

Millennium Development Goals and Social Development in Thailand

I Millennium Development Goals in Asia and the Pacific

In September 2000, 189 nations attended the United Nations Millennium Summit and endorsed the Millennium Declaration, setting out a global agenda to promote human development goals and reduce global inequality. The Millennium Development Goals consisted of 8 goals : 1) eradicate poverty and hunger 2) achieve universal primary education 3) promote gender equality and empower women 4) reduce child mortality 5) improve maternal health 6) combat HIV/AIDS, malaria and other disease 7) ensure environmental sustainability and 8) develop a global partnership for development.

Since the countries in Asia and the Pacific adopted the MDGS, they have to put efforts in achieving the goals. Thailand has already achieved many goals before 2015 which is the deadline. Moreover, Thailand has set the challenged targets for human development beyond the international targets, called MDG plus. Results of the development are as followed :-

Goal 1: Eradicate poverty and hunger by half within 2015. As a whole, the Asia and the Pacific have made dramatic progress for this goal which is one of the success. China has achieved the target already. The ratio of poverty in China was declined from one in three persons in 1990 to one in ten persons in 2004. While some countries are slightly in progress such as India, Pakistan and Sri – Lanka. Currently, in Asia 700 millions people have suffered from the poverty. In Thailand, the proportion of poor people were reduced from 20.9% in 2000 to 8.48% in 2007 which can meet the goal before the setting period.

Goal 2: Achieve universal primary education by 2015. Asia and the Pacific have done quite well for this goal. Most countries have primary enrollment ratios above 90%. particularly in India, the enrollment rate has risen to 95% of school-age children. Nevertheless, this region has still accounted for one in three children who are out of school.

Goal 3: Promote gender equality and empower women not later than 2015. The progress on eliminating gender disparity in education has been relatively successful but the participation and empowerment need to be accelerated. At the primary education, Bangladesh and China have made a dramatic progress while serious situation is in Afghanistan. At the secondary education, the situation is quite positive. Across the region, the ratio of girls to boys between 1990 and 2001 increased significantly. In Thailand, they have equal educational opportunities, especially at tertiary education, girls have studied at the university level higher

than boys. However, there is still gender gap in literacy rates among women and men aged 15-24 years old which men have proportion quite higher than women.

Goal 4: Reduce child mortality. The region has not quite been successful, particularly in South Asia, such as India, around 1.9 million children dying annually before reaching the age of five. Infant mortality rates in Thailand have declined continuously reflected the improvement of infant and child health care.

Goal 5: Improve maternal health. The highest maternal mortality rates have been taken place in India and Pakistan. Improving maternal survival should be focused on women's health, nutrition, and reproductive health.

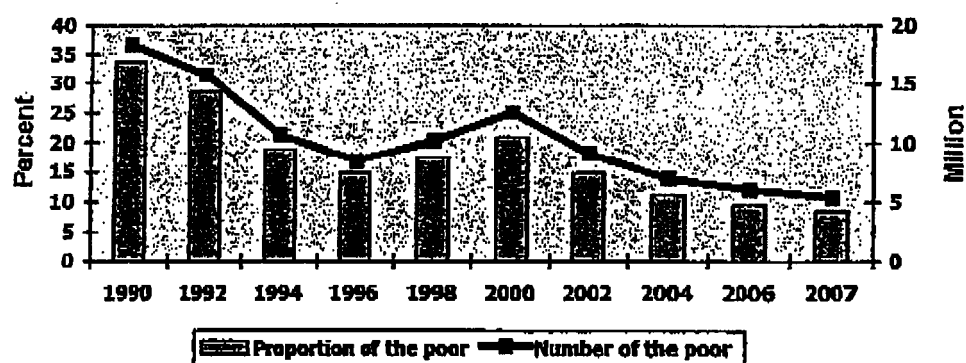
Goal 6: Combat HIV/AIDS, malaria and other diseases. In 2004, this region has over 9 million people living with HIV/AIDS and half a million have died each year. The highest prevalent rates are among those aged 15 – 49 in the Southeast Asia. The highest prevalent rates for malaria are in the Pacific where the disease has affected 15% of the population while TB and death rates have been falling across the region. In Thailand, they have dropped by 80% since 1991 and also has had a successful campaigns against malaria.

Goal 7: Ensure environmental sustainability by 2015. Among developing countries in Asia – Pacific, only 5 countries have achieved the target before 2015. Many countries are still losing forest areas particularly in South Asia and the Pacific. The rising energy uses have also contributed to higher emission of carbon dioxide. In this region, slow progress has occurred in improving water supplies in urban areas while it is better in rural areas.

Poverty Situation in Thailand

1. Poverty incidence in Thailand had gradually declined from 44.9% or 23.5 million people in 1988 to 17% or 9.8 million people in 1996. However, economic crisis in 1997 resulted in an increase of poor people up to 18.8% in 1998 with additional 1.2 million of new poor. Then, it has gone further to 20.9% in 2000. As poverty reduction has been of high priority, various interventions have been undertaken to strengthen grassroot economy and reduce poverty. Consequently, poor people have declined to 8.48% or 5.4 million people in 2007.

Chart 1 : Proportion and the number of the poor (1990-2007).



Source: NSO, compile by NESDB.

In spite of these impressive achievements, major challenges have remained. The North and the Northeast still have high proportions of the poor. More than half of the poor in 2007 about 52.20% have lived in the Northeast and 88.27% of them have resided in rural areas.

2. In Thailand, the percentage of poor people has reduced from 21% in 2000 to 8.48 in 2007. It is noteworthy to point out that this poverty reduction has already met the MDG. Therefore, the MDGs plus has been set to bring the figure down to 4 percent in 2011 by focusing on those resided in the Northeast and three bordered provinces in the South. However, targets have not definitely accomplished yet. The proportions have been high in those areas because of politically situation especially in three southernmost provinces where the poverty tends to increase and be higher than the national one.

3. A household size is an important demographic variable that has affected the poverty. In 2007, poverty incidence in a large household where having more than 7 persons has decreased from 36% in 2000 to 13.4%, while in a small household which has one to three members has reduced from 18.8% to 7.9%.

In addition, a household which has dependent groups such as children and older persons have higher risks of being poor. It can be observed that older persons are those who have the highest proportion of poverty.

Table 1 : Number and proportion of the poor by age group (2004 – 2007).

Population by aged group	Proportion of poverty (%)			Number of the poor (million)		
	2004	2006	2007	2004	2006	2007
Children (less than 15 years)	14.48	12.38	10.87	2.2	1.9	1.6
Labor force (15 – 59 years)	9.15	7.39	6.52	3.6	2.9	2.5
Older persons (60 years and over)	14.58	14.51	13.21	1.1	1.2	1.1
Total	11.16	9.55	8.49	7.0	6.0	5.4

Source : NSO, compile by NESDB.

4. In 2007, the average income and expenditure of the poor household have increased. The average income of poor households in Bangkok is 2 times higher than the lowest average income in the North. Comparing to 2006, average debts of the poor households have increased to be 12.8% in 2007 which is 40,196 baht (US\$ 1,147) per household. Poor households in the Northeast still have had the highest debts about 63.84% of total poor household's debts.

5. In 2007, 73.8% of poor households have no secure tenure, 84.9% have no asset for employment and 84.6% have no vehicle. Moreover, poor households in Bangkok have held the asset less than the rich households 83.6 times.

6. The social and economic inequality is also in the concern. The top 20 percent of households has shared the total income of 55.06 percent while the bottom 20 has shared only 4.3 percent in 2007. The share of the poorest quintile has remained stagnant at 4 percent over the past decade which resulted in the continuous widening gap of average per capita income between the rich and the poor.

Table 2 : Share of income by quintile (2000 – 2007).

Group	Share of income			
	Total			
	2000	2002	2006	2007
Quintile 1 (poorest)	3.95	4.23	3.84	4.30
Quintile 2	7.27	7.72	7.67	8.01
Quintile 3	11.50	12.07	12.12	12.42
Quintile 4	19.83	20.07	20.08	20.22
Quintile 5 (richest)	57.45	55.91	56.29	55.06
Proportion Q5/Q1	14.55	13.23	14.66	12.81

Source : NSO, compile by NESDB.

III Poverty Reduction

The government has focused on strengthening the grassroots economy in order to generate income, reduce expenditure and enhance opportunities as well as build the capacity in the community. In addition, the policies have aimed to empowering local communities for tackling their own problems so that they have become higher self-reliance within the philosophy's of sufficiency economy for sustaining development and eradicating poverty. In addition, the social safety net has been developed for providing community welfare by utilizing self-reliant approach where the local organizations have played a key role in cooperating and supporting community activities. Poverty was ranked as a high priority since the former government. Currently, the development approach has changed from the fragmented to human-centered approach which encouraged people participation in the process of problem solving with the facilitation of the government. **The National Poverty Eradication Centre under the Philosophy of Sufficiency Economy** was established to coordinate efforts in fighting against poverty. The National Poverty Eradication Centre served as the core agency to formulate policy and integrate plans, projects, activities, and funds of all related government agencies, local administrative organizations, the private-sector, and people's organizations.

The National Poverty Eradication Centre divided into 1) *policy level* - appointed the Committee, Sub-committees and working groups as mechanisms in implementation. The Prime Minister was appointed as a chairperson of the Committee which was responsible for providing policy guidelines and measures in poverty reduction and social development. 2) *implementation level* - the governor was appointed to be a focal point. The Poverty Eradication Centre at the Individual and Community levels was established to support the government implementation in poverty reduction. It has promoted the learning process of communities which enhanced the community development through building local capacity. This mechanism was established for creating social security in the communities; strengthening capacity and the participatory process in environmental preservation and promoting capacity building along with Philosophy of Sufficiency Economy.

This Centre has been aimed to support the civil society and social network by creating forum for knowledge sharing. In addition, the community plan has been developed as a tool for community/local development in response to their needs and problems. It has supported activities that generated collective benefits to the community or

groups. It has sought to optimize local potential, improve quality of life and achieve sustainable livelihood through the people's participation.

The poverty reduction strategy under The National Poverty Eradication Centre was divided into 4 actions as follow:

1) *Building capacity for the people.* To empower individuals, families and communities under the *Philosophy of Sufficiency Economy*, many activities have been provided such as generating occupations and income, and supporting social mechanisms in learning process by adopted *the Project on Philosophy of Sufficiency Economy* that enhanced the well being; *the Project on Poverty Reduction at Household Level* which emphasized on the community participatory process in reducing the poverty; *Project on grassroot economy* focused on promoting communities economy through the learning process and local wisdom for occupation development to the poor households; *Project on OTOP* which aimed at utilizing social networks on local wisdom in order to generating income in the communities.

2) *The Provincial Cooperation*, the Poverty Eradication Centre was served as a mechanism in collaborating and integrating the development efforts among concerning stakeholders particularly at the provincial, district, village and the community levels.

3) *Solving the problem of land uses for the poor.* The government establishing a mechanism for collaborating problem-solving among related agencies. As the poor have usually not own any land. Therefore, public land/areas in the village has been preserved as the local forest for all people in seeking for food consumption. Nevertheless, the collaboration at the policy level is needed.

4) *Debt burden.* The program was aimed at restructuring the debt burden of poor households in order to reduce the poverty. The core responsible agencies are the Saving Bank, the Bank of Agriculture and Agricultural Cooperatives (BAAC), Krungthai Bank and SME Bank.

IV Poverty Reduction Strategy under the Tenth National Plan

Thailand's achievement over poverty eradication has been directed by the *Philosophy of Sufficiency Economy* of His Majesty the King. The principle of sufficiency economy namely: moderation; reasonableness; and self-immunity, have been re-emphasized to a greater extent for achieving sustainable happiness in the society and

poverty eradication. In addition, achieving poverty reduction has required a strategy under the national development plan which is currently the Tenth Plan.

The Tenth National Plan has been formulated on the basis of *the Philosophy of Sufficiency Economy*. The principle is to create balance and sustainability in all areas of development. The plan is also designed to create "immunity" to protect people against external and internal changes. It has been focused on human-centered development. The middle path in the development and management of the country has been followed and based on a dynamic balance of human, social, economic, environmental and political dimensions. Rationality and moderation will be used to create a balance between self-reliance and competitiveness in the world market; between rural and urban sectors; and to balance materialistic influences. In order to achieve the development vision, the Tenth Plan sets the following objectives

(1) **To develop the quality of life, ethics and knowledge of Thai people.** The people will be supported to have good health, happy families and strong communities, to be self-reliant, to have security in leading a dignified life within the balance of cultural, resource, and environmental diversity.

(2) **Enhance the economy towards stability and equity.** The economy will be restructured to improve competitiveness and risk management, based on sound management of the overall economy, will protect against volatilities in the global economy. Sufficient savings will support the restructuring of production and services to become innovative and knowledge-based. Biodiversity and Thai identity are strengths that will be built upon, as well as international linkages in infrastructure, logistics, and energy development. Legislation and regulations will further support mechanisms to improve competition and the equitable distribution of benefits.

(3) **Safeguard biodiversity and promote natural resource conservation.** There should be balance between production and consumption, and between conservation and the sustainable use of resources. The role of the community in managing their resources will be promoted, with associated rights-protected and sufficient knowledge built to do this. Production and consumption will be geared toward environmental friendliness, in line with both national interests and international obligations.

(4) **Develop good governance under the constitutional monarchy.** There will be further development of mechanisms and regulations that have facilitated the equitable distribution of development gains to all parties. The values of transparency,

honesty, justice and public responsibility must also be further entrenched. Public administration will be decentralized and participatory decision-making from all sectors will continue to be encouraged to promote equitable economic, social and resource use.

The paradigm of poverty reduction was shifted from general policy to targeted areas, from the government sector to the community and civil society, and from segmented to holistic solution. Projects on poverty reduction are as followed :-

3.1 Universal health

- **Universal health insurance project** has aimed to reduce the overall cost of healthcare by capping each hospital visit at 30 baht. All Thai people have been guaranteed the equal access to a nationally acceptable standard of health care.

According to MDGs, under the goal on health care, child mortality and maternal health, infant mortality rates have declined continuously reflecting the improvement on infant and child health care. The maternal health care is also relatively low and continuously decreased. In addition, for HIV/AIDS and other diseases, Thailand was among the first countries reaching this target. The number of cases and death rates related to malaria and tuberculosis are low.

3.2 Education

- **Compulsory education** Thailand has undertaken education policies under the National Education Act 1999 stating that Thai children have equal rights in access to basic education for at least 12 years with high quality and free of charge particularly the disadvantages groups such as children with disabilities. Education and capacity building are the significant tools for empowering people to get out of the poverty and become self-reliance.

3.3 Source of fund for development

- **SML-"small, medium, and large"- villages.** This policy aimed to motivate villagers to take part in solving community problems in response to local needs. The "SML" fund has been provided directly to villages in various sizes for tackling their own problems.

- **People's Bank** has been set up to ensure better access to banking facilities and resources for low-income citizens, to enhance their capacity, to increase their income from being self-employment.

- **Village fund** is available for individuals and households in the community for investment and supplementary occupations.

- **Secure Housing Program** The program has been designed for low income households, community organizations and networks. It emphasized on working related with local government, universities and NGOs to create an upgrading program in order to improve conditions and well being for the poor communities.

- **Ma-arthorn House** This project aimed to provide dwellings for low income groups and the disadvantaged.

- **One Tambon, One Product scheme (OTOP)** has been sought to draw upon the local wisdom and ingenuity of Thai villages, regions, and the nation. The purpose is to promote local industry and enable each community developing and marketing its local products that have value-added by utilizing local wisdoms.

3.4 Social Welfare

- **Social Security fund** has been expanded to cover the enterprises with at least 1 employee. The benefits included compensation of injuries, death, birth deliver, children support, and pensions.

- **Social Welfare for Elderly and Disable** The government has undertaken a social welfare program both in kind transfer such as health care services and cash transfer such as financial support and subsidies for disadvantaged groups. Home for older persons and the disabled have been established in Bangkok and some cities for taking care of those who are poor, sick, destituted and unable to take care of themselves. In addition, the government has allocated allowances for the poor older persons and the disabled.

The emerging issues including rising oil prices, energy scarcity, climate changes, economic recession, and increasing food prices have adversely affected economic and social development, thus, the well-being of people worldwide, including Thailand. The Government has attempted to promote energy savings as well as to alleviate negative impacts on income and consumption by utilizing these measures:-

- Reduce tax for gasohol and diesel to alleviate impacts on transportation cost.
- Postpone the rising LPG price for household consumption.
- Provide energy and water supply free of charge to low-consumption households.

Lastly, provide public buses and third-class trains free of charge.

All of these measures are aimed at ensuring accessibility of public services for all, maintaining the living condition and sharing goals of achieving human resource development in all dimensions.

VI The Outcome of the Poverty Reduction Policy

Thailand achieves the goal in poverty reduction as followed:-

1. The proportion of the poor was reduce dramatically from 7.1 million or 11.6% in 2004 to 5.4 million or 8.48 in 2007.

2. The inequality of Thai people are mitigated. The proportion of the richest and the poorest was declined from 8.1 times in 2000 to 7.1 times in 2007.

3. People have better well-being and access to basic social services and infrastructure equally. For example, the people who have basic health insurance increase from 61 millions in 2005 to 61.6 millions in 2007. The older person who access to social welfare increased dramatically from 1 millions in 2006 to 1.75 millions in 2007 and also the number of disabled who receive social welfare increase from 0.03 million in 2006 to 0.22 millions in 2007 respectively.

4. The poor have access to sources of fund which can create job and income. The government has provided a revolving fund of one million baht, or 24,000 US dollars, to each of more than 70,000 villages in Thailand. It is utilized as seed money for each village to develop occupations and create economic activities for generating income.

VII Policy Recommendations

1. Promoting the adoption of sufficiency economy as a guidelines of development approach, including encourage self – reliance and cooperation among communities.

2. Enhancing the communities participation process in poverty reduction. Civil society and local community have highly aware to the seriousness of poverty problem. Local community organizations have been inforced in dealing with the poverty problem in their local areas, they also work with government agency in the development process. The budget was allocated to develop the community plan aiming to combine community and Tambon local administrative organization together in order to produce

community economic development projects. The success of community economic development projects would result in creating jobs for local people.

4. Establishing the poverty reduction strategies especially for urban poor and rural poor. Social safety net and social welfare have been developed by increasing participation process among civil society and local administration. Public services have provided through people's participation in local administration, decision-making process and monitor their operations in line with the people's needs and problems.

5. Promoting the monitoring process on poverty reduction strategies or measures to ensure the effectiveness and efficiency of management in poverty reduction through people's empowerment.