

Sakkarin Wankahart 2011: The Status of Functional Creation Sector in Creative Industry and Development Potential for Industrial Cluster. Master of Economics, Major Field: Economics, Department of Economics. Thesis Advisor: Associate Professor Sumalee Santipolvat, Ph.D. 207 pages.

The research objectives of The Status of Functional Creation Sector in Creative Industry and Development Potential for Industrial Cluster are 1) to study the status of the Function Creation sector in Creative industry which consist of output's value, use of physical capital, creative workers, general workers, export and import and efficiency in input uses which were estimated by production function and estimate the change of technology based on Solow's Residual, and 2) to study the development potential for industrial cluster based on the Diamond model. This research collected time series and cross section data year 2002-2008. which can be classified the functional creation sector into 8 sub-sectors.

The results of research found that the value of Function Creation sector has continually been increasing. Particularly the fashion product that has the most in value following by the architecture, the design work, the advertising and the others, respectively. The architecture was both the most effective in use of physical capital and creative workers. The design work was the most effective in use of general workers. Furthermore, the estimated of technological change was the most in design work. Moreover it was found that the potential development for industrial cluster was at the moderate level and the demand was the most potential factor. There are the most direct and total linkages between design sub-sector in Function Creation sector and all other industrial sectors in Thai economy, followed by advertising, architecture, fashion and research and development sub-sector, respectively.

Based on this research finding a policy recommendation is that the government should pay more attention to design ability, creative thinking, skill of creative labor and general labor. Moreover, reduction in the cost of production and more attention in research and development of the new innovation and technology should also be encouraged in order to expand the market demand for products in Function Creation Sector.

Student's signature

Thesis Advisor's signature

____ / ____ / ____