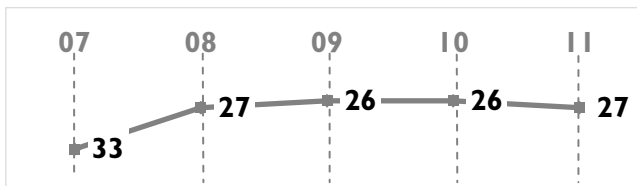


# THAILAND

## OVERALL PERFORMANCE



## CHALLENGES IN 2011

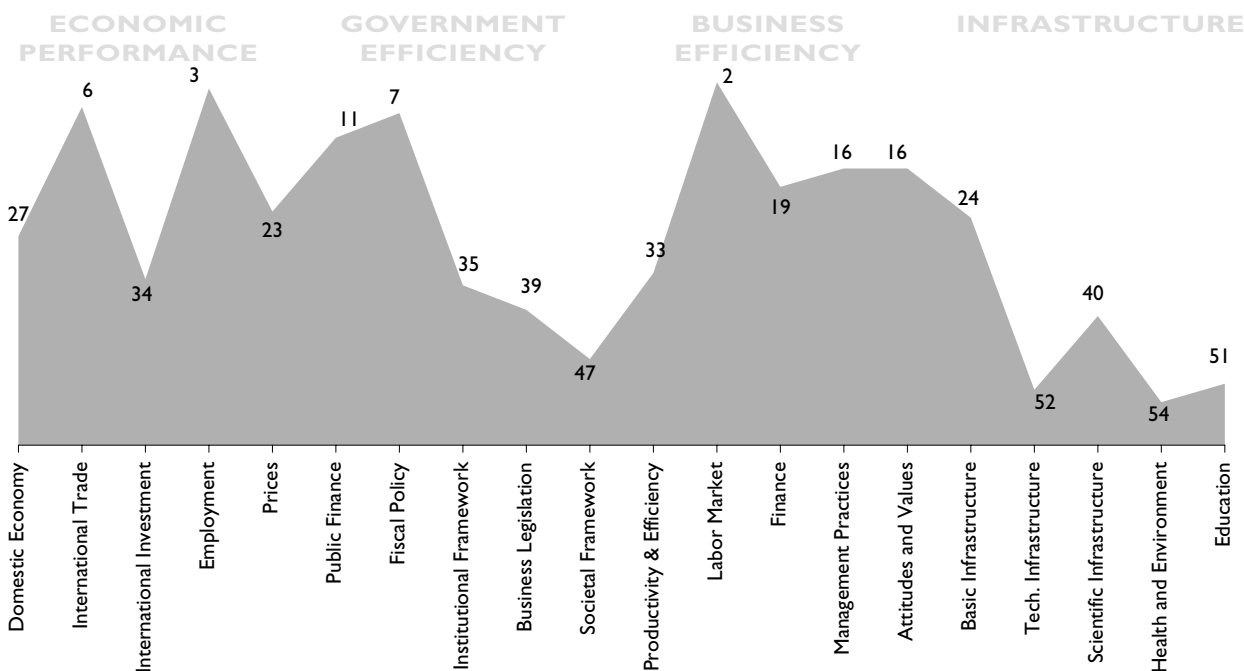
- Translate the notion of a knowledge and creativity-based economy into practice.
- Enhance the green economy and tackle rising commodity prices.
- Accelerate budget disbursement and major public infrastructure investment.
- Tackle labor shortages in the production sector.
- Create harmony and solidarity among Thai people and resolve political border conflicts.

**Provided by :**  
The Thailand Management Association

## BASIC FACTS

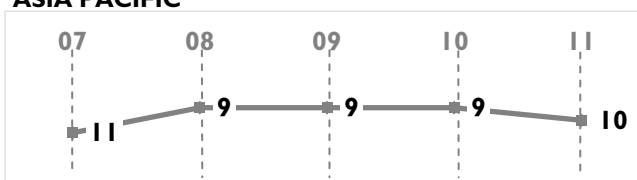
		Rank
Capital	Bangkok	
Land area (km <sup>2</sup> '000)	513.1 (2009)	-
Exchange rate (per \$)	31.69 (2010)	-
Population (millions)	67.42 (2010)	12
GDP (\$ billions)	318.9 (2010)	28
GDP (PPP) per capita (\$)	8,662 (2010)	53
Real GDP growth (%)	7.8 (2010)	9
Consumer Price Inflation (%)	3.3 (2010)	42
Unemployment rate (%)	1.0 (2010)	2
Labor force (millions)	38.64 (2010)	11
Current Account Balance (%)	4.6 (2010)	16
<b>Direct Investment</b>		
Stocks Inward (\$ billions)	99.0 (2009)	33
Flows Inward (% of GDP)	1.8 (2010)	27

## COMPETITIVENESS LANDSCAPE

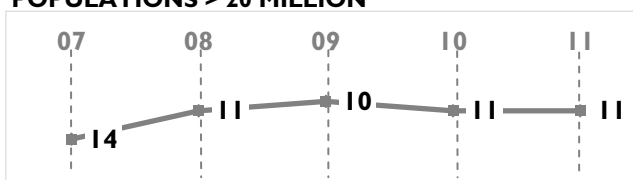


## PEER GROUP RANKINGS

### ASIA PACIFIC



### POPULATIONS > 20 MILLION



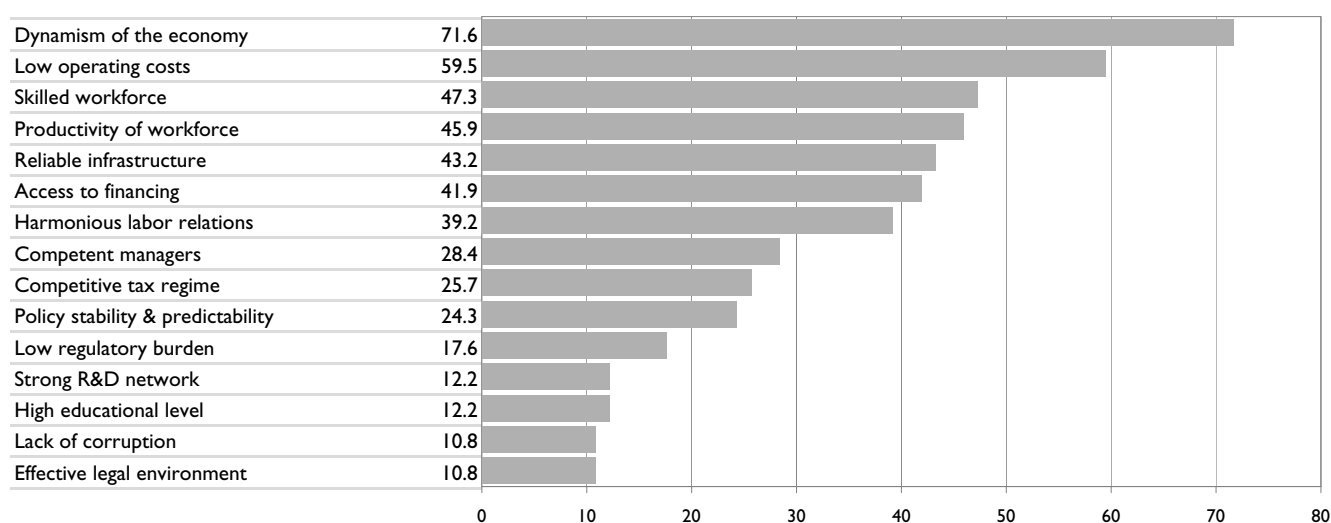
## COMPETITIVENESS EVOLUTION

The criteria below highlight the 15 biggest Improvements and the 15 biggest Declines in the overall performance of the economy. They are determined by the largest percentage changes in the value of each criterion from one year to the next.

IMPROVEMENTS		WCY 2010	WCY 2011	DECLINES		WCY 2010	WCY 2011
1.1.14	Real GDP growth	-2.3	7.8	1.5.01	Consumer price inflation	-0.9	3.3
1.1.15	Real GDP growth per capita	-3.14	6.94	1.2.02	Current account balance (%)	8.29	4.64
2.1.02	Government budget surplus/deficit (%)	-4.03	-0.99	2.4.08	Government subsidies (%)	1.82	2.45
1.4.07	Long-term unemployment	0.29	0.08	4.3.17	Number of patents in force	12.3	10.3
1.3.13	Relocation threats of production (Survey)	3.72	6.00	1.5.02	Cost-of-living index	68.60	78.00
2.5.04	Risk of political instability (Survey)	1.75	2.67	4.4.19	Green technologies (Survey)	5.65	5.01
3.3.11	Stock market capitalization (%)	37.64	52.40	4.2.06	Communications technology (Survey)	6.55	5.82
4.2.10	Internet users	209	289	2.4.09	Subsidies (Survey)	5.45	4.85
2.4.21	Labor market flexibility (index)	18	11	1.2.23	Tourism receipts (%)	6.67	6.03
1.3.04	Direct investment stocks abroad (%)	4.57	6.18	4.5.11	Educational system (Survey)	5.01	4.55
1.3.03	Direct investment stocks abroad (\$bn)	12.47	16.30	2.5.01	Justice (Survey)	6.21	5.66
1.4.08	Youth unemployment	5.60	3.90	4.3.20	Scientific research legislation (Survey)	4.67	4.28
1.4.06	Unemployment rate	1.49	1.04	4.3.18	Scientific research (Survey)	4.11	3.80
1.3.01	Direct investment flows abroad (\$bn)	4.10	5.30	4.3.19	Researchers and scientists (Survey)	4.02	3.73
1.2.08	Exports of goods (\$bn)	152.42	195.32	3.4.02	Ethical practices (Survey)	6.44	6.00

## KEY ATTRACTIVENESS INDICATORS

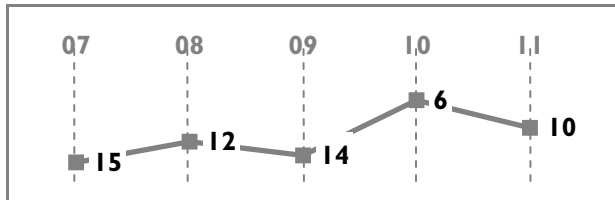
From a list of 15 indicators, respondents of the Executive Opinion Survey were asked to select 5 that they perceived as the key attractiveness factors of their economy. The chart shows the percentage of responses per indicator from the highest number of responses to the lowest.



# THAILAND



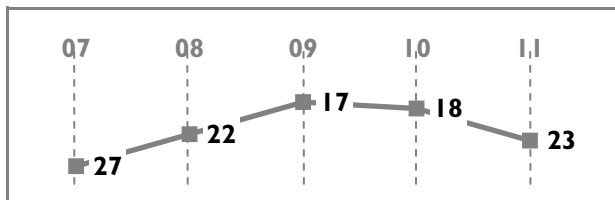
## ECONOMIC PERFORMANCE



Sub-Factor Rankings :	2010	2011
Domestic Economy	35	27
International Trade	5	6
International Investment	38	34
Employment	3	3
Prices	4	23



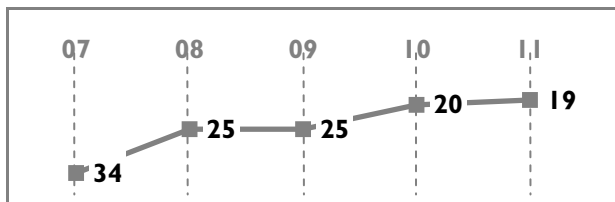
## GOVERNMENT EFFICIENCY



Sub-Factor Rankings :	2010	2011
Public Finance	14	11
Fiscal Policy	7	7
Institutional Framework	32	35
Business Legislation	28	39
Societal Framework	33	47



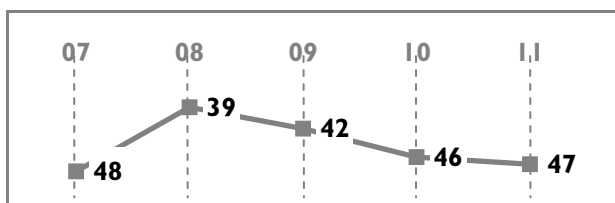
## BUSINESS EFFICIENCY



Sub-Factor Rankings :	2010	2011
Productivity & Efficiency	49	33
Labor Market	2	2
Finance	18	19
Management Practices	13	16
Attitudes and Values	19	16



## INFRASTRUCTURE



Sub-Factor Rankings :	2010	2011
Basic Infrastructure	26	24
Technological Infrastructure	48	52
Scientific Infrastructure	40	40
Health and Environment	51	54
Education	47	51

## THAILAND

**STRENGTHS****Economic Performance**

1.4.06 Unemployment rate	2
1.4.08 Youth unemployment	3
1.4.07 Long-term unemployment	3
1.4.02 Employment (%)	6
1.3.13 Relocation threats of production (S)	6
1.2.23 Tourism receipts (%)	8
1.1.15 Real GDP growth per capita	9
1.1.14 Real GDP growth	9
1.2.09 Exports of goods (%)	12
1.2.21 Trade to GDP ratio	13

**Government Efficiency**

2.2.07 Effective personal income tax rate	6
2.4.18 Unemployment legislation (S)	6
2.4.17 Labor regulations (S)	6
2.2.09 Consumption tax rate	7
2.2.11 Employer's social security contribution rate	11
2.4.07 Investment incentives (S)	11
2.3.06 Foreign currency reserves (\$bn)	12
2.2.10 Employee's social security contribution rate	13
2.5.03 Ageing of society (S)	13
2.4.21 Labor market flexibility (index)	14

**Business Efficiency**

3.4.06 Customer satisfaction (S)	4
3.5.03 National culture (S)	4
3.2.12 Labor force (%)	6
3.3.14 Stock market index (%)	7
3.3.06 Financial institutions' transparency (S)	8
3.2.06 Working hours	10
3.3.16 Credit (S)	10
3.2.03 Remuneration in services professions (\$)	12
3.5.01 Attitudes toward globalization (S)	13
3.3.18 Corporate debt (S)	13

**Infrastructure**

4.2.05 Mobile telephone costs	3
4.1.10 Dependency ratio	10
4.2.22 High-tech exports (%)	10
4.1.24 Electricity costs for industrial clients	15
4.2.11 Fixed broadband tariffs	16
4.4.23 Sustainable development (S)	21
4.1.19 Future energy supply (S)	25
4.1.17 Maintenance and development (S)	28
4.1.18 Energy infrastructure (S)	28
4.1.14 Quality of air transportation (S)	30

**WEAKNESSES****Economic Performance**

1.1.21 GDP (PPP) per capita	53
1.1.20 GDP per capita	53
1.3.04 Direct investment stocks abroad (%)	44
1.5.01 Consumer price inflation	42
1.3.03 Direct investment stocks abroad (\$bn)	41
1.3.07 Direct investment stocks inward (\$bn)	33
1.3.05 Direct investment flows inward (\$bn)	33
1.3.08 Direct investment stocks inward (%)	32
1.3.01 Direct investment flows abroad (\$bn)	31
1.2.22 Terms of trade index	30

**Government Efficiency**

2.5.04 Risk of political instability (S)	58
2.4.20 Redundancy costs	57
2.4.15 Start-up days	51
2.4.05 Foreign investors (S)	51
2.4.01 Tariff barriers	50
2.3.07 Exchange rate stability	45
2.5.06 Gini index	44
2.4.02 Customs' authorities (S)	44
2.2.08 Corporate tax rate on profit	43
2.4.08 Government subsidies (%)	43

**Business Efficiency**

3.1.04 Labor productivity (PPP)	55
3.1.01 Overall productivity (PPP)	54
3.1.10 Small and medium-size enterprises (S)	47
3.3.04 Investment risk	38
3.2.18 Finance skills (S)	33
3.4.02 Ethical practices (S)	29

**Infrastructure**

4.4.08 Medical assistance	58
4.2.12 Broadband subscribers	56
4.2.06 Communications technology (S)	56
4.2.13 Internet bandwidth speed	55
4.4.10 Human development index	54
4.5.04 Pupil-teacher ratio (secondary education)	54
4.4.01 Total health expenditure (%)	53
4.3.02 Total expenditure on R&D (%)	53
4.2.14 Information technology skills (S)	53
4.5.05 Secondary school enrollment (%)	52