

Book review

Ouyyanont, P. (2016). *Rural Thailand: Change and Continuity. (Trends in Southeast Asia #8)*. Singapore: ISEAS – Yusof Ishak Institute.

The ISEAS-Yusof Ishak Institute's ongoing series of short research papers continually provide up-to-date situational analysis of Thailand's population and economy. This paper gives an excellent profile of Thailand's rural population, including changes in agricultural crops, the production system and the rural infrastructure. While long-term rural out-migration to Bangkok and provincial cities is well known, the insights offered here provide detail on the consequences of this dynamic for rural areas and for the agricultural sector currently.

Thailand continues to have one of the highest proportions in the region both of rural population (56% in 2010) and of the proportion of the labor force in the agricultural sector (33% in 2015). Moreover the proportion working in agriculture in relation to Thailand's income level is quite high compared to other countries. Ouyyanont notes that farmers are an aging population (12% are aged 60 and over as of 2011) and that the fact that much agricultural work is seasonal may exaggerate the size of the agricultural work force. Yet agricultural exports are an important component of Thailand's foreign exchange and a recent IMF analysis confirms that the agricultural workforce is a significantly larger part of the total workforce than other countries, even when accounting for these biases.¹

Ouyyanont cites a number of research works that analyze the effect of the government's rice premium tax that was in effect from 1955-86. In summary, the tax provided the government with a major source of revenue while curbing the domestic price of rice, to the detriment of rice farmers. The effect was to discourage modernization of the rice sector while encouraging diversification of crops. Despite this long-term intervention, rice remains the most important crop in Thailand. The author also outlines the growth of agribusiness and of contract farming between manufacturers and farmers.

The paper's final section is an analysis of the transformation of the rural household economy and indeed, of rural social structure. Her conclusion is that Thailand's rural communities have adapted to change through economic diversification and social stability. Ouyyanont's insights throughout the paper are drawn from economic and social statistics and from the work of other social scientists. Thus the paper is an excellent resource for those who wish to understand the dynamics among population, workforce and economy for Thailand's agricultural sector.

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¹ Klyuev, V. (2015, March). *Structural transformation: How does Thailand compare?* (IMF Working Paper no. 15/51). Retrieved from <https://www.imf.org/external/pubs/ft/wp/2015/wp1551.pdf>

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