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主 論 文 の 要 旨

論文題目

The Impact of the Introduction of Foreign Labor on the Thai Economy

(外国人労働力導入のタイ経済への影響)

氏 名

TIPAYALAI Katikar

論 文 内 容 の 要 旨

This dissertation examines international labor migration (ILM) in Thailand. International labor migration is a critical challenge for the Thai state and plays a key role in the economic development of the country. ILM has generated change in the Thai economy and labor market, and an understanding of its causes, dynamic patterns, and impacts is crucial to guide appropriate both economic and social planning. In recent years, Thailand has been confronted with the two significant socio-economic challenges which are the middle-income trap and the demographic transitions owing to the declining birth rates and aging population. The Thai government, therefore, has launched a long-term economic development plan called Thailand 4.0, under a 20-year national strategic plan (2018-2037) aiming to cope with these socio-economic challenges. The plan focuses on a knowledge-based economy and the reduction of regional income disparity, and places more emphasis on high productivity and innovation from advanced skilled workers. This, therefore, puts Thailand in the dilemma of continuing to capitalize on the surplus of low-skilled labor from its neighbors (i.e., Myanmar, Laos, and Cambodia) or dramatically changing policies and practices to encourage private investments in new innovation and technology, as well as to attract more skilled labor force from other countries. Regarding this, there is a need to incorporate migration issues into policy and promote better governance of migration as Thailand is now moving towards a value-based economy.

The study utilized both qualitative and quantitative research approaches to analysis, using the secondary data obtained from various Thai government organizations. The main goal of this study has been to investigate the characteristics, causes, determining factors, patterns, and contributions of foreign labor to the Thai economy – as mentioned above – by providing the big picture. In order to achieve this goal, five main objectives (Chapters 2 to 6) were then established and addressed as follows.

1. Potential trends, characteristics, and measures of ILM in Thailand (Chapter 2)

The first research objective was:

“to indicate the potential trends and characteristics of immigration in Thailand and identify measures to tackle potential problems”.

To achieve this objective, a qualitative research method was applied by reviewing relevant literature, as well as official government publications and documents. The finding of this study has been provided in Chapter 2. This chapter generally presents an overview of previous and current studies concerning international labor migration, a historical context of immigration, and the migratory legislation and policies on ILM in Thailand. Relevant studies regarding determinants or factors of foreign migrants’ decision to migrate, their cycle, trends, and their challenges of migration are reviewed to understand the whole picture of ILM in Thailand and to identify the relevant economic variables for the analysis of the subsequent chapters.

2. Causes of ILM in Thailand’s economy (Chapter 3)

The second research objective was:

“to examine a causal relationship between immigration and two macroeconomic indicators, namely economic growth and unemployment”.

For the second objective of this study, I conducted quantitative research based on the Thai quarterly data spanning the period between 2007 – 2018, using an Autoregressive Distributed Lag (ARDL) bounds cointegration test and Granger causality tests. The empirical findings, as presented in Chapter 3, show that the development of the Thai economy and the low unemployment rate in Thailand are major factors causing the inflow of migrant workers. The employment opportunities in the Thai labor market are the results of the change in demographic structure, labor shortages, and job characteristics, including a mismatch in the native workforce’s quality. However, it is evident that migrant workers are not likely to cause increased unemployment in Thailand. Instead, they tend to reduce unemployment in the country by means of complementary input to native workers. They help to fill in job vacancies at both the bottom (e.g., undesirable jobs, or 3Ks (or 3Ds): Kitanai (Dirty), Kiken (Dangerous), and Kitsui (Demanding)) and the top (e.g., skilled professionals, technicians, specialists, etc.) of the job spectrum. Hence, this invalidates the prevailing arguments that migrant workers crowd out native employment and reduce job opportunities for the existing workforce in Thailand.

3. Determinant factors of ILM in Thailand’s economy (Chapter 4)

The third research objective was:

“to investigate the determinant factors that cause the inflow of migrant workers and the extent to which migrant workers affect the Thai labor market”.

Only demand for labor in the Thai economy cannot automatically bring about and

maintain labor immigration. Other determinants are also responsible for labor movement in the initial stage, and for sustaining it. Chapter 4 of this study, therefore, further investigates determining factors that cause immigration, and the effects of immigration on the Thai labor market. This study employed two empirical analyses of the path model and simultaneous equations model by using most recent quarterly Thai data from 2007 to 2019. The findings of this study show that, despite the low unemployment level and job availability in the Thai labor market, urbanization facilitated by infrastructure development, agglomeration of people and businesses, and economic activity is found to attract foreign labor. Besides, while the industrial sector has played an important role in encouraging foreign investment and labor into Thailand, the “primary” or agricultural sector’s employment, which has been deeply rooted in the economic structure of Thailand for a long time, has facilitated and sustained migrant inflows, especially from the neighboring countries. Furthermore, regarding the reverse causations, it does not appear that immigration is a determinant of unemployment in Thailand, while economic growth has been directly contributed to by migrant workers.

4. Patterns of ILM in Thailand’s economy (Chapter 5)

The fourth research objective was:

“to show how regional differences affect migration patterns and regional economic growth in Thailand”.

The patterns and processes involved in the international labor movement are analyzed in Chapter 5. To achieve the fourth objective of this study, I applied Exploratory Spatial Data Analysis (ESDA) to identify the spatial patterns and dependence of immigration and regional economic outcomes in Thailand. The study indicates that geographical proximity and spatial spillover have played a significant role in the patterns of the foreign workers’ movement and regional economic growth. It suggests that immigration and economic growth are clustered across space. In accordance with previous findings of this study (in Chapters 3 and 4), foreign workers tend to migrate towards better economic development or high-income regions. Geographically, immigrant workers are more concentrated in high economic activity or large expanding provinces throughout the country, especially in Bangkok and the Vicinities, the Eastern region, and some provinces in the Southern region, where work can be easily found. As economic development increased in some areas of the country, migrant workers, both highly-qualified and low-skilled, have been attracted to those particular areas. However, this study, by applying the classical convergence and multiple convergence club analyses, has found that although backward or less developed regions have shown average economic progress, the economic disparity between regions is still a big issue in Thailand.

5. Impacts of ILM on Thailand's economy (Chapter 6)

The fifth research objective was:

“to examine the impact of immigration on economic outcomes in different regions of Thailand.”

In the study of the economic impacts of ILM in Thailand, as outlined in Chapter 6, I applied the standard production function and used panel data regression analysis with the estimation of the pooled OLS, random effects, and fixed-effects model based on the annual data for the period between 2003 – 2015 to achieve this research objective. The impacts of international labor migration on economic growth are generally positive. However, when skill levels of foreign workers and region-specific characteristics were considered and include, this study found that only skill-qualified migrant workers contribute positively to regional economic growth and labor productivity of Thailand's regions. A plausible reason for this positive effect is that the highly skilled foreign workers who brought in the new ideas, innovations, and technological advancement have an increasing focus on task specialization efficiency through the adoption of labor-saving or value-based technology, increasing labor productivity.

Nevertheless, it is undeniable that demand for low-skilled foreign workers from neighboring countries can still be seen in many Thai economic sectors; for example, fishery, agriculture, construction, and some other primary industries. By integrating the main findings in the analytical chapters (Chapters 3, 4, and 6), it can be seen that even though the contributions of low-skilled immigrants to economic production and labor productivity are relatively low compared to highly-skilled migrants, the large scale of such workers plays an important role in the Thai economy. Low-skilled immigrants bring benefits in terms of reduction of labor shortages and decreased unemployment levels by filling occupational gaps in many sectors of the Thai economy. They have also prolonged the life of Thai industries, which have faced the challenge of demographic transitions, by ensuring the supply of labor force in the Thai labor market.

In conclusion, for Thailand as a whole, the mobility of foreign workers, both highly-qualified and low-skilled, has been significant, leading to a variety of economic and social changes which, if not anticipated, could hinder the country's development. Therefore, the Thai government should take more account of this issue, devote attention to obtaining more extensive and relevant information, and develop policies and legislation which will reap greater benefits from ILM and address its negative impacts. In all, this study contributes to understanding the impact of the introduction of foreign labor on the Thai economy.