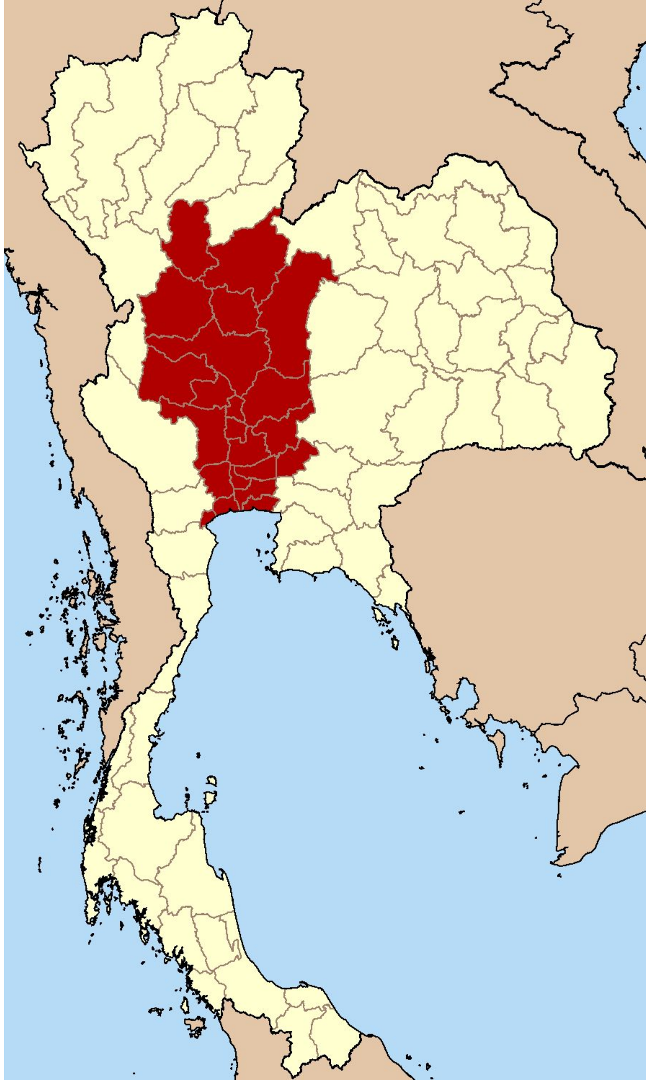
History of agriculture in central of Thailand

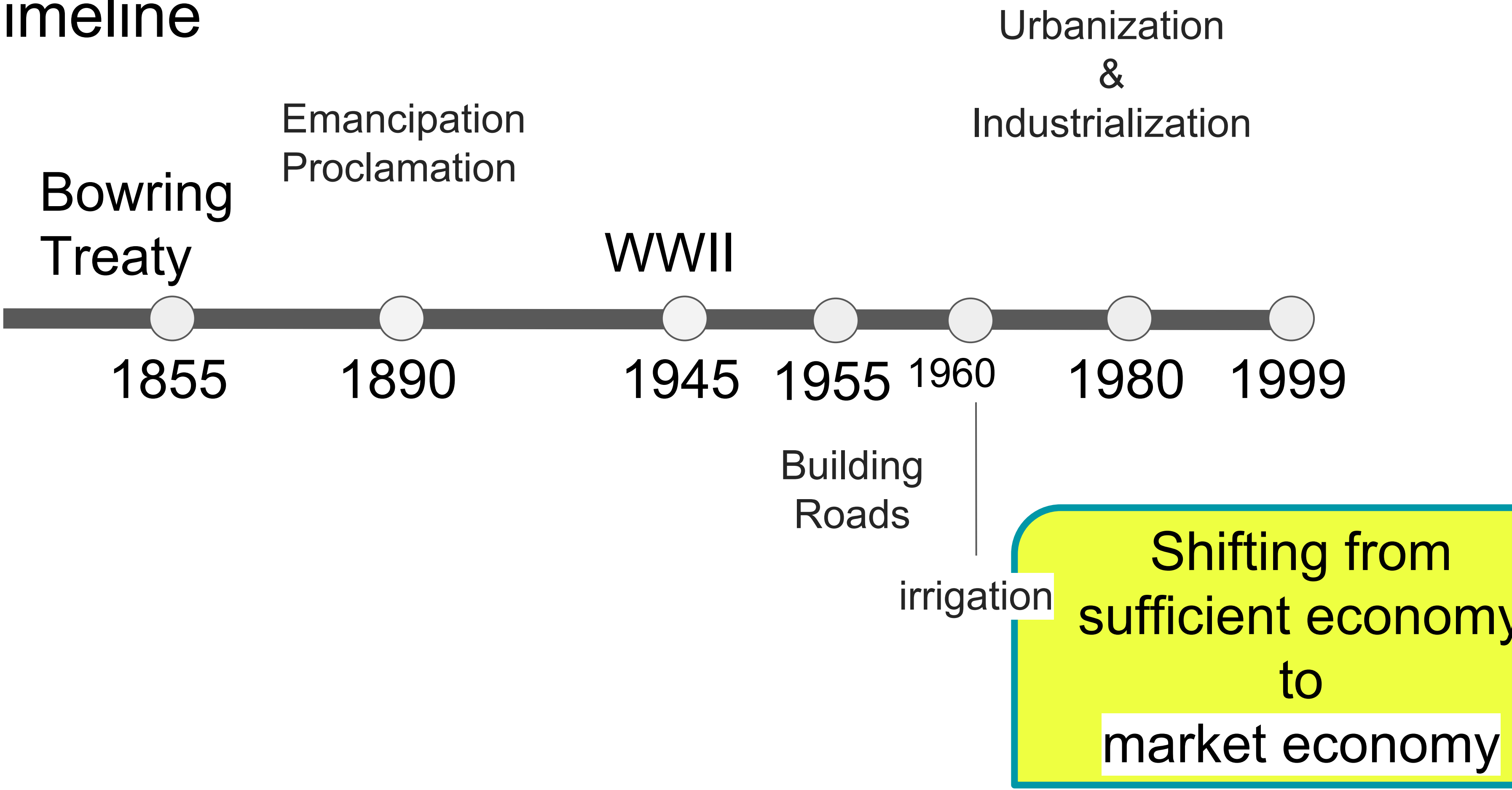


History of
Village economy until 1945

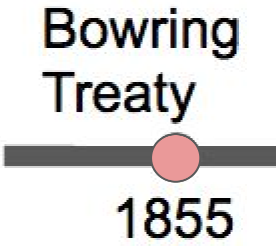
Background

- Chao Praya delta ---- Bayou.
- Fertile land lead to agricultral villages clustered around river bang

Timeline

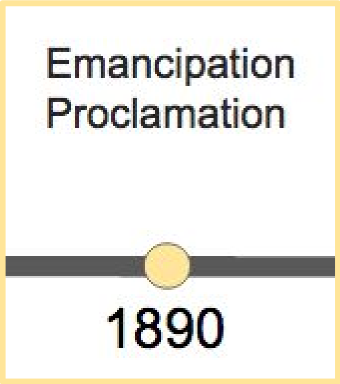

Urbanization
&
Industrialization
Emancipation
Proclamation
Bowring
Treaty
WWII
1855
1890
1945
1955
1960
1980
1999
Building
Roads
irrigation
Shifting from
sufficient economy
to
market economy

Bowring Treaty



- Rich export demand
- rising rice price, wage
- inducing people to the central area due to its comparative advantage

The forms of relationship : Forms of Villages



Characteristics

	location	relationship	rice production style	source of labor
Scatter Village	around bangkok	loose	for sale	migrants from Lao/ Burmar
Cluster or Strip Village	far from bangkok	firmly unite	for consumption	family & other villagers

- Those scatter village are the farmers who rent land to grow rice
    - more sensitive to economic conditions
- Cluster or Strip Village, they mainly produce for self-consumption and sell what left
    - They have many traditions that encourage unity, ex : ลงแขกเกี่ยวข้าว

Demographic change

Bowring Treaty — 1855

Emancipation Proclamation — 1890

WWII — 1945

High Inflation
> Rice premium policy

"People move to where **real income** is high"

- Better Transportation: Road & Truck
    - rise of cash crops: corn, sugarcane, cassava
    - more perishable and high value goods
        - Fruit, vegetable, wood

- Irrigation system area
    + rise the productivity and income of rice farmers in irrigated area

Urbanization
&
Industrialization

1955 1960 1980 1999

Building
Roads

irrigation

Shifting from
sufficient economy
to
market economy

Effects on Central Villages

1) Rising demand for agriculture products

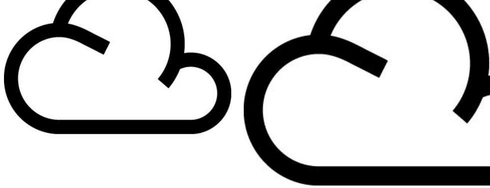
as a trade center which tranfer&export goods

2) Diversification of Job

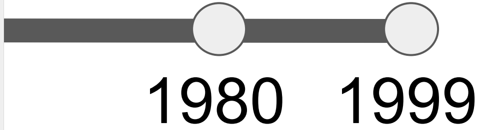
more non- agricultural workers

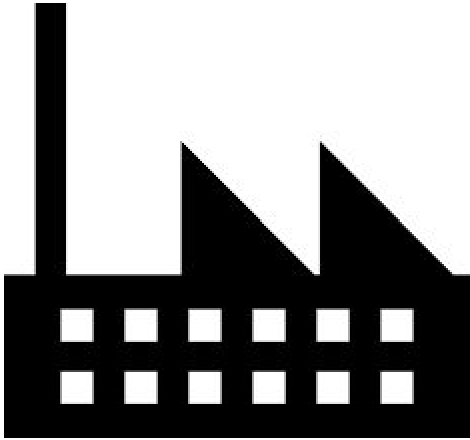
3) Domestic Trade

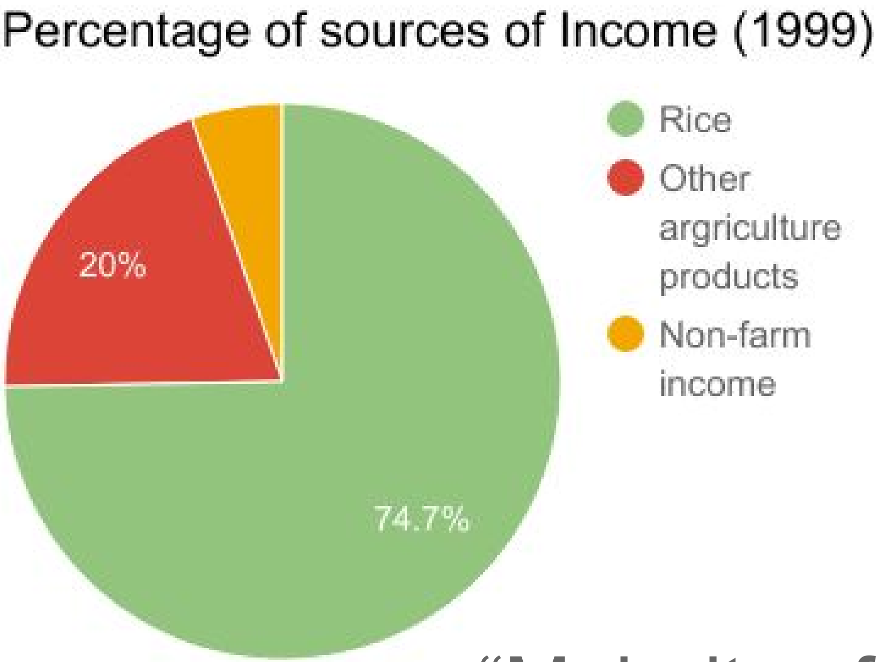
Industrial product took market share of local products: ex Textile, consumer good, TV-Radio



Urbanization & Industrialization







“Majority of Thai central people remained in agricultural sector esp self-sufficient rice production ”

QUALITY of CHANGE

Spending & Household debt

- annual district's expense in 1999

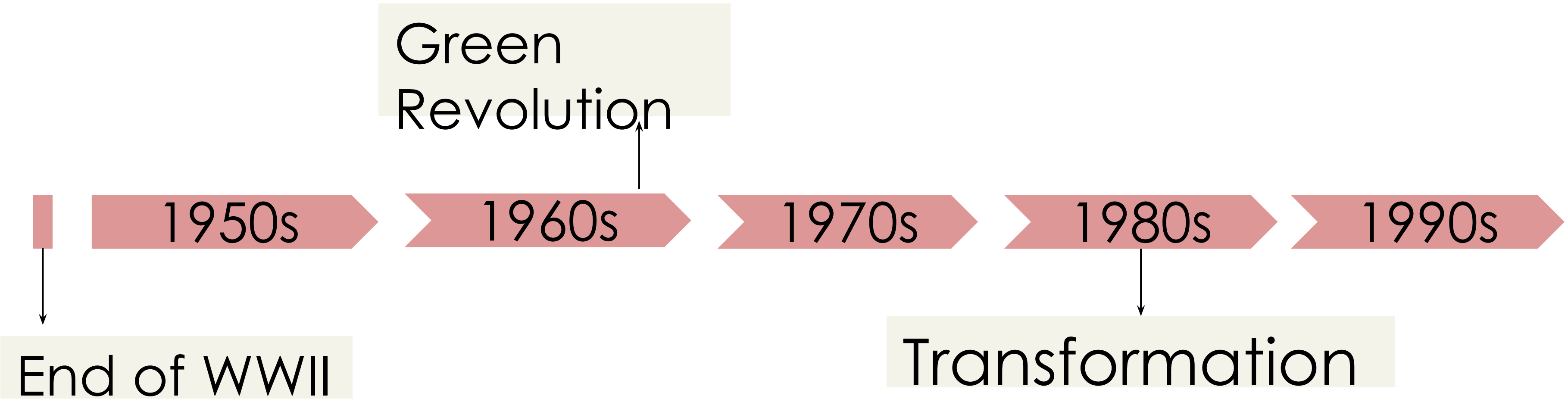
3.4 million

Education

5.12 Million

energy drink, cigarette and snacks

Timeline


Green Revolution
1950s
1960s
1970s
1980s
1990s
End of WWII
Transformation

Change of Agricultural Technology

1950s

- End of WWII, increase in demand of food
- Government start the irrigation system in the central

Chao Phraya Dam - Chainat

1960s-70s

- Expand the irrigation system to the smaller scale
- Land management in the irrigation area
- 1969 – Green revolution

Green Revolution (1969)

= To increase the productivity of the agriculture by using the new technology

- Use of new developed rice
- Chemical fertilizer, pesticide, and others
- Machine

Problem with machine

Before 1985, the use of machine was not widespread because

- "Small farmer"- small area of plant, limited income, use members of family as labors – not worth using the machine (high price)
- Some technology doesn't suit some area include the new developed rice
- "small farmer" is risk aversion

Green revolution & local economy

the reduction in the exchange of labor

- irrigation system (control the water)
- more job in the farming
- lack of labor
- justice in exchange

Green revolution before & after 1985

Before 1985	After 1985
• Limited change of local economy • Local people have rural diversification which produce the immunity and stability	• increase in machine, fertilizer and others due to the increase of high output rice, irrigation system, labor, etc. • High cost of production • High debt making them leave the rice field

Change of Labor

1950s

- High growth of population rate
- High income, expensive labor > low income, cheap labor
- Invasion to the preserved forest
- 1954 lowest wage of farming labor
- Some rural people moved to Bangkok due to higher wage

Change of Labour

1960s

- First national economic and development plan, focusing on Bangkok
- rural people moving to Bangkok helped expand manufacturing
- Appearance of Hired labor due to irrigation system
- People start produce for sell
- Highest wage compared to other part of Thailand
- Demand for hired labor increase

1970s-1984

- Increased in wage of hired labor
- almost complete irrigation system
- Near the big market, Bangkok
- Temporary migration

Change of Labor

Before 1985	After 1985
• Main income from the agriculture • Household manufacturing • Sufficient economy • Large household • Low education and centralized policy of education • Flexibility	• Dramatically growth of manufacturing • Decreased in population growth rate and more invest in education, change in population age structure • Constant price of agriculture product • The bubble in 1997 • Rural small retail and service • The expand of capitalism • Permanent migration

Change of Labor

THE BASIS OF SOCIETY AND ECONOMIC

MAIN INDUSTRIES

IN THE PAST(AROUND 1930)

1. **TEXTILE** is the main product of the villages. They useก to weave it for sale in the past.

2. **FARMING** is the secondary product of the villages. In the past they farm for just a household consume.

ECONOMIC GROWTH OF THE SOCIETIES

After World war two, around 1950-1960 the government build roads to connect between Bangkok and other provinces. It make huge expand of economic of the five villages.

- Before the road was build, the main industry is textile
- After the road is build, the main industry is farming

ECONOMIC GROWTH OF THE SOCIETIES

- The cost of transportation of rice is lower. It make more profit of selling rice. And it also make the higher opportunity cost of doing textile.
- People try to cut the times of doing other things to farming. They use the money from selling rice to buy other things.
- Due to the higher profit of farming, they start to farm twice per year instead of one
- Textile is gradually disappear from the villages.

PROBLEMS OF FARMING TWICE PER YEAR

This idea make the huge impact on economics and societies.

- Farmer have to invest more in farming activity, higher expense, for buying factors of production, such as, fertilizer, insecticide, pump, tractor.
- Once the farmer do not have initial fund, they have to borrow. Make they have more debt.
- “ The reason why the debt is higher and higher, is we all optimistic about the farming industry. We all buy lots of farming materials. And when there are too many rice, the rice priceis fall. We do not have fund to pay back the debt so we have to sell the land.”

MIGRATION TO CITY

- Since 1980, rural people start to move to the city to become labor force.
- Even this labor move to the city but they are still binding with the village, such as their family still live in the village.
- When it is not farming season, they will work in the city as a labor. And when the farming season comes, they will go back to the village to help their family for the farming.

Q&A