

Research Topic:

How Thailand promotes industrialization and its economic policy reforms (e.g. innovation policy, government policy)

Objectives:

The aim of this research paper (final essay) is to provide clear identification of the key issues leading to industrialization, how the government responds to the ongoing challenges, as well as the role of public and private sectors during the period of industrialization.

Research Questions

- Starting Point - How and why did industrialization happen?
- What is the most crucial factor that contributes to a rapid rise in liberated populations with minimal resources in a short period of time?
- How industrialization transform the society
 - How well does industrialization promote equality?
 - Why is industrialization likely to prevent poverty extermination?
- Development of innovation policy
- Tools for effective innovation policy

Brief justification of proposed research project:

During the period of Sarit, Thailand has found to be unique in its lack of ability to implement effective coherent policy. The reason that greatly contributes to the main failure of the country is the Thai Sakdina (feudal) autocracy. Hence, it is understandable to the suggestion seen through the economic development of Thailand in the last four decades, in which the country was entirely controlled by the ruling elite. Moreover, Thailand has been unable to stimulate long-term business outlooks among indigenous private elites. Therefore, according to Gerschenkron, Thailand lacks the actions to substitute for missing entrepreneurship, which leads to the failure to participate in modern economic growth, instead, the Thai economy becomes relatively backward. These frameworks all draw attention to the need for ‘market reform’, which requires the need to bring in innovation and effective policies for industrialization. Despite Thailand has been focusing on export-led industrialization strategy, but fundamental challenges still exist, such as the lack of skilled labour, a continual rise in inequality and poverty, along with a low in total factor productivity.

Thailand has gone through 5 stages and faced several sets of challenges while on its way to industrialization:

Phase 1: Integration into the world economy, so called “International trade and the Thai economy before 1850”

Phase 2: Rising of capitalist groups (1855-1932)

Phase 3: Economic nationalism (1932-1947)

Phase 4: Bureaucrat capitalist development (1947-1957)

Phase 5: Industrialization (1957-1985)

The research paper (final essay) will explain briefly on phase 1-4 and will mainly focus on the industrialization period. To be more specific, the research will focus on the strategies, and the relationship among key players in the economy, such as role and relationship between the public-private sector, government, and ruling-indigenous elites, along with the impact on the Thai economy.

The research paper (final essay) gathers data from the class lecture notes and research papers found on the internet:

- Document the process during each specific period of time
- Discuss and analyze the data collected from key researchers and economists:
 - Akira Suehiro
 - Alexander Gerschenkron
 - Hla Myint
 - Daron Acemoglu

Note: Former Prime Minister of Thailand

- Sarit Thanarat (1957-1963)
- Thanom Kittikachorn (1963-1973)
- Sanya Dharmasakti (1973-1975)
- Mom Rajawongse Kukrit Pramoj (1975-1976)
- Thanin Kraivichien (1976-1977)
- Kriangsak Chamanan (1977-1980)