

Achareeya Anantathas 2009: The Impact of Thai-US Bilateral Free Trade Agreement on US Foreign Direct Investment in Thailand. Master of Economics, Major Field: Economics, Department of Economics.
Thesis Advisor: Mr. Saksit Budsayaplakorn, Ph.D. 105 pages.

The main purposes of this study are to examine the economic factors that directly affect US direct investments in Thailand as well as the consequences of the Free Trade Agreement between Thailand and the United States. The data used here are secondary annual data including 11 countries from 1991 to 2006. The data are analyzed by applying the Gravity model with Panel data.

The results show that the economic factors such as Gross Domestic Product, distance between countries, real exchange rate, inflation, interest rates, the dummy variables indicating island characteristic and Free Trade Agreement initiation have direct effects on US direct investments in Thailand. Particularly, indicate that the results Thai-US Bilateral Free Trade Agreement initiation results in an increase of US direct investment in Thailand.

In light of this study, there are a few suggestions to offer. Those who are representatives or responsible for the negotiation of the Free Trade Agreement between Thailand and the United States should also consider are other economic factors included in the study in order to raise US direct investments in Thailand.

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Thesis Advisor's signature

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