

論 説

A Comparative Study on The Rural Economic Policy under The Aging Society between Northeast Thailand and Shiga Prefecture, Japan

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Abstract

In the Kingdom of Thailand, the economic gap between urban and rural area has been increasing since the success of the economic development in 1990's. To reduce the gap, the government tried to implement several measures including "Sufficiency Economy" concepts and OTOP (One Tambon One Product) movement. The author has been conducting several surveys in Khon Kane Province, Northeast district of the Kingdom to understand the rural economic development policy in the provincial and community level. At the same time, we conducted field surveys in our local province, Takashima city, Shiga prefecture, Japan. This is a coincidence since our campus is located in Shiga prefecture and we have several social working activities with our local governments. Finally, we found many similarities between Northwest Thai and North part of Shiga prefecture.

These two regions are completely different each other including history, culture and geographical conditions. According to our progress of our series of field survey, we understood that the most serious common challenge was aging population. In this study, we compared these two regions to understand the characteristics of the problems in two region. We found that Thai society in the rural area has aging society problems and depopulation problem because of rapid urbanization of the main cities and the capital, Bangkok. They are quite successful to activate local economy by introducing OTOP movement, but nowadays, they are promoting health for the elderly by combining traditional medicine, medical herb cottage industry and modern medicine as well. The OTOP movement has entered into the new stage of local economic development policy. Finally, we would like to recommend to exchange our experience of aging society with Thai society. Their quality of life in rural aging society are full of joy with community empowerment, even they do not have any pension system. We cannot rely on the Japanese pension system in near future because of the reducing population, then we have to learn many things from Thailand.

Keywords: Aging society, Economic gap, OTOP, Rapid urbanization, Health care promotion

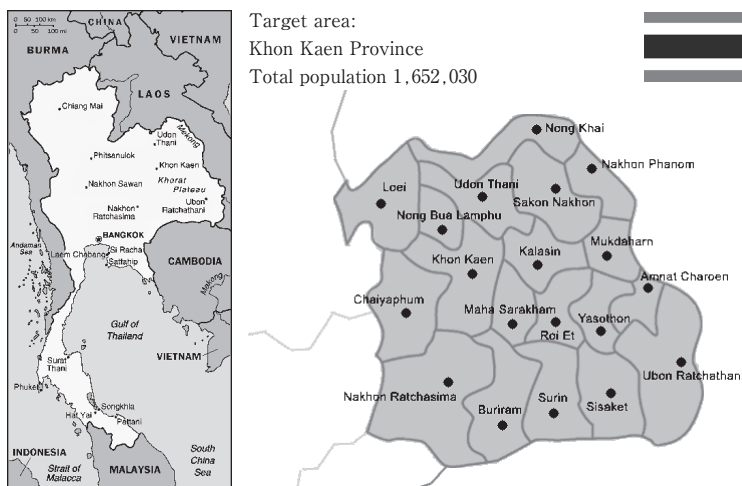
I. Introduction

In this study, we have conducted a comparative study between Northeast Thailand and North district of Shiga prefecture, Japan. The reason to compare these two districts was the similarity of the challenges. It was a coincidence to start this study since our focus was Thai OTOP (One Tambon One Product) movement. It was a Thai version of Japanese OVOP (One Village One Product) movement. However, the value of Thai OTOP was dramatically modified to tackle the aging society in Thailand. Obviously, we have serious aging society problems in Japan. That's why we conducted a comparative study.

1.1 Needs of the Northeast Thailand

In the Kingdom of Thailand, the economic gap between urban and rural areas has been increasing since the success of the economic development in the 1990s. To reduce the gap, the government tried to implement several measures including "Sufficiency Economy" concepts and OTOP (One Tambon One Product) movement. The author has been conducting several surveys since 2008 in Khon Kaen Province, Northeast district of the Kingdom to understand the rural economic development policy at the provincial and community level.

Khon Kaen Province is about 450 Km Northeast of Bangkok



Source: Google map adopted by the Author

1.2 Challenges of Shiga prefecture, Japan

In Japan, we have a serious aging population problem. According to "Population Projections for Japan" released by the National Institute of Population and Social Security Re-

Table 1: Population of cities in Shiga Prefecture on 1 July 2016

	Total Population (A)	Over 65 years (B)	Aging ration (B/A)	Aging ratio in 2040
Otsu city	341,268	85,259	25.2%	35.0%
Kusatsu City	139,530	27,843	20.2%	28.2%
Takashima City	49,177	16,385	33.3%	40.6%
Nagahama City	119,136	32,160	27.5%	34.1%
Japan	12,699,000	34,480,000	27.2%	N. A.

Source: Adopted Shiga prefecture (2016) and Shiga Bank (2013) by the Author.

search in 2012, in a midterm estimate with the Total Fertility Rate projected to shift at 1.35, it is predicted that by 2050 the population will dip below 100 million, and that by 2100, it will decrease to half that, dipping to below 50 million.

We have conducted several field studies in Takashima City, Shiga prefecture since our campus is located in Shiga Prefecture and the city has one of the most advanced aging population city in Shiga prefecture. Ritsumeikan University has long history to work with the local people around the campus. This is a part of what we call citizenship study program for students. The main objective is to provide a good chance to understand the problem of Japanese society. Takashima City is located in the west side of Lake Biwa, Japan's largest freshwater lake and one of the world's oldest lakes.

According to White Paper on Land, Infrastructure, Transport and Tourism in Japan 2015, "In looking at the excess in-migrants/out-migrants by prefecture for 2013 and 2014, the excess in-migrants are extremely large for Tokyo, making it very clear that the population is heavily concentrated in the Tokyo metropolitan area." In Shiga prefecture, we can observe big difference between urban and rural area. (See Table 1) South part of Shiga prefecture such as Otsu and Kusatsu city, they are still much better than national average. However, North part of Lake Biwa, Takashima city is 6.1%, which is higher than national average.

Shiga Bank pointed out the potential risks of the rapid expansion of regional difference among cities in Shiga prefecture. (Shiga Bank 2013) Southern area of Shiga is close to big cities such as Kyoto and Osaka, those cities are still increasing their population by attracting new immigrants. However, northern area of Shiga is decreasing their population because of limitation of employment opportunities.

1.3 Long Term Plan of Takashima city

Local governments like Takashima city, were directed to establish Basic Long Term Plan, which clearly identifies future local development plan until 2013. (Government of Japan 2013) But now, it is not the duty of local governments. There were three hierarchy of the plan, Basic Strategy, Basic Plan and Implementation Plan. And the central government

guided to plan those three hierarchy. But, it was not always effective. The intention of this amendment was to respond the diversified needs of the local people. For instance, some local government focus on several specific problems such as aging society since the economic gap between urban and rural are increasing. Takashima city has identified eight challenges such as rapid population decrease, decentralization, globalization, increased safety consciousness, climate change, community empowerment and reformation of local government services. Among the challenges, the most serious problem in Takashima city is rapid decrease of the population. The population at 2016 is 50,626 and will be 46,214 in 2026. Finally, it will be 38,723 in 2042. This means 24% loss of the population. (Takashima city 2016) The uniqueness of the plan is to create job opportunities by using Takashima's advantages, especially water resources and green environment.

This basic policy is very close to the policy in KhonKaen province in Thailand. That is why we conducted the comparative study.

II. Previous Study

2.1 Challenges of Aging Society

The potential risks of the aging society in developing countries are not yet well recognized in developed countries because of higher birth rate. However, rapid urbanization and immigrants of younger generation to the urban area caused rapid aging society problems in rural area in developing country.

Aging society problems are one of the most serious issues. And the roots of the problem are not easy to overcome. "In recent decades, Japan has become a rapidly aging, low-birth-rate society. Late marriage and no marriage have also become commonplace" (Glenda [3] 2016). Some researchers pointed out the importance of labour participation. "Population aging in Asian economies is harmful for potential growth in terms of (i) reduced labor participation and capital accumulation, (ii) increased labour income taxes, and (iii) reduced total factor productivity." (Otsu and Shibayama [7] 2016) Thai government has extended their retirement age from 60 to 65 to increase labor participation.

2.2 Advantages of OTOP movement

UN held the World Conference of Aged Population in Vienna in 1982, in which a long-term international action plan was set with respect to the elderly. Holzmann and Hinz [4] (2005) identified pension problems and challenges in the developing countries. JICA [7] (2007) pointed out the population aging in developing countries and recommended necessary actions of developed country as well.

The OTOP Development Policy was initiated by the government under the strong lead-

ership of Dr. Thaksin Shinawatra, the Prime Minister. The principal aim was to encourage the development of the rural economy by utilizing local resources with the participation of the community members. (Shinawatra [8] 2005) (Wattanasiri [9] 2005) And now the new significance of OTOP is to create job opportunities for elderly people.

2.3 Gender gap on Aging Society

The aging society is closely related to the gender gap. "Older women outnumber older men, particularly in the oldest age groups. Today, among the population age 55 and above, there are about 90 men in Asia for every 100 women. Among those age 75 and above, there are only about 70 men." (East-West Center [2] 2002) For OTOP in Thailand, most of the participants are women. That is why we have to understand the effectiveness of OTOP.

2.4 Increased mortality

We have new different risks to increase the aging society. This is because of rapid globalization and climate change. "The recent re-emergence of malaria and tuber-culosis and the emergence of new diseases could increase mortality and affect rates of population growth." (Mason et al. [6] 2002)

2.5 Saving, public transfer and private transfer

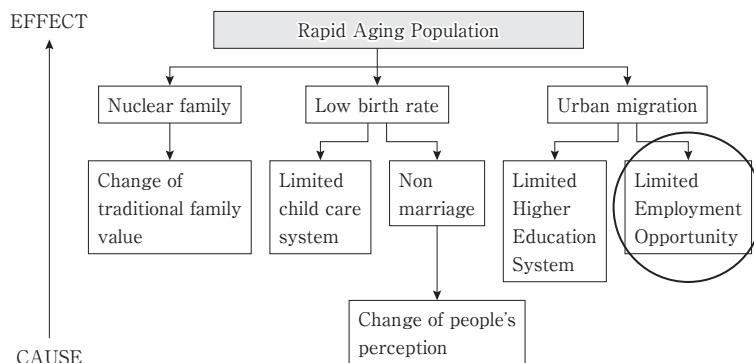
We have to review the old-age support systems as well. In Thailand, they have very limited pension system just for public officers. "In Thailand, net public transfers are negative: the elderly pay more in taxes than the value of their benefits". And, "The elderly in Thailand also rely heavily on personal savings, while those in the PRC and Taipei, China do so to a smaller degree, transfers being more important in the latter two". (Asian Development Outlook [1] 2011) In Thai, they have a simple basic payment system. It provides THB 700 per month for 70's years elderly. But it is not enough to cover their daily expense.

In Japan, we have a national pension system. In Shiga prefecture, the latest population is 1,414,510 with 65 years old over 346,330. The national basic pension covers 313,291 in 2015. (Shiga prefecture 2016) If we compare the system between Thai and Japan, Japanese elderly at present is covered by the public transfer.

III. Methodology

In this paper, we have conducted semi-structured questionnaire survey and in-depth interviews to understand the challenges of the rural area in terms of aging society and re-

Figure-1: Problem tree and targeted research area



Source: Interview survey conducted by the Author

gional economic development. We visited several OTOP groups including weaving groups, medical herb groups, organic vegetable production groups and community social security groups from 2014 to 2016.

3.1 Problem Analysis

Before starting our field research, we have described a problem tree as follows. (See Figure-1) The common main challenge of two regions was rapid aging population. There can be so many reasons for this problem. We have identified three reasons, Nuclear family, low birth rate and urban migration. There are also some causes for each problem such as change of people's perception, value and limited employment opportunities.

3.2 Focus group discussions

3.2.1 Ban Nong Kung Yai, "Kama" products group

This group was established in 1998 with 33 members. And they have 42 members in 2014. All the members except one are women. After they created the group, they improved their products' design and increased their income level. Firstly, to understand their consumption, we asked something on their spending on their daily life. We asked about the most expensive goods, which they purchased. Then, we had answers such as sofa, a wash machine, three wheels bicycle and washing powders. We thought they would buy more expensive goods, but they bought daily goods.

Secondly, we asked their consciousness on their environmental problems. In Thailand, bad waste management is one of the big problem and plastic bags are one of the top risks nowadays since it turned into the micro-plastics finally and coming back to human via fish. And sometimes it makes floods by obstructing drainage system to the river. But, most of the members used plastic bags. They had limited knowledge to use own bags for shopping. Thirdly, we asked their ICT (Information and Communication Technology) usage. In Thailand, SNS such as FACE book and LINE are very common.

Table 2: Research questions and answers at Ban Nong Kung Yai

Hypothesis 1, 2:	Rural people are strongly linked to the big cities like Bangkok and KhonKaen.
Question 1:	How many times did you visit Bangkok in July 2014 ?
Answer 1:	Nobody visited to Bangkok among 13 OTOP group member.
Question 2:	How many times did you visit urban center, KhonKaen city in this week ?
Answer 2:	One member visited center of KhonKaen just one time in that week to see the doctor.
Hypothesis 3	Rural people have strong needs for luxurious goods like imported expensive products.
Question 3:	What was the most expensive goods, which you purchased in 2014 ?
Answer 3:	Sofa, plant foods, a wash machine, three wheels bicycle, washing powder.
Hypothesis 4	Rural people have strong concerns for protecting their environment.
Question 4:	Do you use your own bags for your shopping? (to reduce unnecessary plastic wastes.)
Answer 4:	Only sometimes they use their own bags. But, many people use it presented by the shops.

However, local people like Northeast Thailand, they have limited chances to use those ICT. We understand that 3G service is available around Khon Kaen. Sometimes we identified 4G service as well. However, for elderly people, it is not easy to use smartphones and SNS. Finally, we asked about their working style. To our surprise, they were working almost everyday except the Buddhist holyday and their husbands as well.

3.2.2 Ban Wa, Sedge producer group

Firstly, we asked their basic facts. This group was established in 1999 with 20 members and is about 22 minutes by car from Khon Kaen University. The group increased the member and have about 30 members in 2016. The leader of this group is Ms. Boonjan chaila with sub-representative, Ms. Wassana Janrat. The group got four stars in 2004. Their products include mat, bag, lamp, hat, and other daily living goods. Their main job is farming and OTOP business is still their second job. Some members are teacher, doctor, and government worker. From January to March, their farming works are very limited because of dry season. Their income level is from 2,500 to 5,000 B/month per person. It depends upon their contributions. Secondly, we asked their uniqueness. Most of their products made from "Sedge", which is famous grass in Thailand. For them, Sedge is very important material. It will be grown up from one to two weeks and do not need water. Sedge grow one after another and the cost is very small. It needs seven days for dry and it needs two to three days to make mat. And it takes four days to paint and dry chemical dye. The costs and rapidness of their work can be their advantage.

Thirdly, we asked their ICT knowledge and usage. Only two members can use FACE book and one can use LINE. However their children can use it. Finally, we asked their working style and objectives for working. They are also working all the days and even on

Sunday. OTOP's advantage is to make a good opportunity to communicate with other members. Many people believe that OTOP's income can support their children's school tuition, so that their children can work on the better jobs. It does not mean farm work. And few successor will stay in their home village.

3.2.3 Fish processing group of Ban Non Khong

In 1996, women in this village started their work together to produce "Pla-Som" and men supported their jobs by catching fish. Nowadays OTOP isn't popular like in 1990's, the government didn't support this project that much. So they tried to produce other products to make more money such as bags, banana chips and import rice.

Firstly, we asked their originality. They catch fish from the reservoir near their house. And remove the scales from the fish, wash them, put their entrails outside and wash again. And ferment them by putting some garlic, salt, sugar and sticky rice inside fish. Finally, we keep them around three days then the processing will be finished.

Secondly, we asked their children's work for them. Young people don't like Pla-Som's smell so they try to make something new like banana chips. Finally, we asked about their dramatic decreasing of the local number of people. Most young people left their home town and moved to Bangkok to work for better jobs. One of the big reason of their left is instability of their productions. The water level of the reservoir is heavily depends upon the rain. If they had more rain, they could grow many fish to make Pla-Som, but in case of less rain, they cannot produce any fish processing products.

3.2.4 Rice Container, Kra Tib, and women weaving group of Ban Yang Kham

Firstly, we asked their basic information. The group was established in 2006 with total 46 women. The group leader at present is Ms. Amphai. Before that, middlemen controlled the price of all the products of this group. The union of this two production group made them to have more bargaining power to the middlemen. Secondly, we asked their originality of their products. They use only natural color for their rice container and preserving their environment. According to them, OTOP via joint marketing helped their traditional products to have more added values and also maintain their traditional culture. Finally, we asked their income level and evaluation of their activity. Their work were also their second business. However, its income was around 3,000 baht/month/person. It can be good business for elderly people since it is not hard and they can manage their time by themselves to produce them within their home.

3.3 A Comparative Study

We have observed several local development policy among two different regions. However, we found several similarities and uniqueness of the development approach. We can compare two regions as follows. (See Table 3)

Table 3: A Comparison between Khon Kaen and Takashima City

	Khon Kaen Province, Thailand	Takashima City, Shiga Prefecture, Japan
Geographical characteristics	Surrounded by the mountains and facing Mekhon river	Surrounded by the mountains and facing Lake Biwa
Cultural characteristics	Traditional Mad Mee silk, Fermented Food	Traditional Takashima silk, Fermented Food
Economical characteristics	Limited industrialization, but good access to Lao, Vietnam and Myanmar	Limited industrialization, but good access to Maizuru at sea of Japan, Nagoya and Kyoto.
Challenging and present policy	Urban migration, Aging society OTOP promotion to create local employment opportunity	Urban migration, Aging society, Social enterprise promotion to cover the social needs.
Public Support for Elderly	Basic Payment, THB 700 per month for 70's years old.	National Pension Scheme covers elderly daily life at present. But the budgetary balance is getting worse.

(Source: Field surveys by the author from 2014 to 2016)

IV. Findings

We found that Thai society in the rural area has aging society problems and depopulation problem because of rapid urbanization of the main cities and the capital, Bangkok. They are quite successful to activate local economy by introducing OTOP movement, but nowadays, they are promoting health for the elderly by combining traditional medicine, medical herb cottage industry and modern medicine as well. The OTOP movement has entered into the new stage of local economic development policy.

V. Recommendations and further study

According to our survey, we should exchange our experience of aging society with Thai society, even they do not have any pension system. Their quality of life in rural aging society are full of joy with community empowerment. We cannot rely on the Japanese pension system in near future because of the reducing population, then we have to learn many things from Thailand.

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