

Siriporn Hongchatchavarn 2009: The Impact of Establishing The National Telecommunication Commission on Mobile Telephone Services in Thailand. Master of Economics, Major Field: Economics, Department of Economics. Thesis Advisor: Miss Woradee Jongadsayakul, Ph.D. 214 pages.

Nowadays mobile telephone services have been reformed regulatory from the Communications Authority of Thailand (CAT) and the Telephone Organization of Thailand (TOT) to the National Telecommunications Commission (NTC) in order to encourage competition in mobile telephone services. Hence, the objective of this thesis was to study the impact of establishing the NTC on mobile telephone services in Thailand. This main topic could be divided into three parts. First, the impact of establishing the NTC on the mobile telephone service's structure, conduct, and performance was studied by using descriptive analysis. Second, the impact of NTC policy on consumer surplus, producer surplus, and social welfare was analyzed by using panel data of mobile operators such as AIS, DTAC and TRUE MOVE during 2002 – 2008. The demand and marginal cost equations of mobile telephone services were estimated by the simultaneous equation with two-state least square method (2SLS). Third, the fair prices in mobile telephone service were calculated by using the estimated demand and marginal cost equations.

The results showed that the NTC has decreased barriers to entry and increased diffusion and quality of mobile telephone services. The operators charged different between on-net and off-net prices. Additionally, the NTC policy has increased consumer surplus, producer surplus, and social welfare. Moreover, the current prices are closed to the fair prices. As a result, the establishing of the NTC meets its goal of encouraging the free and fair competition.

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