

PREFACE

Thai economy has achieved a rapid economic growth rate even faster than Asian NIE's since 1970's. This phenomenon used to be quoted as a miracle. The acceleration of economic development in Thailand since late 1980's has been led mainly by a massive influx of foreign direct investments, and secondarily due to a smooth expansion of domestic demand.

In line with this very fast economic growth, there have been many imbalances and bottlenecks in development.

The objectives of the Seventh National Economic and Social Development Plan (1991-1996) are set to sustain economic growth with stability, to distribute income to regions, and to develop human resources, quality of life, environment and natural resources.

Against the background stated above, we endeavored to analyze most important problems to which contemporary Thai economy faces in mid-term towards the year 2000.

The first paper by Sothitorn Mallikamas and Titanun Mallikamas focuses on the saving-investment gap by the year 2000, analyzing the past trends and current situation and evaluating factors affecting saving-investment gap by itemization to see how the macro balancing will be healthy or serious.

The second paper by Samart Chiasakul deals with industrial development policies foreseeing the future direction and growth of Thai industries by major sectors. Here also the regional dispersion of new investments to improve income redistribution is a critical debate. Finally internal and external factors affecting industrial development in the coming decade are examined.

The third paper by Prapant Svetanant explains the present conditions and problems in Northeast Thailand where the income level is the lowest among the regions. The paper analyzes the future prospects of agriculture

in Northeast Thailand. Finally the international effects of opening up of the Indochinese countries to Thailand especially to the Northeast region's economic activities are touched upon.

The fourth paper by Kitti Limskul proposes a new system for human resource development toward sustainable development. First, the paper analyzes the growth and structural change in labor market, and forecasts the supply and demand of various educational and occupational categories. Finally an issue of upgrading and monitoring of labour market information is analysed to narrow the demand and supply gaps and wages' adjustments.

The sixth paper by Chutta Manusphaibool focuses on social development aspects with special emphasis upon women, children and social welfare. The conditions of child and female labor force are examined; the necessary laws and measures to protect female and child labors are also reviewed.

Finally, we would like to express our sincere thanks to Chulalongkorn University, Thailand, and Institute of Developing Economies, Japan, who encouraged and supported our Thai-Japanese Joint Study. Thanks are also to those persons who cooperated in conducting our study, besides the authors of the papers, with advice and information at the hearing. To name only a few, with special thanks, Professor Dr. Thienchai Kiranandana, Dean of Faculty of Economics, Chulalongkorn University; Mr. Manu Leopairote, Inspector-General, Ministry of Industry; Dr. Chirapun Gullapawit, Chief, Population Planning Section, Human Resources Development Division, NESDB; Dr. Kirasak Chancharaswat, Director, Rural Development Coordination Division, NESDB; Mrs. Saisuree Chutigul, former Minister of the Prime Minister's Office. We hope that the technical papers compiled in this report will contribute to the further advancement of the mutual understanding and cooperation between both Thailand and Japan.

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Editors