

ABSTRACT

Attempts have been made in this study to examine the terms of trade of Thailand during 1973-1979. The terms of trade gives information on export situation relative to import situation, and the gains or losses and welfare condition of the country in international trade can be known.

On account of the unavailability of some of the relevant data, this study cannot cover all the concepts of the terms of trade. Hence, this study will concentrate only on the analysis which can be measured. The concepts of the terms of trade in this study are the net barter terms of trade, the gross barter terms of trade, and the income terms of trade. Moreover, this study will calculate total single factoral terms of trade of some major exports of Thailand.

This study will investigate the trend of Thailand's terms of trade in the period between 1973 and 1979. This study will cover Thailand's total terms of trade, Thailand's total terms of trade in terms of primary products and manufactures, total terms of trade of some major exports of Thailand, Thailand's total terms of trade without oil, terms of trade of Thailand and Japan, terms of trade of Thailand and United States, terms of trade of Thailand and ASEAN, and terms of trade of Thailand and EEC.

The net barter terms of trade can be measured by dividing the price index of exports by the price index of imports. The gross barter terms of trade can be measured by dividing the quantity index of imports by the quantity index of exports. The income terms of trade is the net barter terms of trade multiplied the quantity index

of exports. And, the single factoral terms of trade will be calculated by multiplying the net barter terms of trade by productivity index of export production.

In the cases of price, or quantity index number, the chain Paasche, the chain Laspeyres and the chain Fisher formula will be used in this study. However, the unit value will be used as the proxy for prices because of unavailability of actual prices of exports and imports. The data used in this study come from the Annual Statement of the Foreign Trade of Thailand reported by Department of Customs.

The results from this study show that Thailand has the losses from international trade during 1974-1979, compared to 1973. This is because the oil crisis occurs in the period of the study.