

PROJECT TITLE The Role of Foreign Economic Advisers in
 Thailand , 1868-1932

NAME OF THE RESEARCHER Mr. Asambhinabong Shatragom

YEAR September 1986

ABSTRACT

The purpose of this research is to study the role of foreign economic advisers in Thailand from the reign of King Rama V to the reign of King Rama VII. The analysis focus on their roles in managing and persuading economic policy , establishing monetary and fiscal system , and solving serious economic problems.

It is found that most foreign economic advisers who played important role in the conduction of Thai economic policy were the advisers to the Ministry of Finance. Thai government in the period of study had chosen only British as the economic adviser because of the efficiency shown by Great Britain in modernizing her colonies in Asia.

In the reign of King Rama V, the role of foreign economic advisers were to help Thai government in establishing an efficient fiscal system and stabilizing the value of "baht".

Thai monetary system had been changed from Silver Standard to Gold Standard in this period.

In the reign of King Rama VI, foreign economic advisers played important roles in stabilizing the value of "baht" and solving the serious problem of government budget deficit, especially in the last 4 years of this reign. They also persuaded Thai government to borrow from the international money market to finance the projects that were important to the development of the nation, the construction of railway and irrigation systems.

In the reign of King Rama VII, the important role of foreign economic advisers were in helping Thai government solving serious economic problems, especially the government budget deficit, resulting from the effect of the Great Depression of 1930's.

In summary, it can be said that the conservative monetary and fiscal policies of Thailand during 1868 to 1932 was resulted from the persuasion of these foreign economic advisers. It should be noted that, however, the role of these advisers had been gradually less important as Thai bureaucrats gained more experiences in managing their own economic system.