

ABSTRACT

Thesis Title : Impacts of The EURO on International Trading
between Thailand and European Union

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The purpose of this research is to study a development and integration of European Monetary Union , economic relations, trades and its impact on Thailand after the establishment of The EURO as the single currency. This research reveals that on January 1, 1999, eleven countries from fifteen of European Union member states adopt a new single currency -The EURO, is considered to be one more step of integration after the single market was established in 1993.

As a result, European Central Bank (ECB) is intended to be independent to take charge of monetary policy as a single policy. At the same time, the EU members have participate to make policy through the government of national bank of each members that hold position of The European commission.

The new European currency will compete the U.S. dollar and the Japan yen. It will impact on the transaction, investment, loans and international trade including economic expansion of the EU members and the more linkage of financial market.

In addition to that, it will have an impact on trades between Thailand and EU, namely, make more intra-European trade because it will be doing away with exchange-rate risks and cutting transportation costs and using domestic goods of the EU members that will effect on Thailand exports to European market.

However, before the fully utilizing of The EURO in 2002. Thailand should to be closely follow up The EURO movements to make understanding and to plan to deal with such impacts. Especially, the production procedure improvement for reducing product costs to compete with the EU products.