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**ALIENATED LIFE: SOCIO-ECONOMIC CHARACTERISTICS
OF THE ULTRA POOR IN THAILAND**

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1. Introduction

One of the success stories about economic development of Thailand in the past 20 years is its record of continuous reduction in the incidence of poverty defined as the proportion of Thai population having income lower than a designated 'poverty line'. During the 'economic boom' periods in the late 1980s and early 1990s, the poverty incidence throughout the country fell so rapidly that, statistically, the incidence of some region (i.e. Bangkok) had approached zero, prompting some researchers to revise the poverty line upward to reflect the changes in population structure, nutritional requirements, consumption patterns, and prices.¹ Then the crisis hit in 1997. As a result of a combination of various factors including mismanagement in the financial sectors, incorrect exchange rate and international finance policies, and fall in export earnings, Thailand lost most of its foreign reserves and was forced to float its currency, which brought about massive capital outflows with ensuing negative effects on domestic financial, employment and general economic conditions. Companies went bankrupt, jobs lost, unemployment increased, and the average income of the Thai people declined. Between 1996 and 2000, the incidence of poverty has increased from 11.5 per cent in 1996 to 13.0 in 1998 to 15.9 in 1999, and finally to 15.0 in 2000.² This level of poverty is roughly equivalent to the situation in 1995. In a word, Thailand has already lost 5 years of its economic development. If economic difficulties continue, the development and welfare losses can even be greater.

Yet, there is at least one group of the Thai population who are strangely relatively unaffected by this crisis. But the main reason for this is none other than the fact that they were not so much affected by the rapid economic growth that we have alluded to earlier in the first place either. Their lives have been practically alienated from the rest of the population for as long as they could remember. These are the 'Ultra Poor' of Thailand who live in the bottom rung of the Thai society, and seem to have always remained there. That is why a new word in Thai is coined to describe these people. We call them, in Thai, คนยากจนดึกดำ (kon yak jon dak darn) of which 'Ultra Poor' or 'Hard Core Poor' is a close description.³

* Revised from the paper presented at the Third Global Development Network (GDN) Conference, held in Rio de Janeiro, Brazil, December 9-13, 2001.

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I wish to thank the Thailand Research Fund (TRF) in providing generous financial support to me as part of its TRF Senior Fellowship. This has enabled me to engage several of my friends and colleagues in four regional universities to carry out this research on Ultra Poverty in the four regions of Thailand. This paper only highlights few findings of each region. For that, I may have missed some important points that regional researchers would have given their stronger emphasis. I, therefore, take full responsibility for its errors and shortcomings.

¹ See, for example, Medhi Krongkaew (1994, and 1996); Kakwani and Medhi (1996).

² Information provided by the Development Evaluation Division, NESDB,

³ To some Thai, this Thai word may sound pejorative, but this is not what it is meant for. On the contrary, there is no better word that conveys a sense of deep-down or chronic poverty that remains immobile or

Mainly as a result of the crisis which has impoverished many ‘miracle’ economies in East Asia, several international organisations such as the World Bank, the Asian Development Bank (ADB), the United Nations Development Programme (UNDP), which already had their active programs on poverty, stepped up their activities concerning poverty. The World Bank had chosen as the subject of its new biennial World Development Report (WDR) for 2000/2001 a new outlook and policy direction on poverty whereby the report was written after a series of discussions and consultations with various interested and ‘stakeholder’ groups throughout the world. The ADB even went one step further and redesigned its development lending policy to specifically target poverty reduction as its main emphasis. In its words, poverty reduction has become ‘an overarching’ objective of the ADB. For UNDP where its ‘human-centred’ development policy as reflected in its annual Human Development Report (HDR) has already been accepted as a major alternative to the traditional ‘growth-centred’ development policy also maintains a separate program on poverty, with its annual Poverty Report and a special website geared toward the elimination of poverty.⁴ But these programs still address poverty problems in general. They did not recognise the problems of the ‘Ultra Poor’ as separate problems that may require separate understanding, and a separate set of policies. Looking around the existing literature on poverty today, one is hard pressed to find any study that looks specifically at the extreme poverty group and analyse them. This ‘Ultra Poor’ group is normally subsumed under the analysis of the general poor, with an irrelevant or ineffective set of policies to solve their problems. This state of affairs is obviously unsatisfactory and should be redressed quickly.

Through the generous financial assistance of the Thailand Research Fund (TRF), I was able to form a team of researchers to study socio-economic characteristics of the ‘Ultra Poor’ in rural Thailand.⁵ While the main objective of this research is clear, that we wanted to find out the socio-economic makeup of the poorest households in rural Thailand, we also wanted to go a bit further by looking at two other aspects concerning this group of people: how they adjusted to the market or the environment around them, and how they were affected by various government policies. There may be more that we could learn from the outcome of this research, but since this was really a pioneering effort to learn about a special group of population who had hitherto escaped attention from any researchers, we could not be too ambitious. Our study must be looked upon as a pilot study that shows only the first glimpse of these alienated lives. The results of the study

unmoved with the change in the society around it. The chosen word succeeds in startling listeners to pay attention to the plight of these people.

⁴ See, <http://www.undp.org/poverty>. Both the World Bank and the ADB also maintain websites specifically on poverty issues. For the World Bank, see its PovertyNet Website at <http://www.worldbank.org/poverty/>; and for the ADB, see its Poverty Reduction Website at <http://www.adb.org/Poverty/>. The ADB also maintains a website which collect numerous conference and other academic and policy papers on poverty. See, <http://aric.adb.org/social/poverty/default.asp>. Even the International Monetary Fund whose main objective is international financial transaction is also interested in poverty issues, as evidenced in its recent Panel Discussion on Macroeconomic Policies and Poverty Reduction. See <http://www.imf.org/external/np/tr/2001/tr010413.htm>.

⁵ This assistance is part of the award I received in 1996 from the TRF. This award is the TRF Senior Research Fellow Award whereby upto 3 million baht a year may be provided annually for up to 3 years from the TRF for the this Senior Research Fellow to conduct a research of his or her choice. My research team consisted of researchers from four regional universities namely Chiang Mai University in the North, Khon Kaen University in the Northeast, Sukhothai Thammathirat Open University in the Centre, and Prince of Songkhla University in the South. For details, see Annex 1.

may be useful for designing policies that complement general poverty policies, as well as pointing the way to a more serious study on this group of people.

What is of immediate importance is how to identify our 'Ultra Poor' group, to find them and interview them. It is true that we could look for statistics concerning these people from the Socio-Economic Survey (SES) which is the country-wide survey of household income and expenditure and other socio-economic characteristics of the Thai households conducted regularly by the National Statistical Office (NSO), but it is quite likely that this SES will fail to adequately capture the true socio-economic pictures of the very poor, just as it was well known that it fails to capture the same of the very rich. A special survey that targets only the poorest samples is called for.

But how to do this quickly and cost-effectively? One method is to set a poverty level that defines extreme poverty and select anyone whose income fall under this poverty level as our sample. But this technique is obviously very costly as going around scouting for those who are qualified would be very time consuming and resources-draining. The other method is to use the knowledge of local leaders who know well the income or economic positions of households or people in their localities. On the assumption that these local or village leaders know all the people in their villages, the identification of those who are the poorest in the village, or those who are poorer than the others in the village, could be easily undertaken. What we need to be careful is that these leaders must not be allowed to prepare for their identification in advance because they might bias in their selections. We decided to adopt this latter method as we can get our samples quickly and conveniently. All research teams in the four regions adopted this technique of sample selection.⁶ After the experimental survey and study in 1998 for the Northeastern region only, we launched our nation-wide surveys in 1999. The core findings that I will analyse in this paper come from these 1999 surveys, plus the earlier survey in 1998 for the Northeastern region only.

2. Concept of Poverty: Size, Depth, and Severity

Before embarking upon the analysis of the Ultra Poor, we should dwell a little on various concepts of poverty and various measures of such poverty. This is in order to better understand the meaning of extreme poverty and the need to develop a specific set of policies that deal specifically with the problems of the truly poor.⁷

⁶ A question is generally raised about the nature of the samples that we have selected. Are these samples represent the poorest of all households in the region? If our sample size is large enough, and the selection is random enough, they certainly can represent the poorest households in the region. But while our selection is as random as we possibly can be, our sample size is not large enough in each region. Therefore, while those households whom we interviewed are certainly the poorest in our selected villages, those villages may not be the poorest villages where our poorest households would reside. Indeed, our poorest samples in each region could be different across regions, with samples in some regions much better off in term of economic positions than the same in other regions. This is to be expected, but we learn and analyse these differences through the data that we have collected in each region.

⁷ There is already so much literature on concept of poverty and poverty measurements before poverty has become a fashionable subject. The recent interest in poverty study has generated a new batch of literature on the same subject areas. For a more recent surveys and discussions on these areas see various publications issued by the Social Development and Poverty Elimination Division (SEPED) of UNDP in its special website http://www.undp.org/poverty/publications/pov_red/

One of the first questions that is often raised in the discussion concerning poverty is: what should be the basis on which poverty is measured? Should it be income, a simplest and most straightforward base for measure of poverty, or consumption, or deprivation from a certain physical necessities such as food, clothing and shelter? Any of the above could be used as bases for poverty, but we chose income as our poverty base for a simple reason that it better reflects command over resources and the acceptance of the belief in modern economy where specialisation and exchange are standard economic practices. But the debate may not stop here. Indeed, poverty could be regarded as a multi-dimensional concept that goes beyond a mere economic measurement using income. Poverty could be looked upon as a non-physical conditions such as lack of knowledge, lack of democratic spirit, lack of human compassion, excessive selfishness, and so on. In this case, the whole discussion could become quite chaotic. It is practical, therefore, to start the analysis on a narrow base, say income, and work ourselves up to include other non-economic factors that could explain poverty more completely.

Once we use income as our poverty base, we usually decide who is poor or who is not by checking whether that person's or household's income is below or above the agreed poverty line. As mentioned earlier, the most common measure of the size of poverty is the so-called 'Head Count Ratio' (HCR) which is the proportion of people or households having income below poverty line.⁸ But this measure does not distinguish those people or households whose income hovers just below the poverty line or so far down below the poverty line. It should be immediately obvious to us that the situation is much bleaker if most people cluster around the bottom of the income scale rather than at the point near the poverty line. We can measure this depth of poverty by looking at their income shortfall from the poverty line or how far their income positions are from the poverty line, and how much resources are required to move everyone or every household up to the poverty line.⁹ Still this measure does not take into account the movement of income within the poor group itself. If a poorer person among the poor group transfers his income to a less poor person in the same group, nothing is changed in the income shortfall measure while our common sense tells us that a proper poverty measure should show a worsening of the welfare of the whole group. But if the opposite happens, that is a less poor person transfers his money to a poorer person in the same group, then a more appropriate measure should show an improvement in poverty condition. Taking the suggestion from a group of economists, Foster, Greer, and Thorbecke (1984), who designed such a measure, we can now pay attention to the severity of poverty. If the poverty is very severe, with most people at the bottom of the income scale, any changes in income among these people will be more than proportionately captured in a measure that reflects our different concern or aversion over poverty.¹⁰

⁸ If q is the number of people or households in the total number of population or household, n , having income below the poverty line, z , then HCR showing the incidence of poverty is q/n .

⁹ The income shortfall is measured by the Income-Gap Ratio (IGap) which is defined as

$$\text{IGap} = [(z - y^*)/z]$$

where z is the poverty line, and y^* the average income of the poor. The Poverty-Gap Ratio (PGap) is defined as

$$\text{PGap} = \text{HCR} \times \text{IGap}.$$

This shows the proportion of total income or resources necessary to bring every unit below poverty line up to the poverty line

¹⁰ The Foster-Greer-Thorbecke Index (FGT) is defined as

$$\text{FGT} = (1/n) \sum [(z - y^i)/z]^\alpha$$

So, if we want to address the issue of poverty in general without going into detail of the depth or severity of poverty, we will use HCR. Any more serious discussion on poverty may bring about the need to use IGap, or PGap, or FGT as the case may be. But for the most part of this study, our focus is different. We have already chosen our target group, the poorest in the chosen villages in the four regions of Thailand. And the following is what we have discovered.

3. Salient Household and Demographic Characteristics of the Ultra Poor

It is undeniable that economic development in the last 40 years has brought about substantial increase in economic well-being of the Thai people if that well-being could be measured by an increase in average real income. But while the average income of the Thai household has increased from about 800 baht per month in 1962/63 to about 12,150 baht per month in 2000, or an increase of about 15 times in nominal term over 38 years,¹¹ rural life and rural scene do not seem to change that much over the same period of time. When one visits a typical village, say, in the Northeast, he or she is likely to see detached houses scattered around main village road which until about 10 years ago was normally unpaved.¹² Most typical Thai houses in the rural areas are usually one-story houses built on raised platforms where the space between the ground and the living quarter is used as storage space or space to keep farm animals. The houses will have roofs made of grass, corrugated iron, or tiles very much depending on economic status of owners. For some poor, some walls may be missing. As expected, the physical appearance of a house tells a lot about its owner.

As can be seen from Table 1, the majority of our Ultra Poor households were one-family households, with the largest percentage found in the North (92.2 per cent) and slightly smaller percentages in the South and the Centre (86.5 and 86.2 per cent, respectively). The Ultra Poor in the Northeast were found to have somewhat higher frequency of two families living together more than in other regions. One possible explanation for this difference is that the Northeast has relatively larger population, hence a greater tendency for more than one families living together in a house. Compared to regional averages, the size of the family of the Ultra Poor is larger in all regions, again, except the Northeast (see Table 2).¹³ This fact is already well known that the poor tend to have larger family size than the non-poor, and our study on the Ultra Poor has again confirmed this. The dependency ratio shown in Table 3 probably explains some of the reasons for their extreme poverty. The proportion of men and women in the labour force supporting those who are not in the labour force (children less than 15 and elderly over

where y^i is the income of the poor individual, i , and α is our poverty concern or poverty aversion parameter that measures how sensitive the index is to transfer among the poor units. When α is 0, FGT becomes HCR; and when α is 1, FGT become IGap. The widely accepted α value is 2.

¹¹ Information from Socio-Economic Surveys (SES) conducted by the National Statistical Office (NSO). The first two surveys in 1962/63 and 1968/69 were called Household Income and Expenditure Surveys.

¹² The main streets in almost all of more than 60,000 villages in Thailand are now paved either with concrete blocks or asphalt. This is one of the outcomes of rural development policies of the past Thai governments.

¹³ A closer look at the statistics of the Northeast will show that the second survey in the Northeast (Northeast2) encountered a much larger share of one-member families. This has resulted in a smaller family size from the Northeast samples in 1999. However, the first survey in the Northeast in 1998 (Northeast1) shows the larger family size compared to regional average. The difference shown in Northeast2 may be attributable to statistical anomaly.

65) was more than 67.3 per cent in the Northeast in 1999. The North and Centre fare a little better with their dependency ratios at 54.2 and 59.6, respectively. The Ultra Poor of the South seem to have proportionately higher level of children less than 15 years of age. The requirement for family support bids this region's Dependency Ratio among the Ultra Poor to 78.3 per cent. The burden on the Ultra Poor in the South is higher than that in other regions due to their larger than normal family size.

In addition to family size as a cause of poverty, the level of education of household head may also attribute to poverty in the family. On average, about 10.4 per cent of the total population surveyed in 1992 had no formal or less than primary education, and about 74 per cent had only primary education. The educational attainment levels of the poor in general for the same year were 16.3 and 81.9 per cent, respectively (Medhi 1996). It is obvious that low level of educational attainment is a major characteristic of the rural poor in Thailand. The finding from our Ultra Poor survey as shown in Table 4 has confirmed this. Higher proportion of these extremely poor household heads were found to have no formal education, even in 1999. The percentage of no formal education among the Ultra Poor in the South was as high as 28.8 per cent, followed by that in the North at 24.2 per cent, the Centre at 21.3 per cent, and the Northeast at 18 per cent. The situation was not much better for member of the families other than the heads of households. As shown in Table 5, the average educational attainment of members of the Ultra Poor families was still as high as 25.4 per cent in the North, which means that not the heads who have little or no education, most of their family members also suffer from the same lack of education.

Table 6 shows the distribution of main occupations of household members (including heads). Except for the Northeast, between 27.8 and 32.5 per cent of members of the Ultra Poor households in rural Thailand work in the agricultural occupation (farmers or agriculturists).. But even higher percentages were found in the general labour category. It is quite clear that the majority of the Ultra Poor in rural Thailand were general labourers, not farmers or agriculturists. Table 7 which reports on the secondary occupation further confirms this. About four-fifths of our Ultra Poor samples told us that they did not have secondary occupation. But for those who have secondary education, they were almost as a rule in general labour category. What is more worrying is the fact shown in Table 8 that almost all households had never changed occupation no matter how poor they had become. The immobility of these Ultra Poor households was phenomenal. More on this later.

4. Household Production and Employment, Income and Expenditure

Now a clearer picture of these Ultra Poor has begun to emerge: The majority of them were general labour working on the farm or off-farm. They had relatively larger families, with low level of education, and had remained in the same occupation (and location) for the most part of their lives. What kind of income-generating capital these Ultra Poor had apart from their relative lack of human capital? Land is of course one of the most important factors of production, but Table 9 shows, most of these Ultra Poor were landless. The landlessness among the Ultra Poor in the Central region was as high as 70.9 per cent. More than half of the Ultra Poor in our samples in the North were not landless, but the size of land they were holding was only between 1 to 5 rais (less than 2 acres). In general, land ownership is widespread in rural Thailand, and it was found to have significant relationship with poverty situation such that poverty is having a very strong

association with landlessness. Either these Ultra Poor households did not have the land to work on in the first place, or they had lost it through debt and deprived of an income-generating factor of production. We did ask a question in our interview about the change in land ownership and land holding and the ways in which this change took place. Table 10 shows an interesting picture. For those Ultra Poor who still owned some land, the majority had no change in their ownership or holding. Few did gain in land ownership, but between 10.8 and 28.9 per cent saw the land decrease in size. The Ultra Poor in the Northeast in 1999 had experienced the sharpest fall in land ownership (28.9 per cent). Indeed, the loss of land ownership was also quite high in 1998 in the Northeast, and for the most part, this land loss was attributable to the sales of land for money. The decline of land ownership through land sale was quite substantial among the Ultra Poor in the Northeast in 1999.

Those Ultra Poor who had land would of course work on their land, and their farm output would be sold for income or used for own consumption (which would be registered as in-kind income). But for those landless Ultra Poor who must get their income from hired labour, they would also find whatever work in the vicinity to live by. We would like to know how much time these Ultra Poor spent on their income-generating activities, so we asked our sample households to count the number of days they had worked in a year. The results as reported in Table 11 do not show these people working very long at all. The Ultra Poor in the Northeast only 121.3 days in a year, and that was for the whole family, not just household head. Compared to the working situation in 1998, a year earlier, the number of working days for the Ultra Poor in 1999 declined by about 26 per cent (from 163.3 days). It appeared that the economic crisis had hit the poor in the Northeast quite thoroughly. As for the Ultra Poor in other regions, we do not have a two-period comparison like in the Northeast, so only the situation in 1999 was reported. The Ultra Poor in the North had worked the longest days, followed by those in the Central and Southern regions. Even at the longest working time at 267.1 days in the North, this would translate to only 72.2 days per year per family member. On a normal 260 working days per year, this would amount to some 27 per cent of the time available for work. No wonder these Ultra Poor were not adequately remunerated because they were grossly underemployed.¹⁴

Before we inquire about household income generated by these Ultra Poor, we like to point out the importance of hired labour work that these family members had engaged throughout the year. It should be obvious by now that these Ultra Poor had to rely on extra hired labour work for their main as well as additional income. Tables 12 to 14 show that most family members in the Ultra Poor groups worked as hired labour, mostly all year round, and mainly in the agricultural sector. If the return to this agricultural sector is already lower than that in other sectors, imagine how it affect the return to these Ultra Poor in their hired labour work.

Income of these Ultra Poor households from various sources is reported in Table 15. A lot of work and care have gone into getting information for this table. Two sources of income are reported: from agriculture and from non-farm sources. As expected, income from non-farm sources was much larger than from agricultural sources. For example, the non-farm income of the Northern Ultra Poor was almost 80 per cent of the

¹⁴ As it will be pointed out later, longer working days did not always mean that the wage or income is higher than those who work less hours or fewer days. In fact the return per day of work for the Northern Ultra Poor is lowest among those in other regions. See the next section.

total annual household income of 27,881 baht. Total household income of the Ultra Poor in the Central and Southern regions were much larger at 48,614 and 54,862 baht, respectively. That leaves the total income of the Ultra Poor households in the Northeast in both 1998 and 1999 (Northeast1 and Northeast2) the lowest of all regions. The extent to which income of these households in the Northeast fell between 1998 and 1999 was most worrying. In 1998, the total income of the Ultra Poor was already very low at 27,213 baht per family per year. In 1999, this had fallen to only 15,054 baht per family per year. If there were nothing wrong statistically in the Northeast in 1999, then 1999 was a very bad year for the Ultra Poor in the Northeast indeed.

Table 16 summarises household balance sheets of these Ultra Poor households in the four regions of Thailand. Again, the Northeast Ultra Poor fared worse than their counterparts in other regions with negative net household income in both 1998 and 1999. This negative net income must be financed or compensated by family dissaving, extra borrowing, or some other financial assistance from other sources such as from relatives, community or charitable organisations, government agencies, and so on. Memorandum items in this table also show that the majority of these Ultra Poor were in debt at the time of interview, and the household debts varied from 9,508 baht in the Northeast in 1999 to 17,156 baht per family in the South in 1999.

Two more interesting points emerge from the above two tables. One is how this level of income of the Ultra Poor is compared with national averages, and the other is how it is compared to income of the general poor. Table 17 compares the income and expenditure situations in all four regions in 1999, and just for the Northeast in 1998. It may be seen that the average nation-wide household income in 1999 was highest in the Central region, followed by the South, North and Northeast. Assuming that the income of the Ultra Poor from our samples was accurate and representative of the income of Ultra Poor population in each region, this is the first time we know how far removed the income of these Ultra Poor was from national averages. With the exception of the income position of the Ultra Poor in the South which was unusually high for that year, the size of income of the Ultra Poor in the other three regions ranges between 15.4 per cent of the national average in the Northeast to 31.7 per cent of the national average in the Central region. A weighted average of these shares could define an income level that can be call 'ultra-poverty line'.

The second point is how this level of income of the Ultra Poor is compared to the official poverty line for the whole country. The average poverty line for 1999 was set at 886 per person per month (Sunantha 2001). At the bottom of Table 15, average income per person per month of the Ultra Poor in all four regions is shown there. It will be seen that a comparison with the national poverty line has shown that the average monthly income of the Ultra Poor in the Northeast in 1999 (332 baht) was only about 37 per cent of the national poverty line, whereas the same share for the Northeast in 1998 was about 57 per cent, and for the North in 1999 was about 71 per cent. Notice that the average incomes of the Ultra Poor in the Central and Southern regions were higher than the national poverty line. This could mean two things. The first meaning is that the sample households that we had selected in the Central and Southern regions, although they were poorest in the selected villages, were not the poorest in all villages of those regions. The second meaning is that the poverty lines applied to the Central and Southern regions are higher than the aggregated national poverty line. Therefore, our Ultra Poor samples in these two regions were still classified under the poor group in the national poverty

comparison. More importantly, our surveys still provided a useful source of primary information on extreme poverty in Thailand.¹⁵

5. Ultra Poor Household Adjustment and Coping Mechanisms

The remaining tables in this paper show various characteristics of our Ultra Poor samples on their adjustment and coping mechanisms in the real world. The following points may be observed:

(a) On Marital Status of Household Heads

Table 18 shows the percentage distribution of marital status of household heads of our Ultra Poor households in all regions. What importance this has on our understanding of the life of the Ultra Poor? Compared to ordinary situation, we have discovered, especially in the Northeast, that extreme poverty could be associated with the death of the original heads of households. The incidence of the Ultra Poor households headed by women who were widowed by the death of their husbands was as high as 26.9 per cent in 1998 and 28.9 per cent in 1999 in the Northeast. The incidence of female heads of households who were widows in other regions may be smaller, probably not less severe. The figure for the South was 23.6 per cent, while the percentages for the Centre and the North were 17.8 and 15.3 per cent, respectively. The death of bread-winner in an already poor family could plunge that family into extreme poverty. This is an area where future social protection policy could consider.

(b) On Ownership of Housing Units

As mentioned earlier, land ownership (or, to a lesser extent, inability to use land for production to sustain basic livelihood) is a major problem for the Ultra Poor everywhere in Thailand, especially in the Northeast. It was somewhat a surprise to find that the Ultra Poor in most regions did have their own housing units to live in. With the exception of the South, about 9 out of 10 Ultra Poor households in all regions owned their own housing units (see Table 19). This could be one of the factors that lessen the impact of extreme poverty. With shelter secured and food not too difficult to find in Thailand, the life of the Ultra Poor is bearable. However, there were those who had to live in housing units that belong to others. This group of the Ultra Poor could be singled out to receive immediate help from the State.¹⁶

(c) On Migration

Our survey results had shown that the Ultra Poor had a tendency to stay fixed in one place without moving away to find a better job or a better life. This, however, did not apply to members of the family. Sons and daughters of the family often moved out of the village to find work in nearby towns or cities or provinces. Few would go to Bangkok or

¹⁵ We could add the third reason that our survey data and the data from the SES are not strictly and completely compatible. Our comparison is just a rough indication of how our sample cases stand with respect to the national samples.

¹⁶ It may sound strange how ownership of a housing unit should have any bearing on extreme poverty. However, a special analysis by the Northeastern Research Team using a logit model to explain the causes of poverty by using a given poverty line to separate the samples into two groups, poor and nonpoor (with probability of 0 being poor and 1 nonpoor) and using socio-economic characteristics obtained from the survey to explain this poverty occurrence through log-linear regression technique. The result shows that only 3 variables have significant relationship (with $p < 0.01$) with the incidence of poverty. The 3 variables were number of working days of the Ultra Poor households (negative relations), the age of household heads (positive relation), and the value of the house (negative relation). See Pitaksit et al. (2000).

other big cities, but not many. It seems that the distance to which these migrant workers work away from home shows the basic economic status of their families. Only those relatively well-off families could afford to send their family members to work overseas. A less economically well-off, perhaps, would go to Bangkok, whereas the Ultra Poor were most likely to work in the nearby towns. Although migration is a means to escape poverty, the migration patterns of family members of the Ultra Poor were almost always to find subsistence income rather than to find a new long-term occupation.

(d) On Illness in the Family

The first pilot survey in the Northeast in 1998 revealed one piece of information concerning the Ultra Poor in areas under survey that no one had noticed before, that is illness in the family and/or existence of an invalid person in the household, was a major factor that kept that household in deep poverty. Chronic illness, whether to the head of household himself, or to members of his family, not only drain scant resource that this family has in the beginning, it also wastes precious working time and causes additional mental anguish. Similar situation occurred in the case of an incidence of invalidity in the family. Indeed, it is often the onset of chronic illness and/or the inevitability of having to take care of one or more disabled persons in the household that starts this family on the road to ultra poverty. As shown in Table 20, about 1 in 10 families of the Ultra Poor would have a disabled person in the family. Table 21 shows that roughly 3 in 10 families of the Ultra Poor would have at least one family member who was chronically ill, and one in 20 families would have even two chronically ill members. The uniform incidence of chronic illness and disability found in all four regions has confirmed our earlier finding that this is an issue that has to be addressed in any future policy on the Ultra Poor.

(e) On Assistance from the State

Contrary to a conventional belief that public policies regarding welfare of the poor in Thailand have been in place for so long, and benefits of these policies have reached the poor in the countryside, the results of our surveys of the Ultra Poor had shown this not to be the case. The benefits from government expenditures have undoubtedly helped many rural people but not all, and not equally. We had asked several questions concerning how our sample households had received any assistance from the government and the responses were almost uniformly in the negative. As shown in Table 22, we had flagged four likely government policies that could help these poor groups, namely occupational training, financial support, farm input and equipment, and job counseling and asked if our sample households had received any assistance from the state on those areas. Practically all respondents said no. Either these services never reached these people, or these people were not in the position to avail themselves to receiving the benefits of these services, or both.

(f) On Outlook and Future Prospects of Poverty

Table 23 provides some of the most interesting highlights of our surveys of the Ultra Poor in Thailand. First we asked heads of these Ultra Poor households to specify the number of years they felt they had been in deep poverty like the present. To our surprise, the average number of years these household heads believed or felt that they had been like this ranged between almost 15 to 20 years. This is equivalent to a working life time of a middle-aged head of family, meaning that, for most of these Ultra Poor households, they had been in extreme poverty all their lives. When asked to give reasons for their poverty, a large percentage of these household heads (between 15.8 to 35.1 per

cent) in all regions except the South said that having no land was a main reason.¹⁷ The next more frequent response was that they had received no or little inheritance. This could mean land and other income or assets. Having no work was another major reason for extreme poverty for our groups. Notice also a large frequency of the answer 'No Household Heads' among the Northeast respondents (between 16 to 17.7 per cent in 1998 and 1999, respectively). This confirms the problems of female household heads whose husbands had died and left them to take care of the families alone. Two more questions on the prospects for the future resulted in the answers that (1) the majority of our sample households did not see any prospects of a better life in the next 2-3 years; and (2) close to half of the Ultra Poor in all regions (except the Northeast where there was more pessimistic view) felt that they would never be able to get out of this poverty. This emanated a sense of despair that most of our researchers had fully absorbed, and greatly expressed their own sense of commiseration.

(g) On Regional Poverty Variations

This short synthesis paper cannot do full justice to the wealth of information and specific analysis about the Ultra Poor in respective region that each regional report has been able to show. The regional researchers were able to get deep into the lives of many of these Ultra Poor and reported life history of many of these poor people. Several in-depth case studies that the research team in each region has been able to compile through in-depth interview have made a very informative reading indeed. Serious scholars, development practitioners and policy makers must read the full reports of all regions to get the full understanding and knowledge about the Ultra Poor in Thailand.

6. Summary, Conclusions, and Policy Recommendations

This paper summarises some main findings of the studies on the poorest groups of households in the four regions of Thailand, the North, Northeast, Centre, and South. The researchers had used an innovative technique of asking village leaders to identify on average 5 poorest households in the sample villages to form a pool of the Ultra Poor in Thailand to be interviewed about their socio-economic characteristics and how they adjusted or coped with the dire situations around them. Several expected and unexpected findings were discovered as a result of the survey. Among the expected findings include a relatively large size of family with dependent members who need to be taken care of, household heads with low or no educational attainment, having no or little land to work on but remain immobile in one place despite severe poverty. Among the unexpected or surprised findings include the much larger increase in the proportion of households engaging in general labour as main occupation rather than being farmers or agriculturists (which shows increased severity of landlessness), greater incidence of widows as heads of these Ultra Poor households, small number of working days, the unusually low income-generating capability of these Ultra Poor households, especially in the Northeast, the critical burden of having to look after the chronically ill or disabled person or persons in a family, the failure of these Ultra Poor to receive public assistance provided by the government, and the pessimistic outlook and despair that these people were having in their lives. The in-depth interviews of several case studies of these Ultra Poor families provide informative, albeit gloomy, details on how they had arrived at this stage in their

¹⁷ A large proportion of samples in the South were fishermen who had relatively little need for land for growing crops.

lives, and from these case studies, one can draw several implications on how to deal with these problems in the future.

As regards policy recommendations as a result of this study on the Ultra Poor in Thailand, we could suggest three separate strategies, as follows:¹⁸

(a) Macroeconomic and Sectoral Development Policies

This is an overall or general development policy that will have important bearing upon poverty in general. To reduce or eradicate poverty, the overall economy must achieve adequate growth to raise average income level of all people. But it should be growth that is sustainable by the institutional and environmental structure of the country. To do so needs astute macroeconomic management skills that increase employment, keep the prices stable, increase saving and investment. Sectoral policies may call for openness to the market, which increases efficiency and enables quick and timely responses to market situations, increase human capital through education and better preventive and curative health to the people, develop indigenous skills that can provide long-term benefits in the future, preserve national resources and environment, and so on.

(b) General Anti-Poverty Policy

Again, a general policy that will reduce poverty in general should also help those in extreme poverty. If poverty is seen as a lack of income (ability to show command over resources), then promoting income-generating capability of the poor could achieve that. Income can be generated through possession of some wealth, including both physical capital and human capital. For a poor farmer who lacks land or other farm inputs to produce farm output, a way out would be to make these factors of production available to them, or at least provide adequate access. In an open market, price control or price support may not be a viable measure in the long-run. It is better for the government to promote farmers' ability to adjust more quickly to changing economic situations, with possibility of short-term assistance. If these poor are not farmers but general workers, opportunities to engage in gainful employment should be the desired target. But this employment should not involve great costs of relocation unless such relocation (migration) shows an assured long-term benefit. Rural industrialisation where local workers could find jobs near their homes should be better than having to travel so far away from home to find extra income. When these policies fail, the State must stand ready to give temporary assistance. A more permanent social protection policy is something the government must decide and bring about in the end.

(c) Specific Policies for the Ultra Poor

To a certain extent, what applies to the poor in general also applies to the Ultra Poor, especially how they increase their income-generating capability. But, as we have discovered from our survey, some socio-economic nature and characteristics of the Ultra Poor are different from the general poor, so they need to be treated differently. Two tracks of policy may be considered: provision of safety nets and social assistance and improvement of benefit access or delivery system.

The Ultra Poor could be looked upon as those who have fallen from the market system. There are little within their remaining power to change the course of their lives. In this case, the State must give its social assistance in case these Ultra Poor are already

¹⁸ We can only be brief here, as this is just a part of much larger economic problems.

suffering from hardship, or provide its social safety nets to cushion their fall. Calamities in life, whether from natural or human causes, are often events that trigger changes for the worse for these people who later become the Ultra Poor. We have seen in the results of the survey that our Ultra Poor samples are often saddled with obligations to take care of disabled persons in the family, or to incur a great of expenses to treat chronic illnesses of members in the family. For these people, state assistance for disabled members should be made compulsory.¹⁹ The feasibility of providing medical assistance to the poor and needy in Thailand is good, and the recent government policy to charge only 30 baht per one visit to public hospital or health clinic is a good indication of this feasibility. But for the Ultra Poor, even more is needed. They should be separately provided with complimentary health service facilities to distinguish themselves from other groups of people.²⁰ Also as a safety net measure, basic food and shelter must also be made available to these Ultra Poor on a compulsory basis.

But what if these Ultra Poor fail to avail themselves to receiving this public assistance? It is possible that they are unwilling, or unable, or have no knowledge of the availability of those services or facilities. In this case something is wrong with the flow of information or service delivery systems. Recall that our Ultra Poor samples hardly ever used social and economic facilities of the government. Instead of waiting for these people to come to the services, perhaps it is more effective for the services to go to these people. The mentality of the public sector may have to change from waiting for users to come forward to the system whereby the public sector looks for its potential users or beneficiaries of its services.

To help the poor, especially the extreme poor, is now recognised as the right and proper thing to do. It is therefore fitting to end this paper by quoting the opinion of *The Economist*, the noted news magazine, in its recent issue (June 16-23, 2001) which featured the cover story on inequality. This is what *The Economist* said:

“There is...a bigger problem that exists regardless of the gap between rich and poor, but is made starker as a result of it: pure, sheer poverty. Unlike inequality between the few haves and the many have-lesses, this is not readily channelled and defused by democracy, for the truly poor, the underclass, are a small minority. Their interests risk having no democratic means of expression, and can easily be overlooked.

Helping the poor, the truly poor, is a much worthier goal than merely narrowing inequalities. If the rich get poorer thanks to high taxation, some people may feel pleased but few are better off. If the poor get richer, however, the whole country will benefit. Focusing resources and policy on poverty would be worthwhile simply on humanitarian grounds. But also, the disadvantages of growing up in extreme poverty pose a challenge to a belief in equality and opportunity. And helping the underclass rejoin society is in the interest of all.”

¹⁹ The existing system is for the government through the Department of Public Welfare to provide families with disabled persons with an allowance of 500 baht a month per disabled person. This should be treated on a case by case basis rather than an overall inadequate system.

²⁰ It is fair to give the best or better care to the poorest because once the poorest have become less poor, there are other groups who will replace the previous group as the new poorest group.

Table 1: Percentage Distribution of Number of Families in Household, 1999, all regions

No. of families	North	Northeast1	Northeast2	Centre	South
1 Family	92.2	66.0	73.4	86.2	86.5
2 Families	7.6	27.7	24.3	12.1	11.3
3 Families	0.2	4.9	1.7	1.4	2.1
4 Families and up	0.0	1.4	0.6	0.3	0.0
Total	100.0	100.0	100.0	100.0	100.0
Average	1.1	1.4	1.3	1.2	1.2

Table 2: Percentage Distribution of Size of Households, 1999, all regions

No. of family members	North	Northeast1	Northeast2	Centre	South
1	7.5	4.9	11.7	2.8	4.0
2	15.6	10.6	16.0	13.3	9.2
3	25.3	13.7	18.9	18.1	12.3
4	25.7	29.1	20.9	22.6	20.6
5	12.5	18.3	16.3	21.5	19.9
6	2.8	8.9	8.3	9.0	11.7
7	2.8	6.6	4.6	6.2	7.4
8	2.1	3.7	1.4	2.8	6.1
9	0.2	1.7	1.1	2.3	2.8
10	0.5	0.9	0.3	0.8	1.5
more than 10	0.0	1.7	0.6	0.6	4.6
Total	100.0	100.0	100.0	100.0	100.0
Average	3.7	4.5	3.8	4.4	5.1
Memo: regional average	3.4	4.1	4.0	3.6	4.0

Table 3: Percentage Distribution of Age of Household Members, 1999, All Regions

Age ranges	North	Northeast1	Northeast2	Centre	South
Under 15	28.3	30.9	30.3	30.1	33.1
15 - 64	64.8	62.1	59.8	62.7	56.1
65 and over	6.9	7.0	9.9	7.2	10.8
Total	100.0	100.0	100.0	100.0	100.0
Dependency ratio	54.2	61.0	67.3	59.6	78.3

Table 4: Percentage Distribution of Household Heads by Level of Education

	North	Northeast1	Northeast2	Centre	South
No education	24.2	9.7	18.0	21.3	28.8
Primary	75.1	88.3	78.6	75.4	67.8
Lower secondary	0.7	0.3	2.3	1.7	1.2
Upper secondary	0.0	1.4	1.9	0.8	1.5
Vocational	0.0	0.3	0.3	0.8	0.6
Higher	0.0	0.0	0.0	0.0	0.0
Total	100.0	100.0	100.0	100.0	100.0

Table 5: Percentage Distribution of Post-Schooling Household Members, by Level of Education

	North	Northeast1	Northeast2	Centre	South
No education	25.4	8.2	14.3	18.1	20.9
Primary	69.0	85.0	79.6	73.7	68.4
Lower secondary	3.9	4.4	4.4	5.8	5.6
Upper secondary	1.5	1.9	1.1	1.7	2.8
Vocational	0.2	0.3	0.7	0.4	2.3
Higher	0.0	0.2	0.0	0.2	0.0
Total	100.0	100.0	100.0	100.0	100.0

Table 6: Percentage Distribution of Post-Schooling Household Members, by Main Occupation

	North	Northeast1	Northeast2	Centre	South
No occupation	28.4	16.5	18.9	13.9	25.9
Agriculture	27.8	41.0	40.0	32.5	31.5
Trading	1.4	2.0	1.4	0.4	2.3
Self-employed	0.6	0.7	0.4	1.2	1.7
General labour	38.5	38.3	36.1	50.0	36.1
Public servant	0.0	0.2	0.1	0.5	0.7
Others	3.4	1.4	3.0	1.4	1.8
Total	100.0	100.0	100.0	100.0	100.0

Table 7: Percentage Distribution of Post-Schooling Household Members, by Secondary Occupation

	North	Northeast1	Northeast2	Centre	South
No secondary occupation	74.3	62.0	67.6	69.3	81.2
Agriculture	4.7	8.3	4.3	7.3	7.4
Trading	0.4	1.2	0.6	0.3	0.5
Self-employed	0.7	0.5	0.3	1.1	0.9
General labour (including public service)	18.3	26.8	26.8	20.7	8.6
Others	1.5	1.3	0.4	1.2	1.4
Total	100.0	100.0	100.0	100.0	100.0

Table 8: Percentage Distribution of Changes in Main Occupation of Household Members

	North	Northeast1	Northeast2	Centre	South
No change in occupation	86.0	89.2	91.5	90.4	90.3
Change in occupation	14.0	10.8	8.6	9.6	9.7
Total	100.0	100.0	100.0	100.0	100.0

Table 9 Percentage Distribution of Households by Land Ownership

	North	Northeast1	Northeast2	Centre	South
Landless	19.1	58.0	64.0	70.9	58.0
Own 1-5 rai	55.4	15.1	18.6	9.0	30.1
Own 6-10 rai	8.3	15.4	10.3	5.1	7.1
Own 11-20 rai	10.3	9.1	5.7	7.9	4.0
Own 21-30 rai	3.9	1.1	1.1	2.8	0.0
Own 31-40 rai	0.0	0.9	0.3	1.4	0.6
More than 40 rai	0.0	0.3	0.0	2.8	0.3
Total	100.0	100.0	100.0	100.0	100.0

Table 10: Changes in Land Holding and Reasons

	North	Northeast1	Northeast2	Centre	South
No change	82.1	71.1	67.7	80.2	77.3
Decrease	10.8	22.0	28.9	17.5	16.9
Increase	7.1	6.9	3.4	2.3	5.8
Total	100.0	100.0	100.0	100.0	100.0
Memo: Reasons for Decrease					
Sell for money	34.9	60.5	74.6	42.7	54.5
Debt settlement	15.2	8.2	1.0	22.1	5.5
Being cheated	2.0	10.0	0.0	2.9	3.6
Others	46.9	21.3	24.4	32.3	36.4
Total	100.0	100.0	100.0	100.0	100.0

Table 11: Average Number of Days of Work per Year of Post-Schooling Members of Households

	North	Northeast1	Northeast2	Centre	South
Work in Primary Occupation	167.5	136.8	105.3	167.0	147.8
Work in Secondary Occupation	99.6	26.5	15.9	26.2	20.9
Total no. of days worked	267.1	163.3	121.3	193.2	168.7

Table 12: Percentage Distribution of Post-Schooling Household Members Who Work as Hired Labour

	North	Northeast1	Northeast2	Centre	South
Worked	49.4	65.1	62.9	71.7	48.0
Did not work	50.6	34.9	37.1	28.3	52.0
Total	100.0	100.0	100.0	100.0	100.0

Table 13: Percentage Distribution of the Type of Work Done by Hired Labour

	North	Northeast1	Northeast2	Centre	South
Agricultural work	81.3	50.7	70.0	77.4	50.4
Construction labour	9.7	20.7	13.7	9.6	8.6
Construction contract	0.8	0.3	0.5	0.4	1.8
Household work	0.5	2.5	1.8	0.4	0.8
Restaurant worker	0.9	1.0	1.2	0.1	1.8
Factory worker	1.3	8.0	5.4	3.2	8.0
Service work	0.1	2.1	1.2		0.2
Shop assistant	0.4	2.8	0.4	1.3	5.6
company employee	0.6	1.2	1.4		1.2
Taxi driver	1.4	3.3	1.1	0.8	0.6
State employee	0.3	0.4	0.2	0.7	0.0
Other labour work	2.7	7.0	3.2	5.7	21.0
Total	100.0	100.0	100.0	100.0	100.0

Table 14: Percentage Distribution of Working Periods of Hired Labourers

	North	Northeast1	Northeast2	Centre	South
After harvesting	23.6	23.0	7.9	18.9	5.0
All year	26.4	22.2	13.3	24.3	55.0
Not certain	50.0	54.8	78.8	56.8	40.0
Total	100.0	100.0	100.0	100.0	100.0

Table 15: Average Household Income of the Ultra Poor, by Source of Income

	North	Northeast1	Northeast2	Centre	South
1. Income from agriculture	5,608	3,567	2,641	12,439	14,092
- Rice	2,914	1,640	468	2,596	185
- Rubber	0	0	0	0	1,055
- Upland crops	1,572	112	804	867	247
- Fruits	203	63	72	981	453
- Vegetables	44	213	365	290	352
- Animals	875	1,487	885	3,104	11,800
- Silk	0	53	48	0	0
2. Non-farm income	22,273	23,647	12,413	36,285	40,770
- Hired labour	15,114	8,529	6,280	32,072	30,474
- Handicraft	979	397	257	357	176
- Trade	504	1,058	400	415	2,455
- Remittances	1,511	10,274	3,527	2,136	2,301
- Rental income	29	37	90	159	102
- Windfall	207	765	142	239	210
- Forest products	857	179	264	342	293
- Others	3,072	2,406	1,451	563	4,759
Total	27,881	27,213	15,054	48,614	54,862
Average person/month	628	506	332	1,013	896

Note: For Centre and South, the total income figures include imputed income from home produced goods.

Table 16: Household Balance Sheet

	North	Northeast1	Northeast2	Centre	South
Household income	27,881	27,213	15,054	48,614	54,862
Household expenditure	24,917	27,959	16,422	38,890	47,475
- Farm expenditure	3,376	3,508	2,096	16,654	9,274
- Household living	21,541	24,452	14,326	31,586	38,202
Net household income	2,964	-746	-1,367	9,724	7,387
Memo item:					
-% households in debt	53.0	78.3	70.0	64.1	66.6
-average debt (baht)	10,971	17,767	9,508	15,648	17,156
Memo:					
Household income (1)	27,881	27,213	15,054	48,614	54,862
Total no. of days worked (2)	267.1	163.3	121.3	193.2	168.7
Average return per working day (2)/(1)	104.4	166.6	124.1	251.6	325.2

Table 17: Average Income and Expenditure of Ultra Poor Households Compared with National Households

	North	Northeast1	Northeast2	Centre	South
Household income					
- National average	123,036	102,552	97,656	153,432	131,436
- Ultra Poor average	27,881	27,213	15,054	48,614	54,862
- % of Ultra Poor to National	22.7	26.5	15.4	31.7	41.7
Household expenditure					
- National average	100,656	86,844	83,856	123,192	107,964
- Ultra Poor average	24,917	27,959	16,422	38,890	47,475
- % of Ultra Poor to National	24.8	32.2	19.6	31.6	44.0
Average no. of chronically ill members per family	0.4	0.5	0.5	0.5	0.5

Table 18: Percentage Distribution of Marital Status of Heads of Households

	North	Northeast1	Northeast2	Centre	South
Unmarried	5.9	2.3	3.1	3.1	0.9
Married	75.7	64.9	61.1	75.7	69.3
Widow	15.3	26.9	28.9	17.8	23.6
Divorce	3.1	6.0	6.9	3.4	6.1
Total	100.0	100.0	100.0	100.0	100.0

Table 19 Percentage Distribution of Ownership of Housing Units

	North	Northeast1	Northeast2	Centre	South
Own housing units	90.6	91.1	88.6	89.3	75.8
Rented house	0.2	0.3	0.0	1.7	0.9
Rent-free housing units	8.5	6.9	10.6	8.5	15.0
Units are in public land	0.2	1.7	0.9	0.5	1.9
Others	0.0	0.0	0.0	0.0	6.4
Total	100.0	100.0	100.0	100.0	100.0
Memo item:					
Value of housing unit	37,419	45,686	31,740	56,506	47,313

Table 20: Percentage Distribution of Households with Disabled Members

	North	Northeast1	Northeast2	Centre	South
No disabled members	87.5	84.0	80.9	92.1	89.3
1 disabled member	11.6	13.1	17.4	7.6	9.5
2 disabled members	0.9	2.3	1.7	0.3	1.2
3 disabled members and more	0.0	0.6	0.0	0.0	0.0
Total	100.0	100.0	100.0	100.0	100.0
Average no. of disabled members per family	0.1	0.2	0.2	0.1	0.1

Table 21: Percentage Distribution of Households with Chronically Ill Members

	North	Northeast1	Northeast2	Centre	South
No chronically ill members	69.6	57.1	58.9	59.9	57.1
1 chronically ill member	25.7	38.3	36.9	34.5	36.5
2 chronically ill members	4.2	3.4	4.3	5.1	5.8
3 chronically ill members	0.4	0.9	0.0	0.5	0.6
4 chronically ill members and up	0.1	0.3	0.0	0.0	0.0
Total	100.0	100.0	100.0	100.0	100.0
Average no. of chronically ill members per family	0.4	0.5	0.5	0.5	0.5

Table 22: Percentage Distribution of Households Never Received Assistance from State

	North	Northeast1	Northeast2	Centre	South
Occupational training	87.5	94.9	97.1	91.0	87.1
Financial support	96.5	89.1	81.7	96.9	89.8
Farm input & equipment	86.1	87.4	96.9	98.0	89.8
Job counselling	98.1	94.9	96.9	83.9	86.7

Table 23: Some Salient Characteristics of Ultra-Poverty

	North	Northeast1	Northeast2	Centre	South
1. No. of years that heads of households felt they were in poverty	19.7	19.5	20.0	15.8	14.6
2. Causes of poverty, according to heads' feeling					
- No work	12.1	15.4	12.0	5.6	26.3
- No land	15.8	23.7	35.1	28.5	6.4
- Family too large	12.0	6.0	20.6	8.8	6.1
- No or little inheritance	25.7	20.9	17.7	9.6	19.0
- No household heads	2.8	16.0	17.7	4.5	6.1
- Low paid jobs	12.3	21.1	5.7	3.4	6.4
- High cost of health expenses	1.4	14.9	0.0	4.5	7.0
- Weak health	11.0	9.7	10.0	6.5	8.5
- Low education	2.1	3.7	0.3	3.1	5.2
- Irresponsible heads	0.2	2.3	13.7	0.0	10.7
- Too much debts	12.1	3.7	2.6	2.3	2.1
- Business failure	1.8	1.4	0.9	5.4	1.8
- Others	0.0	4.6	0.0	11.8	14.1
3. % of household heads who feel uncertain that livelihood will improve in next 2-3 years	59.2	80.9	83.7	52.3	65.9
4. % of household heads who feel that they could never be out of poverty	43.9	60.0	64.3	42.2	45.8

Note: in the South where land ownership is not a major issue, the lack of land ownership is substituted by the depletion of natural resources, namely fish

Annex 1: Methods of Study

Sample Selection

Once we have decided that the most cost-effective (and probably the best also) way to get our samples is to go directly to village headmen in each of our sample villages and ask them to identify at least 5 households in each village who, in their opinion, are the poorest in that village. A valid question arises as to how we can be certain that those families suggested by village headmen are really the poorest because we have not defined poverty to the village headmen beforehand. Each village headman will form his own definition or concept of extreme poverty. Will this lead to inconsistencies in such a way that the poorest households selected by the village headman will not be the same as those picked by other village elders who also have an intimate knowledge of who is who in the village? Possibly, but unlikely. In Thai, the word ‘จนที่สุด’ (Jon Tee Sood) or poorest is easy to understand and immediately connotes the lack of income and wealth and all other attributes that are outwardly associated with such lack of income and wealth such as poor housing conditions, poor health, poor outlook, and so on. Our field researchers always checked the names of suggested households with more than one source to make sure that the chosen households are among the poorest in that village.²¹ Therefore, our samples do unequivocally represent the poorest households in our selected villages whom we could interview at the time of our visits.

But how did we select our sample areas in the first place? Due to time and resources constraints, we realised that we could only interview about 350 households in each region. We decided to select four provinces in each region with appropriate geographical spread. This is the only purposive step involved in our selection to ensure that our sample provinces did not cluster in the same area. Once the province was selected, two districts in each province were selected randomly, and from each district, two subdistricts or Tambon were also selected randomly. A Tambon is smallest administrative unit in the Thai public administration structure, and normally consists of between 5 to 15 villages or Moo Baan. We chose, on average, 5 villages from each Tambon also randomly. It is from these sample villages that we got the names of the poorest households from village headmen. In all, our research teams were able to interview about 350 households as planned. This is the target size of our samples in each region, but if the research team has more time, they could interview a few more. See Table A1 for the list of sample provinces and districts, and the number of sample households selected from villages in these districts and provinces.

Questionnaire Design

The main focus of our research is to find out important characteristics of the Ultra Poor in rural Thailand. These typical characteristics include demographic information concerning family structure such as age, sex, education level of household heads, and size of the family. We concentrated very much on important economic characteristics such as land use and ownership, income and expenditure, housing conditions and assets. Especially on

²¹ We say ‘among the poorest’ and not ‘the poorest’ because sometime we have the name of the poorest household but the head of that household was not in the village at the time of our interview. He will be replaced by another family who may be less poor but still among the poorest group.

income, we were very careful to get complete information on all components of income including cash income, in-kind or non-cash income, transfers from other sources, occasional windfalls or losses, and so on. The same went for household expenditure, which include not only expenditures associated with farm work, but also other household and personal expenditures such as food, education, health expenses, leisure expenses, and so on. Household indebtedness is another question included in our questionnaire.

Although the main objective of our research is to investigate the socio-economic characteristics of the Ultra Poor in rural Thailand, we have tried also to cover additional areas of interest as well. Two additional areas that we are interested are the adjustment mechanisms of these Ultra Poor households to the change in the market or environment around them, and the responses to various government policies. On adjustment mechanisms, we wanted to know how these households cope with their hardship, therefore, few questions that we asked included their migration patterns or practices, changes in their lifestyles, changes in skill training and occupations, and so on. We did not want to be exhaustive here—simply to explore the possibility of deeper investigation into these issues later. The same level of attention is given to the problems of how the benefits of government services had reached these extreme poor. We had a few questions how these poorest households had received development services or social assistance from the government. Again, this is not a full-fledge study on fiscal incidence, that is the measurement of distributive costs and benefits of government tax and expenditure policies, but further study on the poverty-related fiscal incidence could be undertaken in the future.

Field Surveys, Data Processing and Analysis

Our research efforts were blessed with researchers who are experienced with rural field surveys. Two of our team leaders (in the North and Northeast) were veteran field researchers with more than 25 years of research experience in their respective regions. For the most parts, the field interviews were carried out by students recruited by the regional team leaders. The filled-out questionnaires were checked everyday at the end of the day for correction and completeness. With good planning and efficient execution, the field surveys were completed quickly. Data processing was done at the regional centres, thanks to the availability of computer facilities and statistical software needed (SPSS). Basic tables that present common socio-economic information of sample households were constructed. Each regional researcher team had some flexibilities as to how they could adjust or vary their analyses to suit local conditions or situations. Indeed, each region carried out its own in-depth interview with some selected households in an effort to compile detailed case studies that explain life history of that household in more detail.

Team leaders in each region were able to complete their respective studies in late 2000 and submitted their final reports to the Thailand Research Fund in early 2001. This paper synthesises the main findings of socio-economic characteristics of the Ultra Poor in each of the four regions of Thailand. Only a few common characteristics will be analysed and compared in this paper. Detailed analysis of the Ultra Poor in each region should be referred to the main regional reports.

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Table A1: Sample Provinces and Districts with Total Number of Households and Selected Households

Region/Province	District	Total no. of households in selected villages	Total households selected as samples	Per cent of selected sample households to total households in the area
North				
Chiang Mai	Doi Tao	1,463	47	3.2
	Chiang Dao	1,877	53	2.8
Payao	Maung	1,408	54	3.8
	Jun	1,408	57	4.0
Uttaradit	Thapla	894	53	5.9
	Thongsaenkan	1,560	52	3.3
Kamphaengphet	Prankratai	926	49	3.1
	Saingam	1,599	54	3.4
		11,135	419	3.8
Northeast1 (1998)				
Khon Kaen	Pon	923	40	4.3
	Nong Song Hong	1,024	40	3.9
Roi-Et	Selaphum	1,240	65	5.2
	Phanomprai	672	40	6.0
Si Sa Ket	Kantrarom	1,206	45	3.7
	Prangku	668	40	6.0
Sakhon Nakhon	Sawangdaendin	1,467	40	2.7
	Akas-umnuey	1,273	40	3.1
		8,473	350	4.1
Northeast2 (1999)				
Surin	Jompra	974	50	5.1
	Prasat	1204	50	4.2
Yasothon	Loengnoktha	1472	45	3.1
	Saimoon	702	40	5.7
Mukdahan	Dontal	713	40	5.6
	Nikomkamsoi	837	45	5.4
Chaiyaphum	Konsawan	831	40	4.8
	Pakdeechumpon	824	40	4.9
		7557	350	4.6
Centre				
Chai Nat	Hanka	991	52	5.2
	Watsing	654	34	5.2
Saraburi	Kaengkoi	1580	39	2.5
	Muaklek	1007	45	4.5

Sakaew	Wangnamyen	1790	47	2.6
	Watananakhon	1274	44	3.5
Kanchanaburi	Saiyoke	1379	45	3.3
	Sisawat	1522	48	3.2
		10197	354	3.5

Table A1 (cont.): Sample Provinces and Districts with Total Number of Households and Selected Households

Region/Province	District	Total no. of households in selected villages	Total households selected as samples	Per cent of selected sample households to total households in the area
South				
Nakhon Si Thammarat	Thasala	1680	45	2.7
	Pakpanang	1006	35	3.5
Patthalung	Pakpayoon	1297	41	3.2
	Pabon	1456	40	2.7
Pattani	Nongchik	927	40	4.3
	Yaring	1873	40	2.1
Satun	La-ngu	1530	45	2.9
	Kuankalong	1327	40	3.0
		11096	326	2.9

Sources: Final Reports of the Study on Socio-Economic Characteristics of the Ultra Poor in the North, Northeast, Centre, and South, 2000.

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