

**Discussion Paper No. 172**  
**Socio-economic Developments and  
Their Links to Skills Development:**

**A Case Study of Chiangmai Province in Northern Thailand ©**

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# **Socio-economic Developments and Their Links to Skills Development in Thailand: A Case Study of Chiangmai Province in Northern Thailand**

**By Phaisal Lekuthai**

## **1. Introduction**

Thailand is located in the center of Southeast Asian mainland, to the west borders with Burma, to the east borders with Laos, Cambodia and to the south borders with Malaysia (**Figure 1**). The country covers the total area of 514,000 km<sup>2</sup>, with the maximum dimension of about 2,500 km. from north to south and 1,250 km. from east to west. By December 2008 the total number of population was recorded as 66.8 million, 32.8 million being male and 33.9 being female<sup>1</sup>. The sex ratio at birth is: 1.05 male(s)/female; under 15 years: 1.05 male(s)/female; 15-64 years: 0.98 male/female; 65 years and over: 0.83 male/female; and the total population: 0.98 male/female. The population growth rate is 0.64%; the birth rate is 13.57 births/1,000; the death rate is 7.14 deaths/1,000; net migration rate is 56 migrant/1,000 population; infant mortality rate is 18.23 deaths/1,000 live births; the total fertility rate is 1.64 children born/woman. Life expectancy at birth for total population is 72.83 years; for male 70.51 years and for female 75.27 years. The population's average years of schooling are 7.9 years; population of 6 years and over using computer 28.2%; population of 6 years and over access to internet 18.2%; unemployment rate is 1.4%, and GDP as at the end of 2008 was 9,102.7 billion baht.

### **1.1 Population and Religion**

Thailand's population is relatively homogeneous; however, this is changing due to immigration. More than 85% speak Thai language and share a common culture. This core population includes the central Thai 33.7% of the population, including Bangkok's population, northeastern Thai or Lao about 34.2%, northern Thai about 18.8% and southern Thai about 13.3%. The language of the central Thai population is the educational language and administrative language. Up to 14% of Thailand's population are Chinese descent; Malay and Yawi speaking Muslims of the south comprise another significant minority group of about 2.3%. Other groups include Khmer and Mon are substantially assimilated with the Thai and the Vietnamese. Smaller mountain-dwelling tribes, such as Hmong, Mein and Karen, with the estimated number of about 788,024; some 300,000 Hmong who lived in this area for more generations than the Thais themselves, are to receive citizenship by 2010. Thailand also home to a significant number of registered foreigners from Asia, Europe and North America, as well as estimated several hundred thousand illegal immigrants. Increasing numbers of migrants

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<sup>1</sup> <http://web.nso.go.th/index.htm>

from Burma, Laos and Cambodia as well as nations such as Nepal, India and expats from the West and Japan have pushed the number of non-nationals residing in Thailand to close to 2 million in 2008. The population is mostly rural, concentrated in the rice-growing areas of the central, northeastern and northern regions. However, as Thailand continues to industrialize, the urban population is now 31.1% of the total population, principally in Bangkok area, is growing.

Thailand's highly successful government-sponsored family planning program has resulted in a dramatic decline in population growth from 3.1% in 1960 to around 0.4% today. Life expectancy also has risen; a positive reflection of Thailand's efforts in executing public health policies. However, the AIDS epidemic has had a major impact on the Thai population. Today, over 700,000 Thai are HIV or AIDS positive; approximately 2% of adult men and 1.5% of adult women are infected. Every year, 30,000 – 50,000 Thais die from HIV or AIDS-related causes. 90% of them aged 20-24, the youngest range of the workforce. An aggressive public education campaign in the early 1990s reduced the number of new HIV infections from 150,000 to 25,000 annually.

## 5. Concluding Remarks

Thailand's population is aging faster than any other in Southeast Asia except Singapore; this process will affect the country's productivity and social-economic development. According to International Labor Organization's (ILO) study, both men and women over the age of 60 are now continuing to work. Older people, particularly in rural areas of the North and Northeast, 90% of the over 60's work in the informal economy and nearly two-thirds are own account workers; this means they work for themselves, sometimes with a partner and do not employ others. By 2025 almost one in five of the Thai population will be over 60 and by 2050 it will be approaching one in three. Moreover, the number of over 65's will double in only 20 years<sup>58</sup>.

In Chiangmai areas more than 60% of the labor force are engaged in informal sector, as they become old they do not get the benefit from Social Security Office. Old people have to continue working for their living. In 2009 Chiangmai is 713 years old, some skills are disappearing. After long working experience, those who master the skills (Salahs), especially Lanna cultures, arts, custom and tradition, form themselves into Lanna Wisdom Schools, Salah Lanna Circles, Lanna Cultural Associations and provide skills development training to disseminate Lanna culture. Salahs are invited to provide skill training at temples and schools, or Salahs provide skill training at their residents. The process of learning will be learning by doing or apprenticeship. This is a traditional approach of skills development which in most cases is small scale operations, such as Lanna Wisdom School at Tambon Wat Gate, Muang District, Chiangmai Province; Wat Sri Suphan, Tambon Haiya, Muang District, Chiangmai Province. This skills development process is accessible by disadvantages and housewives who need additional income for their living<sup>59</sup>.

There are two more approaches for skills development provided or supported by government. Skills development provided by formal and non-formal education, Vocational Schools, Technical Schools and Non-formal Education Program provide skills development training courses; these services are offered by both private sector and government sector and they are conducted in a large scale operation, such as Wat Don Chan School, Tambon Thasala, Muang District, Chiangmai Province. This approach normally adopts modern curriculum such as mechanic repairs, computer, IT, product design, business management, production process, packaging, accounting, electrical appliances repair<sup>60</sup>. Partial subsidies are provided by government for the training costs.

The third approach is the combination of both local wisdom skills development and modern technology skills development. The 1997 Constitution promotes 12 years education for all; the Basic Education Curriculum 2001 provides room for "Local Curriculum" which involves local environment, local wisdom and self-reliance. The local curriculum contains practical skills development; such as students working side by side with successful farmers and learn how to do agriculture. Those students who cannot continue higher study can manage to survive in farming career. Students are trained how

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<sup>58</sup> [http://www.ilo.org/asia/info/public/pr/lang--en/WCMS\\_104833/index.htm](http://www.ilo.org/asia/info/public/pr/lang--en/WCMS_104833/index.htm)

<sup>59</sup> Phaisal Lekuthai. *Lanna Culture and Social Development: A Case Study of Chiangmai Province in Northern Thailand*. Discussion Paper No. 168. GSID, Nagoya University. 2008.

<sup>60</sup> *Ibid*

to manage community forest, mountain, water supply and other natural resources with sustainability. A good example is Wat Nong Lom Primary School, Tambon Sribuaban, Muang District, Lamphum Province. Some schools integrate Lanna cultures and ethnic identities into the local curriculum, the skills development training will enable students to utilize the skills for their living and also disseminate the culture, such as basketry, cotton and silk textile, wooden toys, herbs production, musical instrument production, playing musical instruments, traditional dances, how to do agriculture without chemical fertilizers and insecticide. Ban Hua Rin School, Tambon Thung Satok, San Pa Tong District, Chiangmai Province; Mae Win Sa Mak Kee School, Tambon Mae Win, Mae Wang District, Chiangmai Province; Ban Kad Wittayakom High School, Tambon Don Pao, Mae Wang District, Chiangmai Province are good examples of this approach. For modern technology skills development process, the first Community College was established in Phuket in 1977 and in 1997 it was upgraded to Diploma level<sup>61</sup>. There is no fixed campus for Community College, any schools, colleges, universities, private or public, can offer skills development training courses. Community Colleges are under the Office of the Higher Education Commission, Ministry of Education; they serve communities' needs by offering wide range of training programs. The only condition is that there must be minimum enrollment requirement of 20 students. The teachers are local philosophers, police officers, chief district officers, bankers. Flexible curriculum is adopted to develop the skill potential of people in the community in order to increase their income and improve their living condition and the credits from Community College can be transferred to four year college<sup>62</sup>.

Skills development has direct effect on labor productivity. It increases the opportunities of getting employment or better job. In case of old people who need re-employment, skill development is essential. Many other potential sectors including commerce, manufacturing, transport, storage, communications, community-based cottage industries, need workers with skills development training. Skills development increases income generating potential which will lead to better quality of life, reduces income gap in the society and at the same time disseminate local cultures. In San Pa Tong District (D-12) and Mae Wang District (D-22) majority of people are involved in agriculture and remain very poor. Skill development in agriculture will help reducing the cost of production. Skills development in Lanna culture will enable them to join informal sector, engage in handicraft and earn additional income; and skills development in modern technology will provide better opportunities to find employment or move to higher pay jobs.

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<sup>61</sup> <http://www.pcc.psu.ac.th>

<sup>62</sup> <http://www.mcc.ac.th>

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