

SOMCHAI EKSUWAN : ANALYSIS OF THE EFFECTS OF GENERALIZED SYSTEM OF PREFERENCE (GSP) ON ASEAN'S EXPORTS. THESIS ADVISOR : ASSO.PROF. CHAIWOOT CHAIPAN, Ed.D. 540 pp.

The generalized system of preferences was designed to give developing countries more favourable access to the markets of developed countries and to increase their export earning. In the meantime, it will help the developing countries to promote their economic development and industrialization.

After the GSP was set up, it became a useful instrument for the beneficiary countries : the preference margin was substantial and represented a real advantage over the tariff treatment which industrialized countries granted each other. So when preference giving countries face the economic slump, they tend to undertake the bilateral trade negotiation with those beneficiary countries. ASEAN are one group of developing countries that receive generalized preferences and also affected by the bilateral negotiation. They require the ASEAN member countries to open markets for their exports and to protect their intellectual property; otherwise an unilateral retaliatory action is to be taken.

The objective of the study is to measure the benefit of the GSP to the ASEAN in the principal import markets EEC, Japan and USA, so as to assess the effect of the ASEAN member countries policies under the pressure of principal trade partners on their exports.

The result of the analysis indicate the effect of the GSP on ASEAN. Exports at high level in every import markets. This means that if the ASEAN exports are suspended the GSP in these import markets, the damages will be at high level resulting from trade contraction. To maximize the benefits of the GSP, the ASEAN countries have to improve their GSP administration and the production process to correspond with the regulation of the GSP. This improvement will bring not only more benefits from GSP but also the solution of intra-industrial trade problem to the ASEAN countries.