

## ABSTRACT

The present research seeks to examine the impact of trade liberalization on the natural resources and environment of Thailand based on micro-level household survey and macro level analysis. This study contains two main parts. First, it investigates the effect of trade related policy on natural resource-use in relation to agriculture, forestry, fishery and water resources. The analysis applies “Driving Force – State – Response” (DSR) model in order to establish better linkages between livelihoods and natural resource conservation. This study analyses the current utilization rates and associated values and investigates the dynamics of household forest-use based on 213 households in four villages in Chiang Rai Province. Second, it seeks to investigate the effects of various trade and environmental policy scenarios on the economic sectors focusing on natural resource and environment applying computational general equilibrium (CGE) model. The complementary policy in favor of environment, enhanced competitiveness and sustainable development of Thailand are examined. In selecting policy alternatives to meet simultaneously couples of objectives such as welfare, price stability and the environmental policy alternatives can be applied in the integrated framework as employed in this research.

**Key words:** Drivers-Pressure-State-Response model, CGE, trade liberalization, environmental regulation and eradication of poverty.