



Donald Trump's Second Presidency: Implications for Thailand

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Introduction

Donald Trump, the 45th President of the United States from 2017 to 2021, is once again in the White House, having secured a landslide victory over Kamala Harris in the 2024 elections. The second Trump presidency would mark a significant shift in global politics. Additionally, Thailand's economic policies, geopolitical stance, humanitarian assistance, and security cooperation would change, too. Under Trump's "America First" policy, Thailand must prepare for potential changes as the United States reshapes and redefines its presence in Southeast Asia. Examining Trump's first term (2017-2021) relations with Thailand is informative.

During Donald Trump's first tenure, relations between the two countries improved rather than downgraded. Conversely, under President Obama's presidency, United States-Thailand relations declined after the 2014 coup, when Secretary of State John Kerry stated, "The coup will have negative implications for the ties between the United States and Thailand."¹ During Trump's tenure, he invited former Prime Minister Prayuth Chan-O-Cha to the Oval Office, making him the second Thai Prime Minister, after Thaksin Shinawatra. Trump's decision to bring Thailand back to the US was a strategic move that benefitted both countries' governments. Nonetheless, the momentum of restored relations was however lost, and Trump's visit to Thailand never materialized, demonstrating a strategic lack of interest. During Trump's first term, the most senior visits to Thailand were by Secretaries of State Rex Tillerson and Mike Pompeo, demonstrating Trump's disengagement in Southeast Asia.²

¹ Lohatepanont, Ken Mathis. 2020. "A Look Back at the Trump Presidency and Thailand." Thai Enquirer. November 13, 2020. <https://www.thaienquirer.com/20685/a-look-back-at-the-trump-presidency-and-thailand/>.

² Ibid.

Implications for Trade and Economy

During his first term, President Donald Trump employed an “America First” strategy, prioritizing American security, wealth, and overall well-being, thereby putting America in the best position to lead the world and maintain peace and stability.³ Donald Trump’s second term will likely mean a continuation of his trade protectionist policies. Trump stated that he wants to correct trade imbalances and renegotiate trade agreements to provide benefits and equity for domestic labor and industries, thereby boosting the U.S. economy, increasing domestic employment, and reducing dependency on imports in critical industries.⁴ Trump 2.0 would mean that America would focus more on economic, technological, and energy interests, as well as competition with China; however, Thailand should also be prepared for some economic risks.⁵ The protectionism of President Donald Trump has been a prevalent feature in recent days, with him imposing tariffs on numerous countries.

According to the Director General of FPO, Mr. Pornchai, Thailand’s trade surplus with the United States makes it a highly potential target for trade restrictions.⁶ Thailand had a \$41.5 billion trade surplus with the United States from January to November of last year, according to figures released on Thursday, February 6, by the Kasikorn Research Center. Thailand now ranks 10th among nations with the largest trade surplus with the United States, up from 12th place in 2023.⁷ Thailand's growing trade surplus with the United States positioned the former in a vulnerable position to tariffs from the latter. Historically, the United States has used tariffs and other trade protectionist measures to offset trade imbalances with countries such as China, Vietnam, and others. Since Thailand moved up the ranking, it is prone to trade protectionism from the superpower. If tariffs are imposed., Thailand would need to review its export mix, seek new markets, or negotiate to mitigate the impact. This restriction can disrupt key industries and prompt Thailand to seek new trade partners, most likely China. However, Poonpong

³ America First Agenda. 2024. “The America First Agenda | America’s Future Is America First!” Americafirstpolicy.com. 2024. <https://agenda.americafirstpolicy.com/>.

⁴ Wichit Chantanusornsiri. 2025. “Trump Effect Mixed for Thailand.” <https://www.bangkokpost.com>. Bangkok Post. January 22, 2025. <https://www.bangkokpost.com/business/general/2945525/trump-effect-mixed-for-thailand>.

⁵ Krisanaraj, Jarupong. 2025. “Experts Advise Thailand to Be Ready for Economic Shifts under Trump.” Nationthailand. Jarupong Krisanaraj. January 21, 2025. <https://www.nationthailand.com/business/economy/40045419>.

⁶ Chantanusornsiri, Wichit. 2025. “Trump Effect Mixed for Thailand.” *Bangkok Post*, January 22, 2025. <https://www.bangkokpost.com/business/general/2945525/trump-effect-mixed-for-thailand>.

⁷ Nation Thailand. 2025a. “Tariff Alarm as Thailand Enters US Trade Surplus Top 10.” Nationthailand. null. February 7, 2025. <https://www.nationthailand.com/business/economy/40046011>.

Naiyanapakorn, the head of the Trade Policy and Strategy Office, stated this at a press conference. "Pre-orders drove exports due to uncertainty from Trump's measures," he stated. To reduce its \$35.4 billion bilateral trade surplus from the previous year, Thailand was attempting to increase its imports from the US.⁸

Another potential impact that Thailand should brace itself for is the shift in the supply chain. Within weeks of starting his second term in office, US President Donald Trump has promised to increase tariffs. These include a 10% general duty, a 25% tax on Canada and Mexico, a 100% tariff on the BRICS nations, and a 60% tariff on China.⁹ China has significantly higher tariff rates than other countries on which President Trump imposed tariffs. Since the average value added in China for "Made in China" exports is just around one-third, an effective tariff rate of about 180% may be applied, which would encourage manufacturers to move their operations to nations like Vietnam or Thailand if they can do so at prices that aren't higher than 180% of those in China.¹⁰ Former President Joe Biden expanded Trump tariffs and introduced non-tariff measures, including export controls and subsidies. China retaliated by banning exports of critical raw materials, causing concern for Southeast Asia's electronics supply chain. The escalating US-China tensions have led Chinese and foreign firms to relocate their operations to Southeast Asia, with Trump's return potentially affecting the ongoing restructuring.

What does this mean for Thailand? Let's break it down. As the trade war escalates, the likelihood of the global supply chain bifurcating may also increase. Donald Trump is likely to impose tariffs not based on the origin of the products, but rather on the origin of the companies. Due to this, Trump sought to renegotiate with the companies in Canada and Mexico to ensure that they could not relocate their production to the US to avoid tariffs. If Trump's rules are strictly followed, companies will see no incentive to shift their locations to avoid tariffs.¹¹ Two distinct supply chains may emerge: one for the US and EU markets, which penalize goods made in China, and one that doesn't. This setup is highly inefficient. If the supply chain splits into two separate systems, Thailand must align with one of them. Aligning with the US-EU

⁸ Reuters. 2025. "Thai Exports up for 7th Straight Month, Surplus with US a Concern."

<https://www.bangkokpost.com>. Bangkok Post. February 25, 2025.

<https://www.bangkokpost.com/business/general/2967693/thai-exports-up-for-7th-straight-month-surplus-with-us-a-concern>.

⁹ Menon, Jayant. 2025. "Southeast Asia at the Crossroads of Trump Tariffs 2.0." East Asia Forum. January 23, 2025. <https://eastasiaforum.org/2025/01/23/southeast-asia-at-the-crossroads-of-trump-tariffs-2-0/>.

¹⁰ Ibid.

¹¹ Ibid.

system would mean that Thailand would have greater market access; however, it could also lead to economic retaliation from China. Aligning with China, on the other hand, could mean straining economic and diplomatic ties with Western countries. A careful balancing act is required in this situation, and Thailand may opt for a dual-track strategy to maintain economic flexibility and avoid becoming overly dependent on either side. This is difficult because both the US and China are potential partners of Thailand. Thailand should strike a balance between diversifying its export and import partners and maintaining ties with the US, EU, and China.¹² Although there could be two sides to Thailand, Mr. Pornchai seems enthusiastic. He claims that increased import taxes in the US might incentivize industrial bases to move to Thailand from other nations, especially in the automotive and electronics sectors. He believes this presents an opportunity to encourage investment in high-tech sectors, including data centers, electric vehicles (EVs), and semiconductors.¹³ This view aligns with the world trends in manufacturing. Increased US tariffs would likely lead firms to relocate to Southeast Asia, and Thailand has the capabilities to attract investment in high-tech industries such as data centers, electric vehicles (EVs), and semiconductors. To achieve this potential, though, Thailand needs to strengthen its foreign direct investment incentives and upgrade its technological capacities to guarantee long-term competitiveness. Whatever lies ahead for Thailand, this nation should be prepared to embrace whatever changes are thrown its way.

Implications for Geopolitical Relations

Under President Trump's second term, US engagement with ASEAN is likely to be rather limited. As seen during President Trump's tenure from 2017 to 2021, ASEAN has never been a priority for him. For instance, during the 2019 ASEAN meetings in Bangkok, President Trump did not attend; instead, National Security Advisor Robert O'Brien and Commerce Secretary Wilbur Ross represented him.¹⁴ Most of the time, the importance of ASEAN is shaped by China's active involvement in the association of the 10 countries.¹⁵ The US's continued disengagement from ASEAN could create a geopolitical void that China is willing to fill. Considering Trump's record of withdrawing from multilateral fora, valuing transactional diplomacy, and reducing foreign assistance, Thailand might have fewer incentives to value its

¹² Wichit Chantanusornsiri, "Trump Effect Mixed for Thailand," Bangkok Post, January 22, 2025, <https://www.bangkokpost.com/business/general/2945525/trump-effect-mixed-for-thailand>.

¹³ Ibid.

¹⁴ Al Jazeera. 2019. "Trump Snubs Meeting with ASEAN Leaders in Bangkok." Al Jazeera. October 30, 2019. <https://www.aljazeera.com/news/2019/10/30/trump-snubs-meeting-with-asean-leaders-in-bangkok>.

¹⁵ Chambers, Paul. 2025. "Trump 2.0 and Thailand: Transactional Realism." *FULCRUM*, February 4.

decades-long alliance with the United States. Thailand might instead consolidate economic and strategic relationships with China, leaning towards Beijing. While Thailand has been carefully balancing its ties between the two superpowers, recent events may draw Bangkok closer to Beijing's sphere. This could have further significant geopolitical implications for Thailand, affecting its strategic standings, relationships with other superpowers or actors, and regional influence.

The cessation of foreign aid in Thailand could mean the US is pushing Thailand closer to China. Although China has limited experience in humanitarian assistance, even minimal help is better than none. Thailand may shift its financial assistance to China, which could potentially diminish the United States soft power in the Southeast Asian region.¹⁶ Although Thai-US relations have always been close, the soft power of China in Thailand, as well as its military and commercial ties to Bangkok, have quickly become stronger. Beijing's growing influence somewhat influenced Thailand's determination to behave as a hedger, maintaining a balance between the two superpowers.¹⁷ An instance that could mean a win for China and a snub for the United States was when Thailand deported Chinese Uyghurs back to their hometowns. Marco Rubio, the Secretary of State, strongly condemned this move.¹⁸ This change raises concerns about Thailand's relationship with the US and whether it is distancing itself from US influence and moving towards China's sphere. We would need more time to see; however, it is notable to discuss that Thailand may be compelled to seek economic and diplomatic ties with another superpower if one that has been its friend for a long time suddenly stops caring.

Implications for Foreign Aid Cut and Humanitarian Concerns

Another notable implication is the foreign aid and humanitarian concerns from the United States to Thailand. The United States Agency for International Development (USAID) was established in the early 1960s to administer humanitarian aid programs on behalf of the United States government. USAID operates mostly abroad and has thousands of employees. The range of work that USAID does is broad. It ranges from food security to health programs and

¹⁶ Mcpherson, Poppy, and Josh Smith. 2025. "U.S Aid Freeze Risks Handing Influence to China in Beijing's Backyard." *Reuters*, February 11, 2025. <https://www.reuters.com/world/us-aid-freeze-risks-handing-influence-china-beijings-backyard-2025-02-11/>.

¹⁷ Chambers, Paul. 2025. "Trump 2.0 and Thailand: Transactional Realism." *FULCRUM*, February 4.

¹⁸ Olarn, Kocha. 2025. "Thailand's Secret Deportation of Uyghurs to China a Win for Beijing, Snub to US." *CNN*. February 27, 2025. <https://edition.cnn.com/2025/02/27/asia/thailand-deporting-uyghurs-china-intl-hnk/index.html>.

environmental protection programs.¹⁹ Donald Trump has been a long-standing critic of overseas spending as he thinks that the money spent doesn't align with his “America First” policies. Just days after Trump became President, U.S.-funded aid programs worldwide were firing staff and shutting down or preparing to stop operations as the Trump administration froze almost all foreign assistance.²⁰ Although Trump cannot necessarily abolish USAID by simply signing an executive order, and any attempt to do so would likely encounter problems with Congress and the courts, it is valuable to discuss the implications that this foreign aid freeze may have for Thailand.

Due to the halting of Foreign Aid, services to Thailand's refugees have also been cut. Hospital shutdowns in camps in Thailand where they are housing around 100,000 Myanmar refugees, most of whom are Karen ethnic minority whose homeland in Myanmar is undergoing combat. Based on the Border Consortium’s mid-year report from the previous year, 69% of its funding came from the U.S. State Department's Bureau of Population, Refugees, and Migration, making it the major donor.²¹ The cessation of aid led to severe medical shortages as well as increased mortality rates among refugees. Although the refugees are the most severely affected by the aid freeze, the reality extends beyond that. Basic services were cut, and the staff were laid off. These include funding reductions for anti-human trafficking programs, domestic violence shelters, education and resettlement programs, vaccines, safe houses for displaced people, and assistance for victims of human trafficking.²² The closure of medical facilities and the halt of humanitarian aid exacerbate the conditions, and Thailand is facing a significant challenge in addressing this issue.

Implications for the Security and Military Operations

¹⁹ Seddon, Sean. 2025. “What Is USAID and Why Does Donald Trump Want to End It?” *BBC*, February 3, 2025. <https://www.bbc.com/news/articles/clyezjwnx5ko>.

²⁰ KNICKMEYER, ELLEN, SAMYA KULLAB, FARAI MUTSAKA, and CHARLOTTE GRAHAM-McLAY. 2025. “A US Shutdown on Foreign Aid Is Hitting from Africa to Asia to Ukraine. Here’s How.” *AP News*. January 28, 2025. <https://apnews.com/article/trump-foreign-assistance-freeze-684ff394662986eb38e0c84d3e73350b>.

²¹ EKVITTHAYAVECHNUKUL, CHALIDA, and GRANT PECK. 2025. “US Aid Freeze Leads to Suspension of Health Care to Myanmar Refugees in Thailand.” *AP News*. January 29, 2025. <https://apnews.com/article/myanmar-refugees-camps-foreign-aid-rubio-b79eef83a635d2b59208d8b91586b6b>.

²² Regan, Helen, Ivan Watson, and Kocha Olarn. 2025. “No Doctors for Sick Children. This Is the Reality of Trump’s Aid Freeze in Remote Northern Thailand.” *CNN*. February 11, 2025. <https://edition.cnn.com/2025/02/11/asia/thailand-myanmar-refugees-us-aid-freeze-trump-intl-hnk-dst/index.html?>

Thailand and the United States have close relations. Thailand has been the United States' only treaty partner in Southeast Asia since 1954 and a non-NATO ally since 2003.²³ Historically, the United States has been a significant provider of assistance to the Thai military and security sector, thereby enhancing the capabilities of the Royal Thai Armed Forces. The US has contributed millions of dollars to the Thai military, and likewise, the Thai military highly prioritizes US Defense education.²⁴ Under previous administrations, Thailand benefited from the U.S. Foreign Military Financing (FMF) and International Military Education and Training (IMET) programs. With \$2.7 million in IMET financing in FY 2021 and \$2.2 million in FY 2022, the Biden Administration has maintained its support for Thailand through IMET and FMF.²⁵ If President Trump halts funding for these two programs, the Thai military will experience reduced intelligence sharing and cooperation, as well as decreased modernization of the Thai Armed Forces. Yet, the most extensive joint and combined exercise in the Indo-Pacific region, Cobra Gold, was conducted in Thailand from February 25 to March 7, 2025. Through the promotion of interoperability, multilateral cooperative arrangements, and the advancement of common interests alongside our dedication to Allies and partners in a free and open Indo-Pacific, Cobra Gold embodies the U.S.'s commitment to the region.²⁶ This fruitful meeting demonstrated that the United States and Thailand are determined to enhance defense relations and collaboration to promote regional security.

Despite the success of the Cobra Gold military exercise, potential challenges remain under Trump's America First policy. Trump's 'America First' policy and budget reductions may lead to reductions in the FMF and IMET programs, making it more difficult for Thailand to obtain high-technology defense materials and training. Secondly, diminished U.S. engagement will likely embolden China to further expand its military presence in Thailand, including through joint military exercises and weapons sales. Such developments can complicate Thailand's traditional US defense relationship while rendering its other security alignments more vulnerable.

²³ United States Department of States. 2022. "U.S. Security Cooperation with Thailand - United States Department of State." United States Department of State. October 31, 2022. <https://www.state.gov/u-s-security-cooperation-with-thailand/>.

²⁴ Ibid.

²⁵ Congress. 2025. "Thailand: Background and U.S. Relations." Congress.gov. 2025. <https://www.congress.gov/crs-product/IF10253>.

²⁶ U.S. Mission Thailand. 2025. "Exercise Cobra Gold 2025 to Begin February 25, 2025." U.S. Embassy & Consulate in Thailand. February 18, 2025. <https://th.usembassy.gov/exercise-cobra-gold-2025-to-begin-february-25-2025/>.

Regardless of the outcome, Thailand must be prepared and seek to diversify its defense partnerships with potential countries while navigating its delicate balance between the US and China to ensure its defense sector is resilient and not overly reliant on a single superpower.

What should Thailand do?

What should Thailand do, and how, in this changing sphere of the world order? With the second Trump administration, challenges are inevitable, and Thailand must adapt to solve these issues. Thailand must pursue strategic and diplomatic approaches to protect its national interests while navigating a path fraught with uncertainties.

Firstly, Thailand should consider deploying the Bamboo Diplomacy. Bamboo diplomacy is a foreign policy strategy based on the characteristics of a bamboo tree—strong roots, a sturdy stem, and flexible branches. Regarding foreign policy, these traits manifest as a nation's commitment to principles such as independence, justice, peace, and humanitarianism. The proactive attitude of a nation's foreign policy, which can strategically swing to preserve its national interest, is symbolized by a strong stem and flexible branches.²⁷ Thailand should maintain its historical balancing act between superpowers to safeguard its territorial integrity and independence, as well as avoid conflicts between larger powers.²⁸ Strengthening ASEAN frameworks, diversifying Thailand's relations with regional powers such as India and Japan, and maintaining its flexibility and adaptability are essential to navigating the geopolitical tensions between the US and China.

Recently, Prime Minister Paetongtarn Shinawatra pledged to enhance collaboration with China to combat cyber scam centers that have plagued both countries. She signed more than a dozen agreements to strengthen bilateral commercial ties at the end of her visit to China.²⁹ Moreover, Thailand is commemorating diplomatic anniversaries with key East Asian nations in 2025, with a focus on regional cooperation and cultural diplomacy. The country is organizing the Two Kingdoms Run, returning Cambodian artifacts, and expanding educational exchanges. It is also

²⁷ Kumar, Karamala Areesh, and Rosemary Kurian. 2024. "Bamboo Diplomacy amid Great Power Rivalry: The Case of Thailand and Vietnam." *Diplomatist*. 2024. <https://diplomatist.com/2024/08/20/bamboo-diplomacy-amid-great-power-rivalry-the-case-of-thailand-and-vietnam/>.

²⁸ *Ibid.*

²⁹ Yang, William. 2025. "Thailand Leader Seeks More Cooperation with China." *Voice of America*. Voice of America (VOA News). February 8, 2025. <https://www.voanews.com/a/thailand-leader-seeks-more-cooperation-with-china/7968278.html>.

fostering deeper ties with Lao PDR, Singapore, and China, highlighting its ongoing diplomatic strategy of strengthening economic partnerships and regional ties.³⁰ Now, instead of just balancing acts with the superpower, Bamboo diplomacy is evolving and adapting to the changing world. Historically, Thailand has balanced between the superpowers, but now it is more than just passive neutrality; Thailand is increasingly engaging in multilateral cooperation beyond ASEAN, strengthening ties with middle powers in ASEAN and Asia. Thailand is refining its diplomatic strategy to maximize its interest while navigating through the geopolitical tensions.

Moreover, Thailand should reduce its dependency on any single nation, build resilience, and invest in its domestic abilities to reduce any reliance on foreign assistance. Maintaining a neutral stance is crucial for Thailand to navigate during these times. Thailand should diversify its partnerships beyond the US and China to mitigate trade risks, especially in protecting itself from US Trade Protectionism. Thailand should strengthen its position in regional trade agreements, such as the RCEP, and explore deeper ties with key partners like the EU, South Korea, Japan, and India. Thailand should also build and promote itself as a manufacturing hub for products, which can potentially attract higher Foreign Direct Investments to the country.

Lastly, Thailand should capitalize on its position by acting more in ASEAN-led channels, such as trade agreements between ASEAN countries or with ASEAN collectively. This can benefit Thailand through increased potential for exports within the economically highly growing region, enhanced regional supply chain resilience, and less dependence on external powers.³¹ Thailand should also maintain close security relations with ASEAN nations within the region to promote regional stability in the Indo-Pacific and reduce its dependency on superpowers.

Conclusion

In summary, Donald Trump's return to the White House marked a significant change in the world order. The shift may present both opportunities and challenges for Thailand in terms of economics and trade, geopolitics, humanitarian assistance, and security. Thailand may gain

³⁰ Sathapiyakun, Nawacha. 2025. "Thailand's Biggest East Asian Diplomatic Anniversaries in 2025 - Thailand NOW." Thailand NOW. March 18, 2025. <https://www.thailandnow.in.th/foreign-affairs/thailands-biggest-east-asian-diplomatic-anniversaries-in-2025/>?

³¹ Nation Thailand. 2025. "Thailand Confronts Trump's Trade War Challenges." Nationthailand. null. March 11, 2025. <https://www.nationthailand.com/business/economy/40047272>.

from the supply chain relocation, but also faces risk factors such as tariffs, a reduction in bilateral foreign assistance, and uncertain assistance on the military front.

Geopolitically, Trump's past experiences with ASEAN meetings pose a challenge to Thailand, given Trump's limited interest in the region, which may prompt Thailand to align more closely with China. At the same time, security cooperation, such as Cobra Gold, demonstrates commitment between the two countries; however, the future is uncertain regarding whether the US will continue to commit. So, Thailand should explore other alternative defense partnerships while be prepare for the broader implications of the foreign aid budget cut from the US.

To address the challenges, Thailand needs to strike a balance in its diplomacy, diversify its trade and security partners, and foster deeper regional stability. By pursuing a pragmatic, adaptive, and forward-thinking agenda, Thailand can surmount this challenge, protect its interests, and continue to be a driving force in the regional order.

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