ABSTRACT

Thesis Title

: Trade Relations between Thailand and Japan : A Case Study of

Electrical Appliances and Electronics Industry 1991 - 1995

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Thailand's economic growth rate between 1991-1995 is about 8.35 % per annum. It's very interesting that the export of electrical appliances and electronics industry come first of all export goods. However Thailand has faced with trade and payment deficit problems as a result of her dependence on electrical appliances and electronics industry trade with Japan in term of production, investment and technology.

This thesis aims to study trade relation between Japan and Thailand in oder to analyze the problems and result of such dependency

Findings of this research are that trade in the electrical appliances and electronics industry between Thailand and Japan are unequal in the following matters:

- 1. an average of trade and payment deficit of Thailand is about 204,804 millions bath per year from 1991-1995, while the electrical appliances and electronics industry dificit average is about 71,914 millions bath per year.
- 2. the dependency of production and investment that Thailand relies on Japan can be seen from 621 out of 839 project applications approved which is worth about 13,200 millions bath invesment from 1991-1995 be estimated about 21,170 millions bath in term of investment in which the electrical appliances and electronics industry are 621 perjects worth 13,200 millions bath investment.
- 3. the importing of technology is estimated about 100,571.14 millions bath per year
- 4. the exporting of electrical appliances and electronics industry rose from 10,453.30 in 1991 to 32,063 and from 13,770.10 to 31,507 millions bath respectively.

Therefore the causes of this dependency or unequal exchange come from the imbalance in import and export products between the two countries, investment and technology reliances of Thailand on Japan , and Thai policy of investment promotion.

The study's recommendations are:

1. There must be a clear policy for more flexibility of investment and of using high utility in material resources and labours for electrical appliances and electronics industry development between Thailand and Japan.

- 2. Trade policy, investment promotion policy should be improved and changed a for more balance of trade relations between Thailand and Japan .
- 3. There should be an improvement reform in more standardization of tax system to provide efficiency, flexibility, and fairness.
- 4. Further studies should be made of the trade relations between Thailand and Japan in term of interdependence of electrical appliances and electronics industry . .