The purposes of this research were 1) to analyze the potential demand of Thai students for higher education offered by foreign institutions in Thailand 2) to determine possible impacts on Thai higher education institutions from Free Trade Agreement 3) to propose strategies for Thai higher education institutions in the context of Free Trade Agreement.

Questionnaire was employed to analyze potential demands of Thai students for higher education offered by foreign institutions in Thailand in the context of Free Trade Agreement. The samples comprised 627 students, who were studying in Mathayom 6 or Grade 12 or Year 13 from five types of school. There were English program, international, private, public, and demonstration schools. The SPSS program was applied to analyze the data. The results suggested that the potential demands of Thai students were at the median level. The first three preferred programs for students were Commerce and Accountancy, Engineering, and Communication Arts. The USA, UK, and AUS were expected to establish their institutions in Thailand. The first three factors influencing enrollment decisions in foreign higher education institutions were employment opportunities upon graduation, faculty quality, and standards of program. Six factors that bore effects on the demand level of students were language skills acquired from an international program, gender, medium of instruction, opportunity to be an exchange student or to do research overseas, expected salary after graduation, and family's income.

In addition to the possible impacts on Thai higher education institutions from Free Trade Agreement and strategies for Thai higher education institutions in the context of Free Trade Agreement, the results were drawn from interviews of 21 senior administrators of both Thai public and private higher education institutions, and from a seminar of these administrators. It was found that both Thai public and private higher education institutions projected that the impacts would not be serious. According to the interviews, there were four issues of main concern i.e. mobility of instructors to foreign institution, competition to become internationalized, competition for reputation between Thai and foreign institutions, and competition on readiness in terms of investment and teaching equipment.

The proposed strategies for Thai higher education institutions in the context of Free Trade Agreement consisted of seven aspects as follows: 1) strategy on reform of higher education management 2) strategy on faculty and staff development 3) strategy on quality of education 4) strategy on cost of education 5) strategy on development of foreign language abilities 6) strategy on the retention of Thai identity in the international context 7) strategy on image building of Thai higher education institutions.