

THE GLOBAL COMPETITIVENESS OF THAILAND: AN EMPIRICAL ANALYSIS OF THE ASEAN COMMUNITY

**Dr. Varughese K. John, Dr. Duangta Duangkanog, Dr. Asawin Wichayachakorn
and Dr. Nithiphong Vikitset**

Graduate School of eLearning (GSeL)
Assumption University
Bangkok, Thailand

vjohn@au.edu; daungtair@gmail.com; asawin_wichayachakorn@yahoo.com and
v.nithiphong@gmail.com

Abstract: *The current rate of technological expansion and the globalization of markets have made countries to be more competitive for their economic growth and prosperity. The Global Competitiveness Index (GCI) is a measure computed by the World Economic Forum every year since 1979 on the basis of 12 pillars of economic and human growth indicators. 138 world countries are included in the GCI 2016-17 and these countries accounts for 98% of the world GDP. Thailand is the third major economy among the ASEAN community and it is classified as 'Efficiency Driven Economy' according to its score in GCI 2016-17. This study investigates the factors in which Thailand has greater strength and more weakness when compared with the other ASEAN countries based on the GCI indicators. Accordingly Thailand seems to be comparatively weak in Innovation and Institutional factors but strong in Macroeconomic environment factors, Health and Primary Education measures, and in Market Size. The study concludes that if the economic and human development policies are formulated looking into these strengths and weakness, the country can become an 'Innovation driven economy' within a short span of time.*

Keywords: ASEAN, Competitiveness, GDP, GCI, Thailand

1. INTRODUCTION

The World Economic Forum has been computing and publishing the Global Competitiveness Index (GCI) every year since 1979 based on consistent definition of concepts and using scientific methods of data collection from countries all over the world from where reliable data are made available. The world countries are ranked on the basis of the Global Competitiveness Index and this is widely recognized as an indicator of growth and development of world economies. The GCI has got 12 pillars for its calculation of index and these are further sub-categorized under 3 heads, viz., A) Basic Requirements Sub-index, B) Efficiency Enhancers Sub-index, and C) Innovation and Sophistication Factors Sub-index. The 12 pillars are measured on the basis of standardized indicators of each pillar, and in total 114 indicators are included in the computation of Global Competitiveness Index (Figure 1).