A REVIEW OF NATIONAL SOCIAL POLICIES

Thailand

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1. Introduction

During the past few decades, Thailand has undergone a rapid transformation from a predominantly agriculture-based society to an emerging industrial economy. But, not all groups have benefited equally from this recent socioeconomic development, and certain social groups have been left vulnerable. The recent currency and economic crisis coupled with IMF-mandated structural reform policies have left some social groups and remote communities even more vulnerable than before. This paper reviews rural poverty and policies that attempt to reduce poverty in Thailand. Some of the interrelationships between poverty and health, education, and the environment are explored. The country’s social and development policies need to ensure more equitable access to the benefits of development and ensure that vulnerable groups are protected by adequate social safety nets. Concurrently, the adverse environmental impacts stemming from development must be managed and minimized.
The focus of the paper is on the period of rapid economic development in Thailand, particularly since the early 1980s. Some implications from the 1997 financial and economic crisis are considered. A brief overview of the Thai economy is followed by sections on poverty, ethnic minorities, education, health care, migration, and the environment. The final section presents some recommendations for consideration by the Government of Thailand (GOT) and the Asian Development Bank (ADB). All figures given in Thai baht have been converted to US dollars using the rate of 26 baht to $1, which was the usual rate prior to the currency devaluation in July 1997, unless otherwise noted.

1.1 Background

During the 1980s and most of the 1990s, Thailand's economy boomed (See Figure 1.1).

Figure 1.1 Thailand's GNP per capita, 1970-1996

High rates of employment growth ensured low rates of open unemployment, providing opportunities for new entrants into the labor market and for people moving from informal or low productivity employment to the modern economic sector. Some of the benefits of economic growth were shared with the general population through steadily improving industrial employment prospects. GOT expenditures on social services increased from 29 percent of GDP in 1980 to 38 percent of GDP in 1996. China, by contrast, spent only 1.9 percent of GDP on social services in 1996 (World Bank, 1998, Table 14). Broad-based growth benefited the poor in Thailand, and the incidence of poverty was reduced dramatically. Still, the very poor were unable to take advantage of the economic opportunities wrought by rapid economic development due to remote location, illiteracy, poor health, lack of skills, or lack of citizenship rights.

In July 1997, the devaluation of the Thai baht and collapse of the stock market marked a reversal in foreign capital flows into the country on which much of the country's recent rapid growth had been based. Compared with many other East and Southeast Asian countries, Thailand has been hard-hit by the Asian economic crisis. Its real GDP growth fell from 6 percent in 1996 to almost zero in 1997, leading to a sharp deterioration in labor market conditions, including massive lay-offs of workers in construction, manufacturing, and financial services, a decline in new hiring, and a quadrupling of open unemployment from about 353,900 workers (about one percent of total labor force) in 1996 to 2 million in 1998 (about six percent of total labor force) (GOT National Statistical Office, 1997, p. 17; Mitigating the Social..., 1998, p. 1).

These changes shifted increasing numbers of persons into informal labor markets in rural and urban areas, motivated some urban workers to go home to rural areas already facing underemployment, and increased the numbers of persons with incomes below the poverty level. Unskilled workers in urban areas were among the first to be laid off. Recent droughts have cut into the livelihoods of farmers in some rural areas. Price increases on basic commodities such as food and fuel, coupled with rising unemployment and wage reductions have reduced families' purchasing power. Food prices increased seven percent between July 1997 and September 1998 (Economic Policy and Equity, 1998, p. 1). All households are affected by price increases, but the poor spend the greatest proportion of their income on such basic commodities and so suffer from the direst consequences.

Because Thailand lacks a general unemployment benefit scheme and national pension scheme, which would help ensure continued access to basic social services, social safety nets for people disrupted by the economic downturn take on a greater importance. The effects of the economic crisis were mitigated to some extent by rising government expenditure. But, recent data shows that since the crisis, GOT ministry budgets have been reduced in real dollar terms. For example, in 1998, reductions in government expenditures include a 20 percent cut in the Ministry of Interior and a 16 percent cut in the Ministry of Agriculture and Agricultural Cooperatives, both of which have extensive community development programs. Health and education were cut by about six percent (Regional
Office for Asia and the Pacific, 1998, p. 52). Loans from the Asian Development Bank and the World Bank have been requested to help mitigate some of the social impacts of the crisis.

2. Poverty

2.1 Incidence of Poverty and Inequality

From 1975 to the mid-1990s, the incidence of poverty in Thailand declined substantially. Using the international poverty index line, the number of people living in poverty declined from 3,400,000 in 1975 to about 353,900 in 1995 (Ahuja et al. 1997, p. 6; GOT National Statistical Office 1997, p. 17). The head-count index indicates that the percentage of the population living in poverty decreased from 8.1 percent in 1975 to less than 1.0 percent in 1995 (Ahuja et al, 1997; p. 7). When compared with other Mekong Basin countries, the decline in poverty in Thailand is quite striking.

<table>
<thead>
<tr>
<th>Place</th>
<th>Number of People in Poverty (millions)</th>
<th>Head-count Index (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Asia</td>
<td>716.8</td>
<td>524.2</td>
</tr>
<tr>
<td>East Asia excluding China</td>
<td>147.9</td>
<td>125.9</td>
</tr>
<tr>
<td>Malaysia</td>
<td>2.1</td>
<td>1.7</td>
</tr>
<tr>
<td>Thailand</td>
<td>3.4</td>
<td>5.1</td>
</tr>
<tr>
<td>Indonesia</td>
<td>87.2</td>
<td>52.8</td>
</tr>
<tr>
<td>China</td>
<td>568.9</td>
<td>398.3</td>
</tr>
<tr>
<td>Philippines</td>
<td>15.4</td>
<td>17.7</td>
</tr>
<tr>
<td>Papua New Guinea</td>
<td>n.a.</td>
<td>0.5</td>
</tr>
<tr>
<td>Lao PDR</td>
<td>n.a.</td>
<td>2.2</td>
</tr>
<tr>
<td>Vietnam</td>
<td>n.a.</td>
<td>44.3d</td>
</tr>
<tr>
<td>Mongolia</td>
<td>n.a.</td>
<td>1.6</td>
</tr>
</tbody>
</table>

n.a. Not available

Table 2.11 Poverty in East Asia, 1975-1995

Note: All numbers in this table (except for Lao PDR) are based on the international poverty line of $1 per person per day, calculated using 1985 prices.

a. Includes only those economies presented in the table.
b. Data are for 1978 and apply to rural China only.
c. Data are for 1996.
d. Preliminary estimates from Dollar and Litvack, forthcoming.

Source: World Bank staff estimates (Ahuja et al, 1997, pp. 6-7)

But, a closer examination reveals that over that time period, inequality increased between urban and rural areas, between well-educated workers and those with little education, between households of different socio-economic status, and between regions. In 1975, the incidence of poverty in rural areas was 51 percent, which was twice the rate in semi-urban areas and five times the rate in urban areas (Ahuja et al., 1997, p. 34). Because about 73 percent of the Thai population lived in rural areas at that time, about 89 percent of the poor lived in rural areas (Ahuja et al., 1997, p. 34). In 1992, rural areas continued to have the highest incidence of poverty. Although the proportion of the overall population living in rural areas declined slightly, the proportion of poor living in rural areas had increased to 94 percent (Ahuja et al., 1997, p. 34).
In both 1975 and 1992, regional rankings of poverty in Thailand remained relatively stable. The Northeast had by far the highest incidence of poverty, followed by the North, the South, and the Central region, and the Bangkok metropolitan area. The share of the poor living in the Northeast region increased from 50 percent in 1975 to 59 percent in 1992. In Thailand, poverty tends to be concentrated among farm operators, including those who own or rent land; in 1992, poverty increased among farm and general laborers as well (Ahuja et al., 1997, pp. 92-93). The poor mostly live in households headed by persons with low levels of education or none at all. The elderly and female-headed households slightly increased their share of persons living in poverty between 1975 and 1992 (Ahuja et al., 1997, pp. 94-95).

Using the official poverty lines employed by the GOT, which specify different levels for rural and urban areas to take into account cost of living differentials, a decline in the incidence, depth, and severity of poverty between 1988 and 1992 is apparent for each region.

**Table 2.12 Poverty Measures by Region, 1988 and 1992**

<table>
<thead>
<tr>
<th>Region</th>
<th>Incidence</th>
<th>Depth</th>
<th>Severity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole Kingdom</td>
<td>22.23</td>
<td>13.13</td>
<td>6.54</td>
</tr>
<tr>
<td>North</td>
<td>20.66</td>
<td>13.60</td>
<td>5.75</td>
</tr>
<tr>
<td>Northeast</td>
<td>34.51</td>
<td>22.31</td>
<td>10.55</td>
</tr>
<tr>
<td>Central</td>
<td>15.96</td>
<td>6.04</td>
<td>4.55</td>
</tr>
<tr>
<td>South</td>
<td>21.47</td>
<td>11.82</td>
<td>6.16</td>
</tr>
<tr>
<td>Bangkok Vicinity</td>
<td>2.92</td>
<td>1.12</td>
<td>0.84</td>
</tr>
</tbody>
</table>


Unfortunately, these national and regional level data do not permit a disaggregated analysis of poverty in upland areas. However, a large-scale survey conducted in 1983 indicated that the average per capita income of ethnic minorities was far below the poverty line (Aguettant, 1996, p. 52). Overall, while poverty decreased in Thailand through the mid-1990s, certain groups, particularly those who were the least educated, practicing farming or otherwise living in rural areas were likely to be poor. Ethnic minorities living in upland areas tend to have education levels far below those of the general Thai population. They also tend to be concentrated in the most remote rural areas where most are farmers; thus, they are most at risk of living in poverty.

Inequality has increased rapidly in Thailand since 1975. Gini coefficients increased from 35.7 in 1975 to 45.4 in 1992 (Ahuja et al., 1997, p. 38). World Bank researchers suggest that growing spatial disparity in economic prosperity and the increased differentiation in the returns to different education levels and across different occupations are the primary explanations for the sharp increase in inequality in Thailand between 1975 and 1992 (Ahuja et al., 1997, p. 41). The share of income of the top quintile of the Thai population compared to that of the bottom quintile is high and has risen over time. For instance, as shown in Table 2.13, in the North the top-to-bottom ratio was 9.2 in 1988, rising to 10.6 in 1992 (Krongkaew, 1996, p. 60). For the country as a whole, it increased from 11.8 in 1988 to 15.0 in 1992 (Krongkaew, 1996, p. 60).

**Table 2.13 Income Share by Quintile Group and Gini Ratios by Region, 1988 and 1992**

<table>
<thead>
<tr>
<th></th>
<th>North</th>
<th>Northeast</th>
<th>Central</th>
<th>South</th>
<th>Bangkok</th>
<th>Bangkok Vicinity</th>
<th>Whole Kingdom</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Top Quintile</td>
<td>51.54</td>
<td>50.63</td>
<td>48.90</td>
<td>52.23</td>
<td>45.59</td>
<td>43.63</td>
<td>54.16</td>
</tr>
<tr>
<td>Bottom Quintile</td>
<td>5.60</td>
<td>5.93</td>
<td>5.43</td>
<td>5.19</td>
<td>6.28</td>
<td>6.11</td>
<td>4.6</td>
</tr>
<tr>
<td>Top/Bottom Ratio</td>
<td>9.20</td>
<td>8.54</td>
<td>9.01</td>
<td>10.06</td>
<td>7.26</td>
<td>7.14</td>
<td>11.77</td>
</tr>
<tr>
<td>Gini Ratio</td>
<td>0.45</td>
<td>0.44</td>
<td>0.43</td>
<td>0.46</td>
<td>0.39</td>
<td>0.37</td>
<td>0.49</td>
</tr>
</tbody>
</table>
The Asian economic crisis has increased the level of poverty in Thailand, in part because of the lack of sufficient social safety nets. Since the start of the crisis, open unemployment has increased dramatically, reaching nearly 1.5 million persons in February 1998, it is expected to exceed six percent of the labor force by the end of 1999 (Marshall, 1999, p. 3). Construction and manufacturing sectors appear to have been the hardest hit. In the agricultural sector, some farmers may have benefited from higher crop prices, if demand for their products after the devaluation of the baht increased at a higher rate than the annual inflation rate. Nonetheless, poorer farmers who are landless or wage workers have suffered. Table 2.14 below provides a regional breakdown of unemployed persons in agriculture and industry between July 1997 and 15 January 1998. It also lists the number of jobless workers returning to rural areas after the economic downturn.

It is clear that the North and particularly the Northeast regions have borne the brunt of unemployment and urban-rural migration of jobless workers. At the same time, it should be noted that seasonal labor migration to urban areas provides some rural households with an invaluable social safety net within the private sector during times of national economic crisis.

### Table 2.14 Number of Persons Unemployed in Agricultural and Industrial Sectors and Jobless Workers Returning to Rural Areas by Region, from July 1997 to 15 January 1998

<table>
<thead>
<tr>
<th>Region</th>
<th>Unemployed in Agriculture</th>
<th>Unemployed in Industry</th>
<th>Jobless Workers Returning to Rural Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>North</td>
<td>238,103</td>
<td>43,852</td>
<td>47,075</td>
</tr>
<tr>
<td>Northeast</td>
<td>517,099</td>
<td>57,157</td>
<td>101,413</td>
</tr>
<tr>
<td>Central</td>
<td>33,221</td>
<td>41,598</td>
<td>25,493</td>
</tr>
<tr>
<td>South</td>
<td>25,090</td>
<td>12,273</td>
<td>14,283</td>
</tr>
<tr>
<td>Total</td>
<td>813,513</td>
<td>154,880</td>
<td>188,264</td>
</tr>
</tbody>
</table>


### 2.2 Policies on Poverty

Rural development policies and minimum wage standards may help reduce poverty. In addition, the GOT has developed a variety of programs aimed at least partially at improving the welfare of the poor or other socially disadvantaged groups. Because of the variety of targeted and non-targeted programs that might address poverty, only the major GOT programs which might be expected to benefit the poor are examined here, including cash transfers, in-kind transfers, and income-generation programs. Public spending on major targeted poverty programs totaled 8,879,100,000 baht (US$341,503,846) in 1995 (about 0.8 percent of government expenditure) and was budgeted to increase to 11,289,600,000 baht (US$434,215,385) in 1996 (about 1.4 percent of government expenditure) (World Bank, 1996c, p. 38). It is apparent that the GOT has devoted only a small budget to poverty alleviation programs and that the money being spent in the early and mid-1990s has had a limited impact on the lives of the poor. A US$300 million loan from the ADB expected to be approved in 1999 is aimed at promoting sustainable agricultural development and providing effective rural financial services. If approved, the programs supported by this loan should benefit the rural poor.

#### 2.2.1 Cash Transfers

Cash transfers to the poor include direct cash assistance to needy families in poverty and revolving village funds to provide emergency assistance to needy families. All of these cash transfer programs are administered by the Department of Public Welfare of the Ministry of Labor and Social Welfare. In 1994, 14.5 million baht (US$557,692) was provided to about 21,000 families (roughly 0.3 percent of Thai households) under the direct
generating projects (World Bank, 1996c, p. 40). Other programs include a monthly transfer of 200 baht (about US $7.70) to the elderly who lack other means of support (World Bank, 1996c, p. 37). While no studies or data concerning program beneficiaries are available to assess the efficacy of means testing for these programs, field assessments indicate that in general the targeting of transfers to the needy elderly and needy families is being carried out at the village level. But, across regions and provinces, targeting appears to be less efficient. For instance, in 1995, the Northeast had about 60 percent of the nation's poor, but accounted for 42 percent of the total cash transfers (World Bank, 1996c, p. 39). Conversely, the Central region, which had less than 10 percent of the poor received almost 25 percent of the total transfers (World Bank, 1996c, p. 40). The World Bank review suggests a further problem with rationing of limited funds in certain areas, which means that many of the poorest may not be reached by these programs. Finally, the small amount of resources transferred limits the effectiveness of these programs in reducing poverty. For instance, assistance actually received by poor families averaged less than 700 baht per month (US$27), a little over a quarter of the rural household poverty line in 1995 (World Bank, 1996c, p. 40).

Village welfare committees administer revolving village community funds of 12,500 baht (US$480) per year to be used in assisting poor residents (World Bank, 1996c, p. 40). Although the funds are intended to be used to help poor households in the village in case of emergencies, there is evidence that in relatively prosperous villages, the fund's resources are being used as seed money for income-generating projects (World Bank, 1996c, p. 40). In general, the World Bank review suggests that the village community funds are unlikely to be effective in reducing poverty in poorer villages where the need is greatest.

### 2.2.2 In-kind transfers

In-kind transfers are another kind of program that attempts to reduce poverty. They include health care subsidies and the school lunch program. Since 1975, the GOT has had a policy directed at subsidizing the health care of low-income families. The Ministry of Public Health currently provides free or subsidized health care to holders of the Low Income Card (who get free care), others who lack the Low Income Card but claim inability to pay, military veterans, monks, village leaders, children, the elderly, and civil servants who are entitled to this program as a fringe benefit. In 1995, the GOT expended 7.1 billion baht (US$273,076,923), or about 0.2 percent of GDP, on these health care programs (World Bank, 1996c, p. 42). Low Income Cardholders received 17 percent of these funds, while others claiming an inability to pay consumed 28 percent. Children, the elderly, civil servants, monks, the handicapped, and veterans received the remaining 55 percent of these funds. Income tests used to determine eligibility for Low Income Cards are set above the official poverty line, about 4.5 times higher for individuals and about 1.3 times higher for households (World Bank, 1996c, p. 42). This implies that considerable numbers of non-poor are eligible. In addition, a 1988 evaluation reported that significant proportions of eligible households are being left out; only 28 percent of households that met the income test actually received their card (World Bank, 1996c, p. 42). Moreover, the monetary value of benefits to users of the Low Income Card is very low in absolute terms, and only a relatively small proportion of poor households actually use their cards (World Bank, 1996c, p. 42).

In 1992, the GOT enacted a school lunch program to provide free school lunches to needy students in all primary schools providing compulsory education. In fiscal year 1996, budgeted funding for the program had reached 2.1 billion baht (US$80,769,230), about 0.26 percent of the projected government expenditure (World Bank, 1996c, p. 43). The scheme has attempted to cover as many students as possible by keeping the costs of meals low. Nonetheless, budgetary constraints mean that a free lunch cannot be granted to all eligible children. In fiscal 1995, the program provided free lunches to a little over 2.1 million children at primary and pre-primary levels, which was less than half of the number of students for whom requests were received from local administrative offices (World Bank, 1996c, p. 44). Problems with determining eligibility and inappropriate regional funding levels mean that some regions and provinces receive allocations that are far greater than their needs in terms of poverty incidence. Moreover, because of price inflation, it is doubtful that the current program can provide meals with adequate nutritional standards for even the poor students it does reach, given that the level of spending per meal was established in 1992.

### 2.2.3 Income generation programs

Income generation programs include the Poverty Alleviation Program and the Tambon Development Program. The Poverty Alleviation Program provides interest-free loans to assist the poor in investing in income-generating activities. Households with annual incomes below 5,000 baht (US$192) are eligible within the villages in which it operates (700 villages in 1995) (World Bank, 1996c, p. 45). The minimum loan amount is 5,000 baht (US$192); statistics on the average loan size are not available. In 1995, nearly 1 billion baht (US$38,461,538) from this fund had not yet been borrowed (World Bank, 1996c, p. 45). While the minimum threshold household income level is low enough that it would capture only the hard core poor, no information is available to assess the program's ability to cover all poor households in program villages (World Bank, 1996c, pp. 45-46). From the limited statistics available, the program had a positive impact in that the proportion of households that experienced a reduction in income between 1993 and 1995 was substantially lower among program participants than among households not assisted by the scheme. But, almost a third of participant households experienced income declines over the two-
year period, despite receiving the loan (World Bank, 1996c, p. 47). Thus the program had limited success in reducing poverty among assisted households.

The Tambon Development Program, administered by the Office of the Prime Minister, is the main public works program in Thailand at present. It replaced the Rural Job Creation Program, which existed from 1980 to 1992 and focused on rural employment generation during the slack agricultural season through the construction of infrastructure projects such as water supply and irrigation facilities and roads. The Tambon Development program aims to give each Tambon (sub-district) a one-time grant of 5 million baht (US$192,308) to be used for construction activities aimed at rural development (World Bank, 1996c, pp. 47-48). Of 8,000 public works projects conducted between 1992 and 1995, only 257 projects collected data that permit analysis of impacts, and only 104 of these used unskilled labor in construction. The following poverty impact analysis is restricted to these 104 projects. In general, these projects created about 300 person days of employment per project.

### Table 2.21 Tambon Development Program: Cost, Wage Levels, and Labor Intensity

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of projects</th>
<th>Person days of unskilled employ. created</th>
<th>Unskilled wage bill as ratio of total cost (%)</th>
<th>Cost per person day of unskilled employ. increased (baht)</th>
<th>Comparison of unskilled wage with minimum wage (%)</th>
<th>Comparison of unskilled wage with average wage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North</td>
<td>28</td>
<td>10,420</td>
<td>16.4%</td>
<td>676</td>
<td>0.0%</td>
<td>46.1%</td>
</tr>
<tr>
<td>Northeast</td>
<td>18</td>
<td>5,698</td>
<td>12.3%</td>
<td>893</td>
<td>-0.1%</td>
<td>31.6%</td>
</tr>
<tr>
<td>Central</td>
<td>28</td>
<td>7,967</td>
<td>11.9%</td>
<td>799</td>
<td>-0.3%</td>
<td>-6.9%</td>
</tr>
<tr>
<td>Bangkok MR</td>
<td>5</td>
<td>879</td>
<td>9.8%</td>
<td>1,425</td>
<td>8.4%</td>
<td>17.2%</td>
</tr>
<tr>
<td>South</td>
<td>25</td>
<td>6,158</td>
<td>11.5%</td>
<td>991</td>
<td>2.8%</td>
<td>-3.2%</td>
</tr>
<tr>
<td>Whole Kingdom</td>
<td>104</td>
<td>31,122</td>
<td>13.0%</td>
<td>831</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Source: Ministry of Interior (World Bank 1996c, 49).

Because the wage paid to unskilled workers under these projects was equal to or higher than the regionally differentiated minimum wage in all regions, their ability to target the poor for employment was low. The average cost to create a job under this program was over 675 baht (US$26), which is significantly higher than a recent survey of public works programs found in middle-income countries such as Chile and Costa Rica, which cost between $1 and $4 (World Bank, 1996c, p. 49).

Overall, the World Bank poverty alleviation program review in 1996 indicates that the level of spending by the GOT on these programs is small, and what money that is being spent has a limited impact on the lives of the poor. The effectiveness of these programs in reducing the incidence and severity of poverty is further limited because of poor targeting, and in some cases, a lack of targeting. Although available data do not permit an assessment of the effects of these programs on upland areas, it seems likely that because a large share of the ethnic minority population living in upland areas lacks citizenship rights, roughly 20 to 30 percent of ethnic minority persons and households would be ineligible for assistance offered through these programs.

It is recommended that the GOT’s poverty alleviation programs provide better emphasis on targeting the poor, most especially the poorest of the poor, even if this means including non-citizen residents. In keeping with the GOT’s policies on integrating ethnic minorities into development, steps should be taken to ensure that poor ethnic minority households are included among recipients of poverty alleviation funds. In addition, the GOT should emphasize better distribution of poverty alleviation funds, directing them at needy regions, provinces, and districts with the highest levels of poverty, rather than at areas with a lower incidence of poverty.

### 2.3 Social Safety Nets

Besides the poverty alleviation programs discussed in the preceding section, the GOT has made limited efforts to provide social safety nets to part of the population. The GOT has developed a pension scheme but only about ten percent of the labor force is covered, mainly government officials. The GOT’s Labor Protection Act adopted in January, 1998, which will come into force six months after its publication in the Royal Gazette, will provide higher severance pay for workers with longer periods of employment in the concerned enterprise (Regional Office for Asia and the Pacific, 1998, p. 57). In the short-term, though, this policy may encourage employers to terminate
long-term workers’ employment before the more costly provision comes into force. Over the long run, it may prove beneficial to workers who have worked in paid employment for longer periods of time. The new Labor Protection Act also establishes an Employees’ Welfare Fund to provide a guarantee for severance pay and to serve as a compulsory provident fund for employees in enterprises with ten or more employees who do not have provident funds of their own. However, the Act has not yet been implemented (Regional Office for Asia and the Pacific, 1998, p. 58). The unemployment insurance scheme provided for by the 1990 Social Security Act has not yet been introduced.

The GOT has extended coverage under its existing social security system to include workers leaving insured employment from six months to one year after leaving insured employment, but this functions primarily as a health insurance scheme, providing cash in the event of sickness and maternity benefits (Regional Office for Asia and the Pacific, 1998, p. 58). Because this program lacks a reliable system to verify that those who benefit are actually unemployed, some beneficiaries actually may be working, either in jobs not covered by social security legislation or for employers not complying with the legislation. It is recommended that the GOT consider expanding social safety net programs to include wage workers in various sectors.

3. Ethnic Minorities

3.1 Ethnic Minority Population

The Tribal Research Institute (TRI) of Thailand has identified nine main ethnic groups in Thailand: the Karen, Hmong, Lahu, Yao, Ahka, Htin, Khamu, and Lua. About ninety percent of the ethnic minority population is concentrated in the Upper Northern Region of Thailand, particularly in Chiang Mai, Chiang Rai, Tak, Nan, and Mae Hong Son provinces. A 1995 census conducted by the TRI counted 745,577 ethnic minority persons living in Thailand, distributed in 3,547 villages (Tribal Research Institute, 1996, p. 5). Table 3.11 displays the number of persons, households, and villages in each major ethnic minority group presently in Thailand.

Table 3.11 Summary of Tribal Population in Thailand, 1995

<table>
<thead>
<tr>
<th>Ethnic Groups</th>
<th>Karen</th>
<th>Hmong</th>
<th>Lahu</th>
<th>Lisu</th>
<th>Yao</th>
<th>Ahka</th>
<th>Lua</th>
<th>Htin</th>
<th>Khamu</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Villages</td>
<td>2,017</td>
<td>242</td>
<td>447</td>
<td>149</td>
<td>184</td>
<td>256</td>
<td>67</td>
<td>152</td>
<td>33</td>
<td>3,457</td>
</tr>
<tr>
<td>Households</td>
<td>70,046</td>
<td>14,430</td>
<td>15,025</td>
<td>5,403</td>
<td>5,737</td>
<td>8,484</td>
<td>3,308</td>
<td>6,940</td>
<td>1,934</td>
<td>131,307</td>
</tr>
<tr>
<td>Persons</td>
<td>353,110</td>
<td>111,677</td>
<td>82,158</td>
<td>31,463</td>
<td>41,697</td>
<td>49,903</td>
<td>17,346</td>
<td>48,025</td>
<td>10,198</td>
<td>745,577</td>
</tr>
<tr>
<td>Percentage</td>
<td>47.36</td>
<td>14.98</td>
<td>11.02</td>
<td>4.22</td>
<td>5.59</td>
<td>6.69</td>
<td>2.33</td>
<td>6.44</td>
<td>1.37</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Tribal Research Institute, 1996, p. 5.

Based on the TRI figure, in 1995 ethnic minorities comprised approximately 1.2 percent of the national population. However, an unpublished survey by the Registration Office of the Ministry of Interior from the same date reported 813,024 individuals (Aguettant, 1996, p. 50). It is likely that both of these figures underestimate the actual population in 1999 due to the rapid natural increase among many ethnic minority groups living in Thailand, possible illegal immigration of ethnic minorities from neighboring countries, and the difficulty in identifying and tabulating those ethnic minorities who have migrated to cities.

In Chiang Rai province, where the Mae Kok catchment is located, all of the ethnic minority tribes with the exception of the Htin are represented. Table 3.12 lists the total individuals, household, and villages of the eight ethnic minority groups in Chiang Rai.

Table 3.12 Summary of Tribal Population in Chiang Rai Province, 1995
3.2 Main Policies Directed at Ethnic Minorities

3.2.1 Citizenship

The 1965 Nationality Act granted Thai citizenship to people belonging to ethnic minority groups who were born in the kingdom providing both of their parents were Thai nationals (Aguettant, 1996, p. 61). These limits on citizenship qualifications slowed or impeded citizenship approval for many ethnic minority persons. In 1976 a Cabinet memorandum called for the acceleration of the registration of ethnic minorities who had entered Thailand prior to 1975, with the ultimate aim of enabling them to become citizens. The distinction between refugees or those who entered Thailand after 1975 and who are thus not entitled to citizenship remains in effect (Aguettant, 1996, p. 61). Household registration and achieving recognition as Thai citizens have been and remain a key priorities for ethnic minority people in Thailand because such legal recognition provides them with access to land rights, education (particularly at secondary levels and above), and certain professions open only to Thai nationals.

Citizenship and identity cards will also enable ethnic minority persons to travel more freely as they will then no longer be subject to being stopped and fined at police check points for lacking proper identification. According to data from 1985 to 1988, about 65.2 percent of the people belonging to Northern ethnic minority groups were reported to have acquired Thai citizenship and another 13 percent were then in the process of acquiring it (Aguettant, 1996, p. 62). The rest were thought to lack sufficient qualifications or legal evidence to prove that they met eligibility requirements. A 1995 survey indicates that efforts by the GOT and various development agencies to provide ethnic minorities with citizenship are well underway. But, the influx of ethnic minority and other immigrants from neighboring countries has caused officials to be more restrictive in granting citizenship. Even ethnic minority persons with legitimate claims reportedly face a long and tedious application process to obtain citizenship. Because citizenship is a key part of the process of social integration of ethnic minorities, the GOT should therefore continue to prioritize granting citizenship to ethnic minorities and should consider relaxing the date of arrival criterion.

3.2.2 Development

Prior to 1959, the Thai government had what may be characterized as a 'laissez faire' approach towards ethnic minority groups, giving them autonomy to administer their own affairs as long as they did not cause trouble for Thai rulers. In 1959, the GOT established the Hilltribe Welfare Committee and empowered the Department of Public Welfare to set up four self-help projects in Northern Thailand, although later evaluations indicated that these projects were not particularly successful (Bhruksasri, 1989, p. 14). By 1969, a policy know as the 'Short- and Long-term Policy' emerged to actively promote ethnic minorities' allegiance to the Thai state in the short-term, and, in the long-term, to provide development and welfare services to ethnic minorities to stabilize their settlements, discourage opium poppy production, encourage crop replacement, and limit deforestation (Bhruksasri, 1989, pp. 15-16).

In 1976, the GOT added a general policy focused on integrating ethnic minorities into Thai society by giving them citizenship while respecting their rights to practice their own religions and maintain their cultures (Bhruksasri, 1989, p. 18). This policy also attempted to reduce the population growth rates among ethnic minorities. In addition, it launched various development projects. Only in the 1980s did a highly successful combination of crop replacement and suppression strategies really take effect (TA-HASD, 1993, p. ix). Production of opium in Thailand has significantly declined since that time, but opium consumption remains relatively high among some groups, relying mainly on opium supplies imported from Burma and Laos (TA-HASD, 1993, p. ix). The failure of suppression campaigns to provide for the detoxification of opium addicts had the unfortunate effects of causing some addicts to switch to purchased heroin and some addicted households to begin selling female household members into prostitution. These, in turn, have hastened the transmission of the AIDS virus in some highland communities.

By the late 1980s, the GOT's ethnic minority policy retained the features of the earlier policies but broadened its scope to begin addressing problems resulting from the destruction of forests and watersheds (TA-HASD, 1993, p. 19). Since 1989, the specific objectives of the Hilltribe Welfare Division have focused on three key areas:

<table>
<thead>
<tr>
<th>Tribe</th>
<th>Karen</th>
<th>Hmong</th>
<th>Lahu</th>
<th>Lisu</th>
<th>Yao</th>
<th>Ahka</th>
<th>Lua</th>
<th>Htin</th>
<th>Khamu</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Villages</td>
<td>41</td>
<td>44</td>
<td>217</td>
<td>45</td>
<td>59</td>
<td>219</td>
<td>11</td>
<td>--</td>
<td>6</td>
<td>642</td>
</tr>
<tr>
<td>Households</td>
<td>1,344</td>
<td>3,110</td>
<td>6,307</td>
<td>1,435</td>
<td>1,855</td>
<td>7,268</td>
<td>418</td>
<td>--</td>
<td>286</td>
<td>22,023</td>
</tr>
<tr>
<td>Persons</td>
<td>6,238</td>
<td>22,014</td>
<td>34,289</td>
<td>8,383</td>
<td>13,889</td>
<td>43,109</td>
<td>2,284</td>
<td>--</td>
<td>2,064</td>
<td>132,360</td>
</tr>
</tbody>
</table>

1. Political and Administrative

- Provide village stability and sedentary land-use in accordance with the law.
- Encourage Hilltribe people to become a part of Thai society.
- Discourage illegal Hilltribe migration from neighboring countries.

2. Economic and Social Development

- Provide equal access to government services.
- Improve living conditions and standards and promote self-reliance in Hilltribe people.
- Provide job and occupational alternatives through skills training and capacity development.
- Eradicate opium production and reduce the number of addicts.

3. Natural Resources Management and Conservation

- Enhance permanent settlement in accordance with natural resource conservation.
- Introduce appropriate conservation farming practices.
- Maintain the balance of nature and the environment.

The GOT has established programs to change patterns of swidden and shifting agricultural production to permanent agriculture. Since the late 1980s, the GOT has reclassified most of the remote areas of Northern Thailand as different classes of watersheds. As a result of this classification scheme, sixty percent of ethnic minority villages are now located where no crop production is allowed, and another eighteen percent are in areas where cultivation is limited to certain practices, making the survival of households and communities under the law all the more precarious (Aguettant, 1996, p. 59). In some cases, communal efforts by ethnic minorities to protect and manage watershed forests while remaining on their land have been successful (Ganjanapan, 1996, pp. 212-213). Ganjanapan (1996, p. 206) argues that the GOT has applied its policies regarding forest and watershed management selectively, restricting ethnic minority farming practices, while allowing Thai lowland farmers and capitalists to utilize upland areas almost freely in the name of 'national development.' This bias is apparent in forest land allocation programs that grant land use rights certificates to individual Thai citizens occupying national forest reserve land in certain areas but do not stop them from selling their rights and clearing more forest land, and in recent revisions to Forest Programs that focus on the development of leasehold farming and industrial forestry as a part of forest development and protection.

More recent social development programs in upland areas have sought to upgrade living conditions and deliver access to basic social services in ethnic minority communities. While systematic evaluations of such programs in ethnic minority communities are not available, it is apparent that government-provided facilities such as water systems, health centers, and schools have increased but still are not universally available (TA-HASD, 1993). Many ethnic minority villages, particularly those that have not yet gained official recognition appear to receive fewer government services than do poorer lowland villages. In 1991, only 42 percent of ethnic minority villages had been given official status by the GOT (Aguettant, 1996, p. 58). Aguettant argues that registration is the only way for villages to gain recognition and eventually be included in Thailand's development process. Because communal organization plays an important role in improving sustainable highland development, registered villages have more opportunities for development, while non-registered villages remain under-developed as they receive only limited assistance from the Hilltribe Welfare Division and apparently lack assistance from other ministries or programs (Aguettant, 1996, pp. 58-59). The registration of ethnic minority villages should help improve community access to basic social services. As yet, the GOT has not enacted affirmative action policies that would benefit ethnic minorities. To encourage the full integration of ethnic minorities in development, the GOT might consider implementing policies to facilitate the education of ethnic minorities at secondary and tertiary levels, as well as the hiring of ethnic minorities to fill various government posts, including school teachers, health officials, and community development advisers.

3.2.3 Settlement and Resettlement

Recent GOT efforts have helped lead to the permanent settlement of ethnic minorities in highland and middle-slope permanent settlements. Aguettant (1996, p. 56) argues that the national policy for social integration of the ethnic minority population is the main factor contributing to the permanent settlement of ethnic minorities in highland or middle-slope settlements, although the limited supply of land available to designate as forest reserves may also play a role. By 1987, more than 83 percent of the ethnic minority population had reported that they had not moved in the previous five years (Aguettant, 1996, p. 56). Settlement into permanent communities may make the provision of social services such as water, primary health care, and primary education easier, although the added agricultural inputs needed to maintain continuous agricultural production in a fixed area have led to some negative environmental consequences such as contamination of waterways with pesticides.

With the reclassification of remote areas into watershed classifications, the long-term status of ethnic minority
communities located in those areas is unclear. In the 1990s, some ethnic minority communities were resettled away from newly classified conservation areas in national parks and watershed areas. Resettlement efforts have been hindered by a limited supply of lowland land. Also, the strong NGO movement in Thailand has prevented the Royal Forestry Department (RFD) from implementing resettlement of communities from most class 1 watersheds. Resettlement appears to have a range of negative economic and social impacts on community members, which economic relief and social programs have not been sufficient to fully address. For instance, in 1994 167 Lao, Lahu, and Lisu were relocated from Doi Luang National Park to a degraded national forest reserve in Wang Nua district, Lampang, where each family was given about 1.6 hectares of land for cultivation. Land quality was poor, and previous lowland Thai settlers claimed that the land was theirs' and have sought compensation from the ethnic minority people (Thai Development Newsletter, 1994, p. 8). In this case, after the move, the newly settled villagers who could not afford cement water jars for clean water storage were forced to rely on unsanitary sources of drinking water.

3.2.4 Health

The Department of Public Health has made efforts to deliver basic health care services to ethnic minority communities through mobile health teams and by providing basic training to village health workers. But, despite these efforts, health coverage remains weak in the more remote areas. A recent survey showed that in ethnic minority communities, about half of children from age one to five were underweight, and only a small proportion of children had received immunization (Aguettant, 1996, p. 52). Although recent GOT policies for the development of ethnic minorities have aimed at improving their living conditions within a framework of environmental conservation and regeneration, the majority of ethnic minority persons in Thailand still live in substandard conditions, with incomes below the poverty line. Over 50 percent of the ethnic minority population is not self-sufficient for rice throughout the year. Villagers in ethnic minority communities commonly lack clean water supplies and latrines.

The Eighth National Economic and Social Development Plan (1997-2001) identifies ethnic minorities as a target group for reduction in fertility and promotion of reproductive health. In 1990, about 39 percent of currently married ethnic minority women aged 15 to 44 used contraception, while the rate for currently married Thai women aged 15 to 49 was about 74 percent (GOT National Statistical Office, 1997, pp. 21, 31). Between 1985 and 1989, the total fertility rates of ethnic minority groups ranged from about 2.8 and 6.4 children per woman, averaging about 3.0 births per woman, compared to a national average of 2.2 births, and about 1.95 births for Northern Thai women (GOT National Statistical Office, 1996, p. 19). It is recommended that the GOT improve access to and quality of health and family planning services for ethnic minority communities. Improvements could be in the form of better clinics in village areas or better access to medical services in the lowlands.

3.2.5 Education

Past Ethnic Minority Education Policies in the Lowlands. In the past, Thailand’s education policy vis-à-vis minorities centered on Chinese schools. For instance, Prime Minister Phibun virtually eradicated the Chinese system of schooling in 1938 and then again attacked the renewed and reinvigorated network of Chinese schools in 1948, reducing the total number of schools in the country and asserting Thai government control over school heads and teachers (especially in terms of their political leanings) (Skinner, 1957). At that time, the government "Thai-ified" curricula and administration of Chinese schools and decreased the number of hours that could be devoted to Chinese. Between 1950 and 1954, more Chinese schools died out for financial reasons than were ordered closed by the government (Skinner, 1957, p. 370). The GOT’s policy has been somewhat mixed, though, because in 1955 the Thai Ministry of Education finally permitted the Chinese Chamber of Commerce to operate a Chinese secondary school (Skinner, 1957, p. 372). In more recent decades, the GOT has discouraged overseas support for Muslim schools.

Present Ethnic Minority Education Situation in the Uplands. While about half of the ethnic minority villages have at least one primary school and attempts have been made to introduce both formal and informal education, the literacy rate among the ethnic minority population remains low—about 12 percent, compared to a national literacy rate of about 94 percent (Asian Development Bank, 1998, p. 11). Most secondary students and some primary students must attend boarding schools because the remoteness of their villages makes it impossible for them to commute to and from school each day. This is an additional stress both on the children themselves and on their families that must pay for room and board. The GOT should consider providing secondary schools in upland areas. An additional concern is that education in Thai schools is conducted in Central Thai, possibly to the detriment of children's initial learning progress and disruptive to the maintenance of cultural and community cohesion. It is suggested that the GOT consider promoting the use of local ethnic minority languages in schools, particularly in lower primary levels.
4. Education

4.1 Education Indicators and Policies

In the 1970s and 1980s, Thailand made in-roads in education, although some gender and access disparities remain. In 1995, public expenditure on education was 4.2 percent of the country's GNP. Thailand has relied on a mix of public and private sector schools at all levels. In 1993, private education accounted for about 15 percent of primary, 14 percent of secondary, and 14 percent of higher education enrollments (World Bank, 1996a, p. 3). At that time, the Ministry of Education subsidized between 40 and 60 percent of the cost per student at some private schools that required financial assistance (World Bank, 1996a, p. 3). The GOT has provided nearly universal access to primary education and has achieved high rates of completion. Gross primary school enrollment as a proportion of school age children has increased for both males and females, to about 94 percent in the period 1990 to 1996 (Asian Development Bank, 1998, p.11).

However, children from families lacking household registration certificates may not be able to travel unimpeded to attend schools, and children whose parents lack citizenship including some ethnic minority persons are not eligible for enrollment.

Thailand has established effective non-formal programs to increase adult literacy. The adult literacy rate for females increased from 70 percent in 1975 to 92 percent in the period of 1990 to 1996, and for males from 87 percent in 1975 to 96 percent in 1990 to 1996 (ADB, 1998, p. 11). Despite these general educational gains, opportunities at lower and upper secondary levels have expanded more slowly in Thailand than in some of its Southeast Asian neighbors. The gross secondary school enrollment ratio for females increased from 22 in 1975 to 37 in 1996, while the ratio for boys increased from 28 in 1975 to 38 in 1996 (ADB, 1998, p. 12). While about 80 percent of the Thai labor force have completed the primary level of education, less than 40 percent have completed secondary school (World Bank, 1998).

Regional and socioeconomic disparities in the access to secondary education exist as well. For instance, in the Bangkok metropolitan region, the transition rate from primary to secondary school was nearly 99 percent, while the rate for Thailand as a whole was only 37 percent (World Bank, 1996a, p. 7). In 1985, only 15 percent of children of farmers were likely to be enrolled in secondary schools, while 96 percent of the secondary-school aged children of professionals were enrolled (World Bank, 1996a, p. 7). The direct costs to households of a child's attending secondary school are high and impose a disproportionate burden on the poor relative to their incomes (Myers and Sussangkarn, 1991, p. 37).

In addition, opportunity costs in rural areas, particularly where the rural fertility decline has been most pronounced, such as the Northern region, are also much higher at the secondary level. A recent study by Williams, Archavanitkul, and Havanon (1997) indicates that high numbers of siblings, poverty, and parents' need for agricultural labor continue to keep many rural children from going beyond primary school. Traditional expectations regarding the gendered division of labor and the expectation of future help mean that parents continue to keep higher proportions of girls than boys out of secondary school, especially where the distance between home and school is considerable. While these studies did not include specific information on ethnic minority populations, it seems likely that the secondary school opportunities of ethnic minorities would be even more limited because they tend to be much poorer and more remote and to have more children than their rural Thai counterparts.

Vocational and technical education is an important component of Thailand's educational system. It is delivered through both public and private vocational colleges and serves as many lower secondary graduates as do public and private general secondary schools. A recent World Bank report notes that internal efficiency, completion rates, and placement rates of vocational secondary schools are high (World Bank, 1996b, p. 10).

In the 1990s, the GOT began addressing the issues of access to and quality of secondary and higher education. For instance, it introduced subsidies to reduce the direct costs of schooling; these subsidies cover textbooks, school uniforms, and dormitory residence. It has attempted to establish over 700 schools in economically disadvantaged provinces and selected rural areas to try to encourage rural children to remain in school (World Bank, 1996b, p. 33). The GOT also has introduced a 10 billion baht (US$384,615,384) loan program for lower income families with a low rate of interest (World Bank, 1996b, p. 8). In order to try to maintain educational quality while expanding secondary enrollments, the curricula and training at teacher's colleges have been upgraded (World Bank, 1996b, p. 10). In November, 1997 a provision was added to the new constitution mandating that the Thai government provide twelve years of basic education for all children. Ultimately, expanding mandatory education through upper secondary level will help make Thailand more competitive in middle-skill level production. At present, Thai children are required to complete only the mandatory six years of primary education.

At the tertiary level, enrollment in public and private vocational schools has increased from 619,484 persons in 1992 to 773,803 in 1994 (GOT National Statistical Office, 1997, p. 66). The Ministry of University Affairs oversees
public and private universities and colleges. University enrollments and the number of university graduates have increased, although entrance to conventional public universities remains tightly controlled (World Bank, 1996, p. 2). Open universities such as Ramkhamhaeng and Sukhothai Thammathirat Universities, which use modern technology to broadcast lectures to a wider audience, have helped accommodate high growth in tertiary enrollment. Open universities enrolled about 495,000 students in 1993, about 76 percent of total tertiary enrollment (GOT Ministry of University Affairs, 1995, p. 9). The GOT has mandated that public Thai universities should be independent of state control by the year 2000 and has set up an endowment fund to help universities be run as independent organizations (Ganjanapan, 1999). This policy will liberalize universities by bringing them into a transitional state between state and private organizations. Additionally, it may help make the salary levels of professors more competitive so that universities will be able to attract and retain high quality teaching and research staff. An ADB project expected to be approved in 1999 will provide a US$30 million loan to support education policy reforms and strengthen the links between industry and postgraduate educational and research programs in science and technology.

4.2 Education Finance

Public education in Thailand is supported almost entirely by the central government. Fees are levied at secondary and tertiary levels but cover only a small proportion of the educational costs. Figure 4.21 below displays the level of public expenditure by level of education in 1993.

Figure 4.21 Public Expenditure by Level of Education, 1993

These proportions are consistent with averages for other Asian countries (World Bank, 1996a, p. 4). The Ministry of Education's budget increased more than threefold between 1987 and 1995 (Thai Higher Education, 1995, p. 95). However, between fiscal years 1998 and 1999, the Ministry's budget decreased slightly, probably as a result of the economic crisis (GOT Ministry of Education, 1998).

With the recent financial crisis, there is also some indication that children and youth have been transferring from private to public schools, placing additional financial pressure on the government and spreading limited public resources even more thinly among a larger student population. Moreover, the economic crisis has slowed down educational quality improvement and expansion programs (World Bank, 1999a). School enrollment and attendance have decreased as family safety nets and reserves are exhausted and as children are needed to supplement household income generation activities (World Bank, 1999a). More than 400,000 children had dropped out of school during the academic year 1997 to 1998 (Chupaka, 1998). However, the GOT, in conjunction with international funding agencies, has made efforts to fund school drop outs and students from families that could not otherwise afford to pay school fees. In addition, the student loan fund has been increased from US$220 million to US$400 million and an additional 200,000 grant scholarships are being made available (World Bank, 1999b, p. 11). Public schools are allowing students to continue studying without paying fees. Ministry of Education data suggest that the proportion of primary school students not paying fees but continuing school has increased from about ten percent of enrollments last year to more than 40 percent in 1999 (World Bank, 1999b, p. 11).

Until Thailand can ensure universal secondary schooling, it is recommended that the GOT provide directed scholarships for the rural poor, including ethnic minority children, to enable them to attend secondary school. Insofar as is possible, funding should include food, transportation, and housing subsidies for the poorest of poor so that they can take advantage of the opportunity to complete secondary schooling.

5. Health
5.1 Health Indicators and Policies

Over the past two decades, Thailand has made tremendous progress in the health sector. As of 1998, Thailand had achieved many of its mid-decade goals for providing clean water supplies, sanitation, and primary health care, and was well on its way for attaining goals set for the year 2000. By 1995, 81 percent of the population had access to safe drinking water, and 70 percent had access to sanitation (World Bank, 1999a). Life expectancy had increased from 58 years in 1970 to 69 years (McDevitt, 1999). The country's infant mortality rate had decreased from 65 in 1975 to 35 by 1995 (ADB, 1998, p. 5). In addition, it improved immunization rates by a factor of six between 1985 and 1994, and more than doubled the number of physicians per 1000 people between 1975 and 1995 (ADB, 1998, 13). However, some health problems remain, including an increase in HIV/AIDS infections (see section 5.11 below). For example, a 1998 Public Health Ministry survey revealed that 30 percent of Thailand's primary school students suffer from malnutrition, because of the cumulative impact of diminishing household purchasing power, low education, and the deteriorating economic and social infrastructure (Rojanaphruk, 1999). A 1998 survey of Thai women in remote areas of Chiang Rai and Khon Kaen provinces indicates that protein-energy malnutrition among children under five remains a concern for people in remote areas, where rates range between 15 and 19 percent, somewhat higher than the national average of ten percent in 1997 (Sirirassamee and Isarabhakdi, 1999). In addition, while Thailand as a whole has reduced the incidence of low-birth weight babies, in Northern Thailand, rates can reach as high as 20 percent in some communities (Sirirassamee and Isarabhakdi, 1999).

The level of health gains has varied by region. Some 40 percent of the Thai population do not have access to adequate health care, and the access is most limited in rural areas (World Bank, 1998). For instance, infant mortality rates in the North, Northeast, and South are twice the rate of Bangkok. Outside of Bangkok, there is only one physician per 7,300 people, while inside Bangkok, there is one physician per 938 people (World Bank, 1998). In remote areas such as upland villages with ethnic minority populations, the quality of medical care is low; only basic health services such as aspirin and other simple drugs are readily available through local primary health care workers.

5.1.1 Family Planning

Thailand’s population growth rate has dropped dramatically from 2.9 percent in 1970-1975 to 1.5 percent in 1980-1985 to 0.7 percent from 1995-2000 (World Bank, 1997, p. 36). Thailand is one of the first developing countries in the world to dramatically reduce its population growth rate, disproving the theory that a significant lag time exists between increases in standards of living and subsequent declines in fertility. Since 1970, the National Family Planning Program has implemented family planning action programs within Ministry of Public Health Programs. Population policies have encouraged the use of contraception, made contraception more accessible to the general population, and integrated family planning activities within overall maternal and child-health services. More recently, health policies have begun targeting women living in rural and remote areas. Contraceptive prevalence among the general Thai population increased from 14.4 percent in 1970 to 68 percent in 1987 (ESCAP, 1993, p. 22), although, as discussed in section 3 above, it remains significantly lower for all major ethnic minority populations except the Khamu (GOT National Statistical Office, 1992, p. 31). For instance, the Karen, the largest ethnic minority population in Thailand, had a contraceptive prevalence rate of 26.2 in 1985 to 1987 (GOT National Statistical Office, 1992, p. 31).

The country as a whole has passed through its fertility transition, lowering its total fertility rate from about 5.6 in 1970 to 1.8 in 1998. However, fertility among ethnic minority women is still higher than that of the Thai population as a whole. For example, the Karen had a total fertility rate ranging between 5.0 and 5.4 in 1986-87, compared to an estimated 2.9 for rural Thai women (Soottipong et al, 1998, p. 1). A 1998 survey of Thai women in remote areas of Chiang Rai and Khon Kaen provinces indicates that women in these areas have ready access to either public or private family planning providers, maternal care services, and immunization for their children (Siriassamee and Isarabhakdi, 1999). However, this study did not include ethnic minority women in its sample population. It is likely that access to health and delivery care and family planning providers is more limited due to the remoteness of ethnic minority villages, the relatively higher incidence of poverty there, and the lack of citizenship or household registration which may impede some people’s transportation to health care facilities outside of the village.

5.1.2 HIV/AIDS

Another major issue in Thailand is HIV/AIDS. In 1994, the estimated national level of HIV-1 seroprevalence was 2.1 per 100 adults (World Bank, 1997, p. 84). Infection rates are particularly high in the upper Northern region. Army recruits and married women infected by their husbands are two newer vulnerable groups. Recent government-sponsored campaigns promoting condom use among sex workers and school education programs on AIDS have led to a decrease in rates of HIV infection in the general populace. Nonetheless, among certain groups such as intravenous drug users and female commercial sex workers, HIV infections are still very high, ranging from 20 to 40 percent in these populations (Phoolcharoen, 1998, p. 1874). Rates of infection for
HIV/AIDS are very high among drug users and prostitutes in ethnic minority populations as well (TA-HASD, 1993, pp. 24-26). In the country as a whole, although the rate of infection appears to have declined somewhat since about 1995, the number of AIDS-related deaths is expected to increase rapidly to about 70,000 cases per year by the year 2000 and then decline after that. By the year 2000, the estimated cumulative number of children under age 15 who will have been orphaned by AIDS fatalities will be about 95,000 (Phoolcharoen, 1998, p. 1874). HIV/AIDS is a health burden with high social and human costs that will continue to increase. Its impacts on the health care system, households, communities, and the economy, especially in the Northern region, will be profound. Ethnic minority communities, especially those with large numbers of sex workers and intravenous drug users, have not escaped this social and health problem.

5.2 Health Care Funding

Health care in Thailand is funded mainly through four types of programs, including voluntary health insurance covering about 2.2 to 3.6 million people, mandatory programs like Workman's Compensation and Social Security programs covering firms with ten or more employees, social welfare programs assisting lower-income families, the elderly, and other vulnerable groups, and fringe benefits provided by large private firms, government agencies and state enterprises (World Bank, 1999a). However, these programs do not provide uniform coverage. Thus, some people are covered by more than one program, while an estimated 23 million people or about 38 percent of the 1997 population are not covered by any financing scheme and must pay for health care out of pocket (World Bank, 1997). National hospitals and clinics provide free or low cost services to poor and lower income segments of Thai society. Several problems with the disbursement of public health care funds were discussed in section 2, above.

Prior to 1997, the GOT had met with some success in improving basic health care access for the poor and reallocating some resources towards meeting goals of health and welfare provision in rural areas. But, the economic crisis has negatively impacted the health sector. Although the GOT increased its health and welfare budget by ten percent in 1998, this still represents a decrease in real health expenditures. Moreover, in the 1998 health budget, specific programs were cut. For example, the fiscal year 1998 budget for AIDS programs was cut to US$26 million, down from US$50 million in 1997, which may have limited surveillance, preventative, and care provision programs (Phoolcharoen, 1998, p. 1874). Since the 1997 crisis, there is some indication that Thais are switching from private facilities to public ones because public facilities are subsidized. On the one hand, this causes the health care costs born by private households to decline. But, as more people switch to public health care facilities, additional pressure is placed on already limited staff and resources at public facilities.

There is also some indication that the health of poor people and people living in remote areas may be negatively impacted by the economic crisis in other ways. The crisis has resulted in increased costs for basic food, fuel, and transportation, which hit the poor especially hard because they spend a proportionately larger share of their incomes on food and transportation than higher income households. Poor families may reduce food expenditures, thus poor people's nutritional intake and health status will fall. Children are particularly vulnerable to the negative effects of poor nutrition, which may reduce their concentration and learning abilities, possibly having negative impacts on their future earnings potential. A 1999 survey of children's nutritional health status in remote areas of Chiang Rai and Khon Kaen provinces indicates that some 10 to 15 percent of primary school children were malnourished (Sirilassamee and Isarabhakdi, 1998, p. 16). Although district education offices provide some support for school lunch programs, budgets are exceedingly limited, hence district officers have been unable to provide all needy children with lunches on a daily basis. To keep within tightened family budgets stemming from general economic conditions and possibly from having to support more under- or unemployed workers, the poor are likely to reduce their expenditures on health-related expenses, whether they are provided by the private sector or the public sector with low or no user fees (World Bank, 1999a). Those living farthest from health care facilities including Thais living in remote rural areas and most ethnic minority communities incur the highest transportation costs to reach health care facilities. Such persons may therefore be more likely to reduce health care spending. It is recommended that the GOT expand its efforts in improving health, family planning, and AIDS prevention and support programs, especially in poor, remote, and ethnic minority communities.

6. Migration and Resettlement

For most of this century, Thailand has pursued a general policy of bringing more forest and swamp lands under cultivation. The policy contributed to the development of a large rural population and a strong agricultural sector. But, policy-induced settlement of previously unoccupied land has caused much of the environmental destruction and deforestation in Thailand. Only recently has the GOT developed policies directed at protecting watersheds and certain classes of forest lands, and in certain cases, shifting settlements from forest reserves to lowland areas. As discussed in section 3, resettlement policies directed at ethnic minority populations have had mixed consequences including the impeded access to livelihood resources and water supplies for some minority groups and the opening up of lands previously farmed by ethnic minorities to other private economic interests for
exploitation. Given the limited supply of land for resettlement, in the future, the GOT should concentrate its efforts not on resettlement, but on improving the sustainable management of natural resources while ensuring the continued economic livelihoods of ethnic minority households and communities in their existing communities.

In the past two decades, Thailand has experienced extensive flows of in-migrants, including large numbers of illegal foreign workers largely from Burma, Laos, and China (Chantavanich and Risser, 1996). Thailand had an estimated stock of 590,000 illegal in-migrants in 1994 (Martin, 1996, p. 7). The country established programs to temporarily accept these workers as long as they were working in certain, officially designated occupations and their employers registered them. Despite the registration program, large numbers of illegal foreign workers in Thailand retained their illegal status because of high registration fees and other limitations in the program. To some extent, the GOT has waffled in its plans to repatriate these workers, especially after the 1997 economic crisis when the GOT could little afford the expense of mass repatriation. In the end, the GOT has at least temporarily accepted the continued short-term presence of illegal workers in Thailand. The available figures unfortunately do not permit an analysis of the proportion of ethnic minorities in the flow of illegal immigrants, although certainly at least some portion of this flow appears to consist of ethnic minorities from Burma who are fleeing political persecution, war, and economic constraints. Some ethnic minority refugees are kept in refugee camps on Thai soil, while many others have already been repatriated (Bangkok Post, 1991).

7. Environment

7.1 Historical perspective of major Thai Environmental legislation

The GOT has long had an administrative capacity for managing the country's environment. While a variety of environmental issues exist in Thailand, the focus here is on the interrelated issues of forestry management, land use and land law, and watershed management, which are particularly pertinent to upland watershed areas. Table 7.11 below describes the bases for current forestry legislation in Thailand.

<table>
<thead>
<tr>
<th>Year</th>
<th>Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>Wildlife Reservation and Protection Act, amended 1992</td>
</tr>
<tr>
<td>1961</td>
<td>National Parks Act</td>
</tr>
<tr>
<td>1964</td>
<td>National Forest Reserves Act, aimed at slowing down deforestation by including forests into National Forest Reserves</td>
</tr>
<tr>
<td>1985</td>
<td>National Forest Policy</td>
</tr>
<tr>
<td>1987</td>
<td>Community Forestry Development Project</td>
</tr>
<tr>
<td>1989</td>
<td>Ban on Logging</td>
</tr>
<tr>
<td>1991</td>
<td>'Khor Jor Khor' Program to forcibly relocate poor people living in degraded reserve areas and provide them with land, discontinued in 1992</td>
</tr>
<tr>
<td>1992</td>
<td>Enhancement and Conservation of National Environmental Quality Act</td>
</tr>
<tr>
<td>1992</td>
<td>Office of Forestry Extension established to promote community forestry, forest plantations, and agro-forestry activities</td>
</tr>
<tr>
<td>1993</td>
<td>Watershed Act</td>
</tr>
</tbody>
</table>


7.2 Forestry policies

The RFD has been managing Thailand's forests since 1896. Nevertheless, deforestation in Thailand has progressed rapidly, at a faster rate than in any other country in Southeast Asia. Table 7.21 below summarizes the increases in protected areas and the decreases in forest cover in Thailand between 1966 and 1996 during each five-year National Economic and Social Development Plan (NESDP).
In the twenty year period, 1973 to 1993, the Northern region lost more forest area than any region of the country (approximately 36,000 square kilometers), but the Northeast region experienced the greatest percentage deforestation, losing 60 percent of its forest area (28,872 square kilometers) (Cropper et al, 1996, p. 17). The reasons for this deforestation are several. The early, primary cause was policies such as the 1954 Land Code, which encouraged the clearing and occupation of forest land by establishing legal systems for land titling. The other major cause of deforestation has been commercial and private logging. Shifting cultivation among some ethnic minority populations, and the conversion of forest land to agricultural and other uses including golf course and resorts by lowland Thais have likewise contributed to deforestation (Cleary and Eaton, 1996, p. 110). Business interests have started commercial plantations on forest lands, which have serious implications for the sustainability of biodiversity on forest lands. The construction and improvement of roads also appear to increase deforestation, both because of damage during the building phase, and later because roads facilitate the removal of legally or illegally logged timber and other forest products. In addition, good roads have encouraged the rapid urbanization of certain highland areas, leading to adverse effects on watersheds and the environment (NREP, 1994, p. xxxiii).

More recent policies of the RFD include the 1964 National Forest Reserves Act, which sought to ensure that at least 50 percent of the country be covered by forests and increased the penalties for improper use of reserved and protected areas (Vandergeest, 1996, p. 166). To meet these goals, the RFD increased its efforts to demarcate large land areas as forest reserves, in the process, enclosing many cultivated areas within the reserves, especially the swidden fields of unregistered ethnic minority peoples in the uplands. By the 1980s, 20 to 30 percent of all cultivators in Thailand worked land that had been mapped as reserve forest, and approximately one-third of all farmland in Thailand was inside forest reserves (Vandergeest, 1996, p. 197). For that reason, this act was not particularly successful in protecting forest reserves. Moreover, it marked the beginning of on-going difficulties between ethnic minority communities, development agencies, and environmental and forest conservation agencies in effectively managing highland areas in the North.

In 1985, the RFD issued a new National Forest Policy, which took the positive steps of encouraging environmental awareness, interagency cooperation, and public participation in forest management. It lowered the level of forest coverage to be maintained to at least 40 percent of the country and set goals to keep at least 25 percent of the land area under conservation forests (RFD, 1993, p. 30). However, the 1985 policy once again failed to specifically address the needs or tenure rights of forest communities and did not offer any strategies to ensure community participation in management. In 1985, an estimated 1.2 million families occupied and farmed land within the reserves.

Thailand was the first country in the region to enact a national ban on logging. But, the 1989 ban resulted in the large-scale importation of timber from forests in Myanmar and Cambodia. Official figures indicate that after the logging ban, the rate of forest encroachment in Thailand dropped 83.59 percent (England, 1996, p. 61). Enforcement activities also increased. In 1990, for example, 19,051 illegal operations were halted and 11,684 illegal loggers were arrested (England, 1996, p. 61). Despite the ban and increased enforcement efforts, illegal logging continues in Thai forests.
The Forest Land Resettlement Program (‘Khor Jor Khor’) launched in 1991, largely organized by the Thai army, attempted to move farmers from degraded forest reserves to allow reforestation. Most of those evicted were to be resettled in other areas, oftentimes in forest reserves and other areas already occupied by other farmers who were expected to give up their land. This program underscores the GOT’s lack of consideration for rural forest communities at that time. The program met with extensive local resistance and was finally revoked in 1992 (Center for Southeast Asia Studies, 1993, p. 3).

Since the early 1990s, the RFD has concerned itself with the following goals:

- Conservation of ecosystems and biodiversity.
- Protection of watersheds.
- Promotion of social justice and equity through forest-based rural development and building a tradition of private forestry under community and leasehold forestry.
- Provision of most of the national needs for forest-based products.
- Contribution to the development of rural and national economies.
- Contribution to the control of global warming (RFD, 1993, p. 31).

To meet these goals, programs have been devised to organize community forestry, farm forestry (leasehold farming), and industrial forestry aimed at guaranteeing wood farmers a market and providing financing for tree planting.

### 7.3 Community Forestry Program

The GOT has gradually moved towards promoting community forestry as a key part of sustainable forest management. Since the 1956 resolution of the National Land Allocation Committee, the GOT has had a policy that in any land resettlement program, about 20 percent of the land to be redistributed should be reserved for the promotion of community forests. However, most of the land that was set aside for redistribution was claimed by people who either cleared it or bought it. Implementing agencies were not able to induce people to contribute part of their land to be used for community forestry efforts. Thus, this policy remained largely unenforced (RFD, 1993, p. 120). From about 1980 on, the concept of community forests was adopted for some forests located near villages that villagers can use as a source of wood for fuel and house construction.

Similar programs were started in 1980 in watershed areas occupied by ethnic minorities, and in 1981 through various village woodlot programs operating under the Public Works Department and the National Energy Board. The GOT initiated a Community Forestry Development Project in 1987, and in that year the National Land Development Committee announced that any remaining forest parcels less than 500 rai (3125 hectares) in size and not physically adjacent to national forest reserves of national parks should be set aside as community forests to be managed by local village committees and Tambon (sub-district) Councils (RFD, 1993, p. 72). In 1992, the GOT established the Office of Forestry Extension to promote community forestry, forest plantations, and agro-forestry activities. It is charged with providing extension and technical support to local institutions to promote their involvement in community forestry, implementing community forestry activities, and increasing public capabilities to manage forest resources in a manner consistent with the livelihood needs of local communities (Northern Watershed Management Project, 1996, pp. 229-230). In 1996, the Community Forestry Village Program was operating in 700 villages throughout the country (Northern Watershed Management Project, 1996, p. 227). It is expected that nearly 30 million rai (187,500,000 hectares) of state forest land, some nine percent of the country's area, eventually will be used for community forestry (RFD, 1993, p. 81).

The Tambon (sub-district) Council and Tambon Administrative Unit Act enacted in 1995 marks a trend towards decentralization in Thailand that has important implications for community forestry. The Act gave each Tambon Council partial authority to manage the tambon’s own resources, including its forests. Although Tambon Councils still lack financial autonomy, with the enactment of this bill, they do have the legal right to own community forests within the Tambon and the ability to delegate the power of managing these forests to various village committees (Putasen, 1996, p. 85).

While the newly strengthened Tambon Councils may be better placed to manage community forest resources, Putasen (1996, p. 85) identifies a few things that may impede the successful devolution of forest resource management to the Tambon and community levels. First, there must not be strong conflicts of economic interest within the Tambon or at the village level. Second, the management and conservation of community forests must be directly relevant to the occupational activities and way of life within the Tambon. Third, the state must acknowledge the rights of the community over its forest resources and honor the rules and regulations set up by communities to conserve these forests. Finally, land ownership may facilitate full cooperation with Tambon Councils as those with land titles tend to have a vested interest in the community and its community forest resources. In some watershed areas in the North, empirical evidence indicates that Tambon Councils are active and fairly effective in protecting their community forests, particularly from destruction or encroachment by outsiders (Putasen, 1996, p. 86). It remains to be seen if Tambon Councils can take on similarly active roles.
concerning watersheds and community forests throughout the country. In upland communities where large numbers of villagers lack citizenship, and hence secure land tenure, community forestry may be appropriate because it is here that the GOT is loath to grant alienable land titles to individuals. The GOT may, however, be willing to vest tenure rights at the community level. These rights could be revocable in the event that the quality of forest management fell below acceptable levels.

7.4 Land Law

In the early 1980s, only about 12 percent of Thailand’s occupied agricultural land was covered by title deeds, while 49 percent was held under less secure forms of land use documents (World Bank, 1999c, p. 1). In 1984 the GOT launched a 20-year land titling program, fearing that the lack of secure land tenure was leading to lower agricultural investment, encroachment into forest areas, environmental degradation, and loss of land rights for some small holders. By the late 1990s, 5.5 million land titles had been issued to about 2 million rural households, about 35 percent of whom were living below the poverty line (World Bank, 1999c, p. 4). Benefits from the program include increased use of agricultural inputs by farmers with titled land, improved agricultural output, increased land values on titled land, and increased tax revenues for the GOT. Concerns regarding this program include the problems of delineating forest land among the multiple agencies involved and difficulties in ensuring that the poorest of the poor have access land titling. Those ethnic minorities who still lack citizenship are ineligible for land titling under this law. The RFD’s designation of some forest uplands as national parks, and more recent programs to reclassify upland forest land as different categories of forest reserves and watershed, with limited types of activities permitted in each type, further complicate the land titling process, especially for ethnic minorities.

7.5 Watershed Management

Watershed management first came to the attention of the RFD in the early 1950s. A number of watershed development projects were initiated in the 1970s and 1980s to promote the economic development of farmers living in the watersheds and to foster settled agriculture and reforestation instead of swidden agriculture (RFD, 1996, p. 95). In the late 1970s, the GOT introduced a Watershed Classification Regulation, which classified areas for watershed protection, production forestry, and agriculture. The five Watershed Classes are as follows:

- **WSC 1 - Protection or Conservation and Headwater Sources.** Areas in this class usually have high elevations and steep slopes and so should be kept under permanent forest cover. The WSC 1A subclass is for areas wholly undisturbed, and the WSC 1B subclass is for areas already partially cleared for cultivation.
- **WSC 2 - Commercial Forest.** Areas in this class may be at high elevations and have steep slopes, but they have less erosion than WSC 1. They may be used for logging, mining, or grazing, or for crop-production if appropriate soil protection measures are taken.
- **WSC 3 - Fruit Tree Plantations.** Areas in this class are uplands with steep slopes but are less prone to erosion than WSC 2. They may be used for commercial forests, grazing, fruit trees, or some agricultural crops if soil protection measures are taken.
- **WSC 4 - Upland Farming.** Areas in this class are gently sloping. They are suitable for row crops, fruit trees, and grazing with moderate use of soil conservation measures.
- **WSC 5 - Lowland Farming.** Areas in this class have very gentle slopes or are flat. They are suitable for paddy fields and other agricultural crops with few restrictions (RFD, 1996, pp. 96-97).

Table 7.51 displays land areas in each watershed land classification by region.

<table>
<thead>
<tr>
<th>Region/Basin</th>
<th>Watershed Classes</th>
<th>Reservoir</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1A</td>
<td>1B</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>North</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ping, Wang, Yom, Nan</td>
<td>27411</td>
<td>1198</td>
<td>16317</td>
<td>11380</td>
</tr>
<tr>
<td>Kok, Ing</td>
<td>4505</td>
<td>725</td>
<td>2555</td>
<td>2340</td>
</tr>
<tr>
<td>Salawin, Khun, Yuam</td>
<td>11744</td>
<td>1593</td>
<td>2648</td>
<td>1765</td>
</tr>
<tr>
<td>Subtotal</td>
<td>43660</td>
<td>3516</td>
<td>21520</td>
<td>15485</td>
</tr>
<tr>
<td>Northeast</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mun, Chi</td>
<td>6307</td>
<td>615</td>
<td>1929</td>
<td>2840</td>
</tr>
</tbody>
</table>

Table 7.51 Distribution of Thailand by Watershed Classes, in Square Kilometers, 1993
Prior to 1993, the success of watershed management in Thailand was low. The RFD's tendency to fall back on technical and legalistic forest-oriented approaches was partly to blame (RFD, 1996, p. 97). Deforestation and improper land use coupled with continuous cropping have resulted in massive soil erosion; some rivers and reservoirs are heavily silted (RFD 1996, 97). Despite the land classifications, rapid encroachment continues on land designated WSC 1A, WSC 1B, and WSC 2. Government attempts to dislodge people from state forest land classified as crucial for soil, water, and forest conservation have largely failed, such as the 'Khor Jor Khor' program mentioned earlier (RFD, 1996, p. 97). Few viable alternatives to agricultural production on state forest lands exist, so people in highland watershed areas continue to pursue agricultural production opportunities for their livelihood.

The GOT established a National Watershed Development Committee in 1993 to help develop and coordinate watershed development activities at other governmental levels. The Watershed Management Division is responsible for conserving the area under forest cover in the country's watershed catchment areas and for attending to the development needs of communities that utilize the resources to earn their livelihood. Sixty Watershed Management Units are concentrated in the North in the major watershed areas of the Ping, Yom, Wang, and Nan Rivers, each covering about five to ten villages. On the local level, Tambon (sub-district) Councils have become the key players, integrating village land use and development plans into mini-watershed action programs and coordinating government and non-governmental watershed management levels at the sub-district level (Northern Watershed Management Project, 1996). It is hoped that the community-based approach discussed above will lead to the successful joint management of watersheds on state land by the RFD and watershed inhabitants. However, in ethnic minority communities, particularly those lacking village registration or in which a large proportion of the occupants lack citizenship and hence secure land titles, the community approach may be more difficult to implement and enforce based on the constraints identified by Putasen (1996), discussed above.

Overall, then, the GOT's environmental policy was initially directed towards the protection of forests. Later policies include direct environmental protection through the logging ban and land reclassification system and indirect environmental protection through the introduction of permanent highland agriculture to reduce the deforestation resulting from shifting cultivation, and the designation of some forest land for commercial use. Recently, the GOT has recognized the importance of human and community concerns in the protection and development of forest areas and has moved towards empowering local communities to join in the planning and implementation stages of forest reserve and watershed management. The recently empowered Tambon Councils may help bring forestry and watershed management to the community level more effectively and may prove to be an effective model for other Mekong Basin governments in the future.

8. Conclusions and Recommendations

While rapid economic development through the mid-1990s improved production and living standards throughout much of Thailand, the least-advantaged communities and individuals benefited the least from this development. In upland areas, programs to resettle some ethnic minority villages, land reclassification schemes by the RFD, and a lack of citizenship and hence secure land tenure mean that life has become more precarious in some communities. It is important that the development of ethnic minority communities and the development and conservation of natural resources in critical watershed areas of Northern Thailand be managed concurrently. Policy recommendations emerging from this country study include the following.

Poverty: Programs of financial and in-kind support should be developed and targeted at the poor, particularly the poorest of the poor, to offset increasing income inequalities. Poverty alleviation programs should receive greater funding, and the GOT should take special efforts to ensure that the poor within districts, provinces, and regions...
are receiving their proportionate share of benefits. Ethnic minorities need to be included in these programs as they appear to comprise a very large part of the poorest of the poor. The GOT should continue its efforts in extending citizenship to eligible ethnic minorities and should consider extending poverty program coverage to those ethnic minorities eligible for citizenship but still in the process of acquiring it. The GOT should consider extending social safety net programs to include wage workers in various sectors, including agriculture.

**Ethnic minorities:** Besides facilitating the granting of citizenship to ethnic minority individuals, the GOT should prioritize the registration of ethnic minority villages so that all ethnic minority villages can be included in national development plans, Tambon Councils, and social service programs. It is suggested that the GOT consider promoting the use of local ethnic minority languages in elementary schools to facilitate early learning of ethnic minority children. Steps should be taken to support the development of writing systems for those languages still lacking alphabets and to promote pride in and awareness of indigenous languages. The GOT may want to focus on establishing sustainable community forestry and agricultural practices and other income generating activities in upland areas as a part of a system of incentives to help convert upland communities into diligent stewards of upland resources.

**Education:** In terms of education, the GOT should expand its system of secondary schools in the uplands. Where this is not possible, it should maintain and expand its program to provide directed scholarships for secondary school to the rural poor, including ethnic minority children. Insofar as is possible, funding should include food, transportation, and housing subsidies for the poorest of poor so that they can take advantage of the opportunity to complete secondary schooling. Adult education programs to increase literacy should be broadened to include development of livelihood skills and should be directed especially at ethnic minority populations that have low levels of literacy and poorly diversified livelihood skills.

**Health:** In terms of health care, the government should continue to provide free health care for the poor. Unless overall funding can be increased, the GOT should redirect limited government resources towards providing increased medical coverage and care for the poor, rather than for veterans or government officials. Procedures for obtaining the Low Income Card should be simplified. The GOT should continue to strengthen health care programs including basic vaccination, maternal and child health, and family planning programs in ethnic minority communities and provide these services at low or no cost for as long as the health indicators of ethnic minority populations remain below the national average.

**Migration and Resettlement:** Because the supply of good quality land for resettlement is extremely limited and because resettlement often puts vulnerable communities at greater risk, the GOT should concentrate instead on improving the sustainable management of natural resources within existing areas of ethnic minority settlement.

**Environment:** Community-based management of forest and water resources should be encouraged. To facilitate successful community-based management, the GOT, specifically the RFD, should clearly and consistently acknowledge the rights of communities over their traditional community forest resources and honor the rules and regulations set up by communities to conserve community forest and water resources. Extension of citizenship and land titles to ethnic minorities may help facilitate their cooperation with the Tambon Councils in maintaining community forests. To prevent further urbanization of some upland areas and the easy extraction and transportation of timber, which would likely increase the rate of forest loss, road construction in upland areas should be carefully planned, and road usage in some environmentally-sensitive areas should be monitored.

9. References


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World Bank. 1999c. Thailand Land Titling Program. 5 pages.

http://worldbank.org/landpolicy/regions/eastasia/thailand/index.htm

10. Annex

Table 10.1 Population, Household Income, Household Size, and Household Expenditures by Region

<table>
<thead>
<tr>
<th>Region</th>
<th>Population Size, 1996</th>
<th>Average Household Size, 1994</th>
<th>Ave. monthly income per household, 1994</th>
<th>Ave. monthly expenditures per household, 1994</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole Kingdom</td>
<td>60,116,182</td>
<td>3.8</td>
<td>8,262</td>
<td>7,567</td>
</tr>
<tr>
<td>Greater Bangkok 1</td>
<td>9,009,004</td>
<td>3.3</td>
<td>16,418</td>
<td>13,667</td>
</tr>
<tr>
<td>Central 2</td>
<td>10,436,606</td>
<td>3.7</td>
<td>8,724</td>
<td>7,857</td>
</tr>
<tr>
<td>North</td>
<td>11,896,331</td>
<td>3.5</td>
<td>6,260</td>
<td>5,956</td>
</tr>
<tr>
<td>Northeast</td>
<td>20,663,191</td>
<td>4.1</td>
<td>5,599</td>
<td>5,632</td>
</tr>
<tr>
<td>South</td>
<td>7,706,208</td>
<td>4.1</td>
<td>8,014</td>
<td>7,513</td>
</tr>
</tbody>
</table>

1Includes Nonthaburi, Prathum Thani, and Samut Prakan.
2Excludes Bangkok Metropolis, Nonthaburi, Prathum Thani, and Samut Prakan.

Thailand:

National Policy Framework as it Effects Poverty and the Environment in the Uplands