

## TABLE OF CONTENTS

	Page
Acknowledgement	iii
Thai Abstract	iv
English Abstract	v
List of Tables	x
List of Figures	xi
Chapter 1 Issues and Setting of the Study	1
1.1 Background of the study	1
1.1.1 Introduction of the Greater Mekong Sub-region (GMS) Countries	1
1.1.2 Introduction of Yunnan province	13
1.1.3 Yunnan's border trade with the GMS members	15
1.2 Objectives of the study	23
1.3 Advantages of the study	24
1.4 Scope of the study	25
1.5 Organization of the study	25
Chapter 2 Review of Related Literature	26
2.1 Definitions	26
2.1.1 Types of Border Trade	26
2.1.2 Cross Border Trade	27

2.1.3 Benefits of Cross Border trade	27
2.2 Literature Review	28
2.3 Theories	32
2.3.1 National Competitive Advantage Theory	32
2.3.2 Absolute Advantage Theory	36
2.3.3 Comparative Advantage Theory	37
2.3.4 Heckscher-Ohlin Theory	38
Chapter 3 Research Methodology	39
3.1 The General Growth Model	39
3.2 The Panel Unit Root Test (stationary test)	40
3.3 Panel Co-integration Test	44
3.4 Estimating Panel Co-integration Model	47
3.4.1 Fixed effects regression model	48
3.4.2 Individual effects model (random effects model)	49
3.5 The Granger Causality Test and Error-Correction Models	49
Chapter 4 Presentation, Analysis and Interpretation of Data	51
4.1 Panel unit root test results	51
4.2 Panel co-integration test results	52
4.3 Panel co-integration estimation results	53
4.4 Granger causality test and Error-correction model (ECM) results	57

Chapter 5 Summary, Findings, Conclusions and Recommendations	58
5.1 Summary	58
5.2 Findings	58
5.3 Conclusions	59
5.4 Recommendations	61
5.5 Further Studies	62
REFERENCES	63
APPENDICES	67
APPENDIX A The original figures of panel unit root tests	68
APPENDIX B The original figures of panel co-integration tests	77
APPENDIX C The original figures of panel co-integration models	79
APPENDIX D The original figures of the error-correction model (ECM)	85
CURRICULUM VITAE	87

## LIST OF TABLES

<b>Table</b>	<b>Page</b>
1.1 GDP, Real GDP and GDP Growth Rate of GMS Countries billion USD	9
1.2 The Value and growth rate of Import, Export and Trade Balance in Yunnan with the GMS	17
4. 1 Panel unit root tests results (levels)	51
4. 2 Panel unit root tests results (first Difference)	52
4. 3 Panel co-integration Kao-test result	53
4. 4 Panel co-integration estimation results ( $\text{LnGDP}_{i,t}$ is dependent variable)	54
4. 5 The redundant fixed effects tests results ( $H_0$ : no fixed effects)	56
4. 6 Granger causality test and ECM results	57

## LIST OF FIGURES

<b>Figure</b>	<b>Page</b>
1.1 The Greater Mekong Sub-region (GMS) Map	1
1.2 Greater Mekong Sub-regions Economic Corridors	7
1.3 Location of Yunnan Province	15
1.4 Trends of Import, Export and Trade Balance Value in Myanmar	21
1.5 Trends of Import, Export and Trade Balance Value in Vietnam	21
1.6 Trends of Import, Export and Trade Balance Value in Thailand	22
1.7 Trends of Import, Export and Trade Balance Value in Laos	22
1.8 Trends of Import, Export and Trade Balance Value in Yunnan	23
2.1 The 4 main diamonds of national advantage	33