

## **Chapter 5. RECOMMENDATIONS FOR THE BANK'S STRATEGY AND PROGRAM**

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### **A. Incorporating Gender Concerns in the Bank's Country Operational Strategy**

There are eight key issues for women that should be considered in formulating the Bank's country operational strategy for Thailand: employment and self-employment, supporting women entrepreneurs, rural development, education and training, health infrastructure development, decentralization and strengthening local government, and governance and capacity building.

#### **1. Employment and Self-employment**

A very large number of women are concentrated in low-end jobs in manufacturing industries, the construction industry, and the service sector. Some of these industries, such as electronics and construction, are highly vulnerable during the current recession. Other more competitive industries are likely to be affected by the crisis in the financial sector. In some areas, the devaluation of the baht may have a positive influence, encouraging some female labor-intensive manufacturing industries affected by rising operational costs to continue operations in Thailand. It should also benefit the tourist industry, which is a major employer of women.

Overall, the most negative impacts in both the short- and medium-term will be on the female workforce, and rising female unemployment is likely to have particularly negative effects on children for two reasons. Firstly, 16.8 percent of households are headed by women, and secondly, the wages remitted by young women labor migrants to their homes in the poorest rural regions of Thailand are essential hedges against extreme poverty. The Bank's strategy should recognize Thailand's unsustainable reliance on cheap, unskilled labor. There is a mismatch between the skill levels of the workforce, particularly among women, and global competitive pressures for more technology-based and cost-effective systems of production.

#### **Box 2. WID Strategy for Employment**

- a) In the short-term, the Bank should emphasize equal opportunities for women in any program of assistance for income support and training for laid-off workers.
- b) Bank strategies for upgrading the skills of the Thai workforce should emphasize the need for gender analysis and for targeted components in programs of assistance. These should be designed to reduce women's disadvantageous structural position in the labor market, and particular emphasis should be placed on upgrading women's technical skills in line with Government objectives through pre-employment and on-the-job training.
- c) Bank strategies to encourage growth in the private sector should include emphasis on measures to encourage more women, especially those in poor households, to become self-employed. This should include programs to improve women's access to credit by encouraging new mechanisms in the formal financial system, and through capacity-building technical assistance to enable NGOs to provide financial services directed to women in poor rural and urban communities.

## **2. Supporting Women Entrepreneurs**

Micro (fewer than 10 workers) and small-scale (fewer than 50 workers) enterprises in urban and rural areas are more likely to be run by women and to employ women than medium and large enterprises. Any future Bank assisted microfinance projects should take extra care to ensure that women borrowers are not excluded through being defined as “unpaid family workers” instead of as “farmers”.

It is difficult for women small-scale entrepreneurs to access formal financial institutions because they do not possess the necessary collateral. For women entrepreneurs in service businesses such as selling food, the problem of obtaining credit is exacerbated since formal credit institutions evaluate collateral on the basis of net fixed assets, which for such business are generally very small. The Bank could encourage and facilitate the efforts of Government or NGOs to devise alternative methods of evaluating the creditworthiness of micro and small-scale enterprises.

Training in management and marketing is a crucial follow-up when loans are granted to women entrepreneurs, but it is either absent or inefficiently carried out in most programs. Micro and small-scale enterprises are normally run by only one or two people, so time away on training courses means closing down the business during the training period. Using videotapes and renting them out for a small fee would make the necessary information more easily available to women who cannot afford the time or the money to attend classroom sessions. Video players and televisions are now common in any village with access to electricity.

## **3. Rural Development**

A serious problem for many smallholders in the poorer regions of Thailand is the lack of land title. Many development projects, some of which have been of a speculative and unsustainable nature, have forced villagers from all or portions of their land with minimal compensation. This is an issue of great concern to women, who are often “owners” of the land by customary right of inheritance. Women have been in the forefront of a number of recent popular resistance movements against the eviction of farmers from untitled land claimed as state property in the Northeast.

Large-scale or more intensive agricultural development would be more sustainable and efficient than the present small-scale practices in many of the poorer regions, but land tenure problems are impeding this change. Any Bank efforts to develop larger-scale agricultural development, accompanied by industrial development, in areas such as the Northeast would be facilitated by granting legal titles to smallholders on unregistered land. This would offer smallholders a greater incentive to sell land voluntarily at prevailing market rates, providing them with capital for alternative livelihoods.

Non-farm income is essential for the livelihood of rural households, and women predominate in the informal economy and in earning remittances to provide this income. Any Bank efforts towards decentralizing Government functions and encouraging new industries in poorer regions will benefit women if they are given equal opportunities in the form of skills, knowledge, job opportunities, and credit.

Certain industries should be given special emphasis to ensure greater and more direct participation of women in rural industrialization programs. Such industries would be those in which women have an advantage, for example, ceramics, domestic utensils, small tools, electronics parts, and food processing. Some of these industries fit well with the export strategy that Thailand must adopt to survive in an increasingly competitive world market, that is, a strategy that makes full use of the country’s abundant natural resources.

**a. Program Support for Microcredit**

The objective of the Bank's Rural Enterprise Credit Project is to provide credit to small farmers to undertake agriculture-related activities to increase the added value of products and create employment in rural areas.

The establishment of new, more formal agricultural institutions may make it more difficult for women to gain access to financial services and technical advice and support for their small agricultural enterprises. Formal credit institutions evaluate loan collateral on the basis of net fixed assets, which, for most informal sector businesses operated by women, are generally very small. The Bank could encourage and facilitate the efforts of Government or NGOs to devise alternative methods of evaluating the credit-worthiness of service business owners.

The lending process should be monitored carefully to ensure that women borrowers are not discriminated against. Long delays in obtaining approval to access formal credit encourages women to resort to informal, high interest money lenders. Efficient, accessible microcredit facilities are needed in most rural communities, and especially among the urban poor.

Follow-up post-lending support to women entrepreneurs is crucial, particularly training in management and marketing. Innovative teaching methods that emphasize audio-visual learning and practical demonstration are also necessary.

High added value products that could best be handled by women workers include health foods, cosmetics, herbal medicines, and industrial arts and crafts. Arts and crafts products traditionally have a high female labor content, but, in the past, human and material resources have been wasted in producing poor quality items and using new technology inefficiently. Efforts should be made to ensure that some of the already popular arts and crafts products, such as ceramics, meet international taste and quality requirements.

**Box 3. WID Strategy for Rural Development**

- a) As part of its rural development strategy for poorer regions, the Bank should advocate granting of legal titles to smallholders with untitled land holdings, including the formal recognition of women's property rights.
- b) The Bank should ensure the participation of rural women in training activities, the dissemination of information, and extension services. Women should be included in the mainstream of all Bank-assisted activities for rural development and industrial decentralization. These could include targeted credit mechanisms, training in new skills for self-employment, new systems of agricultural production and processing, and labor force skills.
- c) The Bank should support initiatives for NGO capacity-building assistance to provide microcredit and small enterprise training for women in rural areas with high poverty levels.

**4. Education and Training**

About 80 percent of Thailand's workforce have only primary levels of education, and there are shortages of skilled professional and technical workers, particularly women. The literacy rate is

considerably lower among women than men, although overall literacy rates in Thailand are high. Current patterns in poor regions are likely to work against the post-primary education of girls, who are encouraged to enter the workforce as soon as they are of working age, so they can begin to remit money to their parents.

An important challenge in the education sector is to devise mechanisms and strategies to increase female participation and retention rates in secondary education, particularly in the poorer regions. Some may include measures such as programs to raise parental awareness, scholarships/stipends to enable parents to keep their daughters at school, and major efforts to increase the quality and relevance of the secondary education curricula.

#### **a. Nonformal and Secondary Education**

The manufacturing sector used to depend on a small group of products, such as food and beverages, tobacco products, textiles and garments, and electrical goods. But, since the early 1990s, metal and chemical products, machinery, and transport equipment have been gaining an increasing share. Some of these items are female labor-intensive and women workers have benefited from this employment expansion, although their wages have not increased proportionately. The male labor-intensive industries, however, are already experiencing labor shortages and are paying very high wages. Women have limited chances of being employed in industries such as metal products and machinery as, due to sociocultural reasons, they do not have the necessary education and training.

Skills training for women should not simply aim at supplementing women's domestic roles. The Bank could encourage initiatives from the private sector to cooperate in public sector skills development, and provide nonformal secondary education to current workers. To keep women up-to-date with the changing demand for labor and to enable them to benefit from the shortage of labor in certain occupations, the focus of women's training courses should be shifted to non-traditional jobs such as small electronics repairs and plumbing. Women who have formerly shied away from enrolling in such courses may be encouraged to take part if the courses are conducted in single-sex groups.

Many highly educated women do not use their skills in the labor market fully because they feel that their children should be their main priority. Regardless of how much women work outside the home, Thai men still expect their wives to be in charge of the household, thus placing a double burden on working women. As a result, women whose husbands earn a reasonable income may have decided to give up their jobs after marriage, and particularly after having children. However, there are several reasons why this group of women may now want to re-enter the labor market—the family may require additional income, divorced women may be unable to obtain alimony payments and have to support themselves and their children, new technologies make it easier to work part-time or at home, or they may simply have more time once their children have grown up.

Training programs could be designed for women who have been out of the labor force and wish to re-enter it, for those who have been laid off as a result of the economic crisis, and for older women. The skills and experience they acquired previously may well have become obsolete, and they may need to undergo intensive training to enable them to compete with younger, more recent graduates. Older women usually find it difficult to accept younger people as their superiors, so they generally prefer to have their own businesses. Courses on techniques of modern financial management and marketing would be useful for this group.

The Bank could assist the Ministry of Labor and Social Welfare both to find innovative training schemes that focus on building confidence and social skills, and to provide information on employment rights, training and advisory programs, and career planning. Preparatory training should encourage

trainees to take advantage of further training opportunities, and should be conducted in an environment that is friendly to women, since many women are reluctant to join standard training programs designed mostly with male students in mind.

The timing and location of training are also important considerations. If possible, classes should be conducted to fit the schedules of women with familial responsibilities (e.g., while children are at school). Night classes may also be feasible if husbands or relatives can look after the children. The BMA administration runs schools throughout Bangkok, and their facilities are ideal for use in community learning.

### **b. Higher Education Development**

Future Bank assistance to this sector is likely to focus on strengthening postgraduate education and research in science and technology to help maintain Thailand's economic competitiveness in the international market. The main objective will be to strengthen postgraduate education and research capability in cooperation with industry. This will lay the necessary foundation for research and development in science and technology-related fields. Assistance that contributes to increasing the supply of postgraduate level human resources in science and technology-related fields will provide industry and research institutions with the necessary scientists and engineers, and the university system itself with qualified teaching and research staff.

A major disadvantage for Thai women in professional fields (as measured by comparative numbers and incomes) is their under-representation in the field of science and technology. An important element of Bank assistance in this area could be to devise mechanisms to increase female participation rates in secondary, tertiary, and post-graduate science and technology education. This might include offering special undergraduate and post-graduate scholarships and research fellowships for women in mathematics and science. Another mechanism would be to sponsor awareness campaigns in high schools, universities, and through mass media that describe career opportunities for women in science and technology.

Increased capacity in research and development in textiles is essential for Thailand to be competitive in the international market. Institutions that currently teach courses related to the textile industry are very limited in terms of facilities, equipment, and teaching personnel, resulting in a bottleneck in the expansion of the textile and garment industry. Existing textile studies programs only provide partial training in limited areas of the industry, as courses in textile making are typically only a requirement towards a degree in science or engineering. The Bank could provide technical assistance to develop a comprehensive program that covers textile technology, production, design, management, and marketing. Such a program is essential if the industry is to increase the added value of textile products successfully.

### **c. Science and Technology Training**

Women usually have fewer opportunities to learn how to use new technologies in the manufacturing and agricultural sector. Action is needed on two levels: (i) to increase the participation of women in science and technology subjects in the formal secondary and tertiary education systems; and (ii) to provide equal opportunities, or affirmative action, where women's representation is very low. The Bank should ensure the participation of women in training for new technology.

Women's lower literacy rates pose another major obstacle for rural women in agriculture training programs. In the case of scientific and technical information, the problems become even more serious. Audio-visual materials have been proven to increase women's understanding of technical matters, and

thus should be used more widely. Non-traditional methods of instruction, such as the performing arts, should also be considered.

Another way to increase women's participation in training for new agricultural technology in rural areas would be to enhance their participation in village councils. If women had more influence on decision-making, particularly as members of the council, their interests could be better represented. Supporting leadership training for women within the framework of Bank projects should be explored in order to help women become more involved in local councils.

Thailand's economic growth has been characterized by serious exploitation of the country's natural resource base. Any Bank program that aims to support long-term natural resource planning and management, including forests, fisheries, soils, water, and biological resources, should include research on the role of women in the use and management of these resources. Constraints that prevent women from becoming major actors in the protection of the natural resource base should also be explored.

Projects in this sector could include components that encourage women to use appropriate, low-cost technology in preserving the natural resources that are related to their domestic and income-generating work, such as trees, soil, and fuelwood, and to make practical use of these resources in arts and crafts industries. In the local textile industry, for example, women should be informed about and trained in the use of natural dyes. A practical link should be established between such projects and science and technology research programs by encouraging research on new technology that will help upgrade the quality and attractiveness of natural dyes. The results of such research should be widely disseminated and made available at low cost. The use of herbs, medicines, and natural fertilizers from plants and trees should also be encouraged.

**Box 4. WID Strategy for Education**

- a) Bank strategies for the education sector should give high priority to increasing enrollment and retention rates among girls, particularly in poor regions, and encouraging their movement into secondary and vocational levels of education.
- b) The Bank should support initiatives of the Department of Skill Training by including measures to reduce gender stereotypes in girl's choices of school subjects, and to improve vocational specialization in training and higher education. It should also advocate affirmative action policies for girls and women in areas in which they are under-represented; and the abolition of gender quotas in medicine and technical education that discriminate against female enrollment.
- c) The provision of stipends and/or scholarships to promote the participation and retention of girls, especially in post-secondary vocational courses and post-tertiary science and technology courses, should be supported. Research fellowships for women in mathematics and science should be emphasized.

## 5. Health

There are three main issues for women in the health sector, HIV/AIDS, occupational health and safety, and disparities in access to health services between different parts of the population.

The heterosexual transmission pattern of HIV/AIDS makes it likely that one in 60 Thais will be infected within the next two years, including a high proportion of women and their children. While this issue is being addressed in the health sector, emphasis is placed on the sex industry as the central problem rather than male sexual behavior.

The solution to the problem of sex workers lies in measures that will provide greater economic opportunities for women, and the social empowerment of women. Such measures will be those that lead to the reduction and eventual eradication of women's relatively disadvantageous position in the labor force, the economy, and government, and include market-oriented skills training, and increasing women's enrollment in science and technology subjects in secondary and higher education. Such measures will increase the opportunity cost of prostitution and also women's powers of negotiation in sexual relations.

A further important measure would be to establish mechanisms within a new decentralized Government structure, especially in poor border regions, to prevent trafficking in young women and children for the sex industry. Such action is in the interest of the greater Mekong sub-region, which is also threatened by the spread of HIV/AIDS. A sub-regional action program against trafficking and illegal immigration should be developed and implemented if the issue is to be addressed effectively.

Occupational health and safety for women workers is a concern because there is a danger that, in the current economic climate, industry will reject measures that even marginally increase production costs. Any Bank efforts aimed at encouraging decentralization should recognize the long-term costs of unsafe workplaces and ensure that minimum standards of workplace health and safety are established and enforced by regional and provincial authorities.

The disparity in access to health services between regions, and between the rural and urban population, is a broad issue and will require improvements in the curricula of nursing, para-medical, and medical training. While increased emphasis on primary health care is required, a greater share of Government expenditure should be directed to improving the equipment, supplies, efficiency, and effectiveness of rural clinics and their services to women, which should include cervical and breast screening, safe motherhood programs, diagnosis and treatment of STDs, and distribution of reliable contraceptives.

**Box 5. WID Strategy for Health**

- a) Bank strategies and programs for human development, education, decentralization and rural development should emphasize that improvement of women's socioeconomic status is the key to reducing the transmission rates of HIV/AIDS.
- b) Program coverage for HIV/AIDS prevention should be increased for community and NGO activities.
- c) The Bank's strategy for health services should consider shifting the focus of assistance towards programs for women and children, ensuring the protection of existing budgets and allocation of additional budget to cover costs of imported vaccines.
- d) Priority should be on a more equitable and efficient distribution of health services, and improvement in the effectiveness of meeting the health needs of women and their children in poorer regions.
- e) The Bank should promote and advocate measures to increase the effectiveness of legislation and enforcement of health and safety in the workplace.

**6. Infrastructure Development**

**a. Infrastructure Development**

A key concern of the Bank in this sector is the development and improvement of infrastructure in rural areas to support the Government's objectives to redress rural-urban and regional imbalances and improve living conditions in the North, Northern, and Southern regions.

Assistance to the transport sector should address the needs of rural women and communities, recognizing especially the needs of pedestrians and non-motorized vehicles. The principal means of transport in many communities may not be motor vehicles and roads, but walking on small paths and tracks or using waterways. Main roads and small feeder roads benefit men and women differently. The responsibilities of women and men in rural households often determine their transportation needs. Women are invariably responsible for finding and carrying water, for example, and may have to walk where there is no path. Transport development should therefore begin with a careful study of the gender dimensions of rural transport and travel.

An effort may be made to bring modern communications facilities such as mobile phones to women in the villages—something that has been done in Bangladesh for Grameen Bank borrowers. Such a program could be worked through village cooperatives or women's groups, with the phones being rented out in an income-generating project. This could be a useful instrument to facilitate the empowerment of women.

**b. Water Supply and Sanitation**

Inadequate water and sanitation facilities are the main problems facing the Northeast and other less developed regions. Women play a critical role in water supply and sanitation management as water carriers, end-users in their domestic roles, and as family health educators. Their knowledge and the significance of their roles need to be recognized when projects related to water and sanitation are planned

and designed. Water supply and sanitation projects should consult women from the beginning about site selection and their needs and priorities in the use of water to enhance women's roles to benefit themselves and their communities.

Women are also the most appropriate group to operate and maintain water and sanitation facilities, since they spend more time at home than men and would detect any malfunctions sooner. Provisions must be made to recruit a certain percentage of women to be trained in operation and maintenance of water and sanitation facilities. Special measures will be needed to facilitate women's participation in training, such as locating training sites in or near their villages and providing child care facilities. Using women trainers is best at the village level if the intention is to reach as many women as possible.

## **7. Decentralization and Strengthening Local Government**

The economic and social costs associated with urbanization, mainly around the BMA, are a source of increasing concern. The Government began efforts to decentralize and promote rural industrialization under the Fourth Development Plan. This is also a major theme of the ongoing Eighth Five-Year Plan, but success has been slow. The predominance of young rural women in the migration stream towards Bangkok indicates that job opportunities for women tend to be heavily concentrated in and around the capital.

To ensure greater and more direct participation of women in rural industrialization programs, industries in which women have an advantage should be given special emphasis, for example, ceramics, domestic utensils, small tools, food processing, electronics parts, and electrical appliances. At present, when most traditional manufacturing exports (e.g., textiles and garments, shoes, electrical goods, etc.) have suffered, the food industry is being increasingly cited as a "sunrise industry"—representing a bright hope for Thailand both in terms of income and export values. This sector is a large employer of women. Dairy farming, in particular, is now enjoying a rapidly expanding local market.

Rising consumer incomes in world markets mean slow growth in the demand for mass production items. Opportunities remain, however, for high value added products. Many of these products, such as health foods, cosmetics, herbal medicines, and industrial arts and crafts, are well suited to women workers. In addition, the increase in tourism has done much to reduce seasonal unemployment of rural Thai women. Since income from tourism is one hope for the revival of the Thai economy, efforts should be made to improve the quality and design of some of the already popular arts and crafts products to take advantage of the tourist market.

Training programs should be linked with local labor demand to ensure immediate jobs within the regions, in line with the present government policy of dispersing urbanization and to slow down out-migration after the crisis is over. Financial and technical support for these training programs should be sought from local enterprises, which will become direct beneficiaries of well-trained workers. Existing women's groups within the area, such as housewives' groups and weavers' groups, should be linked with the training projects to enable them to share the burden of capital costs. An example is training in garment making, where the cooperatives can share the cost of sewing machines.

Support is needed to increase women's participation in public life. At present, only about six percent of elected representatives at any level are women. This is why Thailand's UNDP gender empowerment measure is ranked below that of PRC, where there are many more women representatives. An important starting point is to encourage women to support female candidates for village councils and at the district level. The Bank could address this issue through its strategic aims on governance issues, by strengthening the NCWA with a specific focus on the electoral education of women.

## **8. Governance and Capacity Building**

The Bank identifies governance and capacity building as core development issues and challenges. Problems of governance affect every Thai citizen, but there are certain issues for women that are particularly problematic, such as weak enforcement of laws against the trafficking in women and children, and the employment of under-age girls in prostitution. Few women stand or are elected to public office due to the sociocultural environment. Consequently, many issues of concern to women are not addressed at the political level.

### **a. Strengthening National Institutional Monitoring Capacity**

#### **i. National Commission on Women's Affairs**

The effectiveness of the National Commission on Women's Affairs (NCWA) is constrained by the fact that its main function is advisory. In addition, its status up to now has been that of a Division, and the Director of NCWA has a much lower rank than the heads of most of NCWA's contact agencies, therefore NCWA's monitoring abilities are limited. In April 1997, however, the Cabinet approved a proposal to upgrade NCWA's status to a Department within two years. The number of staff will continue to be restricted by the limit imposed on the hiring of all Government officials, which has been in effect for several years. As of July 1997, NCWA had 47 full-time staff members working under an annual Government budget of B14 million.

A major change likely after NCWA achieves Department status will probably be greater flexibility in funding. Such flexibility will enable NCWA to commission NGOs and individuals to work on specific projects. Some UN and donor agencies have already worked with NCWA on that basis. Contracts are made with NCWA on the understanding that the projects will be handled by organizations and individuals that have been approved by the agencies.

In the future, the emphasis of NCWA's activities will focus on networking, advocacy, coordination, and monitoring. The new emphasis will bring about better cooperation with NGOs and other Government agencies, and avoid unnecessary repetition and waste of resources. Women's organizations of all types and levels are being encouraged to take part and diversify their duties.

The Bank should consider providing technical assistance to NCWA to build its institutional capacity to undertake the broader mandate of a coordinating and monitoring agency. Such technical assistance could focus on developing modified terms of reference for the upgraded Department, preparing an institutional framework, and on building the capacity of staff to perform the revised duties. As the Government's focal point on women, the NCWA's functions and roles need to be carefully assessed and revised to meet the current needs of women.

#### **ii. National Economic and Social Development Board**

Implementation of the Women Development Plan is closely linked to the Eighth Five-Year Plan. Under the Bank's project to establish a program and policy monitoring and evaluation system at the National Economic and Social Development Board based on key well-being indicators, efforts must be made to establish appropriate indicators for measuring progress in the Government's implementation of the Five-year Women Development Plan. Efforts at mainstreaming gender into policy and programs under the Eighth Development Plan could also be monitored. This would be the most clearly defined way to evaluate Government success. The limited achievements in promoting the advancement of women after

the Third World Conference on Women in Nairobi were not only due to lack of financial commitment from Government, but also to the lack of clear indicators and a monitoring system for implementation.

**Box 6. WID Strategy for Governance and Capacity Building**

The Bank should consider the following:

- a) Provision of technical assistance to NCWA to build its institutional capacity as the Government's focal point on women's affairs.
- b) Provision of electoral education for women with the objective of increasing women's representation in local, regional, and national government.
- c) Establishment of appropriate indicators and techniques to measure the progress in the Government's implementation of the Beijing Platform for Action and the Five-year Women Development Plan.
- d) Promotion and coordination of NGO activities for microcredit provision, possibly in partnership with formal financing institutions.
- e) Assistance to the Government in the implementation of recommendations arising from the Bank's Regional technical assistance (RETA) on Sociolegal Status of Women in Selected DMCs (RETA No. 5700), focusing especially on enforcement of existing laws and promotion of legal literacy among women.