

EXECUTIVE SUMMARY

The economic recession in Thailand will have a major impact on women, who generally occupy the most vulnerable levels of the workforce in both the public and private sectors. A particularly serious issue will be the sharp increase in female unemployment during the reform period. This will have negative social impacts on the 17 percent of households headed by women, and on the poorest rural regions of Thailand, where remittances have become essential hedges against extreme poverty. Measures that will ensure equal opportunities for women must be an essential element of the Bank's short-term strategy to assist in the provision of support and job training for displaced workers.

Thailand's economy has transformed from a rural agricultural base to an urban industrial base over the past 30 years. Although about 50 percent of the labor force is still in agriculture, farming can no longer provide an adequate livelihood in Thailand's poorest and most populous regions. Thus more than half of household income in such regions is derived from non-agricultural sources, including remittances. While the declining importance of agriculture and changes in farming systems have reduced the demand for women's labor on farms, their cultural duty to render service to their parents remains the same.

Thailand's growth in manufacturing, particularly export industries, has relied on a large, unskilled and poorly educated labor force, typically young, unskilled female labor migrants from poor rural regions who wish to earn wages to remit to their parents, and who are willing to work for minimum wages or less. Thailand's industries must now become more efficient and quality-oriented by adopting modern technology and methods of management and production if they are to maintain their competitive position internationally. As the Thai economy moves away from low-skilled manufacturing to highly skilled and knowledge-intensive activities, some groups of women—those with the education and skills needed to adapt—will be in a better position to take advantage of the new opportunities than others. The less fortunate groups risk of being laid off or losing out in the job market. These women must be trained and upgraded to maintain their employability and to keep Thailand competitive in the world market.

Overall, Thai women are in a more disadvantageous economic position in the workforce than men, due to their concentration in low-paid, low-skilled occupations. Despite the near-parity of girls' and boys' educational participation rates, girls tend to concentrate on subjects at vocational and higher educational levels for which there is a lower demand in the labor market. Thailand already suffers a major shortage of trained technical and scientific workers, and women are seriously under-represented in occupations for which there is the highest demand.

The advancement of Thai women has been closely associated with the country's economic progress. While the Thai economy was growing, women's status improved substantially, especially in the areas of health and education. However, although women's employment increased in quantity, conditions of work, relative pay, job security, and safety have, in many cases, been deteriorating.

United Nations (UN) agencies fear that one in 60 Thai people will be infected with human immunodeficiency virus (HIV) by the year 2000. The links between regional rural poverty, women's subordinate economic position, their disadvantageous situation in the labor market, the high levels of recruitment of poor migrant women as sex workers, their generally lower levels of education (or lack of education in technical subjects), and their absence from public decision-making, have contributed to the spread of HIV/AIDS in Thailand. Bank strategies and programs for human resource development should recognize that improvement of women's socioeconomic status is the key to reducing the transmission rates of HIV/AIDS.

The economic crisis in Thailand offers an opportunity to turn adversity into opportunity through reforms that will both restore stability to the economy and lead to sustainable economic growth. It also provides a unique opportunity to address some of the major underlying causes of the relative disadvantages of Thai women in the economy.

Recommendations

Employment

- The Bank should emphasize equal opportunities for women in any program of assistance for income support and job training for laid-off workers.
- Bank strategies for upgrading skills 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.
- Bank strategies to encourage growth in the private sector should emphasize 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 nongovernment organizations (NGOs) to provide financial services directed to women in poor rural and urban communities.

Education and Training

- 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.
- The Bank should support initiatives of the Department of Skills Development by including measures to reduce gender stereotypes in girls' choices of subjects at school and for vocational training and higher education. It should also advocate affirmative action policies for girls and women in areas where they are under-represented, and the abolition of gender quotas in medical and technical education that discriminate against female enrollments.
- The Bank should support the provision of means-tested 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. Research fellowships for women in mathematics and science should be emphasized.

Rural development

- The Bank should advocate granting of legal titles to smallholders with untitled land holdings, including the formal recognition of women's property rights, as part of its rural development strategy for poorer regions.
- 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.

- The Bank should support initiatives for capacity-building assistance among NGOs to provide microcredit and small enterprise training for women in rural areas where poverty levels are high.

Health

- Bank strategies and programs for human development should emphasize that improvement of women's socioeconomic status is the key to reducing the transmission rate of HIV/AIDS.
- Program coverage for HIV/AIDS prevention should be increased for community and NGO activities.
- The Bank's strategy for health services should consider shifting the focus of assistance toward programs for women and children, ensuring the protection of existing budgets and allocation of additional budgets.
- 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.
- The Bank should promote and advocate measures to increase the effectiveness and enforcement of legislation for health and safety in the workplace.

Governance and Capacity Building

The Bank should consider the following:

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

Conclusion

The focus of Bank operations in Thailand has shifted from traditional growth projects, mainly physical infrastructure, to include social and human development objectives. Within this framework, it is possible to include activities that will directly and indirectly enhance the economic and social position of women. During this period of economic crisis, the Bank can assist both in defending the gains made by Thai women to date and in correcting the remaining imbalance.