

Thammasat Economic Association
“Overcoming Economic Inequality in Thailand”



On November 11, 2014, the Thammasat Economics Association hosted a day-long event at the Plaza Athenee, which featured academic papers and research recently conducted by some of Thailand's leading economists. The seminar was a rare public opportunity for prominent leaders to voice ideas on Thailand's ongoing reform.

The major theme for the event was on opportunities for growth and structural reform, based on existing economic disparities and challenges in Thailand. A key message was that Thailand is at a crossroads with respect to public policy, and the coming months will be critical to laying the foundation for a stronger economy going forward.

To achieve a stronger economic foundation, several conference speakers laid out recommendations for structural and economic reform. Discussions focused on challenges associated with capital, labor, land, ethics and the nation's economic structure. Recommendations came from all corners of society, including academics, government policymakers, and business.

Distinguished Thai government ministers and officials in attendance included:

- Deputy Prime Minister M.R. Pridiyathorn Devakula
- Narongchai Akrasanee, Minister of Energy
- Sommai Phasee, Finance Minister
- Mr. Amornwit Nakonthap, Assistant Secretary to the Ministry of Education, and;
- Pitipong Puengboon na Ayutthaya, Minister of Agriculture and Cooperatives

One of the key themes was on the need to prioritize investments, focus on ‘quality investment’, and management project implementation effectively to boost productivity. If government policymakers decide that a focus on supply-side investment would be best for Thailand in the long run, then Thailand must focus on high-value production, building on its current capabilities in manufacturing and agriculture, as examples. Health services and medical tourism along with ICT and a robust digital economy were cited as areas ripe for high growth.

At the same time, to support these priorities, it will be necessary for Thailand to establish an educational infrastructure that can train and empower individuals not only at the start of their careers, but also mid-career. Better-targeted career training and human resources development - in other words, training that targets high-value and high-growth industries - will be necessary to ensure Thailand's long term economic success.



For the near future, speakers noted that 4% to 4.7% GDP growth in 2015 would be a reasonable goal for Thailand to achieve. While there are many changes currently under development, the important thing will be for Thailand to project economic stability and strength, which are two critical factors that foreign investors consider when deciding on an investment target destination.

Whatever transition Thailand may face in the near term, all participants acknowledged that there remains great potential for economic growth, and that Thailand is well-positioned to continue its upward trajectory toward a high-income nation and a leading economy in Asia.

