

Thesis Title The Decision-Making on the Assistance of the International Monetary Fund:
A Comparative Study Between Thailand and Malaysia

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Abstract

This thesis is aimed at discussing factors, which caused the difference in decision-making on the assistance of the IMF between Thailand and Malaysia in 1997-1998. Based on the thesis results, it is found that:

1. Mahathir's aggressive and uncompromising personality including his anti-western view significantly influenced Malaysia's decision-making in denying IMF assistance with institutional structure support from Internal Security Act (ISA), strong leadership power in semi-authoritarian government and one dominant party of UMNO in suppressing the opposition parties, disputes within UMNO and public protest against his decision. In addition, Malaysia's strong economic situation also made his decision possible.

2. Chuan's good foundation backgrounds such as humble personality, sound political experience, being honest, and compromising personality enhanced public confidence and trust in his economic crisis management capabilities through the IMF assistance. Chuan seemed to be the most effective alternative leader, during that time, in regaining the foreign investors' confidences.

The institutional structure of Thai politics such as weak leadership in multi-party coalition government together with Thailand's severe economic and financial situation significantly restricted Chuan's leadership in making alternative decision, instead of IMF assistance, to solve Thailand's economic problem.