Australian governments continued their cooperation in the Cairns Group and in pushing for greater free trade in agricultural commodities. Thailand was also pivotal in arranging for a meeting in Brunei, which saw talks between economic ministers from Australia and New Zealand conferring with their ASEAN colleagues. The basis of the meeting was to seek ways in which trade and investment relations between ASEAN and the two Closer Economic Relations members could be enhanced.

The Foreign Affairs Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade, which had been conducting an investigation into Australia's relations with Thailand since late 1993, reported in 1995.

Thai names

Structure of the name

In Thailand, the personal or given name is placed first, followed by the surname, for example Chatichai Choonhavan (surname underlined). Names are usually listed in telephone directories under the first name.

Minority groups have been officially encouraged to adopt the Thai style of names, although many also maintain their former names and/or incorporate these into their Thai name.

Forms of address

Thais are referred to by their personal name, usually with a title preceding it. For example, former prime minister Chatichai Choonhavan is referred to as Khun Chatichai. 'Khun' is the equivalent of 'Mr', 'Mrs', 'Ms' or 'Miss' and may be used when addressing a Thai in English, for example Mr Chatichai. Sometimes 'Khun' is replaced by a title (for example 'Dr') or just a position title.

Personal names on their own may be used between close friends, but more usually they are replaced by a nickname preceded by an age status signifier ('phi' for the older and 'nong' for the younger).

In earlier times, the title 'Nai' was common, as were royal honorifics. Royal titles are still used, and members of the royal family will have a title like 'mom luang' or 'mom ratchawong' before their names. In English this will often be translated as M.L. or M.R. (for example, M.R. Prudhisan Jumbala).

Spellings and transliteration

The transliterated spelling of Thai names often causes confusion as the spelling does not always match the spoken name. For example, 'Chatichai' is pronounced 'Chart-chai' and 'Jumbala' is pronounced more like 'Jump-pon'. There is no easy way to solve this problem as the spelling of names in English reflects the Thai spelling but not the sound.

Prior to the release of the main document, a short report on the visit to Thailand by Committee members in late 1994 was released. The visit took place at the height of tension concerning Australian allegations of Thai support for the Khmer Rouge, and the delegation met an impressive range of officials, businesspeople and representatives of other organisations. The Khmer Rouge issue was apparently raised in a number of meetings, and it seems that the delegation's discussion and report from the trip assisted in reducing strain.

The final report from the investigation is a significant document, containing a list of fifty-seven recommendations. None are binding on government, and some are relatively minor. The more important recommendations are that:

- Thai studies and language be promoted in Australian institutions;
- Australia's development assistance be maintained;
- military links be maintained;
- an Australia-Thailand Institute be established;
- legal, tourism, scientific and public health cooperation be expanded;
- a prisoner exchange program be established; and
- mutual drugs suppression activities be enhanced.

Initial Thai reactions to the report were limited, although there was some press comment regarding recommendations concerning human rights, refugees, democratic reform, and labour conditions and rights. While these recommendations were moderate in tone, there appeared to be some concern that Australia was suggesting interference in Thai domestic issues. While Thais have not yet been attracted to the 'Asian values' line in repelling international reproaches, the allegations of support for the Khmer Rouge and US criticism of some high-profile politicians meant that there was some defensiveness in this area.

Interestingly, the Thai press briefly took up two Australian issues in 1995. The first concerned Australia's relations with Indonesia over Timor, and particularly the Timor Gap Treaty. Referring to Australia's appearance before the International Court of Justice, Australia was accused of cynically violating the rights of the East Timorese. The second issue, first raised in the Thai press in the 1940s, was Australia's treatment of Aborigines. One newspaper included an editorial calling on the Keating government to meet compensation claims for Aboriginal children who had been removed from their families.

Perhaps the only negative political issue in 1995 emerged from a number of short Australian media references to the Thai monarch. The monarchy has emerged as the highest institution in Thai society, and the present king, who has been on the throne for almost fifty years, has in recent years developed a strong popular loyalty. There are strong laws and hefty penalties facing those who make comments assessed to be critical or demeaning to the monarchy. In October 1995 it emerged that the Thai government had been refusing to issue work permits and visas to Australian journalists since late August. It was explained that this action was taken in response to perceived disrespect for the king in a cartoon published in the *Melbourne Age* in December 1994, a Melbourne radio program broadcast early in 1995, and the re-publication of the offending cartoon in the *Courier-Mail* in October. The Australian Embassy and the Department of Foreign Affairs and Trade appealed, and the ban was lifted in late October. It remains unclear why there were apparently no official protests when the original cartoon was published.

In the legal sphere, Australia has introduced legislation which allows it to prosecute any of its citizens who engage in sexual activities with persons

under sixteen years while overseas. Thailand was a major target of this legislation. The first Australian convicted on child sex offences has been imprisoned in Chiangmai (although not charged under the new law). In 1995, a number of Australians were released from Thai gaols. This reportedly left only one Australian woman and eighteen men in Thai prisons. A smaller number of Thais are incarcerated in Australia. Drug-related offences remain the main offence. Negotiations continue regarding an extradition treaty with Thailand and a prisoner exchange program.

Economic relations

The Thai economy maintained its strong growth in 1995, expanding by more than 8 per cent, although there were concerns regarding higher inflation and an expanding current account deficit. While growth in the Australian economy was reduced from 1994 levels, bilateral trade with Thailand has continued to expand.

Australian exports to Thailand more than doubled between 1991 and 1995, from about A\$700 million to A\$1.7 billion. Meanwhile, imports from Thailand grew by about 72 per cent over the same period, from A\$583 million to A\$1.0 billion. Thailand was Australia's fourteenth-largest trading partner in 1995. During the financial year 1994–95, Australia's major exports to Thailand were aluminium, gold, wool, dairy products and telecommunications equipment, while Thailand's major exports to Australia included fish and other seafood products, textiles, computers and office machinery, heating and cooling equipment, and animal feed.

Economic relations between the two countries remain sound, although Thailand would like to export more and Australia would like to increase Thai investment. Australian companies appearing before the Parliamentary committee examining bilateral relations complained of high levels of protection, local ownership regulations, dumping and copyright problems. Some of these issues have also been highlighted by the Australian Department of Industry, Science and Technology (DIST) in 1995. Both sides note that while economic progress has been good, much more can be done, noting that Australia's economic relations with Thailand lag behind those with other ASEAN countries.

Thai investment in Australia is very limited, amounting to only A\$36 million in 1992–93, down from a peak of A\$140 million the previous year, and in 1993–94 there appears to have been a further reduction in investment. Australian investment in Thailand amounted to about A\$418 million in 1993–94, up about 23 per cent on the previous year, but representing just 6 per cent of Australia's total investment in ASEAN. Keating's 1994 visit, in which he addressed Thailand's peak business organisations, was one important attempt to encourage investment, but there has been little response.

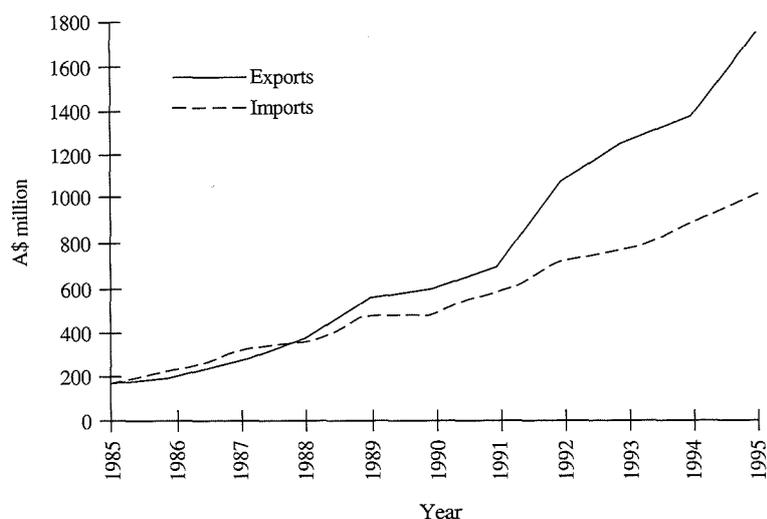
In 1995 the Australian government has continued to take steps to promote trade and investment in Thailand. This included:

Australia–Thailand economic profile

Exchange rate	A\$1 = 19.7 baht (April 1996)
<i>Merchandise trade</i>	
Rank as Australian trading partner	14 (1995); 19 (1991)
Australian exports to Thailand	A\$1.7 billion (1995) share of Australian exports: 2.4% trend growth 1991–95: 22.8%
Australian imports from Thailand	A\$1.0 billion (1995) share of Australian imports: 1.3% trend growth 1991–95: 14.0%
<i>Services trade</i>	
Australian services exports to Thailand	A\$334 million (1993–94) shipping: A\$6 million other transportation: A\$86 million travel: A\$179 million other services: A\$63 million
Australian services imports from Thailand	A\$336 million (1993–94) shipping: A\$20 million other transportation: A\$159 million travel: A\$109 million other services: A\$48 million
<i>Investment</i>	
Australian investment in Thailand	30 June 1994: A\$418 million % of total Australian overseas investment: 0.3%
Thai investment in Australia	30 June 1994: A\$41 million % of total foreign investment in Australia: 0.0%
<i>Aid</i>	
Australian aid to Thailand (ODA)	total aid: A\$42.2 million (1994–95) country program aid: A\$27.4 million

- a joint government–private venture to promote Australian environmental expertise;
- the targeting of Thailand by the government through Market Australia;
- the publication of a government-sponsored report recognising the importance of Chinese business networks in promoting business; and
- a high-profile coal industry mission.

Australia's merchandise trade with Thailand



Source: DFAT, *Composition of Trade*, various issues.

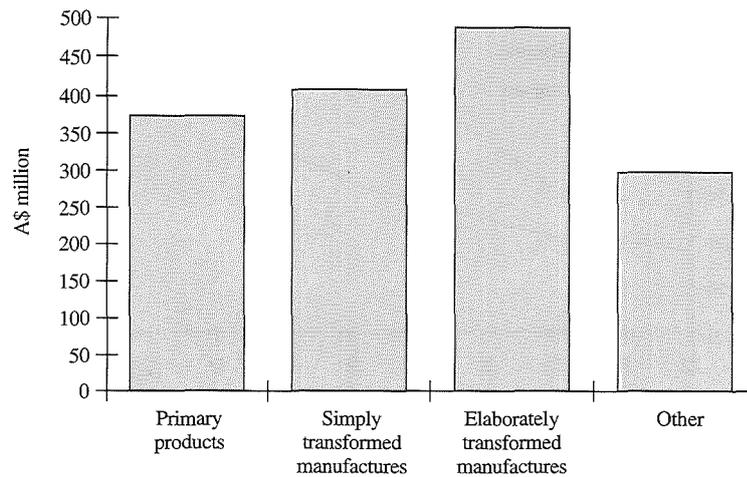
In addition, the private Australia–Thailand Business Council plays a role in promoting investment, and the Thailand Board of Investment (BOI) has been active. The BOI organised a number of events in 1995. In November, two investment seminars were arranged, and two trade missions were organised to Thailand.

There has been little official encouragement for investment in Australia from other Thai government agencies. However, individuals have been influential. For example, General Finance's Narongchai Akrasanee and Meechai Viravaidya have continued to promote Australia, while media magnate Sondhi Limthongkul continues to take an interest in Australian business. Importantly, Banharn has recently urged increased Thai investment in Australia.

Some important developments for Australian companies in Thailand took place in 1995. The opening of the Friendship Bridge in 1994 and the construction of the second Baiyoke Tower in Bangkok highlighted Australian engineering skills, and a number of joint ventures and enterprises have become well-established. Other significant business developments in 1995 include:

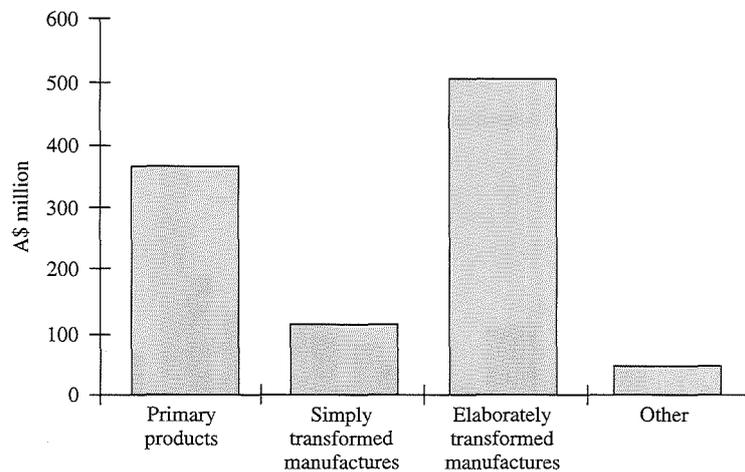
- the examination of funds management opportunities by MLC;
- the announcement by the Commonwealth Bank that it would establish a presence in Bangkok;
- the expansion of activities by BHP and CRA, with the former announcing a major steel mill investment;
- the establishment of a second plant by Clyde Industries ;
- the announcement by the Perth Mint of a joint venture to establish a mint in Bangkok; and

Merchandise trade by category: Australia's exports to Thailand, 1994-95



Source: DFAT, *The APEC Region Trade and Investment*, November 1995.

Merchandise trade by category: Australia's imports from Thailand, 1994-95

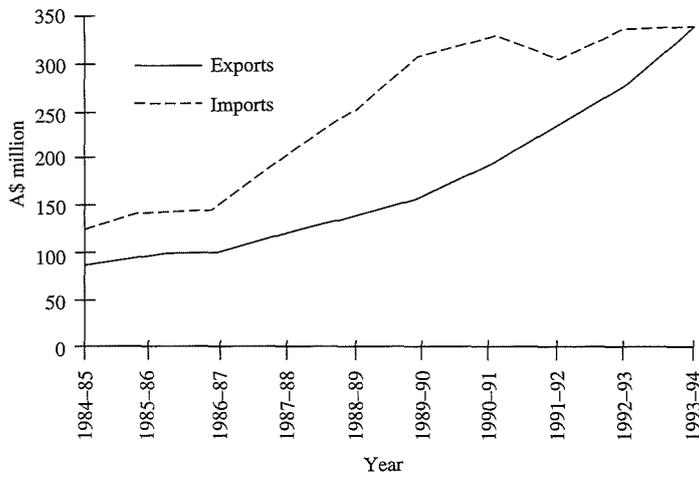


Source: DFAT, *The APEC Region Trade and Investment*, November 1995.

- the expansion of operations by Village Roadshow, which has had a venture with Thai and Hong Kong interests since 1994.

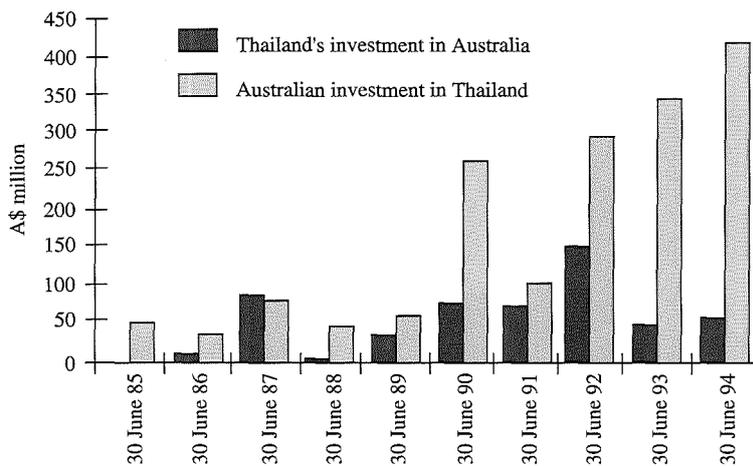
Australian companies were beginning to see Thailand as a base for expanded operations in Burma, Cambodia and Laos. Interestingly, a survey of Australian companies operating in Thailand indicated considerable optimism.

Australia's services trade with Thailand



Source: DFAT, *The APEC Region Trade and Investment*, November 1995.

Australia's investment relationship with Thailand

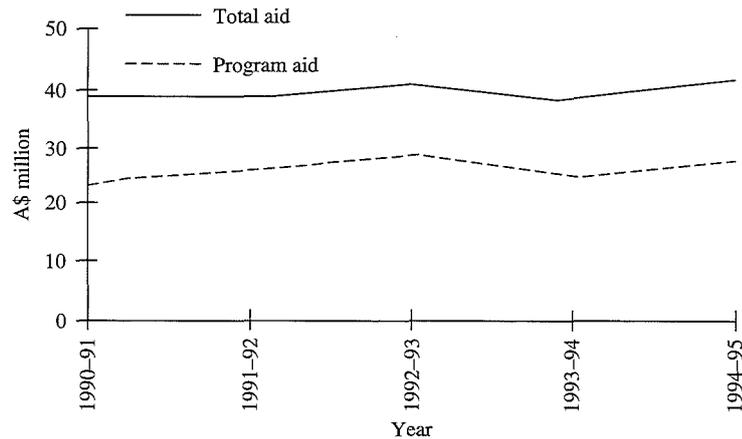


Source: DFAT, *The APEC Region Trade and Investment*, November 1995.

Austrade continued to organise trade displays in 1995, including special exhibitions for energy and agriculture.

In 1994, some 205,000 Australian tourists visited Thailand. Meanwhile, the number of visitors to Australia from Thailand has expanded significantly,

Australia's Official Development Assistance to Thailand



Source: AusAID, *Australia's Overseas Aid Program Statistical Summary 1994/95*.

from about 40,000 in 1993 to almost 78,000 in 1995, although this still represents just 2 per cent of all arrivals. Most Thai tourists arrived in group tours. The Australian Tourist Commission has designated Thailand a high priority market, and there were continued calls for increased flights between Australia and Thailand. In early 1995 the Inbound Tourism Organisation of Australia complained that Australia's visa rules were discriminating against Thai tourists, putting a growing market at risk.

Australian interest in tourism investment expanded in 1995, with Southern Pacific taking over management of a third hotel in Thailand. A significant tourism development saw Accor, a major international hotels group, close its reservations office in Bangkok (and five other Asian cities) to relocate to Perth.

As was mentioned earlier, Australia's assistance program to Thailand began in the 1950s, and in 1994-95 remained the sixth-largest in the Australian program, at about A\$42 million. Of program assistance (about a third of total aid), about 40 per cent goes to education and training and 20 per cent each to rural development and environment and energy. Some major changes have taken place during the course of the 1994-95 program as commitments to a number of projects concluded. These included: the Golok River Breakwater Project, the Phitsanulok-based Agricultural Extension Project, the State Railways of Thailand Project and the Ubonratchathani Land Development Project. Australia maintains a range of projects in HIV/AIDS prevention, land titling, lignite mining, and a major commitment to Thailand's non-governmental development agencies (NGOs). A review of Australian assistance was conducted by AusAID in 1995, and although the

results have not yet been publicised, it appears that this focused on the impending ‘graduation’ of Thailand to non-recipient status.

Australian NGOs have continued an active development program, mainly focused on rural development and health. Community Aid Abroad has a long history of supporting and working with Thai NGOs throughout the country. The Overseas Service Bureau, which sends Australian volunteers to work with government and NGOs, began its operations in Thailand in 1976. Since then, some eighty-six Australians have been placed by the bureau. The majority have been placed since 1992, with forty-five Australians being in-country in January 1995, and these placements were expected to expand further.

Security relations

As noted above, Australia and Thailand have long-standing military and security relations, formally dating from SEATO, and Australia regards Thailand as being within its strategic area. While Thailand’s military remains closely linked to the US, especially in terms of equipment and training, this has begun to change in recent years. Australia’s 1993 Strategic Review noted the policy of expanding relations with ASEAN countries and thus maintained that Thailand was a significant country in the region. Military relations were, however, affected by political events in Thailand, and were on a lower footing from the time of the 1991 coup, were reduced further in mid 1992, and only returned to a more normal level after the Chuan government was elected in September 1992. Some leaders of the Thai armed forces remain somewhat wary of Australian policies.

Apart from these problem, there have been regular defence meetings and exercises between the two countries, and there are regular exchanges of

Thailand’s security profile

Total Thai armed forces	active: 259,000 consisting of: army 150,000 navy 66,000 air force 43,000 reserves: 200,000
Thailand’s defence expenditure	Bt 78.9 billion/US\$3.1 billion (1993)
Thailand’s defence budget	Bt 90.9 billion/US\$3.6 billion (1994) Bt 97.2 billion/US\$4 billion (1995 IISS estimate)
Australian defence cooperation funding to Thailand	A\$3.7 million (1993–94) A\$4.4 million (1994–95 budget estimate)

officers and specialist personnel. Combined and multilateral exercises were conducted by all services during 1995. Chapel Gold exercises were again held, involving an Australian rifle company from its base in Butterworth, emphasising sub-unit tactics and military skills. Special Forces continued their annual exercises with Thai counterparts. The navies of both countries conduct annual exercises (AusThai), and these continued in 1995 in the Gulf of Thailand, emphasising anti-submarine and ship-helicopter operations. Thai Boomerang, a joint air forces exercise emphasising combat skills and tactics, was again held in Nakorn Ratchasima. The Royal Thai Navy participates in the Kakadu exercises, also observed by personnel from the Royal Thai Air Force in 1995. Thai personnel also observed the Australian Defence Force Exercise Kangaroo 95, while Australians observed the annual Cobra Gold exercises in Thailand involving Thai and US forces.

The Australian Commander of Defence Forces and the chiefs of the three services have all visited Thailand in the past three years, while the three commanders from Thailand's armed forces, the Deputy Defence Minister and the Permanent Secretary of the Ministry of Defence have all visited Australia over the same period.

The two major security issues in Australia's relations with Thailand are Burma and Cambodia. Australia's policies on both countries are different from those of Thailand. Under the guise of 'constructive engagement', Thailand's policy towards Burma has been supportive. Australia interprets this phrase less literally than do the policy-makers in Bangkok and has been unwilling to make the same concessions to Rangoon. On Cambodia, Australia displays more open concern about instability, repression and corruption than the Thai government.

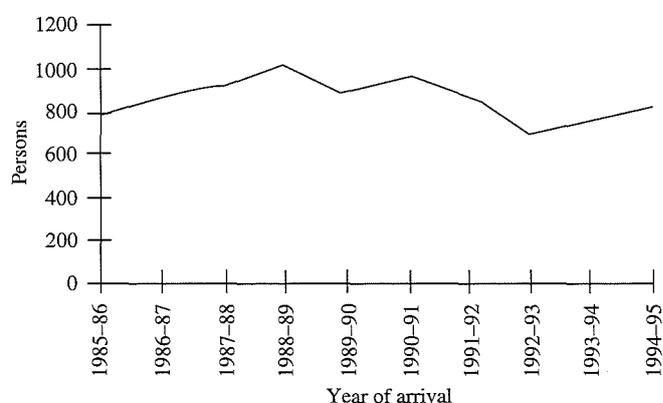
Roughly 150 Thai armed forces personnel receive training provided by Australia each year, with about half involved in professional and military skills training. The Australian Defence Forces School of Languages continues to train 5-7 personnel in the Thai language each year. There were reported to be 35 service personnel who remained proficient in Thai in 1995, 25 of these in the army, with the majority at ranks of captain and above.

Some sixteen Australian arms companies attended the Defence Asia '95 exhibition in Bangkok in 1995. The major sales efforts revolved around submarines and the controversial bid to convince the Thai Army to purchase assault rifles from Australia.

Immigration

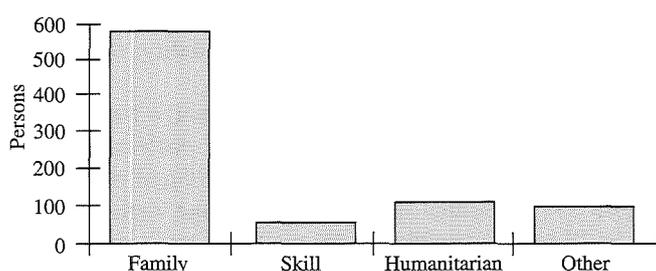
Thailand has not been a major source of migrants to Australia, and very few Australians migrate to Thailand. Generally, only 600-1,000 Thais migrate to Australia each year. In 1994-95 the figure was 799 Thailand-born people of a total intake of more than 87,000. This represented a net gain of 725 Thailand-born persons. Of these, 571 entered under the family category, 28 in the skilled category and 101 under the refugee and humanitarian program.

Settler arrivals from Thailand*



*Based on country of birth data
 Source: BIMPR, *Settler Arrivals 1994–95*.

Settler arrivals from Thailand* by category of entry, 1994–95



*Based on country of birth data
 Source: BIMPR, *Settler Arrivals 1994–95*.

There is a substantial concentration of Thailand-born persons in Sydney, where a range of facilities are available to them, including clubs, newspapers, groceries, and various media, including Thai-language radio programs. One estimate suggests 20,000 Thai-speakers in Sydney, but this may also include people who have come from Laos. As this figure suggests, there may be a significant number of illegal immigrants from Thailand, apparently including a significant number of women who enter on visitor visas and work

in prostitution. Interestingly, Thai students are ranked as having a low risk of overstaying.

Educational, scientific and cultural relations

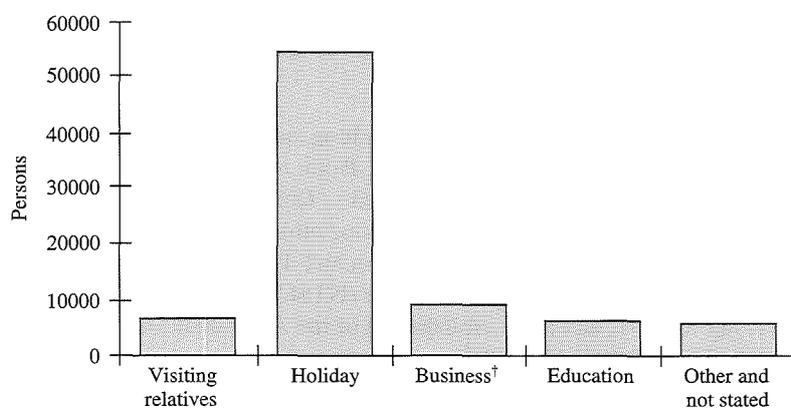
As was noted previously, there has been a long association between Thailand and Australia in the educational field. Both countries have continually stressed the importance of educational links. This has been recognised with the formation of an Australian Alumni association in Bangkok in mid 1993; by Department of Employment, Education and Training (DEET) funding to establish the National Thai Studies Centre (NTSC) at the Australian National University in 1991; and the establishment of the Australian Studies Centre at Kasetsart University in late 1994.

On 31 March 1995 there were 3,533 Thais studying in Australia, of whom about 53 per cent were in higher education. This represents an increase of 17 per cent in Thai post secondary students from the same date in 1994. In the higher education sector cooperation continues to expand. Under the University Mobility in Asia and the Pacific program, 111 Australian students undertook study at private and state Thai universities in 1995, compared with 45 in 1994. In the same year, at least 28 Australian universities had agreements with 25 Thai universities and colleges. Most of these agreements are with state universities in Bangkok, but it is noteworthy that links with private universities are expanding, and agreements exist with regional universities, including the Prince of Songkhla, Chiangmai, Payap and Khon Kaen. DEET

Australia–Thailand profile: migrants and visitors

Australian residents	73,940 (1994–95)
visiting Thailand	71,600 (1993–94)
	% of total overseas visits: 3.1%
Thai residents visiting	77,654 (1994–95)
Australia	58,200 (1993–94)
	% of total overseas visitors: 2.2%
Thai students in	3,533 (31 March 1995)
Australia	% of total students: 4.4%
	% change from 31 March 1994: 22.3%
Permanent settler	799 (1994–95)
arrivals in Australia	382 (Jul–Dec 1995)
	% of total settler arrivals: 0.9% (1994–95)
Permanent net	725 (1994–95)
migration to Australia	% of total net migration: 1.2%

Main purpose of visit* of Thailand residents to Australia, 1994–95

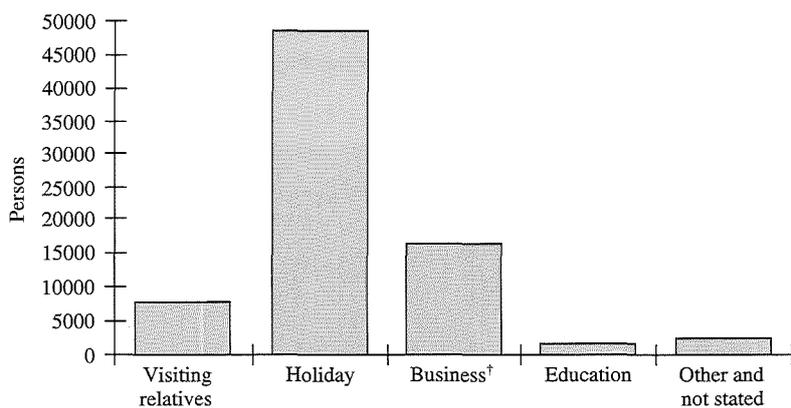


*Where length of stay is less than 12 months.

†Includes employment, attending convention.

Source: ABS, unpublished data.

Main purpose of visit* of Australian residents to Thailand, 1994–95



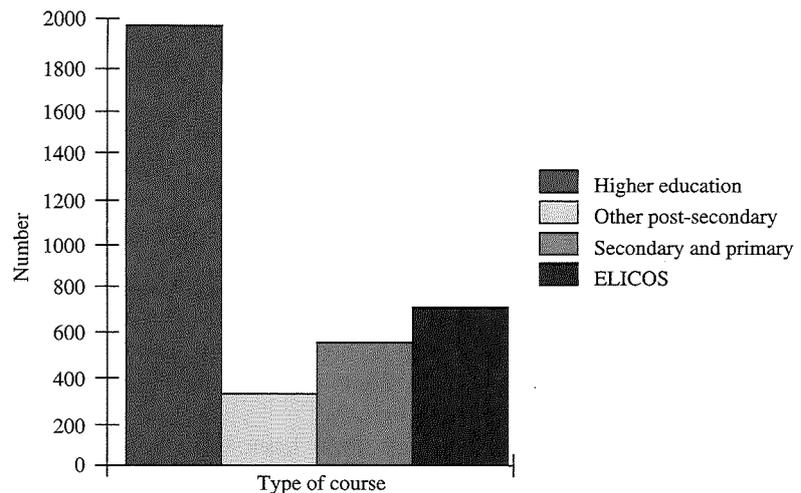
*Where length of stay is less than 12 months.

†Includes employment, attending convention.

Source: ABS, unpublished data.

continued its promotion of the Australia–Thailand University Links in Asia program, which encourages cooperation in engineering, environmental technology and management, business management, and communication and information technologies.

Overseas students from Thailand, 31 March 1995*



* Includes full-time, full fee-paying students enrolled in Australian education courses on 31 March 1995, who entered Australia on a student visa.

Source: DEET, *Overseas Student Statistics 1995*.

In recent years this increased cooperation has been formalised under the 1991 Memorandum of Understanding on Educational and Research Cooperation. Since 1993 there have been meetings between senior Thai and Australian education officials to discuss and implement the MOU, with the most recent having been held in Brisbane in November 1994. The outcomes of this meeting saw further funding for scholarships, academic exchanges and an expansion of Internet links. Follow-up meetings were held in early 1995, including an extended visit by the Thai Permanent Secretary from the Ministry of University Affairs. In June 1995 Minister Crean announced funding of A\$100,000 to further enhance links, staff exchanges and joint research projects. The focus was on environmental technologies and management, engineering, information technology and business management.

Separately, the Chaiyong Limthongkul Foundation has established the Asia-Pacific Studies Centre at Central Queensland University's Mackay campus at a cost estimated at A\$2 million. The Centre began operations in late 1994 and in 1995 its sponsor, Sondhi Limthongkul, was awarded an honorary doctorate by CQU. The Foundation also continued its support for Thai studies and postgraduates at James Cook University.

DEET placed a Counsellor at the Australian Embassy in 1993, and the first offshore Australian International Education Foundation office was opened in Bangkok in December 1994. DEET was also active in negotiating the signing of an MOU on vocational education and training, with A\$55,000

allocated to this in 1995. Unfortunately, government support for the ANU-based NTSC has been curtailed, meaning that its many useful activities have been reduced. Incongruously, DEET saw fit to allocate A\$100,000 to a group of Sydney universities for the further development of Thai language-teaching resources, a task begun by the NTSC.

The International Development Program of Australian Universities (IDP) continues to maintain an extensive range of activities in Thailand, including the English Language Centre of Australia, in Bangkok, and an office in Chiangmai. In 1995, IDP organised exhibitions of Australian education in Bangkok and Chiangmai.

In sport, the Sports Authority of Thailand has signed a cooperative agreement with the Australian Institute of Sport, and a group of senior Australian sports managers have visited Thailand. A cooperative elite sport development program began in April 1994. In 1995, sports coaches from Thailand attended an international swimming clinic in Australia.

Bilateral relations in the cultural field have been expanding. The Australia Council funds an Australian Art to Asia Project, and this has been operating an exchange program for five years, and continued in 1995. Australian film and television programs are being marketed in Thailand but, unfortunately, few Thai productions receive much attention in Australia. Musica Viva Australia has tours to Thailand each year, with two Australian composers, a guitar quartet, and the classical trio Ariel visiting Thailand in 1995. A larger program is funded by the Australia Abroad Council, chaired by Gareth Evans. In 1995 it funded the following tours and exhibitions to Thailand: textiles and works on paper touring exhibition (organised by Asialink); jazz performances (Australia Council); contemporary Aboriginal art (Asialink); and an exhibition of prints (Asialink). In addition, an artist-in-residence was supported at Silapakorn University. Meanwhile, in Australia, Australian–Thai associations exist in most major cities, and hold regular cultural events, often coinciding with important dates on the Thai calendar.

In addition to links through universities, scientific links are maintained through the CSIRO and DIST. The former, which has had contacts with Thailand since the 1960s when it was involved in the development of dairy technologies, strengthened its relationship by the May 1993 signing of an MOU on research cooperation with the Thailand Institute for Scientific and Technological Research. The principal relationships between CSIRO and Thailand appear to be through the organisation's Divisions of Forestry, Horticulture, Animal Health and Food Science and Technology; its Office of Space Science and Applications; and through various Australian Centre for International Agricultural Research projects. DIST, however, announced in 1995 that Thailand was not a priority country for Australia in science and technology.

The Australian Nuclear Science and Technology Organisation maintains a small program with Thailand, in nuclear medicine and health and safety, and has a link with Chiangmai University. In addition, a new three-year bilateral Nuclear Technology Project began in mid 1994. The Australian National

Science and Technology centre has been working with the Bangkok Science Centre and exchanges have been discussed.

Media visits and exchanges, sponsored by Australia's Department of Foreign Affairs and Trade, continued in 1995. Australian journalists again visited Thailand for extended periods.

Outlook

Official relations between Thailand and Australia in 1995 returned to a more even keel following the highs and lows of 1994. There were few major concerns, although divergent policies on Burma in particular, but also Cambodia, remain issues. The potential sale of small arms is an area where such issues are canvassed. These differences may widen to include human rights, where, under Chuan, Thailand took a slightly different view from its ASEAN partners, but this may begin to change under Banharn. Given the small incident regarding the Thai monarchy in 1995, 1996 promises to be an interesting year as Thailand's government will expect all friendly countries to express their appreciation of the monarchy. The celebrations are ideologically important for the monarchy and its regime, and Australia's contribution will no doubt be more closely scrutinised than it might have been.

Outside of these issues, relations between the two countries appear set to blossom even further, especially in the economic sphere, given the Banharn government's expressed desire to achieve trade and investment. Economic relations will continue to expand in the medium term. The challenge has been to convince Australians in business that Thailand is a country where increased trade and investment will produce good results. This task is being addressed, but much still remains to be done. Increasingly, however, there has emerged an even greater challenge – to convince Thai investors that Australia has great economic potential.

In the areas of culture, education and science, relations are also good, and further development is expected. The Australia–Thailand relationship has matured, and is now strong and multi-faceted, suggesting that bilateral ties will continue to expand.

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