

Nattiya Tiva 2011: The Effect of Public Health Expenditure on Human Capital and Economic Growth of Thailand. Master of Economics, Major Field: Economics, Department of Economics. Thesis Advisor: Associate Professor Sumalee Santipollavut, Ph.D. 167 pages.

The purposes of this study are to study the health status of Thai people, and to analyze the effects of public health expenditure on health status and economic growth of Thailand. In order to construct the indices for explaining health status of Thai people, this study uses secondary data in the period of B.E. 2540-2552 and Path Analysis is also used to analyze the effects of public health expenditure on health status and economic growth of Thailand.

The construction of health status indices of Thai people show that the physical health status index has been decreasing at an average rate of 4.98 percent annually. Meanwhile, the mental health status index has been more decreasing averagely 7.05 percent per annum in the study period. This demonstrates that Thai people have been facing worse physical and mental health status or have more health problems. Path analysis results indicate that public health expenditure for administration and research, consumer protection and treatment have both direct and indirect effect on economic growth, whereas expenditures for health control and protection have only indirect effect on economic growth. All public health expenditures have positive influential effect on economic growth. Furthermore, all public health expenditures affect the increase in human capital via physical health and mental health status. In addition, the mental health status has minimal positive influence on economic growth more than those of the physical health status. This can conclude that allocation of the public health expenditure could help improving physical and mental health status of Thai people, and subsequently result to economic growth of the country.

This study recommends The Ministry of Public Health emphasizes more activities on control, protection and improvement of health so that people are always being in good health. Since, the constructed health status indices show that the majority of injury and death caused by the increasing non-contagious disease. Therefore, activities for health control, protection and improvement should raise labor productivity more than those healing and caring activities.

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