

Munyapa Niumprasirt 2008: A Comparative Analysis of the Effect of Government Expenditure on Gross Domestic Product Before and After Economic Crisis. Master of Economics, Major Field: Economics, Department of Economics. Thesis Advisor: Associate Professor Supriya Kuandachakupt, Ph.D. 96 pages.

The objective of this study was to compare the fiscal policy, particularly government expenditure, before and after economic crisis and analyze comparative results of government expenditure on Gross Domestic Product before and after economic crisis by using the simultaneous equations. The data used were secondary data by quarterly from first quarter of 1992 to second quarter of 2006. The study estimated coefficients by two stage least squares method and the government expenditure multiplier in order to study the effect of government expenditure on Gross Domestic Product.

The study found that the government used the deficit budget policy after crisis to boost up the economy, and spent mostly on current expenditure. The comparative analysis of the effect of government expenditure on Gross Domestic Product showed that the government expenditure before crisis was less than that after crisis but it had more effect on Gross Domestic Product. The government expenditure multiplier increased Gross Domestic Product by less proportion after crisis, even though the government increased expenditure continuously.

Student's signature

Thesis Advisor's signature

____ / ____ / ____