

2.0 Thailand

2.1 General Information

Thailand is a country of 54.7 million people centrally located within South East Asia, between Malaysia, Burma, Cambodia and China. Bangkok is the major urban centre, however, the majority of the population lives in rural areas. Over 90% are Buddhist, 3% Muslim and less than 1% Christian.

2.2 Political And Economic Situation

Thailand is a constitutional monarchy under one of the world's oldest surviving dynasties. In 1988, the King became the longest serving monarch in the Chakri dynasty: 1990 marks His Majesty's 45th year on the throne.

The country has enjoyed increasing internal stability since 1977 as successive governments have created an efficient, modern, civilian administration. Economic and development progress has been fairly consistent and sustained as both the government and military have followed the King's inspirational lead in this area.

Following general elections held in 1989, retired Major General Chatichai Choonhavan was selected to head a new coalition government. He is the first Member of Parliament to become Prime Minister since 1976. His predecessor, General Prem Tinsulanonda, was an appointed Prime Minister. He had led five successive coalition governments since 1980. Prime Minister Chatichai has indicated he would continue the same basic policies promoted by the previous administration. He has underlined the increasing role that should be played by the private sector in national economic development.

From 1974 to 1984, the Thai economy was one of the more resilient in Asia, with an average 7% growth in the annual GDP rate. Following a temporary downturn in 1985-86, the economy bounced back, registering significant gains in several areas. Real GDP growth reached 11% in 1989 with manufactured exports and tourism leading the way. The Thai Sixth Five Year Plan approved October 1, 1986 places emphasis on adding value to the resource base including the aquaculture industry.

2.3 Foreign Policy Orientations

Thailand leans strongly to the West in its foreign policy. Relations with Western countries have benefited from international concern for Thailand's generous response to the Indochinese refugee exodus. The ASEAN is a cornerstone of Thai foreign policy. As Thailand's domestic economy has become more directly affected by international economic developments, its foreign policy has placed more emphasis in this area and in balancing Thai relations with all superpowers. Thailand has been an active and moderating voice in the Group of 77 and it has played a constructive role in international commodity fora and the GATT Uruguay Round. Thailand is also a co-founder of the "G-14 Cairns Group" of fair agricultural traders.