

Population and Industrial Development

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Concurrent with the decline in population growth rate in the 1980's, Thailand experienced an unprecedented rate of economic growth. During the last three years of the decade, the average annual rate of economic growth was as high as 11.7 per cent. Such phenomenal economic growth has generally been attributed to the internationalization of the Thai economy through the rapid expansion of export, foreign investment and tourism. However, industries in the manufacturing sector which has been playing the major role in the two-digit economic growth tend to be resource-based and labour-intensive. Moreover, foreign investment in export-oriented industries tends to use Thailand as a base for assembling rather than producing goods and has been attracted primarily by cheap labour cost. All these may contribute to the employment of nonskilled, lowly-paid labour force, but not the development of scientific/technological based industries, the foundation for permanent and lasting economic development.