

**PLANNING IMPLEMENTING RURAL DEVELOPMENT
PROGRAM IN THAILAND : AN ANALYSIS OF MAJOR
PROBLEMS AND PROSPECTS OF THE NEW
APPROACH TO RURAL POVERTY-STRICKEN
AREA DEVELOPMENT***

Thavan Vorathepputipong**

INTRODUCTION

1. Significance of the study

During 1960-1981, Thailand's rural development was based upon its four national economic development plans which essentially aimed at increasing national products and national income.

The rationale was that an increase in national products and national income would eventually lead to a raise in living standards of the country's whole population. Under past national development plans, rural people who are engaged in agriculture and constitute about 70 percent of the nation's population were not given special attention by the government. The result of national economic development, if it was considered merely in terms of economic growth, was generally satisfactory. The average rate of national economic expansion was 7.8 percent annually. However, when we carefully examined the impact of development in terms of equitable distribution of development benefits we found that Thailand's economic development benefits were not equally distributed. Past national economic development has widened a gap between the rich and the poor, particularly, between those living in rural and urban areas in different regions of Thailand.¹

The Thai government has realized the above-mentioned problem. With the advice of a group of scholars, most of whom were university professors who served as the Prime Minister's advisors, Thailand has for the first time adopted the new rural development policy and the new approach to solving rural problems—the Poverty-Stricken Area Development Plan which has become

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** Thavan Vorathepputipong, Ph. D. (Pol. Sc.), University of Hawaii, Associate Professor, School of Public Administration, NIDA

effective since the fiscal year 1982. The Poverty-Stricken Area Development Scheme is an integral part of the Fifth National Social and Economic Development Plan (1982-1986).² The new approach to solving rural problems is popular, especially, among political scientists and will be called in this paper an equity model while the conventional method is regarded an efficiency model which is widely advocated by economists.³

According to the new model, an emphasis is placed upon the development of rural inhabitants in the poverty-stricken areas in place of national products and income. More public resources will be allocated to the above-mentioned areas so that poor people can better benefit from the development programs. In addition, special attention is given to identify major causes of poverty and more effective measures to cope with the problems will be used. The ultimate goal of the new approach is to assist poor farmers so that they can eventually help themselves and the community.⁴

To implement the new rural development policy, rural development programs were formulated and executed in the so-called poverty-stricken areas in the fiscal year 1982.

Program evaluation was recently made by certain public organizations which were in charge of monitoring and control of the programs. The findings, however, are fragmentary. Moreover, no systematic study on program effectiveness has ever been made. This study attempts to fill the gap left by previous research, and to answer certain key questions. For example, what are major principles and goals of the new approach to rural development? How major rural development programs are formulated and executed? What are the major problems affecting program effectiveness?

2. Major goals and scope of the study

The questions raised previously, will be answered in the course of this study which has four major goals :

- 2.1 To study major principles and goals of the new approach to rural development;
- 2.2 To examine the process of program formulation and program execution;
- 2.3 To identify the major problems affecting program effectiveness;
- 2.4 To suggest solutions to these problems, in particular, policy alternatives and management options.

3. Research methods

Information needed for the study was obtained firstly by documentary research on policies, goals, program formulation, program implementation, and evaluation methods concerning rural development. Second, field visits to several districts in northeast Thailand where rural development programs were carried out provided a wider perspective to the study. In addition, four-week close interactions with about 40 high-ranking officials including provincial governors and director-generals who were directly engaged in planning and implementing rural development programs, in the seminars and group discussions provided more insights of the problem to this paper. The basic method of data analysis employed in this study was mainly qualitative oriented. That is, the descriptive and analytical technique was mainly utilized in the report.

4. Major factors influencing the government to adopt the new approach to rural development

There are four major factors influencing the Thai government to adopt the new approach to rural development. These include :

- (1) the failure of past national development plans to solve rural problems;
- (2) the importance of the rural areas in national development;
- (3) the rural areas in national security; and
- (4) the role of scholars in influencing the Government's policy decisions.

Each of the previously mentioned factors will be briefly discussed.

4.1 Failure of past national development plans to solve rural problems. One of the most important factors influencing the government's policy decision concerning the new approach to rural development was the failure of past national development plans to solve rural problems.

As discussed previously, the result of past national development plans in terms of economic growth was generally satisfactory. However, when we closely examined the distribution of development benefits thorough-out the nation we found that the benefits were not equitably distributed. It is often said by Thai scholars and other Western researchers that as Thailand implements more national development plans, the rich are richer and the poor become poorer.

Table 1*
Yearly Per Capita Income Classified by
Major Occupations in 1976

(In Baht)**

Occupation	Yearly Per Capita Income
Agriculture	7,133
Industry	45,215
Commerce	71,339
Services	72,665
Average	7,732

*Source : Office of National Social and Economic Development Board (NSEDDB),
Fourth National Social and Economic Development Plan 1977-1981.

**US \$ 1 = 20 Baht (rate of exchange in 1976).

Table 2
Distribution of Yearly Per Capita Income Classified by Regions
in 1960-1979

(in Baht)

Year	North	Northeast	South	Central Plain	Bangkok	Nation - wide
1960	1,496	1,082	2,700	2,564	5,630	2,106
1970	2,699	1,822	3,858	4,662	11,234	3,849
1979	8,781	4,991	12,683	17,655	30,161	12,067

Source : Office of National Social and Economic Development Board.

As illustrated in Table 1, the annual income per person of those engaged in agriculture was the lowest (only 7,113 baht) compared with all other occupations especially, industry (45,215 baht),

(72,655 baht). It was also lower than the average yearly per capita income of all occupations (7,732 baht). In addition, the distribution of yearly per capita income classified by regions in 1960-1979 (Table 2) suggested that the development benefits in terms of income distribution were not equally distributed among Thais living in different regions of the country. Particularly, the annual income per person in northeast Thailand was the lowest. Moreover, it was much lower than the yearly per capita income of the nation.

In order to solve the above-mentioned problems, the Thai government has adopted the new approach to rural development.

4.2 Importance of the rural areas in national development

At present, the population of Thailand is estimated about 70 per cent of the country's population are engaged in agriculture in the rural areas. Moreover, income from agriculture is presently one of the most important source of national income in Thailand. However, rural people are still very poor in terms of income earnings and are much poorer than those engaged in other occupations, particularly, in urban areas. Because of the importance of rural areas in national development mentioned above, the Thai government has therefore paid more serious attention to solve rural problems by adopting the rural development policy.

4.3 Rural areas and national security.

Until recently, there were thousands of insurgents actively working in Thailand, especially, in the northeast, the north, and the south. They ambushed and killed hundreds of Thai government officials, both civilians and military officers and accused the Thai government of paying no attention to the poor in rural areas. They were, to some extent, successful. However, recently the Thai government has changed its strategy in fighting against communist insurgents by adopting the political policy (welcome those who give up fighting and join the government in nation building) in place of the military policy (the use of forces). As a result, in 1982 and early 1983 several thousand insurgents in different regions of the country gave up their fights against the government and joined the Thai authorities in national development.

In order to show the rural farmers that they are not neglected by the government, the new approach to rural development, especially, in the poverty-stricken areas, has been adopted by the Thai government.

4.4 The role of scholars in influencing the government's policy decisions.

One of the most important factors, if it were not the most important one, that seemed to have considerable influence on government's policy concerning

the new approach to rural development was the role of scholars who served as the Prime Minister's advisors. These scholars have advised and convinced the Prime Minister that it was urgent for Thailand to adopt the new rural development policy, if the nation were to survive.⁵ It was so urgent that it took only about five months to finish too many complex steps -- to initiate and adopt the new policy; issue regulations and instructions concerning rural development procedures; formulate, and implement the programs.⁶ The major reason behind this unusual urgency, as disclosed by a key advisor to the Prime Minister, was they were not quite sure of how long the government headed by General Prem Tinnasulanon would last. Since Prime Minister Prem was the only Premier who strongly supported the new policy, it was safer to have the new policy adopted as soon as possible, especially, while he was still in office. Perhaps, such an unusual rush to adopt and implement the policy was one of the most important factors responsible for program ineffectiveness. This factor will be later elaborated.

PRESENT RURAL POVERTY-STRICKEN AREA DEVELOPMENT UNDER THE FIFTH NATIONAL DEVELOPMENT PLAN (1982-1986) : TOWARD AN EQUITY MODEL

1. Major principles of the new approach to rural development

The new approach to rural development -- an equity model has been designed to solve the problem of distribution of development benefits resulted from the conventional method of rural development -- an efficiency model. It contains five major principles :

- 1.1 Poverty-stricken areas are considered as the target areas;
- 1.2 Subsistence level is the primary goal of rural poor development. To fully provide basic minimum services to rural people in the poverty-stricken areas:
- 1.3 Emphasis is placed upon helping rural in the target areas to eventually help themselves,
- 1.4 To solve actual problems faced by rural farmers in the target areas by employing simple techniques and low investment; and
- 1.5. Let rural people solve their own problems to their best.⁷

To identify the target areas more realistically, it is necessary to identify and distinguish two types of rural areas; the general rural areas; and the poverty-stricken areas. Whether or not the target areas were carefully identified and other principles of the new approach were fully complied by concerned government units will be later discussed.

2. Major goals of rural development

The poverty-stricken area development plan contains three major goals : (1) the target area goal; (2) the economic and social goals; and (3) the budget goal.

2.1 Target area goal

The target areas of the new five year rural development plan include poverty-stricken areas in 216 districts and 30 subdistricts of 37 provinces in the northeast, the north, and the south. It is the target area goal that the new rural development plan attempts to realize within five years. Comparing the actual goal (actual performance) against the expected goal will enable us to understand how effectively the plan is carried out. This kind of analysis will be done later if data are available.

2.2 Economic and social goals

With respect to economic goal, it is intended to increase the average rate of production of about 2 per cent annually. Normally the average rate of agricultural production in the poverty-stricken areas will increase less than one per cent per year.

Regarding social goals, it is planned to provide basic public health system at the district level and to produce sufficient supplementary books to be used in the target areas within two years. In five years, the plan also attempts to provide nutrition services to 2.2 million children and women, to render clean water services to rural people of about 3 millions, and to give legal advice to at least 5,000 farmers in the target areas.

2.3 Budget goal

The total budget to be spent in carrying out the five-year rural development plan is about 8,593.38 million baht. Of this amount, 7,193.38 million baht will be allotted from the government budget and 1,400 million baht from foreign credit.¹⁰

3. Major rural development programs

To implement the above mentioned goals, three major categories of rural development programs were formulated by the Office of National Social and Economic Development Board in Bangkok. The three major programs were : (1) the village basic service program; (2) the village activity program which includes several projects such as the village fishery project, the village water resource project, and the village buffalo bank; and (3) the village production program which covers

several projects such as the village food production project, the agricultural seed research project, the village extension worker training project, and the village land improvement project.

In brief, the three major programs contained 16 projects. The rationale for classifying rural development programs into three major categories was that the three major programs should be able to accommodate all kinds of rural problems. It was also expected that such classifications be used as a guideline to local authority in formulating village projects responsive to the needs and problems of the rural poor.¹⁴

4. Program implementation

There are several organizations that are responsible for carrying out the five-year rural development plan both at the policy and implementation levels. They include : (1) the National Rural Development Committee (NRDC) ; (2) the four main Ministries of Interior, Education, Public Health, and Agriculture and Cooperatives which are directly engaged in rural development; (3) the Office of National Social and Economic Development Board (NSEDB); (4) the Provincial Rural Development Committee (PRDC); (5) the District Rural Development Committee (DRDC); and (6) the Tambol Council (TC).

At the policy level, the NRDC acts as the policy making body and is headed by the Prime Minister with high-ranking officials from the Ministries of Interior, Education, Public Health, and Agriculture and Cooperative and from other concerned units as members. The NSEDB serves as the Secretariat Office to the NRDC and plays a vital role in policy initiation as well as program screening.

At the ministry level, the Ministries of Interior, Education, Agriculture and Cooperatives, and Public Health are in charge of formulating their respective rural development programs and request their field agencies in each province to submit projects which are consistent with the project guidelines set by the central ministries, and departments.

At the provincial level, the PRDC is chaired by the provincial governor with other concerned provincial development officers as members. The main functions of the committee are : (1) to integrate various rural development projects submitted by the District Rural Development Committees into the provincial development programs before sending them to the central administration for final approval; and (2) to coordinate the provincial development programs with the ministries' programs.

At the district level, the DRDC is headed by the District officer with other concerned district development officers as members. This committee is basically

responsible for integrating all project needs of Tambol Councils in the district into the district rural development projects and then submit them to the PRDC for screening.

The Tambol Council consists of several elected members and is chaired by the Tambol headman who is elected by the villagers. Theoretically, Tambol councils are supposed to submit Tambol development projects to the DREC for screening, but in actual practice, they were not allowed to participate in the process of project formulation.¹²

5. Program follow - up and evaluation

Program follow-up and evaluation is basically a device for improving program management¹³. It is one of the most important steps in program planning and management cycle¹⁴ and needs to be carefully designed and followed if the program is to be effectively carried out.

Generally, the term "program follow-up" and "program monitoring" are used interchangeably to mean "the process of periodic measurement of program inputs, activities, and outputs undertaken during program implementation".¹⁵ The main concern of monitoring or follow-up is to indicate as early as possible the shortcomings in order that corrective measures can be undertaken in time.

The main purpose of program evaluation is to assess, after program completion, how effectively the program attains its desired goals.

The National Rural Development Committee has realized that an effective program follow-up and evaluation is extremely needed if the new rural development plan is to be successfully implemented. To this end, needed data concerning indexes of village development have been collected from the poverty-stricken villages to be used in program evaluation. In addition, with the assistance of the Japanese Government, a modern data processing center for rural development has been established at Thammasat University. So far, they have not undertaken any program evaluation. They are still in the preparatory stage.¹⁶

MAJOR PROBLEMS OF THE NEW APPROACH TO RURAL POVERTY-STRICKEN AREA DEVELOPMENT.

Major problems that account for the ineffectiveness of rural poverty-stricken area development programs are 1) lack of public participation in policy making process; 2) top-down program formulation; 3) frequent changes in target areas; 4) high percentage of rural projects implemented in non poverty-stricken areas; 5) lack of public participation in project identification and selection; 6) lack of coordination among concerned government agencies; 7) disintegration of rural development projects; 8) lack of qualified personnel; and 9) budget constraint.

1. Lack of public participation in policy making process.

One of the most important principles of good policy making is to allow those people who will be affected by the policy to participate in the policy making process. As previously discussed, the new rural development policy has been initiated and pushed by a group of scholars without consulting local agencies and the people's organizations such as Tambol Councils which are located in the localities and are supposed to better understand the needs and problems of rural farmers than those working in Bangkok. This lack of participation in the process of policy making tends to have psychological effect upon those who are responsible for implementing the policy. The following comment by a group of high-ranking officials in charge of planning and implementing rural development program reveals the point I made rather well: "It is good to have a policy on rural development for rural people. But how can they develop a more realistic policy without consulting us."¹⁷

This is a psychological manifestation that shows the relationship between the lack of a sense of belonging and the lack of policy commitment.

2. Top-down program formulation

Another important problem is the top-down program formulation. As earlier discussed, all provinces were requested to formulate their rural projects within the program frames of the central ministries and submit them to the central administration for final approval. Using uniformity to solve diverse problems in the rural poverty-stricken areas tends to create more problems in the localities. For example, the three major rural development programs set by the central ministries were not adequate to cope with all different problems in the rural areas.¹⁸ In this case, program implementators in the provinces and districts have two alternatives--either to comply with the central guidelines or to do other things as they consider more appropriate. This kind of practice already happened in various provinces.¹⁹ This results in a waste of resources.

3. Frequent changes in the target areas

Another problem encountered during program implementation is the frequent changes in the target areas in several provinces and districts. One major reason was that the first identification and selection of target areas was undertaken in such a hurry that many poverty-stricken areas were excluded but several non-poverty-stricken areas were included in a list of target areas.²⁰ Frequent changes in the target areas caused a delay in budget allocation and project completion.

4. High percentage of rural projects implemented in non-poverty-stricken areas

Evaluation of the 1981 program implementation suggested that there was a high percentage of rural development projects implemented in non-poverty-

stricken areas. Many implementators tended to implement their rural projects in the rural areas that had potentials to develop instead of choosing the target areas.²¹ This might be because they did not really understand the new concept of rural development.

5. Lack of public participation in project identification and selection

Lack of public participation in project identification and selection is another important problem of the new approach to rural development. Tambol Councils were not allowed to identify and select their own projects. The District Rural Development Committee was responsible for formulating and choosing Tambol projects. There is no guarantee that Tambol projects designed by district officials will truly reflect the needs and problems of poor villagers.

6. Lack of coordination among concerned government agencies.

Another important problem is the lack of coordination among concerned government agencies responsible for rural development. The problem included coordination at the ministry level as well as the provincial, the district, and the Tambol levels. Particularly, at the provincial level the provincial Rural Development Committee failed to coordinate rural programs within the same ministry as well as with other ministries. This problem resulted from the lack of a representative of the ministry in the province except the Ministry of Public Health. In brief, each field agency reports directly to his boss in Bangkok.²² The new rural development plan intends to mobilize and utilize resources from the four main ministries in the same poverty-stricken areas.

7. Disintegration of rural development projects.

Evaluation of selected rural projects suggested that the lack of integration of rural development projects is another important problem. Some projects should be supplementary to other projects, but were implemented in different target areas. For instance, the village nutrition project of the Ministry of Public Health and the Village food production for nutrition project run by the Ministry of Agriculture and Cooperatives are supplementary to one another and need to be executed in the same area. In actuality, however, they were carried out in different target areas.

8. Lack of qualified personnel.

Another important problem accountable for the ineffectiveness of rural program implementation is the lack of qualified personnel. This problem originates not only in the provincial office of the governor but also in the local agencies.

Particularly, the shortage of competent planners and project analysts responsible for development planning at the provincial level as well as the district level.

9. Budget constraint

Budget constraint is another important factor responsible for the ineffectiveness of rural program execution. By "budget constraint," we mean the inadequacy of the present budgetary system and the availability of the budget for provincial development projects.

Under the present budget system each province does not receive prior ascertainment about the total annual budget to be granted to the province by the central administration. This makes it difficult for the province to plan in advance and to set priority of development programs. It also discourages local units to formulate development projects more effectively.²⁴

CONCLUSION

This study is an attempt to study the major problems and prospects of the new approach to rural poverty-stricken area development in Thailand. In doing so, efforts have been made to examine the major principles and goals of the new approach, the process of program formulation and program execution, and the major problems effecting program effectiveness.

The five-year rural poverty-stricken area development plan has become effective since 1982. Certain rural programs of the plan were implemented in the target areas last year. To meaningfully evaluate the program effectiveness, relevant and sufficient data are needed. Unfortunately, this requirement is not met due to the lack of complete data.

However, based on the available information and other methods of observations previously discussed, this study suggests that there were certain major problems accountable for the ineffectiveness of the rural programs.

From the above-mentioned problems, the following recommendations are suggested.

1. Policy orientation program.

An orientation program should be launched for those engaged directly in rural development both at the policy and implementation levels to assist them to better understand the policy, goals, concepts, and philosophy concerning the new approach to rural development.

2. Public participation in policy making process and program formulation.

Policy on rural development should be reviewed after one or two years of implementation so that policy modifications can be made to fit changing local settings. Field units as well as people's organizations should be allowed to take part in this process.

The top-down programs should be also reviewed and modified so that they can account for all diverse rural problems by including local units and public organizations in the process of program formulation.

3. Identification and selection of target areas.

The present list of target areas should be reconsidered so that true poverty-stricken areas can be added to and non-poverty-stricken areas be excluded from the list.

In addition, to reduce the budget constraint a new budget system should be adopted so that each province can have its own budget and plan in advance similar to that of the central departments. Moreover, the provincial offices should be strengthened by providing them with more competent planners and project analysts.

With the above recommendations and the seriousness of the Thai government in solving rural problems, the chance of success of the new approach to rural development in Thailand should be better than previously.

Footnotes

1. Office of National Social and Economic Development Board (NSEDDB), *Poverty-Stricken Area Development Plan (1982-1986)* (Bangkok : Commade Printing Co., 1982), p. 2.
2. *Ibid.*, p. 1.
3. For further information, see Oliver Popence, "The Importance of Education in National Development," *International Development Review*, Vol. 8, No. 4 (December, 1966), p. 8.
4. Kosit Panpiamrat, *Concepts and Policies Regarding Rural Development in Thailand : Past and Present* (mimeographed), p. 15.
5. National Rural Development Center, NSEDDB, *Manuals for Rural Development Administration* (Bangkok : United Production Printing Company, 1981), p. 1.
6. Thavan Vorathepputipong, *Organizations for Rural Development* (Bangkok : Training Center, NIDA, 1982), pp. 32-33.

7. NSEDB, *op. cit.*, p. 7.
8. Panpiamrat, *op. cit.*, p. 16.
9. NSEDB, *op. cit.*, p. 16.
10. *Ibid.*, p. 16.
11. Panpiamrat, *op. cit.*, p. 17.
12. Vorathepputipong, *op. cit.*, pp. 34–37.
13. United Nations, Department of Economic and Social Affairs, *Systematic Monitoring and Evaluation of Integrated Development Programmes* (New York : United Nations Publication, 1978), p. 9.
14. Louis J. Goodman and Ralph Ngatata Love (eds.), *Management of Development Projects* (New York : Pergamon Press, 1979), p. 8.
15. United Nations, *op. cit.*, p. 9.
16. Panpiamrat, *op. cit.*, p. 19.
17. Information obtained from a correspondence with a group of high-ranking officials who are engaged directly in rural development in April 1983.
18. Prasit Trongyingsiri, *Development Planning and National Development* (Bangkok : Training Center, NIDA, 1982), p. 31.
19. National Rural Development Center, *Rural Poverty—Stricken Area Development Plan 1983* (Bangkok : Agricultural Cooperatives Printing, 1983), p. 12.
20. *Ibid.*, p. 12.
21. *Ibid.*, p. 12.
22. *Ibid.*, p. 13.
23. *Ibid.*, p. 13.
24. Provincial Administrative Reform Subcommittee, *Recommendations for the Provincial Administrative Reform to the National Administrative Reform Committee* (mimeo-graphed).