

Nattakitta Leangpongpun 2012: Factors Determining Foreign Direct Investment in Transportation Tools and Equipment Industry and the Effect of Human Capital on the Growth Rate of Transportation Tools and Equipment Export of Thailand. Master of Economics, Major Field: Economics, Department of Economics. Thesis Advisor: Associate Professor Chiraphan Kuladilok, M.Econ. 79 pages.

The purpose of this paper is to study the generality and the involved government incentives for Foreign Direct Investment (FDI) in transportation tools and equipment industry of Thailand, to study the factors determining FDI in transportation tools and equipment industry, and to study the effects of human capital on product growth of transportation tools and equipment industry.

From the factor analysis by multiple regression method and the ordinary least square method with the collected information since 1989 to 2009, this study found the four factors determining FDI in transportation tools and equipment industry of Thailand as follow; an interest rate of 1-year fixed deposit account, the currency exchange rate, the growth rate of minimum wage, and the growth rate of export value of transportation tools and equipment. The another analysis result about the effects of human capital on transportation tools and equipment industry found the human capital accumulation measured from the average education levels and the export value of transportation tools and equipment. The variables of education level; elementary level, secondary level and higher level significantly have an impact on the increasing rate of production product or the growth rate of export value of transportation tools and equipment in Thailand.

The study concluded that the government should take care exchange rate and create more skilled labors for better productivity that make better minimum wage, as well as increasing potentiality of labor by raising the education level to increase effectiveness of production.

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