

Chutiya Pansumret 2014: The Effect of Airport Efficiency on International Trade of ASEAN5 Master of Economics, Major Field: Economics, Department of Economics.
Thesis Advisor: Ms. Worawan Toommongkol, Ph.D. 136 pages.

As the volume of international air transportation increases due to economic growth and international trade expansion, air transport services and operation have been developed to support such growth. Airport efficiency can be a crucial factor supporting international trade. Therefore, this research studies the impact of the airport efficiency on the international trade of ASEAN5. The research is divided into two stages. First, focusing on physical variables which relate to air cargo activities, the research measures airport efficiency of airports in ASEAN5 and their major trade partners using DEA method under constant return to scale (CRS) and variables return to scale (VRS) assumption. Second, the research analyzes the effect of airport efficiency on international trade of ASEAN5 and their major trade partners in 2012 using the Gravity Model.

The results of efficiency analysis under the assumption of constant returns to scale (CRS) show that, from 41 airports, only 25 airports are operating on efficiency frontier in 2012 with the average efficiency rating of 0.891. Under the assumption of variable returns to scale (VRS) the results show that 35 airports are operating on efficiency frontier, with the average efficiency rating of 0.954. The Gravity model analysis shows that the airport efficiency has a positive effect on international trade of ASEAN5 with trade partner countries, demonstrating the importance of improving airport operation efficiency and developing airport infrastructure, which will lead to the growth of international trade of ASEAN5.

Student's signature

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