



**A COMPARATIVE STUDY OF CHINA THAILAND ECONOMIC AND
TRADE RELATIONS WITH THAILAND JAPAN**

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**AN INDEPENDENT STUDY SUBMITTED IN PARTIAL FULFILLMENT
OF THE REQUIREMENTS FOR
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**A COMPARATIVE STUDY OF CHINA THAILAND ECONOMIC AND
TRADE RELATIONS WITH THAILAND JAPAN**

Thematic Certificate

To

WeiFu Zeng

This Independent Study has been approved as a Partial Fulfillment of the Requirement
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Abstract

Title: A comparative study of China -Thailand economic and trade relations with Thailand and Japan

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China, Japan has a long history of economic relations with Thailand. The last century in the late 60s, Thailand Economic and trade relations entered a stage of rapid development, Japan has become Thailand's largest trading country, first aid country and the largest investment in.1975 Thailand established diplomatic relations, economic and trade relations between the two countries have been recovered rapidly, by 2014 Chinese success replace Japan to become Thailand's largest trade partner. This paper tries to analyze the two sides and the Thailand economic history and current characteristics, comparison of Thailand, Japan and Thailand in the direction of investment such as infrastructure construction, existing problems in trade relations, and puts forward some countermeasures.

Keywords: China Japan Thailand infrastructure investment

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CHAPTER 1

INTRODUCTION

1.1 Background

At the center of the Indochina Peninsula in Thailand, land neighbors are Kampuchea, Laos, Malaysia, Burma, south of Thailand bay through China South Sea, North Andaman Sea to India ocean. More than a strategic move to signal China's interest in Southeast Asia, there are implications of such an agreement. For both sides, there should be net trade gains: trade creation would offset trade diversion with ASEAN getting a slight trade diversion while the same trade diversion would not be obvious for China. With China's strong growth, it seems that China would require more input imports and ASEAN could provide as an alternative source of inputs for natural-resource based and intermediate inputs in an FTA (Suthiphand, 2002). Chinese coincides with the government's "The Belt and Road" concept in the sea Silk Road Economic Belt along the country not only include Thailand, Thailand and the upgrade in The core position of the hub of railway transportation center of South Peninsula has significant political and economic effects.

1.2 Research Objectives

In 2002. China and ASEAN leaders signed the "*China ASEAN comprehensive economic cooperation framework agreement*" Chinese decided to build the ASEAN Free Trade Area by 2010. The agreement Chinese started the cooperation with ASEAN to establish a free trade zone (10 + 1). The process will bring a broader regional market of Chinese enterprises overseas investment. To optimize the investment environment of the ASEAN countries to pave the way for the development of ASEAN market. Thailand construction in a regional economic opening, exchange, launched a series of new strategic initiatives and planning, to further broaden the China-Thai trade development opportunities.

1.3 Research Significance

At present, Chinese actively promote the "The Belt and Road construction, seek through Thailand to build a trans Asian railway artery geopolitical economic strategy, at the same time, Japan also actively implement the" Japan ASEAN Economic Cooperation ten years strategic road-map to actively expand the economic cooperation with Thailand and other ASEAN countries, in this context, it is necessary to comparative study on the two Thai and Thai on bilateral relations, more meaningful.

1.4 Research Trends

Research content of this article is a new subject, the study area is a new research field, the research is not limited to domestic, more scholars and foreign media to comment and tracking reports, enrich the whole dynamic research.

The dynamics of the domestic research. In order to Chinese economic rise driven by the rise of Asian regional economy as a whole is the basis and premise of Chinese foreign economic and trade relations. The international community today, economic development reached a comprehensive consensus in various countries, regardless of how to change the international political situation, the superstructure overall is decided by the economic foundation. Chinese 19 after the new leadership has been 5 to 2030 but not reach the level of moderately developed countries as the goal, the development of foreign trade will be completed in the great historical mission of maximum power.

Study abroad is the most dynamic force of American and Western European economic powers and Japan as the main point, The influence of economic and trade relations of ASEAN members not only on their country, more in the Asia Pacific, until the global governance effect. In order to Chinese high-speed development of ASEAN Economic and trade relations is the action of the United States and Japan's control of economic and trade relations in the Asia Pacific absolute leadership challenge. On the contrast, China-Japan studies this topic in the economic

and trade relations between Thailand and the existing research results. The main research is almost no China-Japan economic and trade relations, Chinese-Thailand economic and trade relations, Japan-Thailand economic and trade relations. Therefore, no The topics and content involved are discussed clearly the disadvantages of this paper.



CHAPTER 2

LITERATURE REVIEW

2.1 Related Contents Economic and trade Cooperation

The historical context of China-Thai economic relations. Thailand on July 1, 1975, formally established diplomatic relations. The development of China- Thai relations can be divided into two stages: in the stage of Kingdom of Siam (first Century - 1975), Kingdom of Thailand (1976 - present). These two stages just reflect both changes in the economic relationship between the two countries in The different historical background. Thailand economic relations are accompanied by changes in political Chinese the system changes. Chinese and Thailand established in the imperial period is the relationship, especially in the Ming and Qing Dynasties on the harsh period tributary system have become the most important trading channels between China and Thailand. The tributary system to make the Chinese culture deeply influences the political system of the king of Siam In China, especially China on the southeast coast of the kingdom of Siam a large number of immigrants constitute a unique economic and trade relations this relationship has continued since. 1946 years of the Republic of China in Thailand to establish diplomatic relations, then Chinese is in the midst of civil war, China-Thai trade to a standstill. With the China Communist Party came to power, the incident happened in the Kingdom of Thailand worry about red revolution and revenge in the United States soon formed alliances. In Chinese trade relations only in the export of agricultural and sideline products. 1975 to the government of Taiwan in July, People's Republic of China in The Kingdom of Thailand, the establishment of diplomatic relations and mutual Ambassador ambassador extraordinary and Plenipotentiary, Thailand government of the Republic of China and the end of official diplomatic relations The Department, officially opened in August in Thailand economic and trade cooperation between. 2001 Chinese new government, the two governments issued a joint communique on "consensus. 2012 April Thailand established a comprehensive strategic partnership to

promote strategic cooperation between the two countries, China and Thailand government reached.2013 in October on the trans Asian railway hub, Thailand: Vision." planning the development of China-Thai relations the same year, President Xi Jinping put forward "The Belt and Road" initiative, Thailand ranked important countries along the maritime Silk Road, opened a new era of China- Thai economic cooperation (Liu & Jiang, 2002).

The Historical Context of Japan-Thai Economic Relations. Japan and Thailand are friendly countries, the two countries have rich cultural and economic exchanges in the history of Japan and Thailand Economic and trade exchanges between Japan and Thailand has a long history. The relationship can be divided into the following three stages: the first stage of ancient history, sixteenth Century-nineteenth Century, the Japanese merchant ships between Japan and Thailand, Japan's exports and paper cutter to Thailand, imported silks, and leather products. Two, A modern history of King Chulalongkorn during the period of -1944 years, the Thai economic and trade is the main parties to provide each other needs of the war. Three, the modern stage since 1945. The two sides to carry out all-round economic cooperation since 1993, Japan has been Thailand China's largest investor, and low-interest loans and aid cooperation in infrastructure construction has been continuously strengthened. After the end of World War II in Thailand and Japan to build new diplomatic relations. Thailand government is worried about the China pressure to maintain a close relationship with Japan. During this period, the trade relations between the two countries more closely, Japan imported rice from Thailand and natural resources to Thailand exports of textiles and steel and other industrial manufactured goods.1970 Japan's mechanical and electrical industry began to invest in Thailand, Thailand, the rapid rise of the electronic industry and two century.20 70s, Thailand foreign trade and economic cooperation of member states in Asia to Japan "one-sided" The economic policy of.80's along with the appreciation of the yen, Thailand on bilateral economic exchanges have also increased. Especially in infrastructure construction in Japan for Thailand to take the interest-free loans and aid is to consolidate the political economy and trade relations between the two sides.

Until The 90s with the rise of Japan's economic recession and China economy, Thailand government has put forward a new economic and trade to strengthen the policy Chinese as the representative of the emerging developing countries in strengthening economic and trade relations. Japan is the largest investment in the country at the same time, but also to ease the dependence on Japan's economic recovery and the Japanese economy began to.2003 years of rising labor costs, Thailand once again become Japan's industrial transfer In Thailand.2013 adjustment of enterprise income tax to 20% to become the second Southeast Asian low tax countries, Japanese investment in other ASEAN countries enterprises have moved to Thailand in February 2015, Thailand's prime minister Pakistan's visit to Japan, not only met with Japanese Prime Minister Abe Shinzo signed a cooperation agreement, is meeting with investment in Thailand the person in charge of the enterprise, then the Thailand government announced Japan will undertake Thailand first high iron Bangkok - Chiang Mai line and BTS Grande Sukhumvit line and aid Suvarnabhumi Airport expansion and other important infrastructure construction projects in.2017 in March, Japanese Emperor Akihito visited Thailand to mourn King Bhumibhol and King Vajiralongkorn met with the message of paying close attention to the relations between Japan and Thailand and strengthening the economic cooperation between Japan and Thailand.

In a most-similar case comparison, which builds on the logic of Mill's "method of difference," the key challenge is to find cases that are as similar 2007 Sage Publications. All rights reserved. Not for commercial use or unauthorized distribution. As possible in all but one independent variable and that differ in their outcomes. Because it is never possible to find perfectly matched cases, which would require that the cases would be matched both known and unknown rival hypotheses, the second challenge is to demonstrate that the difference in the value of the independent variable of interest between the two cases, rather than the residual differences between the two cases identified by rival hypotheses, accounts for the difference in outcomes.⁵ A key method for undertaking this latter task is to use process tracing to show that the independent variable of interest that differs between

the cases does, in fact, affect their outcomes and to show that residual differences between the cases are not connected to the difference in outcomes by any plausible causal process (Bennett & Elman, 2007).

2.2 Sino-Thai Economic Cooperation

To build a close economic relationship between the two countries to build Thailand, a series of cooperation platform, and gradually formed a framework. From the development of relations between the two countries can be seen that the frequent exchanges between the two public descriptions of the economic and trade exchanges between Thailand the grassroots is the foundation of bilateral economic diplomacy, the two governments high-level visits which laid Thailand to grow with each passing day the full range, the political basis of deep cooperation. The formal establishment of diplomatic relations in early 1975 in Thailand, in 2001, Thailand issued a joint statement reached a comprehensive strategic partnership. China with its own development experience and industrial advantages, and actively carry out cooperation with Thailand, such as 2013 The prime minister Li Keqiang's visit to Thailand during talks with Thailand Prime Minister Yingluck rice for high-speed rail project is a complementary Thailand industry advantage of new economic and trade cooperation. The new policy of tourism Thailand tourists to Chinese Tyco landing visa application has increased the intensity of China-Thai cooperation in tourism, add a new chapter for the development of China-Thai economic relations in addition to Thai police cooperation mechanism in the fight against human trafficking and other cross-border fugitives are reflected in pursuit of strong execution, Thailand on the Mekong joint patrol mechanism to effectively curb the old Burma Thailand "Lancang traffic between the two countries border 2016 Mekong River dredging cooperation and China-Thai cooperation in high-speed rail project in Thailand in 2017 of Pakistan Prime Minister to use "No. 44 Stabilization Act" passed "Bangkok - Nakhon Ratchasima Kh" force. As Chinese advocated "The Belt and Road" and the 4 Thailand economic strategy provide effective cooperation with logistics and transport security.

Thailand also regional affairs within the framework of multilateral

cooperation in Thailand. 1967 as one of the founding members of ASEAN, since the establishment of diplomatic relations the two sides actively using China ASEAN cooperation platform to coordinate regional affairs. The two countries have also actively relied on 1992 initiated the Greater Mekong sub Regional Economic Cooperation (GMS) platform Thailand cross-border economic cooperation, cooperation in the fields of energy, tourism, telecommunications, environment, transportation, trade facilitation and. 2012 in Chinese Nanning held the GMS ministerial meeting, GMS entered a new ten year cooperation period of 2016 years, the leaders of the two sides with Burma Thailand, Cambodia, the old collar The guide together launched the *"2013 Lancang-Mekong cooperation mechanism"* Chairman Xi Jinping during a visit to Indonesia for the first time put forward the proposal to build Asia infrastructure investment bank also received the positive response from Thailand and became one of the first countries to sign. In addition (Jin, 2009). since the start of 2010 China ASEAN Free Trade Area (CAFTA) that Thailand exports to China product realization zero tariff, zero tariffs the same year of Thailand is a Chinese rail product.

The specific content of China-Thai economic relations is mainly reflected in the following aspects.

There are three stages since the establishment of diplomatic relations between China and Thailand Economic and Trade Development: the first stage: from 1978 to 1997. During the period of stable development of bilateral economic and trade growth of bilateral trade by first less than \$50 million to \$3 billion 515 million, trade in goods is mainly agricultural and sideline products and textiles. The second stage: from 1998 to 2009. The outbreak of bilateral trade and an economic recovery period of the Asian financial crisis in 1997 serious spread to Thailand. The government of Thailand out of the crisis, urgently seeking stable foreign trade partners, coincides with the opening degree of deepening Chinese, The ability of production and consumption has steadily increased, and in 2003 years, the two countries signed and zero tariff agreement. On this basis, bilateral trade from \$3 billion 671 million to \$38 billion 200 million. The rapid growth of economic and

trade structure in this period is mainly reflected on the export of rubber products Chinese tropical fruit in Thailand, rice and other agricultural products and energy and raw materials, the import of mechanical and electrical products, consumer goods and electronic products. The third phase, from 2010 to the present economic and trade rapid growth, bilateral trade soared from \$52 billion 950 million in 2010 to \$65 billion 830 million in 2016. During this period, trade products from primary products to high-end products The types of China-Thai Trade cover almost all the people's basic necessities of life, from low-end to high-end high-speed rail and so on.

Current Chinese enterprises in thailand can be roughly divided into The following four states.

China's state-owned manufacturing enterprises, banks, aviation and transportation companies, and state-owned civil construction enterprises in Thailand established by Chinese funded enterprises.

China's private manufacturing enterprises and civil construction enterprises, advertising, finance and insurance, Internet Co and other Thai funded enterprises established in Thailand.

Chinese company located in Thailand overseas offices, business intelligence collection needs some China company for the development of overseas business activities, the Chinese enterprise customer relationship investment maintenance business.

Is a Chinese enterprise invested by overseas Chinese living in Thailand, which has no capital relationship with Chinese companies but involves business relationships?

China, 2004-2014, Chinese metal and mechanical equipment, direct investment to Thailand agriculture industry, chemical industry, mineral resources, service industry, electrical and electronic, textile industry, metal machinery and equipment industry of Thailand China become the largest investment, agricultural investment accounted for the ratio of 38.6%, accounting for 18.9%, chemical, mineral. Service industry, electrical and electronic, textile accounted for 12%, 10.2%, 8.5%, 7.1%, the development of the Internet industry in recent years, 5.2%. quickly,

but Chinese Internet industry investment basically belongs to non-direct investment, so no more accurate number according to the quasi.

2.3 Japan-Thai Economic Cooperation

Since the 1960s, the world situation has undergone major changes, the end of the Korean War, the cold war, economic globalization and regionalism development. At the same time, Japan in the postwar United States and is managed as the Korean War and confrontation between the East and the West in the forefront of the country, the United States to help the government, in a drastic change in the world political and economic situation, the Japanese economy the rapid recovery in the postwar period of twenty years. In the liberalization, privatization, marketization, globalization of economic reform is foreign to the United States "one-sided" foreign policy, but also to improve the ease, World War II invaded China relations, close relationship with the development of the Southeast Asian countries.

The specific situation of Japan's economic relations in Thailand is mainly reflected in the following aspects bilateral trade steadily forward

In Japan, to the beginning of the 70s, due to the sharp appreciation of the yen, and a large surplus of domestic capital and other reasons, the Japanese investment in Thailand has been more large-scale development. From the second half of the 80s to 1996, both in Thailand for investment in stock, or to maintain the flow of direct investment, has been in Japan foreign investment in Thailand's leading position. Although after 2000, due to the impact of the bubble economy. Japan's investment in Thailand has decreased, but in recent years, the economic recovery, the Japanese investment in Thailand is still firmly in the ASEAN in the first place. According to authoritative Japanese trade In 2016, Japan's total investment in Thailand reached 552 billion 280 million US dollars, while Japan and Thailand also strengthened cooperation in energy and mineral resources development.

Is currently in Thailand, the Japanese funded enterprises can be divided into the following four states.

Japanese state-owned banks, investment companies invest in Thailand's

economic aid or interest-free loans.

Japanese manufacturing companies, business companies, airlines and transport companies, civil construction companies, advertising companies, finance and insurance companies, such as the establishment of the Japanese invested enterprises in Thailand.

Japan's overseas offices in Japan carry out some Japanese investment companies that need intelligence gathering and liaison services for the development of overseas business activities.

living in Thailand, overseas investment of Japanese enterprises, but these enterprises and Japanese companies have what special relationship.

In Japan, 2004-2014, the Japanese investment in Thailand a wide range of industries, but the more representative of the industry of metal and mechanical equipment, electrical and electronic, chemical industry, textile industry, service industry and other industries. The metal and mechanical equipment accounted for the largest proportion, accounting for 44.5%, followed by the service sector, accounting for were 10.5%, 5.8%, 2.1%, 20.5%, 16.6% (Xiao & Ozawa, 2017). Our story ends in a paradox. Having established territorially fixed state formations, having insisted that these territorial domains were disjoint and mutually exclusive, and having accepted these conditions as the constitutive bases of international society, what means were left to the new territorial rulers for dealing with problems of that society that could not be reduced to a territorial solution? This issue arose in connection with common spaces, such as contiguous and transborder waterways as well as the oceans: how does one possess something one does not own? And, still more problematic, how does one exclude others from it? Inland waterways could be split down the middle and typically were, though often not until other and more violent means had been exhausted. Ocean space beyond défendable coastal areas posed a more substantial problem. Spain and Portugal tried a bilateral deal whereby Spain claimed a monopoly of western ocean trade routes to the Far East and Portugal the eastern, but they failed to make their deal stick. At the request of the Dutch East India Company, a young lawyer by the name of Hugo Grotius launched a distinguished career by penning a

pamphlet entitled, and proclaiming the contrary doctrine of, Mare Liberum, which did stick.¹¹⁷ The really serious problem arose not in the commons, however, but right in the heart of the mutually exclusive territorial state formations: no space was left within which to anchor even so basic a task as the conduct of diplomatic representation without fear of relentless disturbance, arbitrary interference, and severed lines of communication (Ruggie, 1993).



CHAPTER 3

RESEARCH METHOD

3.1 Research Theory

SWOT analysis is a strategic planning technique used to help a person or organization identify the Strengths, Weaknesses, Opportunities, and Threats related to business competition or project planning. The S W is power, weaknesses, opportunities, and threats of T O. according to the concept of enterprise competition strategy, it should be a combination of "can do" (the organization of the advantages and disadvantages) and "can do" (opportunities and threats).

3.2 Research Methods.

Literature review was used in this study

3.3 Research Process

Based on the literature review, the Thailand economic and trade SWOT model of Thailand economic and trade SWOT model China and developed in Japan, to determine the direction and content of the survey and analysis. It lists all of the internal strengths and weaknesses, external opportunities and threats, and arranged in a matrix. Then, analysis of the interaction of all the factors, the series of corresponding conclusions usually has the certain ability of decision the main factors and connotation.

CHAPTER 4

RESEARCH AND ANALYSIS

4.1 China of Thailand Trade and Investment Analysis of SWOT

China of Thailand investment opportunities and advantage. Chinese after the reform and opening up, the rapid development of the economy. The last century began in 90s Chinese foreign investment has been rapid development. Now China foreign investment is in the middle of belonging to the late start, the high starting point. With 1997 Asian economic crisis hit Thailand, Thailand economy can only start from zero, in recent years, Thailand's political crisis caused serious economic development lag, China investment in Thailand has more choice (Kotler, 1967).

The transfer of labor-intensive industries investment. Because of rising labor costs and many labor-intensive enterprises lose the cost advantage in China, but Thailand still has to transfer the marginal industry comparative advantage and industry with the international competition but also restricted to a single origin of transfer through foreign investment, exert comparative advantage. For example, Several Thai Industrial zone was established in Thailand, as China labor-intensive enterprises industrial transfer huge positive. Located in Sino-Thai Industrial Park and the new rubber Shield security environment, production line of rubber in China have been emerging and moved to Thailand, the reason is that the rubber industry is labor-intensive enterprises, Thailand is also the world rubber producing country and has a lot of good price of labor, abundant labor ,and raw material supply can reduce production cost, to ensure the competitiveness of enterprises in the international market. To shield the environment that because of the high anti-dumping tax target market, the product variety of places, adapt to the market development.

Competition type of direct investment, the current Japanese companies invest in Thailand to small and great, in order to improve the industrial chain, the integration of resources, Chinese traditional industries also enjoy the dividends, China traditional industries can be re-layout and production cooperation in Thailand. In

cooperation with Japan in local enterprises. Chinese enterprise production process after decades of precipitation and accumulation with strong competitiveness, weaknesses, continue to enhance their own strength. In the competition with the Japanese enterprises in the same industry, to gain a space for one person, or even catch up with the Japanese enterprises in the same industry.

High technology direct investment, mainly for the expansion of emerging industries on the market, as is knowledge, capital-intensive enterprise, the advanced production technology to Thailand, in order to promote the development of the ASEAN market. Chinese foreign investment enterprises with independent intellectual property rights, to make up for gaps in the market of Thailand, expand the Southeast Asian market, through technology transfer can help Thailand enterprises get rid of dependence on Japanese technology.

Chinese investment in Thailand political environment is more superior. Chinese and Thailand's official political mutual trust and close exchanges as partnership relations, economic and trade cooperation between ASEAN and Chinese become more frequent, "10+1", "10+3", APEC and Sino-ASEAN Free Trade Area, to create a good business environment for the Chinese investment in Thailand area since 2013. "The Belt and Road" initiative, the 2016 Thailand proposed the "Thailand 4" strategy, fully reflected in the national development strategy in close partnership between Chinese and Thailand.

China leading Internet companies in the world, represented by Alibaba of Chinese Internet companies in Thailand has a full range of Thailand in Southeast Asia. The layout of the core location, and network coverage to make the Internet business scope can be launched quickly. A variety of convenient payment services has been in full swing in Thailand. Thai people shopping thinking gradually from offline shopping to online shopping, Thailand companies are also increasing and China Internet industry cooperation, the two China, Thailand finished a more convenient sales channels.

Chinese direct investment in Thailand investment and the investment rate increased rapidly in 2006 to 2014, Chinese of Thailand direct investment rose from

\$15 million 840 thousand to \$839 million 460 thousand, accounted for the global total 0.7%, twenty before the investment industry ranking of the regional investment concentrated in the manufacturing industry, the wholesale and retail industry, the financial industry. The lower the proportion of investment will have a vast room for improvement. Thailand has metal mines, rich fuel resources, and the relatively low labor cost has become an important reason for China to invest in Thailand. The total population is about sixty million, while the Chinese occupied Thailand The country's total population of 14%, the number of students in 12 Confucius college and set up in Thailand and the two countries have increased in recent years has greatly promoted the bilateral cultural identity. A large number of overseas Chinese in Thailand to Chinese enterprises to invest in Thailand to create a huge space for human resources, Chinese Enterprises to support the air plant strengthen the management of the enterprise in Thailand.

Thailand to China products has a huge demand.China-Thai bilateral trade volume reached 64 billion 440 million U.S. dollars, accounting for mechanical and electrical products in Thailand's total foreign trade in Thailand 13.6%.2014 five kinds of imported goods, base metals and products, transport equipment, chemical products, China accounted for 28%, 19.8%, 10.6%, relative to the same period last year have a substantial increase in. enterprises direct investment in Thailand, to meet the needs of the local market, effectively reduce traffic and tariff costs, enjoy national treatment in production, reduce production costs, improve the competitiveness of products, continue to expand the market Share. Thailand government attaches great importance to the introduction of foreign capital, issued a large number of preferential policies to attract foreign direct investment. According to the United Nations Conference on Trade and Development released the 2015 "world investment report "display, 2014, Thailand foreign investment flow of \$12 billion 566 million to absorb foreign capital stock of \$199 billion 311 million. BOI offers the latest Thailand Investment Policy Announcement No. 2/2557 to encourage investment to enhance national competitiveness, encourage innovation, agricultural, industrial and service to create value, promote the development of small and medium-sized enterprises, in support of

fair competition, the elimination of the economic and social differences as the focus.

4.2 Japan of Thailand Trade and Investment Analysis of SWOT

China investment in Thailand industrial technology level is low, a lot of focus on resource intensive and labor-intensive industries, low value-added products, is at the bottom of the value chain. Low prices vulnerable to anti-dumping investigation and high entry barriers. Foreign investment industries single. Low barriers to market entry, the major developed economies are to seize the low-end market, the enterprise Chinese impact force. Early foreign direct investment of enterprises lack of awareness of social responsibility, a completely different approach to the management of the company lost a lot of human capital. Due to the strategic demand for resources and focus on resource open Hair and initial processing have led to environmental damage to production.

Political stability not only has great influence on the development of the domestic economy, since it also determines the enterprise investment an important factor in the financial crisis of 1997 domestic unrest in Thailand, yellow shirts and red shirts in the political struggle, in 2013 forced Yingluck government to step down the People's Democratic Reform Commission blocked Bangkok's actions although no the outbreak of bloody conflict, but it has a certain influence on the social and economic order. Thailand's political turmoil and an important reason are that the policy has changed, resulting in a change of government on foreign policy are also changing, and Chinese high-speed rail project cooperation also because Constant policy adjustments lead to constant shelling, resulting in the loss of a large number of tasks, time and material resources.

Delta investment bank in the United States and Japan led by a threat facing the United States and Japan and other major financial barriers brought to national China and host countries. The host will also because of "national security" problem products and capital inflows to foreign direct investment brings serious barriers.

4.3 Japan's Interest Starting Point

The Japanese enterprises to invest first in all aspects of advantages, rich experience.

Japan after World War II in the United States under the support of the rapid development of an economy, the investment of Japanese enterprises in Thailand earlier. After many years of operation has already formed a set of excellent management mode and organization, can be more accurate and efficient management of the enterprise. The Japanese enterprises to invest in production for many years in Thailand, the Thai people have accepted the Japanese enterprises the management mode for the work to refine the clear division of labor, in the work process according to standard process can be easily established. At the same time, the Japanese multinational enterprises have strong financial strength and information advantage, rely on their business acumen to research, timely access to new economic information at anytime Make decisions and constantly optimize its management.

Japanese enterprises have large investment volume and obvious economies of scale advantages

Japan has formed the scale economy advantage in the long process of Thailand investment in Thailand over the years. From the point of view of the use of foreign capital, Japan has been Thailand's largest investment in 2015 years before the Japanese investment in Thailand in the stock and incremental far ahead to other countries, Japan has long been the Thailand investment and aid is tied together Thailand must rely on the force. The Japanese capital monopoly enterprises to invest in Thailand. Japan attached a lot of supporting small and medium-sized enterprises, in the monopoly enterprises to invest in Thailand at the same time, these small and medium-sized enterprises to participate in the investment in Thailand, the Japanese enterprises in Thailand bigger and wider, The Japanese investment in Thailand has formed a more obvious advantage of scale economy.

Japanese enterprise investment strategy clear, establish and perfect industrial chain.

Japanese enterprise investment strategy clear, establish and improve the

industrial chain because of Japan open investment relations, foreign investment is a major strategic development. All kinds of foreign investment theory to get full play and application. Japan uses the boundary investment theory in investment in Thailand. The marginal investment theory mainly introduces foreign investment in Japan by the labor-intensive upgrade to the capital intensive and capital-intensive. By the transformation and upgrading of knowledge and capital-intensive industry. In the marginal investment theory, Japan in the process of Thailand investment in small and medium-sized enterprises, give full play to the advantages of flexible, adaptable, and combining with the production cost advantage of local, Pay attention to the cooperation with Thailand, Japan will gradually marginal industries have been lost or will lose the competitive ability of the transfer to Thailand, promote the optimization of industrial structure in Japan, and constantly improve the industry chain so that Japanese companies in Thailand operating costs more and more-low, gradually formed the Japanese domestic scientific research, foreign production trend. So Japan has maintained the leading position of Thailand investment, has been occupying the first in Thailand to invest the stock.

Japanese companies have been holding "made in Japan is superior" banner publicity. In the quality of the products after years in order to ensure the premise of careful cultivation of Japanese goods brand has been popular, TOYOTA automobile, MITSUBISHI heavy industries, and other production enterprises to invest in Thailand almost all global brands of goods world-renowned, Thai people have to use Japan the commodity of pride. This brings great positive effect for Japanese companies to invest in Thailand, and the finished product has a very large brand advantage in the whole of Thailand or ASEAN.

Japanese goods with precision known to the world, such as watches, copy, printer, camera and so on, precision products often require a longer production time in the production process, the nature of the Thai people to work fine but the efficiency is not high, and China goods but mostly belongs to the rough type of primary products require higher prices the production efficiency of the production process. Such as the salary management issued in many details, many Japanese companies take a month in

the first month of each month and payment of one way, and just follow the domestic enterprise Chinese management mode in the issuance of a month low, because the Thai young people have the habit of saving love life timely, often guide By the late month living in poverty, and the Japanese enterprises in this area to do a very good arrangement. Therefore, most of Thailand's relatively young workers are working to love Japanese companies.

Trade, location advantages of Japan's direct investment in Thailand investment and investment has accounted for an important part of the foreign investment of Japan.1970 to 2014, Japanese investment in Thailand has accumulated more than 30000 billion baht, occupy Thailand purchased more than 20% of the investment, the first. investment industry ranked the regional investment concentrated in the automotive industry high tech industry, electronic industry, financial industry, the higher the proportion of investment will have a huge market share. Thailand has metal mines, rich fuel resources, and the relatively low labor costs, become an important reason for Japan to invest. The population of Thailand. A total of about sixty million, while working labor accounted for more than 50% of the total population of Thailand is more than thirty million, and in Japan for years of Thailand cultural infiltration and Japan in recent years the increasing of the Thailand students went to Japan and Japanese employees of financial support has greatly promoted the bilateral cultural identity. A large number of talents Thailand quality technology for Japanese enterprises to invest in Thailand to create a huge space for enterprise human resources, the Japanese air plant has provided an important support to strengthen enterprise management in Thailand.

The market prospects, Thailand policy support for Japanese products has a huge demand for. 2014 years, the bilateral trade volume reached 2500 trillion on the Thai baht, accounting for mechanical and electrical products in Thailand's total foreign trade in Thailand 12.57%.2015 five kinds of imported goods, fuel and chemical products, engineering machinery and equipment, Chinese accounted for 30%, 30%, 50% relative to the same period last year, to maintain a high level in the same enterprise. Direct investment in Thailand, to cater to the needs of the local

market, effectively reduce traffic and tariff costs, enjoy national treatment in production, reduce production costs, improve product competitiveness, continue to expand. A large amount of market share. The Thailand government attaches great importance to the introduction of foreign capital, issued a large number of preferential policies to attract foreign direct investment. According to the United Nations Conference on Trade and Development released the 2015 "world investment report" display, 2014, Thailand foreign investment flow of \$12 billion 566 million to absorb foreign capital stock of \$199 billion 311 million. BOI offers the latest to encourage investment to enhance national competitiveness, encourage innovation, agricultural, industrial and service to create value, promote the development of small and medium-sized enterprises, in support of fair competition, the elimination of the economic and social differences for the heavy heart. the threat and weakness of Japan's investment in Thailand,

4.4 Japan's Threats and Disadvantages to Thailand Investment

High technical requirements products are expensive Japanese investment in Thailand industry technology level is high, a lot of focus on technology-intensive and capital-intensive industries, high value-added products, in the value chain. The top high prices vulnerable to conflict with local customers to enter the local market, can only be accomplished through the export sales China. The production of products is huge in price competition, almost occupy the low-end market, Japanese companies of large impact force. Because the management of enterprises in Thailand to invest as much as Japanese, completely different way of thinking leads to management can make local employee satisfaction, so that enterprises lost a lot of human resources.

Political unrest, trade barriers serious political stability not only has great influence on the development of the domestic economy since it also determines the enterprise investment an important factor in the financial crisis of.1997 domestic unrest in Thailand, yellow shirts and red army political struggle in 2013, in order to force the British government to step down the People's Democratic Reform Commission, blocked the action of Bangkok although there is no outbreak of bleeding.

The conflict, but it has a certain influence on the social and economic order. Thailand's political turmoil and an important reason is that the policy has changed, regime change leads to foreign policy is also changing, with the Thailand Bangkok high-speed rail to Chiang Mai Road cooperation has also been stalled by constant policy adjustments, resulting in the loss of a large number of tasks, time and material resources.

The Asian Development Bank of Japan led in Thailand's capital investment will face absolute advantage by China dominated the Asian infrastructure investment bank challenges will face a threat and China layers of obstacles brought to Thailand. Thailand also because of issues of "national security" limited products and capital inflows, foreign direct investment to bring serious the barriers.

4.5 Interests Starting Point and Restricting Factors

China strengthens the economic relations with Thailand mainly with the following considerations.

To realize complementary resources. Thailand is rich in resources, but the processing capacity is relatively weak, exports of Chinese products to agricultural products, aquatic products, raw ore and energy, low added value. For example, Thailand rubber products are popular in Chinese. Thailand is the first rubber producing countries also exports second products, but there is no Thailand a large consumer market and deep processing. Chinese as the world's largest auto producer and consumer of rubber products and huge demand. Thailand does not have a mature rubber processing technology, in addition to planting and harvesting is carried out in the territory of Thailand, the processing of raw materials and sales in Chinese. Nevertheless, long-term Thailand on the same Chinese rubber trade does not suffer, a large area of rubber plantation with a large number of employment opportunities for local, improve the people's livelihood, Thailand local rubber business, processing capacity is rising at the same Chinese learning. In addition to rubber, an important part of the trade in fruits and vegetables is Thai trade since 2010. China and Thailand signed the agreement tariff -fruits and vegetables, fruit and vegetable products exports

have continued to grow.

Strategic buffering. Thailand geography has not joint. But during the Second World War, the Japanese army had to Thailand as a stronghold of the southwest southeast bypass Burma. China attack during the cold war by the Soviet threat Chinese North East, surrounded by the United States the first island chain, the border war with Vietnam after the split, in this situation, China learned during the Anti Japanese war a large number of industrial production experience, will be moved to the southwest, Thailand's strategic position in relation to the national security China again. In addition, to maintain a close relationship with Thailand, in the future to build a communication China ASEAN bridge.

Energy security. China model of economic development is highly dependent on energy security. Since the beginning of 1992, China oil production cannot meet their own consumption, to 2011, imports of oil consumption has more than 50% of the total, according to the forecast, to 2020 China oil production will maintain 2 tons, but the consumption will reach 5.7 tons, import dependency further increase, in the case of 2015, as oil imports more than 60% of the cases from the Middle East and Africa. The planning and construction of Thailand karat canal can make Chinese oil and gas get around fighting dangerous Malacca Strait.

Economic and trade investment security. China as an export country. Now more than 85% of the import and export trade by sea transport, in addition, a large number of overseas Chinese employees of foreign investment, overseas Chinese businessmen and large, to China Government Overseas evacuation, asset protection, and emergency response capabilities have higher requirements. Therefore, Thailand infrastructure construction project cooperation can enrich the path China corresponding events.

The relationship between economic factors in Thailand Development in the new period is mainly reflected in the following two aspects.

The uncertainty of regional and global order adjustments. After the Second World War, southeast regional peace, stability, and prosperity of the United States is the cornerstone of the leading regional and global order. Since the beginning

of twenty-first Century, with the decline of American power and the rise of emerging powers, regional and international political pattern is undergoing dramatic changes and adjustment. Especially as the main driver of globalization America elected that "America first" Trump is the president and the free trade of England referendum off European success, this included Southeast Asia regional and global order caused a huge shock. Ever since Trump, quickly abolished the Obama administration of the Asia Pacific re-balancing strategy, announced its withdrawal from the trans-Pacific The partnership agreement, the subversion of the past are familiar with all ASEAN, with the US-led regional order prospects. The Trump Administration held in America at the beginning of the May ASEAN foreign ministers meeting has not made any statement or policy on Southeast Asia. ASEAN declared on the United States ASEAN Policy will be how to adjust and develop the confusion at the regional and global order, adjust the development of uncertainty in its diplomatic activities more cautious.

Thailand is close to China but not close to China. In the history of Thailand and China are inextricably linked, in many places is deeply influenced by the traditional culture and values China history, was also a member of the Chinese tributary system. With the increasing Chinese comprehensive strength in recent years, China increasingly toward the center of the world stage, Chinese political and economic influence in the region the increasing asymmetry in strength between the China and Thailand has become increasingly prominent, which leads to the difference of both fundamental cognitive interests and many regional problems, easily lead to China distrust from Thailand and breeding. China close economic and trade ties benefited, but increasingly on the Chinese Strong and full of doubts, worried about the Chinese strong will lead to its foreign policy, security and other fields have to follow China, and damage the national interests and security. Some officials argue the United States and other outside forces into the region, use "Chinese to balance the growing influence of the balance of power in power" strategy. This also resulted in Thailand is "on the fence", "China dependence in the economy, in terms of security to rely on the United States", "China and become very close but not" typical "close".

The great powers' separation of China-Thai relations in recent years. The

dramatic changes in the regional and international situation, in the history of great powers, is of benefit intense areas of Thailand. The United States, Japan, India, etc. to enhance the China rise and influence in the region have high vigilance, active diplomatic operations in Thailand, Thailand from Chinese and damage the relationship between the Obama administration in the United States. Around the South China Sea to create hot spots, to Thailand in the South China Sea issue to put me on a challenge. The relationship between the development of Japan attaches great importance to Thailand, Abe Shinzo visited Thailand in 2017 when Thailand proposed a number of infrastructure aid programs.

Domestic political risks in Thailand. Thailand as a constitutional monarchy, the domestic representative of all classes of political forces between military forces. It often leads to overthrow the democratically elected government ruling out of Thailand's political instability policy continuity is not enough. The death of the emperor Bhumibhol that Thailand lost the only one who can unite the whole country people's power, to quell the figure of leadership between the forces of Thailand. In the process of economic transformation, regional economic development is not balanced, and the southern northeast of Islamic extremism, transnational crime, northern drug abuse and other non-traditional security challenges. With Thailand to accelerate the pace of economic reform, the economic differences between regions will become increasingly prominent The internal political risks in Thailand need to be further studied.

4.6 Japan's Interest In Thailand Economic Relations

For many years, Japan attaches great importance to the relationship with Thailand, and economic and trade cooperation with Thailand is the top priority, which is mainly due to the following four interests.

From a geopolitical perspective, Southeast Asian countries are due to historical reasons during World War II by the Japanese invasion was wary of Japan, Thailand is not only by the Japanese invaded countries. Thailand is ASEAN is the core of the Pacific and India ocean to the "crossroads". Japan and ASEAN countries

to carry out cooperation, expand in Southeast Asia's influence, Thailand is the best springboard. 20th century since the 70s, Japan issued an "economic aid policy", given the geopolitical importance of Thailand, Japan gradually adjusted aid policy, in this case, Thailand has become a big country of Japan's aid target, take a more pragmatic attitude to the stability of Japan and Thailand Economic Relations.

In Japan, to the beginning of the 70s, due to the sharp appreciation of the yen, and a large surplus of domestic capital and other reasons, the Japanese investment in Thailand has been more large-scale development. From the second half of the 80s to 1996, both in Thailand for investment in stock, or to maintain the flow of direct investment, has been in Japan foreign investment in Thailand's leading position. Although after 2000, due to the impact of the bubble economy. Japan's investment in Thailand has decreased, but in recent years, the economic recovery, the Japanese investment in Thailand is still firmly in the ASEAN in the first place.

Japan is the world's third-largest economy, is also a major industrial country. Japan's current economic reform highlights the concept of "made in Japan", to improve the development level of manufacturing industry will further increase the market demand, while Japan's domestic consumer market demand tends to saturation. At present, the birthrate has entered the aging stage, the domestic market will be further the development of the international market is shrinking, focus on the development of Japanese enterprises. Thailand has a population of nearly 67 million and a weak industrial base of industrial market demand, and backed by the Thailand ASEAN 600 million population of this huge market, investment in Thailand production will greatly reduce costs for the control of the new ASEAN The market will provide strong support for the development of Japan's manufacturing industry.

Japan is one of the strategic considerations on promoting Thailand economic relations is to balance China in ASEAN growing influence, to prevent the China strategy in Japan. Surrounded by the Japanese self-defense forces and the U.S. Department of defense China as a long-term threat, there will be Chinese pressing the first island in the plan. Maintain a long-term stable China-Thai friendship, Chinese influence in Thailand cannot be ignored, which brings some pressure to Japan. In

addition, the Japanese in Thailand a lot of investment projects are also facing China competition especially in high-speed rail and other infrastructure projects. To strengthen the Japan and Thailand relations, can also form a strategic buffer for China, strong impact on Thailand Chinese balance Thailand is also willing to balance diplomacy between China and Japan, so as to broaden the diplomatic space of Thailand and avoid excessive dependence on a country, so as to maximize the national interests. Most Thai banks were founded by overseas Chinese during 1930-1950 with the purpose of channeling funding to their own businesses. Out of 20 commercial banks that were established during this period, 14 banks were founded by overseas Chinese families⁵. The remaining six banks were founded by the Crown Property Bureau⁶. As of 1996, the founding families retained control over these six banks. Several bank failures, mergers, and acquisitions occurred over the past four decades and as a result, some founding families have lost control over their banks and new families have taken their place. Finance and securities companies were first established in 1969. The number of finance companies grew rapidly during the 1970s from 17 in 1971 to 118 in 1979, when foreign and local banks set up such companies to avoid the moratorium on new banking licenses imposed by the Thai cabinet in mid-1970s and to avoid the maximum interest rate and credit controls imposed on commercial banks. By the end of 1987, 26 out of the 93 finance companies were affiliated with privately held Thai commercial banks, and a further 12 were affiliated with the state-owned Krung Thai Bank (Kail, Wiwattanantang, & Charumilind, 2006).

The development of the economic relations between Japan and Thailand is restricted and restricted by many aspects, which is reflected in the following aspects:

Problems left over by history. Has a long history of economic and trade ties between the two countries in economic and trade between Japan and Thailand, with the development of history on the current day Thailand relations cannot be ignored. During the Second World War, Thailand was once an ally of Japan, then the two sides quarrel become rivals, this to today's day Thailand left complementary

distrust shadow. Japan the authorities support soldiers' forever and always' the prime minister played Pibulsonggram was carried out. During the fascist rule brought unable to heal the trauma to the people of Thailand to Thailand. Although the problems during World War II did not constitute an important resistance on the bilateral trade between the two countries in the political, always alert, which is obviously not conducive to the day between Thailand mutual trust Cooperation.

Adverse economic factors. On the Thai economy, although there are complementary, there are also many factors. For example, Japan's main industrial investment and production in Thailand, but in Thailand, the product competitiveness is not strong, Chinese industrial manufactured goods tend to be high quality and inexpensive. On the other hand, due to political reasons in the government, led by the United States of Thailand the west part of the implementation of sanctions, in terms of infrastructure aid almost all stop, resulting in Thailand infrastructure could not effectively improve become the obstacle to economic development. In addition, Thailand's official corruption and the policy of opaque and often change because of the ruling party, which became the Japanese investment in Thailand and trade Hindrance factors.

Non-Traditional security issues. Southern Thailand and Thailand in the religious subject groups are quite different, so the southern separatist forces active, there are many local separatists and rebels. In recent years, with the infiltration of Islamic state forces, the southern extreme independent organizations have become increasingly active. The government of Thailand in the process to suppress the separatist forces in the formation of effective effect, resulting in separatism and terrorism has become an important threat to the economic development of the Thailand resistance. In addition, the black community continues to penetrate the world of Japan's major drug origin and Thailand guns flooding in recent years, followed by the Thailand social security problems increase.

The Asian economic crisis, then, helped to galvanize the regional governments into action. It certainly produced a “dramatic change in thinking among both political and business leaders in Northeast Asia and a growing realization of the

urgent need for the creation of a formal regional mechanism to deal with any similar crisis in the future and to maintain the economic growth of the region.”¹⁷ Not only was there a sense within the governments of China, Japan, and South Korea that the three of them should develop their institutional links so as to better cooperate on economic issues, but there was also an awareness that increased investment in and trade with Southeast Asia meant that the economic health of the ASEAN members, was very much in their interests. And for many ASEAN members, the crisis underscored the benefits of establishing formal economic links to the more developed economies of Japan and South Korea and the dynamic market of China as a means of averting any possible future crisis. For all the countries of East Asia, the best vehicle for developing a strategy for dealing with future crises appeared to be the embryonic APT. The most concrete action taken to date is the network of currency swaps negotiated among APT members. Getting together on the sidelines of the Asia Development Bank’s annual meeting in Chiang Mai, Thailand, in May 2000, the finance ministers of the APT agreed in principle to pool their hard currency resources. Out of the Chiang Mai Initiative (CMI), as it is known, the APT has developed three tracks. The first consists of a series of bilateral currency swap agreements, or “strands of a spider’s web” as Singapore’s second minister of finance, Lim Hng Kiang, has termed it.¹⁸ These agreements build on the expanded intra-ASEAN U.S.billion standby swap arrangement currently being developed and the missing hyphen Miyazawa Initiative put in place by Japan in late 1998 to assist Asian countries hit by the crisis (Stubbs, 2002).

CHAPTER 5

CONCLUSIONS AND SUGGESTIONS

5.1 The Development Trend of China- Thai Economic Relations

The relationship between Chinese and Thailand experienced a period of time to pause, but since the establishment of diplomatic ties between the two countries, regard each other as a strategic partner. You can rely on strategic security is the cornerstone of the relations between the two countries, along with expanding Chinese diplomacy surrounding the concept of maturity and security space, and China foreign non intervention principle of civil war Thailand, the ideological conflict possibilities will be more and smaller, the construction and the deepening of cooperation with bilateral and multilateral mechanisms, can foresee the future relations between the two countries in the overall will remain peaceful and friendly.

From the economic relations between China and Thailand, the long-term political trust for the establishment of a comprehensive and in-depth economic cooperation provides a good foundation for a long time. China investment in Thailand and assistance to domestic economic development level in Thailand and the improvement of modernization, has made important contributions. In recent years, Thailand economy has entered a transition period, the international community generally believes that the economic transformation after Thailand will once again become a hot spot for investment in Asia, especially the potential for development of the manufacturing industry, may attract a lot of investors interest. Thailand economic transformation means new opportunities for China- Thai economic relations, but also bring more competition for future China. In the economic relations and the development of Thailand, there are several points. First, to further strengthen cooperation in infrastructure construction in Thailand. The demand is huge, if you want to implement economic transformation, infrastructure demand will further increase. Chinese world leader in infrastructure construction, future China can continue to strengthen infrastructure construction projects, which can provide the

basis for facilities for Thailand's economic development strategy in 4. Second, a comprehensive grasp of the Thailand central and local government laws and regulations on international cooperation, foreign investment and related resource management, give full consideration to the domestic political situation in Thailand, the selection of cooperation method is the most effective and convenient to carry out cooperation. Third, keep the faith of the Thai military government. The military government to the continuation and development of the former government in economic development policy, to dispel the concerns about this world. Thai credit from the 2008 financial crisis in the gradual recovery of the Thai, Thai Industries will be large inflows of capital of the world, the Thai perfect relevant regulations consider, as compared with the previous government, the investment environment will be more transparent. Therefore, Thailand economic cooperation mode will change and adjustment, under the pressure of his country will increase competition, but there is a reason to believe that the overall situation of economic cooperation between China and Thailand will not be a fundamental impact. Negotiations to determine the specifics of the ASEAN-China FTA are currently underway. Although at the 8th ASEAN-China Summit in Phnom Penh on 4 November, 2002, ASEAN and Chinese leaders signed the 'Framework Agreement on Comprehensive Economic Co-operation between ASEAN and China', which provides the groundwork for the eventual establishment of an ASEAN-China Free Trade Area (ACFTA) by 2010 for the older ASEAN members and 2015 for the newer members (i.e. Cambodia, Lao PDR, Myanmar and Vietnam), and agreed on the provision for 'Early Harvest' for certain goods and services and the determination of the Rules of Origin, other specific provisions of the Agreement are yet to be completed. Under the 'Early Harvest' provision, most of the parties have submitted their lists of products that will be given preferential entry within the free trade area ahead of the full implementation of the Agreement in 2010. They have also adopted the Rules of Origin, similar to that adopted under the ASEAN Free Trade Agreement (AFTA), which requires that products that would be eligible for preferential treatment are those that are wholly produced within the free trade area or those with at least 40 percent of their value originating from the free trade area.

Negotiations for the establishment of the trade in goods component of the ACFTA are currently underway and are expected to conclude by 30 June 2004. For services and investment, negotiations have also commenced in 2003 (Tongzon, 2005).

5.2 The Development Trend of Japan- Thai Economic Relations

Thailand has long been among the China and Japan play balance diplomacy, Thailand's military government came to power, a played continuation of the strategic balance diplomacy, foreign policy, national interests in the first place. It can be predicted that Thailand still attaches great importance to friendly relations with Chinese, and at the same time, Thailand also stressed that the development of friendly relations with Japan in order to balance Chinese strong influence in Thailand. It's hard to say that Japan's influence in Thailand will decrease rapidly in the short term, and carry out interconnection construction but the economic transformation of Thailand to a certain extent depends on China- Thai economic and trade cooperation.

From the point of view of the regional economy, the relationship between Japan and Thailand is consistent with the steady development of Japan's "New South policy" strategic demands, but also fit the development direction of the ASEAN 10+1.10+3. In the future, Japan will have more cooperation with ASEAN countries will. From the perspective of political area, the United States issued the "Asia Pacific re-balancing strategy" after. The Thai central role in ASEAN absolute, it also encouraged Japan to increase trade and investment in Thai China to balance in the Thai increasingly powerful influence. It should be said that both the Japanese and Thai are bound to enhance their influence in the U.S. Asia Pacific Strategy, realize the maximization of national interests.

5.3 Research Synthesis.

With the rise of the overall strength of the Chinese, world politics is the formation of new map, to contrast the ASEAN region is changing the influence force, to the United States, Western Europe and Japan and other old capitalist countries began to decline in the relative influence of ASEAN, China, India and other emerging

powers of influence. The rapid rise of ASEAN between established and emerging powers in ASEAN will be the relationship between competition and cooperation will exist for a long time, and some issues concerning core national interests, the two sides against the side of the major powers in the world. Prominent China, Japan is also the Asian countries have seen ASEAN as their garden, so ASEAN Change of geopolitical changes but also related to the pattern of the world. With the rise of China, ASEAN countries have the adjusted strategy. Japan to keep dominance in Asia and the United States and other vested interest, actively courting foreign powers to join Chinese containment strategy. In addition to the use of powerful economic, science and technology and other hard power to curb Chinese surrounded, also use public diplomacy the influence of cultural soft power, powerful Chinese of Ideological Penetration of implementation of cultural hegemony. But because of the relative economic decline, so the containment is insufficient, therefore, the new president Donald Trump abandoned the "Asia Pacific re-balancing strategy", on the one hand to China The implementation of the "offshore balancing strategy". While Japan originally wanted to use the "Asia Pacific re-balancing" Dong wind, by the United States in the containment strategy Chinese of their own on the kidnapping of American militarism. We, empathy, analysis, and interpretation of more objective. They can stand in the position of Japan, the revival of militarism in Japan the national interest is significant: first, politics is conducive to get rid of the shackles of the peace constitution, to win the support of right-wing voters to consolidate the ruling status and internal affairs bureau, is conducive to the normalization of the Yasukuni shrine to enhance the "national pride and cohesion, get rid of the shadow of the defeated country, to become a political power. Secondly, economic On the three principles of arms exports to Japan of high-tech weapons and related products exports, earn a lot of foreign exchange. In today's world arms trade, oil trade is big business, earn most of the United States, Russia, and other countries each year through the arms trade windfall. Japan's pacifist constitution due to long binding arms trade not only long, in traditional trade, and with China, South Korea, India and other countries the rise of economy, traditional Japanese economy has lost its advantage, and a large number of

high-tech military equipment exports can revive the Japanese economy but also can enhance the strength of science and technology of Japan to realize the transformation of the Japanese economy also conducive to the spread of weapons to China. This side of the country to curb China, stone carving of three good Japanese right-wing certainly do. Once again, the military, to ban collective self-defense and enhance the military power and military power to become a nuclear state, is conducive to the construction of a land, sea, air, day, electric multidimensional model of modern army, through close in cooperation with the U.S. and overseas dispatch of the SDF combat can enhance Japan's combat capability and the ability to seize the island, so as to enhance the ability and in Russia, Korea and even challenge the confrontation with the military, and through a series of military action to get rid of us bound, "recover", follow the expansion of militarism Road, get rid of economic crisis and political crisis Machine, realize the reconstruction of "Japanese Empire" and "Greater East Asia co prosperity sphere". 2013 year in August 15th the Japanese government tough position that the rise of Japanese militarism mood gradually formed the climate in Japan in the defeat of Japan. The contradiction between China and Japan will be the main contradiction between the big powers in the region in the future. Recently, has developed the first analysis of the trade policy reactions to regionalism in Asia.

Specifically, evaluates whether products receiving preferential treatment in Indonesia, Malaysia, Philippines and Thailand under the ASEAN Free Trade Agreement underwent a greater reduction in MFN tariffs during the late 1990s and early 2000s than goods that did not receive preferential treatment. The approach resembles that of Limão, in that he estimates the change in the MFN tariff from the mid-1990s to the early 2000s (the precise years vary with the country in the analysis due to data availability) on a dummy that represents whether the country offered preferential treatment under AFTA. Finds evidence of tariff complementarity for Indonesia, the Philippines, and Thailand, where the MFN tariffs of preferential products were reduced by more (between one and five percentage points) than for non-preferential products. In contrast, the results for Malaysia, which has the lowest average MFN among the four countries studied, are somewhat mixed, varying

according to the specification. While the study is very instructive about the developments in internal and external liberalization in ASEAN, it does not take into account the variations in the extent and the speed of intra-bloc liberalization, which are significant (Cavlo & Freund, 2009).

Japan is the most Chinese revival of fear and concern in the country, Japan is a hundred years old enemy, has been since 1895, the China Japanese War to the war of aggression against China in 1945 ended the war between the two countries, mutual political trust and inter-ethnic hatred cannot be eliminated in the foreseeable time, so Japan is extremely worried after the rise in China whether it will retaliate against it. Only in the Asia Pacific region, Thailand and other Southeast Asian countries and Japan have no history of serious problems do not have territorial disputes, development of Japan and Thailand relations conforms to the interests of Japan. In Japan and Thailand relations, compared to Thailand, Thai Japanese relations, Sino-Japanese relations are very fragile. Thailand foreign customs System development is relatively favorable and active, to Thailand: first, there are some differences between the global strategic target of Thailand's diplomatic strategy and the pursuit of the United States, but also different from the Japan Chinese containment Asia Pacific strategy goal. Second, in the Asia Pacific geopolitics, China and Japan are in the country, Thailand's diplomatic strategy is not possible in between choose sides. Thailand traditional diplomacy and diplomacy is the principle of "balance of power", and benefit from the colonial era. Thailand is the use of the contradiction of implementation of the "balance of power" diplomatic strategy and becomes the only independent countries in Southeast Asia. The rise of Japan after using Japan to balance English World War II method. During Japan's powerful alliance with Japan and the United States, but secretly keep Britain's ties to postwar American powerful alliance with the United States. So Thailand has maintained national independence and realize the maximization of the interests of the state, even if the war did not cause much loss, which shows how good to engage in Thailand "balance of power". "Only the strong is from" the fence when diplomacy doesn't meet the moral bottom line but it is small to survive effectively. Today, in the face of China, the United States, Japan's

three major world powers, Thailand will continue to pursue the traditional strategy of "big country balance", adhere to the past diplomatic weapon: not to offend. In the China rise Under the realistic background which is neutral in the United States. Thailand wants the United States to be a partner and not abide by the norms of ASEAN leaders. The contradiction between China and Japan on the issue of Thailand is also cautious. Third, domestic political factors. The May 2014 military coup in Thailand, the military take over the regime, Japan expressed dissatisfaction. Seriously affected the development of Thai diplomatic relations, the development of the domestic political situation in Thailand will decide the future of Japan and Thailand, closeness to the Sino-Thai relations. And the people in Japan and the opposition to Andouble lifted the collective self-defense against Andouble's support rate low, Japan's domestic politics is very variable, The China-Japanese relations are not without the possibility of bottoming out. In double's efforts to win over China's alliance with Thailand will be restricted by both domestic political factors and democratic politics.

Because of Thailand's unique strategic position and its special status in the ASEAN, neighboring countries from their respective strategic interests of all of its high hopes. Take advantage of the opportunity, so as to safeguard the interests of the state is the main task of the rulers in Thailand. Thailand's strategic choice is based on the following judgment: China land neighbors the overall strength is the largest in Asia. Japan is one of the most important allies of the United States is also the agent in Asia; ASEAN is the cornerstone of Thailand based on the world; economic globalization makes an important economic partner of the Allied powers against the increased cost of area; system contributes to "power socialization" area to change More moderate (such as in Japan, has joined the "Treaty of Amity and cooperation in Southeast Asia). In the China overbearing in the South China Sea issue, at the same time, the Chinese rise has led to" Chinese influence in Thailand than any other influence in ASEAN countries to make Thailand ", to strengthen the military alliance as the Thailand United States the most important part of the Thailand and Japan; also need to balance the China effect. The future of Thailand will continue to adopt a

positive attitude in the China Japanese relations, careful to maintain a balance, not to offend people. The foreign policy to Promote ASEAN integration, to achieve 2012 objectives: the establishment of the ASEAN economic community.

5.4 Correctly Dealing With the Competition and Cooperation Between China and Japan in Thailand

The Chinese in "The Belt and Road" initiative is planning to the southwest Chinese as a starting point, the interconnection network extends to the Indochina Peninsula, and covers the southwest Chinese and Indochina Peninsula Road Economic Corridor. Chinese in infrastructure, there are technical and financial advantages of road port construction and energy development, is also facing challenge and resistance. For example, due to the dual role of political mutual trust issues and economic competition in Japan, "China Belt and Road Initiative" initiative is not positive, even taking the construction of other regional cooperation mechanisms to balance the "threat". Thailand is in the Indochina Peninsula center, India to the South Pacific Ocean, looking east, The confluence of the source of the two seas is strategic in Japan must grasp. Then China should look at how Thailand's geopolitical significance, how to promote regional cooperation, to achieve effective docking strategy?

From Thailand compared to the visible specific content of Japan and Thailand economic relations, Japan and Thailand economic relations had experienced from slow development, fluctuation stop, gradually warming up to the historical process of comprehensive improvement. Compared with Japan, Thailand and China economic relations involved in broader areas of cooperation are not enough in depth and width. The economic and trade cooperation, agricultural development and large-scale infrastructure construction, there is competition between China and Japan, but in general, the Japanese occupy the advantage in capital and technology. In addition, the Japanese in the "New South" policy guidance, actively build bilateral and multilateral cooperation mechanisms, to balance the so-called "Chinese threat" means, China the need for more Body, take measures to promote regional cooperation.

Specifically, in 2016, Chinese Thailand import and export volume of \$65 billion 840 million, the same year, Japan's exports to Thailand amounted to \$51 billion 480 million. Although the trade volume between China and Thailand more than Japan and Thailand trade, but import and export products to analyze Japan and Thailand bilateral trade or dominant in energy development. In Japan, there is competition in the agricultural development, large-scale infrastructure construction, especially the Thailand railway construction of Thailand railway layout has great strategic significance for China and Japan. The Japanese capital investment and technology have more advantages than China but Can foreknow, future competition between China and Japan in terms of infrastructure construction in Thailand will be increasingly fierce. The Thailand economy has entered a transition period, to Thailand, bring some changes on the relationship between the development of Thailand however, as Thailand's new government came to power after the performance, the military government to uphold realistic foreign policy, which helps to Thailand friendly relations, to further strengthen Japan provides an opportunity to consolidate the economic cooperation with Thailand (Jiang & Zhang, 2003).

You can also see clearly through the comparative analysis, competition, and cooperation China and Japan economic cooperation in Thailand. China coexist are currently actively build new relations between big powers, trying to "Silk Road Economic Belt" and the "maritime Silk Road" to China Unicom Europe Asia, through the "Peripheral Diplomacy" continued diplomacy the strategy of China long-term good-neighborly and friendly. Chinese attaches great importance to the strategic position of Thailand and hopes to strengthen cooperation with Japan's economic and trade partnership, proposed the construction of "community of destiny" human initiative, supported by Thailand, but the Japanese are not positive. On the contrary, India continues to strengthen economic ties with Thailand Japan and ASEAN, trying to promote the cooperation of other countries through economic cooperation, which means the balance of China. Japan has signed the economic cooperation and economic aid agreements with ASEAN members, and to promote Thailand and ASEAN, but these cooperation mechanisms are purposely excluded. These China will

reflect the Japanese. In the process of economic development and the relationship between Thailand and the Chinese as rivals as "imaginary enemy", for the day Thailand relations of cooperation and regional economic development are unfavorable factors. In the face of Japan on the Chinese guard, and some people of China prejudice Thailand domestic investment behavior, Chinese should take corresponding Measures to deal with, to push China Thai economic relations, improve in regional competition, promote the common prosperity of the region. Specifically, Chinese should always adhere to the "pro, honesty, benefits, diplomatic ideas and principles," the construction of Thailand, Japan's political mutual trust, to get rid of some misunderstanding and prejudice Thailand China investment in large infrastructure, "China digestion of Japan Belt and Road Initiative" initiative and "Peripheral Diplomacy" inappropriate interpretation and unnecessary prevention. In addition, in the face of Japan and other countries in the construction of China doubt and wary, China - ASEAN Free Trade Area in the process according to the actual conditions, the "the combination of multilateral Bilateral, singing "strategy, the focus of the play has long friendly relations between China and Thailand to take advantage, step by step way." Chinese ASEAN Free Trade Area construction can also draw on the ASEAN economic cooperation in the "NX" mechanism, the implementation of the "11 X" mechanism in the construction of the Economic Corridor under the framework of stages of Thailand Japan, Thailand, interoperability and economic cooperation between China and Japan etc., from easy to difficult, step by step.

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