



CHAPTER 2

THAILAND COUNTRY PROFILE

1. Location, Territory and Boundary

The Kingdom of Thailand is situated in the continental Southeast Asia, just north of the equator, and is part of the Indochina Peninsula (Figure 2.1).

Figure 2.1 Map of Thailand



Thailand covers an area of about 514,000 square kilometres. It is the third largest country among the Southeast Asian nations, after Indonesia and Myanmar. The borders around Thailand are totally about 8,031 kilometres long, of which 5,326 kilometres are inland and the other 2,705 kilometres are coastlines (including 1,840 kilometres of coastlines of the Gulf of Thailand and 865 kilometres on the Andaman seaside).

In the North, the northernmost part of Thailand is in Mae Sai District of Chiang Rai Province, bordered by Myanmar and the Lao People's Democratic Republic.

In the South, the southernmost part is in Betong District of Yala Province, bordered by Malaysia and the Gulf of Thailand.

In the East, the easternmost part is in Phibun Mangsahan District of Ubon Ratchathani Province, bordered by the Lao People's Democratic Republic and Cambodia.

In the West, the westernmost part is in Mae Sariang District of Mae Hong Son Province, bordered by Myanmar, the Andaman Sea, and the Strait of Malacca.

The whole Kingdom is in the same time zone, seven hours ahead of the Greenwich Mean Time.

2. Topography and Climate

2.1 Topography. Thailand can be topographically divided into three different areas:

2.1.1 The plains. Mostly the plain areas are in the Central Region of the country, i.e., basins of the Chao Phraya River and its tributaries (Ping, Wang, Yom and Nan), and the Mae Klong, Phetchaburi, Bang Pakong, Thachin, and Pa Sak rivers.

2.1.2 The highlands. Highland areas are mostly in the Northeast, i.e., the Korat Plateau, and the plains along the Mun and Chi rivers.

2.1.3 The mountains. Mostly it is mountainous in the North and the Southeast which cover the Ranges of Daen Lao, Luang Phra Bang, Thanon Thongchai, Phetchabun, and Tanao Si.

2.2 Climate. Thailand has three types of climate as follows:

2.2.1 Tropical rain climate in the coastal areas in the East and the South, with heavy rainfalls all year round and tropical rain forests.

2.2.2 Tropical monsoon climate in the southwestern and southeastern coasts with monsoons and a very high average annual rainfall.

2.2.3 Seasonal tropical grassland or savannah climate with a lot of heavy rains in the southwest monsoon season and dryness in the cold season covering most regions of the country, particularly the Central Region, the North and the Northeast.

Prevailing winds include the southwesterly monsoon from about mid-May through October and the northeasterly monsoon from November through February.



In summary, Thailand has pleasant geographic and climatic conditions, without severe natural disasters like volcanic eruptions, earthquakes, or cold weather.

3. Population, Language and Religions

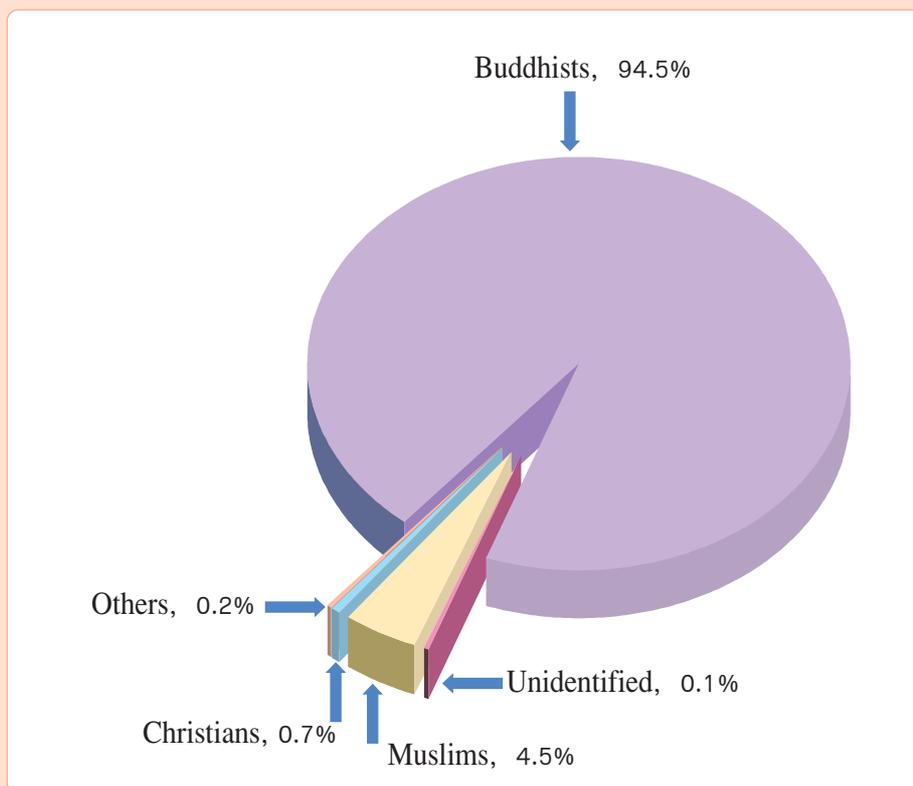
The population of Thailand is 62.83 million (2007); almost all residents (98.1%) are of Thai nationality and the rest are of other nationalities such as Chinese, Myanmar and Lao.

For communication purposes, the Thai language is officially and commonly used for speaking and writing, while English tends to play a greater role particularly in the business sector.

Most of Thai people are Buddhists (94.5%), followed by Muslims (4.5%) Christians (0.7%) and others (Figure 2.2).

4. Economy

Figure 2.2 Religions of Thai People



Source: Survey on Participation in Cultural Activities, 2005, National Statistical Office, 2006.

Note: Survey on population aged 15 years and over by religion.



In the past, the Thai economy was agrarian with mostly subsistence farming for household consumption and no commercial or export purposes. Regarding industry, the production was previously of local or village handicraft type. Later on in 1856, Thailand entered into the Bowring Treaty with England and other treaties with other Western countries, economic businesses began. Since then, people's lifestyles in both urban and rural areas have changed to those of industrial manufacturing for import substitution and eventually for exports. The Thai economic system began to shift to the economic development era with National Economic and Social Development Plans, i.e., from the 1st Plan (1961-1966) through the current 10th Plan (2007-2011). Overall, Thailand is a free-market economy and has been a member of the World Trade Organization (WTO) since 1 January 1995.

As a result of economic development, the Thai economy grew at an average rate of 7.8% annually during the past three decades, particularly during the period 1986-1990 with an average annual growth of 10.5% and during the period 1991-1995 of 8.3%. The growth had made Thailand become a middle-income country. Later on during the period 1996-1997, an economic crisis erupted, and Thailand had to seek assistance from the International Monetary Fund (IMF) in the form of US\$17.2 billion loans with a number of economic structural reform terms and conditions.

During the economic crisis, the Thai economic growth contracted considerably, i.e. -1.7% in 1997 and -10.8% in 1998, but recovered to over 4% during 1999-2000 and slightly dropped to 2.1% in 2001, and most recently has been rising to over 5% since 2002. As a result, the government could repay all the IMF loans on 31 July 2003, **two years before the repayment due dates**. And the Thai economy slows down again during the period 2005-2007 to 4.5% to 5.0% (Figure 4.2) due to high oil prices, avian influenza epidemic, rising interest rates, and the unrest in the three southern most provinces.

Economic outlook for 2007

According to the forecast of the National Economic and Social Development Board (NESDB), the Thai economy will slow down in 2007 as a result of the slowdown of the world economy, particularly in Thailand's trade partners such as the USA, a decline in oil prices, baht appreciation, rising interest rates and more strict measures of trade partners. Overall for 2005, the economic growth is expected at 4.5%, the inflation at 3.5%, and a current account surplus of US\$ 3.1 billion or 1.3% of GDP.

5. Thai Administrative System

Thailand is a democratic country, having the King as Head of the State, a constitutional monarchy under the Constitution of the Kingdom of Thailand of B.E. 2540 (1997), promulgated on 11 October 1997. The Constitution is regarded as the first people's constitution of the nation.

The Constitution establishes three independent powers, namely, the Legislative, the Executive,



and the Judiciary powers. Under the Constitution, a number of independent public agencies have been established for scrutinizing and counterbalancing such powers. Such agencies include, for example, the Office of the National Counter-Corruption Commission (NCCC), the Office of the Election Commission of Thailand (ECT), the Office of the National Human Rights Commission and the Constitutional Court.

On the Legislative side, before the 2006 coup d'état or democratic reform, Thailand had 200 elected senators and 500 elected members of parliament (400 from constituencies and 100 from the party-list system). Two general elections were held under the 1997 Constitution.

Thailand's administrative system, according to the State Administration Act, B.E. 2534 (1991), as amended No. 5 of B.E. 2545 (2002), comprises three major administrative categories (Figure 2.3). The political conflict/crisis that began in early 2006 led to an administrative reform and the promulgation of the **2006 interim constitution** for use in lieu of the 1997 Constitution. Under the interim constitution, the National Assembly is composed of 242 appointed members, and the 100-member Constitution Drafting Assembly was established by the Council for National Security; the members being appointed from 200 individuals selected from 2,000 appointed members of the National Assembly.

The Constitution Drafting Assembly is required to finish the draft within six months of its establishment and the general election is expected to be held around the end of 2007.

5.1 Central Administration

5.1.1 The King is Head of the State, exercising the legislative power through the National Assembly or parliament, the administrative or executive power through the Cabinet, and the judicial power through the Courts of Justice.

5.1.2 The Cabinet or Council of Ministers is the governmental body responsible for state administrative or governmental functions.

5.1.3 The central administrative system, according to the Reorganization of Ministries and Departments Act of B.E. 2545 (2002), consists of 20 ministries as follows:

- (1) Office of the Prime Minister
- (2) Ministry of Defence
- (3) Ministry of Finance
- (4) Ministry of Foreign Affairs
- (5) Ministry of Tourism and Sports
- (6) Ministry of Social Development and Human Security
- (7) Ministry of Agriculture and Cooperatives
- (8) Ministry of Transport
- (9) Ministry of Natural Resources and Environment

- (10) Ministry of Information and Communication Technology
- (11) Ministry of Energy
- (12) Ministry of Commerce
- (13) Ministry of Interior
- (14) Ministry of Justice
- (15) Ministry of Labour
- (16) Ministry of Culture
- (17) Ministry of Science and Technology
- (18) Ministry of Education
- (19) Ministry of Public Health
- (20) Ministry of Industry

In each ministry, there are some departments and non-departmental agencies, totaling 156 in all ministries. In addition, there are another ten departmental level state agencies, not being under the Prime Minister's Office or any ministry, namely, the Office of His Majesty's Principal Private Secretary, the Bureau of the Royal Household, the Office of National Buddhism, the Office of the Royal Development Projects Board, the Office of the National Research Council, the Royal Institute, the Royal Thai Police, the Anti-Money Laundering Office, the Office of the Attorney-General, and the Office of the National Economic and Social Advisory Council.

5.2 Provincial Administration

The provincial governmental functions mean functions of various ministries and departments as delegated to the regional or provincial level, under the supervision of the provincial governor with assigned officials from various central administrative agencies. Certain provincial administrative functions only are carried out by provincial level officials with delegations from the central administration. Such functions, however, are subject to scrutiny and revision by relevant central level agencies that have the final decision-making authority.

According to the provincial administration law, the provincial administration consists of 75 provinces (Changwat), 796 districts (Amphoe) and 81 minordistricts (King Amphoe).

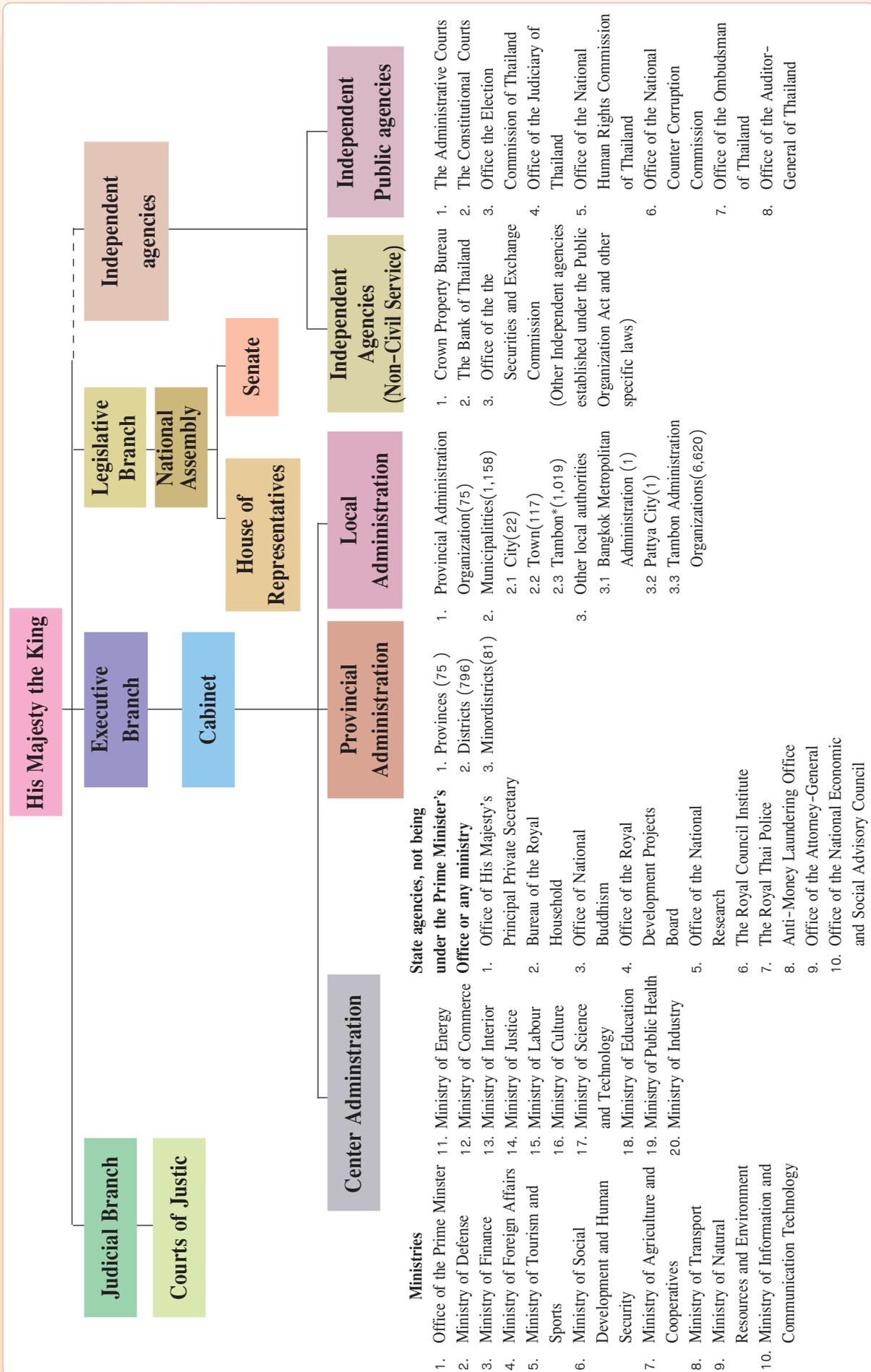
5.3 Local Administration

Local administration means autonomous administrative authority of the people in each administrative jurisdiction, under the law, with at least four characteristics as follows:

- 5.3.1 Being a juristic person.
- 5.3.2 Having all or some local administrators or local council members elected by the people.
- 5.3.3 Having their own revenue and budget.
- 5.3.4 Having administrative autonomy under the laws.

In Thailand, there are four types of local administrative bodies, namely, Provincial Administration Organizations (75), Municipalities (1,158), and special types of local administration, i.e. Bangkok Metropolitan Administration (1), Pattaya City (1), and Tambon Administration Organizations (6,620; Tambon is a commune or a group of about ten villages).

Figure 2.3 National Administrative System of Thailand (before the 19 September 2007 Democratic Reform)



Notes: *Upgraded form all Sanitary Districts in May 1999