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Singapore - Thailand Relations On a Firm Footing

By Yen Zhi Yi

SYNOPSIS

Singapore and Thailand will celebrate their 60th anniversary of diplomatic relations in 2025. In a bilateral relationship underpinned by strong economic ties, the implications of Thailand's dynamic domestic political landscape on relations between the two countries are not often discussed in open circles. How should Thailand's political shifts and their impact on Singapore-Thailand relations be understood?

COMMENTARY

Singapore and Thailand have long shared cordial relations, especially in the economic sector. Thailand's dynamic political scene is a spectacle for many, given the complex relationships among the different segments of the Thai society, especially those in business, the legal profession, the military, and politics. With the turbulent nature of Thai politics and its recurrent leadership changes, it is helpful to examine how Singapore manages its relations with Thailand.

Recent Political Waves

On 18 August 2024, Paetongtarn Shinawatra was <u>sworn in</u> as Thailand's Prime Minister, taking over from Srettha Thavisin, who had been in office for less than a year. Srettha had become premier after a turbulent general election in May 2023 that saw the rise of <u>strong opposition factions</u> seemingly intent on challenging the military government and some of the privileges enjoyed by those wielding political influence.

Paetongtarn's political party, Pheu Thai, had earlier broken its electoral promise to voters by forming <u>a coalition</u> with military-affiliated parties that allowed Srettha to become Prime Minister. Hence, Srettha was removed from office after less than a year, becoming the <u>fourth Prime Minister in 16 years to be removed</u>. At the same time, up-and-rising opposition figure Pita Limjaroenrat was <u>banned from politics</u> for ten

years, and his Move Forward Party was dissolved, ironically having previously won the most seats in the May 2023 elections.

History of Political Changes

Thailand has undergone several changes of government in the last decade, starting with a <u>military coup</u> in 2014 led by former premier General Prayut Chan-o-cha. The fact that Paetongtarn, the daughter of Thaksin Shinawatra and niece of Yingluck Shinawatra, both former premiers, has now become Prime Minister herself, will add to questions about the complex network of co-optation and dealmaking within the political establishment.

Despite many political changes and controversies, Thailand has continued to position itself as "open for business" with the region and the rest of the world. Singapore has availed itself of this and gone further to find new ways of doing business with Thailand.

With another member of the <u>Shinawatra family</u> in power, Thaksin will again be the focus of attention. He has long influenced the Pheu Thai Party, led by his daughter and military figures, even during his exile.

Thaksin's return to Thailand after 15 years coincided with the election of Srettha as Prime Minister, while his royal pardon for abuse of power took place a day after Parliament voted his daughter to be the next Prime Minister.

These developments had earlier sparked speculation of a particular <u>deal</u> within the establishment. This is hardly surprising for a state where civilian politicians, like the Shinawatras, have an interest in ensuring their survivability.

Singapore-Thailand Relations

Singapore established diplomatic relations with Thailand soon after its independence in 1965. Both are founding members of the Association of Southeast Asian Nations (ASEAN). In the aftermath of the Second World War, both states had been beneficiaries of the pan-American order and had converging perspectives on regional security.

Since then, Singapore has maintained robust economic relations with Thailand, with various agreements and a memorandum of understanding in place that underscore the bilateral economic connectivity. One example would be the cross-border payment system – the first of its kind in the world – launched in April 2021 between Singapore's "PayNow" and Thailand's "PromptPay", enabling people on both sides to transfer funds seamlessly.

There have been downsides, including one episode in 2006 involving the sale of stakes from the Shinawatra family's Shin Corporation, amounting to US\$1.88 billion, to Singapore's Temasek Holdings. This deal generated conflict of interest criticisms of Thaksin, who was then Prime Minister. Singapore was caught up in the controversy.

Singapore did not allow the unpleasant episode to affect bilateral economic relations and kept up numerous <u>high-level meetings</u> with Thai leaders. In his visits to Thailand,

Singapore's Foreign Minister Vivian Balakrishnan has continuously emphasised bilateral economic ties, noting that both sides share an important "long-term economic and people-to-people relationship".

Another key bilateral platform that has brought Singapore and Thailand together is the <u>Civil Service Exchange Programme</u> (CSEP), launched in 1997. This programme facilitates cooperation between the two civil services in areas like education, health, and food security. <u>Defence diplomacy</u> is also robust, with both armed forces regularly engaging in joint military training and <u>exercises</u> like "Cobra Gold" and other multilateral platforms.

While there is a notable lack of mention of how the shifting political tides within Thailand might affect bilateral relations, the heavy focus on economic cooperation underscores the practical mindsets of both sides to keep business going and their firm adherence to the long-held ASEAN principle of non-interference.

After the Thai military coup in 2014, Singapore's Ministry of Foreign Affairs issued a statement highlighting the need for restraint and urged the return to normalcy. This illustrates Singapore's prudence in avoiding commentary concerning political developments within Southeast Asian states, although this may have changed in recent years, especially regarding the situation in Myanmar.

Pragmatic Partnership

Singapore is unlikely to be preoccupied with Thailand's recent political developments due to its long-term focus on bilateral economic relations, strong support for ASEAN-centred cooperation, and personal affinities.

In fact, following Thailand's May 2023 elections and coalition negotiations, Thaksin, Yingluck, and Paetongtarn were <u>spotted in Singapore</u>, spending leisure time together. When Srettha Thavisin, then Prime Minister, <u>visited Singapore</u> in October 2023, both sides highlighted the importance of enhancing cooperation in areas like digital economy and renewable energy and the need to boost ASEAN-led initiatives.

Singapore and Thailand are, therefore, likely to maintain a pragmatic approach to each other, all the more so given that Paetongtarn's new administration would likely direct its attention to stimulating the economy to address criticisms of Srettha's <u>unfulfilled electoral promises and stalled policies</u>.

Conclusion

Although Thailand's new administration will be scrutinised amid underlying political tensions, Singapore will likely identify and enhance areas of economic cooperation that benefit both sides and cultivate good relations with the new Thai Prime Minister. As founding members of ASEAN, both countries will likely work closely on multilateral platforms as usual.

Singapore's Prime Minister Lawrence Wong has <u>congratulated</u> Paetongtarn on her appointment and invited her to visit the city-state. Both sides look forward to celebrating the 60th anniversary of Singapore-Thailand diplomatic relations next year.

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