

Economic Exclusion of Local Residents in the Borderland of Surin Province, Thailand

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ABSTRACT

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This study purports to investigate economic exclusion in the local community of Dan sub-districts, Kabchoeng district, Surin province. Data was collected by interviewing local residents, local authorities and a representative from private company. Majority of Dan community residents of have been excluding from Chongjom border market mostly by non-participation in income generating and economic activities in the market. Firstly, a lot allocated to local OTOP shop in the market was taken back due to high market demand on selling space. Secondly, they are excluded from access to markets because of lacking of income to pay for high license and rental fee plus various fees from a private company who manage the market.

Lastly, Agricultural Land Reform Project and state property regulations on land use are heavily enforce on local residents, but a privilege bestowed upon private company and local government organization to exploit the land which in a way can cause economic exclusion for local residents. The Treasury Office expropriated the allocated local residents land to lease it out to local government organization runs by businessmen turns to local politicians who then find a loophole on land exploitation to earn highest economic benefits from border development.

Keywords: *text mining data, big data, Facebook, public image, public administration services.*

INTRODUCTION

Much discussion and study on the borderland focuses more on groups of migrants, displaced and stateless people that are socially and economically excluded in their destination countries. But they are in some circumstances, able to adjust themselves and eventually settling in local communities or with displaced communities. They may not be mainstream but they certainly have felt included socially. However, how local community in the borderland being socially and economically excluded from the state and local development policy and related activities and also how socio-economic exclusion from border development policy effects on local residents remain underrepresented.

Exclusion on the basis of race, religion, and ethnicity exists under diverse social, economic, and political systems. Frunzaru (n.d) pointed out that exclusion is a process of not being an active part of the economic, social and political life of the community. According to Beland (2007) it is a process where a group is administratively excluded by the state. Silver (1994) argues that exclusion is not only a dynamic process, but it also points to the outcomes of historical developments.

Beall (2002) asserts that exclusionary processes associated with globalization on local dynamics of social. It is not only societies that are subject to exclusionary processes but whole nations and regions of the world. As Castells (1998) has noted: "globalization proceeds selectively, including and excluding segments of economies and societies in and out of networks of information, wealth and power that characterize the new dominant systems". Sen (2000) sees markets as value-free, and basic arrangement which people can interact and undertake mutually advantageous activities. If markets are malfunctioning and globalizing forces lack of adequate governance that are the root of the problem. According to Mathieson, et al. (2008) exclusionary processes include the impacts of economic and social transformation driven by relational and institutional power differentials; linkages between processes associated with globalization and local exclusionary dynamics; active and passive exclusionary processes arising from public policy and the role of cultural and symbolic processes as drivers of exclusion stigmatizing the poor and other population groups, restricting human, civil, political and cultural rights and constraining capacity for collective action.

Exclusion relates to the process by which groups in society become disenfranchised and marginalized (Sandell, 1998). Exclusion in focusing on relational issues is concerned with the breakdown of the links between an individual and their family, friends, community and state services and institutions. In contrast to poverty and unemployment which focus on

individuals or households, social exclusion is primarily concerned with the relationship between the individual and society, and the dynamics of that relationship (Klasen, n.d.). Social exclusion covers a wider range of socially disadvantaged individuals and groups and focuses on a dynamic process not merely a static description of a situation. As Duffy (1995) notes "social exclusion is a broader concept than poverty, encompassing not only low material means but the inability to participate effectively in economic, social, political and cultural life and in some characterizations alienation and distance from mainstream society."

Social exclusion is multi-dimensional in nature and depends on social context. It means that an individual is not participating or denial of access in key activities of society for reasons beyond his or her control, but that he or she would like to participate (Dertwinkel, 2008; Greene, et al., 2016). Social exclusion is generally a relative concept – relative to time, place or location and society as a whole. Social Exclusion Unit (2004) suggests that "social exclusion is about more than income poverty. It is a short-hand term for what can happen when people or areas face a combination of linked problems, such as unemployment, discrimination, poor skills, low incomes, poor housing, high crime and family breakdown. These problems are linked and mutually reinforcing." This is not that a policy meant to address social exclusion should not aim at helping groups of people or areas, but social exclusion might consider important activities for a society, and then finding which types of individuals are excluded from partaking in those activities.

Social exclusion consists of the three dimensions of political, cultural and economic exclusion. Economic exclusion can be broadly understood as non-participation in or blocked access to the labor market, public services, finance, housing, educational and health sector, among other possibilities economic exclusion can be further be analyzed through looking at the two basic economic activities in general, consumption (capacity to purchase goods and services; capacity to generate income and savings) and production (participation in economic activities through labor market). Economic exclusion affects whole groups in a society, independent of the income, productivity, or merit of individuals within the group. Anyone can be excluded from access to markets because of lack of income, or from employment on the grounds of low productivity, or from admission to educational institutions on the basis of low merit (Dertwinkel, 2008). Greene, et al. (2016) found four main dimensions of economic exclusion from their studies including labor market exclusion because of discrimination or the changing structure of the labor market; poor-quality jobs such as low-end wages and unpredictable hours, lack job security, and offer limited-to-no-career pathways; economic

vulnerability because of exposure to financial risks; isolation from opportunity when low-income people live without access to jobs, good schools, health care facilities, and public spaces. An aspect of economic exclusion whose effects are strongly experienced by the informants in Krot and Glińska's study is a very poor financial situation because of limited financial resources. Economic exclusion is one of the main reasons for persons' defective participation in consumer culture (Krot and Glińska, 2014).

Borders provide clear demarcations between sovereign governments and promote peaceful relations among nations. Borders also enable us to systematize the machinery of government by defining who is subject to the government and its laws and identify clearly who is a citizen, so the rights and duties of citizenship can be fairly allocated. Trudeau, D. and McMorran, C. (2011) asserts on dual nature of borders that "borders produce landscapes of exclusion by their very existence, by separating groups, creating and pointing out differences. However, borders can also bridge divides and serve as meeting points, providing locations around which alternative inclusions can occur. This dual nature of borders makes them essential to understanding the complex experience of marginality." Therefore, borders are constantly being produced, negotiated, challenged, and redrawn. Trudeau, and McMorran (2011) note that the experience of exclusion often elicits tactics that contest borders and discursive borders can also be resisted.

Border and economic exclusion

Border is profoundly geographical instrument of inclusion and exclusion of state territoriality. Anderson and O'Dowd (1999) assert that "the meaning and significance of state borders, as well as their geographical location, can change drastically over space and time. Along with their associated regions, they have competing and contradictory meanings, both material and symbolic... As a general response to peripherality, borders tend to generate questionable arbitrage activities, and their significance ultimately derives from territoriality as a general organizing principle of political and social life, one which changes over time." Border studies has opened up possibilities for questioning the rationales behind everyday border-making by understanding borders as institutions, processes and symbols. Borders emerge through socio-political border-making or bordering that takes place within society (Houtum and Naerssen, 2002). In the borderless world in which global technologies, cyberspace, capital flows, East-West political convergence and interstate integration would make political borders obsolete. The study of borders has moved from a dominant concern with formal state frontiers and ethno-cultural areas to the study of borders at diverse socio-spatial and

geographical scales, ranging from the local and the municipal, to the global, regional and supra-state level. Rather than focus strictly on physical borders as legal institutions, the bordering perspective is about the everyday construction of borders among communities and groups, through ideology, discourses, political institutions, attitudes and agency.

As Kabbani and Kamel (2007) note that a combination of factors contributes to potential economic exclusion comprise of three dimensions: economic, social, and institutional. Economic dimension includes factors related to the labor market. Social dimension includes the influence of personal, family, and community support structures on economic exclusion and social roles and institutional dimension includes social and public institutions. The experience of exclusion often elicits tactics that contest borders. However, excluded groups also engage in practices that reproduce or even compound their exclusion. Discursive borders can also be resisted. In some cases, these tactics may open transitional spaces between inclusion and exclusion. These are spaces of uncertainty and negotiation that are neither inside nor outside. Promoting economic growth at the borderland, if excluded from economic life, local residents will remain an untapped resource in terms of increasing prosperity for entire communities, regions or countries.

Border and borderland complexity lies mainly on human cultural, political, economic activities and security challenges. Free enterprise, free competition, reducing government's role and regulation and focus more on individual responsibility to find solutions to their problems combine borderland to more neo-liberalism direction (Martinez and Garcia, 2015). Therefore, Zureik and Salter (2005) suggest on political economy analysis of borders that we should take the border as a constructed space, that is, a space where different social forces, each with specific economic and political interests, meet and interact. The border should be seen as simultaneously dividing and connecting the internal and the external realms of politics and economic activities.

METHODOLOGY

This study purports to investigate economic exclusion in the local community of Dan sub- districts near Chongjom border market. Data was collected by interviewing villagers in Dan sub- districts, Kabchoeng district, Surin province, local authorities and a manager of Chongjom border market. The research also complementarily collected conversations from group discussion among villagers and involved authorities.

FINDINGS AND DISCUSSION

Dan Sub-district, Kabchoeng district of Surin province locates with a distance of 69 Km. from Surin municipality and 13 Km. from Kabchoeng district office. Chongjom border market is located in the area of Dan Sub-district and about 3 Km. from the border. The neighboring Cambodian community next to the border is O'Smach village, Samrong district, Odormeanchay province. An average of trading value from 2009-2014 between the two countries through Chongjom checkpoint was 1,105 Million Baht per year (33.5 Million USD) and increased to 2,038 Million Baht in 2016 (61.8 Million USD) (Surin Provincial Commercial Office, 2016). Dan Sub-district comprises of 18 villages with population of 12,463 people (6,293 male and 6,170 female, data confirmed at April 21, 2016).

Dan Villagers' traditional ways of life has been agricultural oriented with 2,498 households or 89.60 per cent engage in wet-rice cultivation. Cash crops include rice, cassava, rubber tree and sugar cane. There are 1,750 households or 62.76 percent raising cattle such as pig, cow, buffalo, duck and chicken. Agricultural land is approximately 28.20 percent of the total sub-district area. People in Dan village have to migrate to work as labor hiring in other areas because lacking of land ownership, low income derives from agricultural products, lacking of funding and knowledge to start a new career, and problem of agricultural products marketing (Dan sub-district administrative organization, n.d). Majority of Dan residents are extended family by which several generations live together or reside nearby. They have followed their traditional agricultural practices up until Chongjom borderland has economically developed. The development has changed the villagers' ways of life from agricultural tradition towards trading careers. There are more land plots being transformed to serve business sector. For instance, farm land plots are shifted to be trading areas or developed to small shops, parking lot, apartment, renting house or rooms or other border related business.

Economic exclusion in Chongjom border market

Surin Provincial Administrative Organization (PAO) has begun to set up Chongjom border market in 2002 by renting a plot of land around 20 Rai (approximately 3 Hectares) from the Surin Provincial Treasury Office to build a 60 room-building. Then the building and market space was assigned to a private Company to rent the rooms out to locals and Cambodian traders (Pattana Chuenyong, interviewed). Patana states that "on weekday income generated in the market is around 2-3 million Baht (60,606-90,909 USD) each day but in the weekend will rises up to 10 million Baht (303,030 USD) and in

the festive celebration period it might be 20 million Baht (606,060 USD). In the morning there will be fresh vegetables, fish and seasonal fruits.”

The majority of traders in Chongjom border market are Cambodian traders. After using Cambodian traders who came to rent the shops and extended of trading space into the unlicensed area, Chongjom border market has expanded. The management team is not responsible for building shops in the market. The traders have to build a temporary shop by themselves on their own expend at the designated area they paid for. According to the PAO’s information in 2014, there are 830 rooms for shop renting in the market with a total of 764 tenants, of which 733 people are Cambodian and 31 are Thais. Therefore, Thai traders only have a share of less than 4% of tenants in the market. Boonthueng Rodkerd (interviewed) asserts that at the beginning of Chongjom border market management, there was a shop provided free of charge for local OTOP (One tambon one product) in the market and allowed local residents to sell their products in this shop. But not for long, when demanding for shops in the market arose, this shop was pulled back to offer to Cambodian trader. Local residents admitted that they cannot afford to pay for the rental fee and other fees in the market. Therefore, they feel they are excluded from economic activities in the border market located next to their houses. If they wanted to sell their products in the market, they can either rent trading space from the Thai or Cambodian traders or sub-lease the room from the official licensees. During the first couple years of market opening (2004-2005), the price of sub-leasing cost was approximately 5,000-6,000 Baht (151-181 USD) for each shop. Before the fire incident in 2010, the sub-leasing cost increased to 20,000 Baht (606 USD). In 2014-2015, sub-leasing cost was 200,000-300,000 Baht (6,060-9,090 USD), varied by the size of rooms and its location. The room in the front row close to the main street will have a higher price than a room in the middle and the back. Sometimes the price different is higher up to double or triple times as much of the back room cost.

For new traders, if they rent from the Thai or Cambodian traders they will have to pay double of monthly rental fee. The 2,000 Baht is paid to the official licensee and another 2,000 Baht to the market administration. Beside sub-leasing cost and monthly rental fee, traders have to pay for electricity and water bill, garbage disposal fee, sub-leasing owner name change fee, security fee, copyrights management fee and other fees according to the management company specification.

There are a few local resident sell local foods, fruits and beverage on a temporary stall locates on footpath in front of the market. They also have to pay daily fee of 20 Baht to the market management office. They might not

have to pay for the garbage disposal fee because the market is not responsible for that task, the traders have to clean up by themselves.

Economic exclusion from land use

Land as a factor of production is of immense importance. It is the original source of all material wealth. The economic prosperity of a country is closely linked with the richness of natural resources. As border economically develops the relative importance of agriculture declines. Thailand's economy is focusing on boosting growth with development projects and free-trade zone deals to increase cross-border trade. Thailand and Cambodia are working on co-operative plans to boost trade and entice businesses to locate along their border.

When border economic boom in the past decade, land price in Chongjom border is highly increased, it increased from 40,000 Baht per Rai in 2003 to 3,750,000 Baht per Rai in 2014. The area opposite to Chongjom border market was a part of the National Conserved Forest-Huay Thabthan- Huay Samran. Then the military divided the land to selected citizens within the self- defense villages along Thailand-Cambodia Border Project. In 2003, the land plots assigned to the villagers were returned to the Treasury Office and some plots of land were under the Agricultural Land Reform Project. The Treasury office then leased 54 Rai of the state property plot to 18 local residents in order to help with farming land scarcity problem. Later Surin Provincial Administrative Office (PAO) leases some plots of the land from the Treasury Department and they have to cancel some land plots which formerly assigned to the some of the villagers. Thus the lease later brought about conflicts between the affected villagers and the Surin PAO.

Surin PAO built 2 stories OTOP building in the conflict area and it has not been used for a decade. In 2014, an investor from Surin province agreed to sub-lease the area in front of OTOP building from Surin PAO. Then they build more than 30 temporary shops with 3x4 meters size. Thai and Cambodian traders have to pay a license fee of 20,000-50,000 Baht for each shop and they have to pay 1,000 Baht for a monthly fee and 100 Baht for the garbage disposal fee. After 7 months of trading in this area, they were forced to demolish all the temporary shops because of unlawful occupation. They did not get their money back and no one admitted that they were responsible for the incidents (Manager Online, 2014). In Surin PAO 2014-2016 development plan for OTOP building, the 66 rooms of 2 stories building has been proposed to build in front of the OTOP building and the building will be sub-leased to the investor who then will sell the license of building usage to traders. Chongjom border market and the OTOP building area illustrate reciprocal

beneficial relationships among private company and local politicians who direct the Chongjom border market development policy. They are the only group of people who receive biggest share of economic benefits from the border development. The complex relationship of businessmen turns to local politician and a loophole on land exploitation under local government organization are their main instrument to gain most benefits from state property.

CONCLUSION

Local residents of Dan village have been excluded from Chongjom border market in three different ways, firstly, a lot allocated to local OTOP shop in the market was taken back due to high market demand on selling space. Local residents lost their space and unable to retrieve it back because lacking of investment money. They became non-participation in or blocked access to income generating and economic activities in the market. According to Dertwinkel (2008) they can be excluded from access to markets because of lack of income. High licence and rental fee plus various fees from a private company who manage the market make it almost impossible for local residents to be part of this dynamic border market.

Secondly, they are excluded from access to markets because of lacking of income to pay for high license and rental fee plus various fees from a private company who manage the market. A private company who have a close relation to local politicians receive highest economic benefits from the border development and state property by using complex relationship of businessmen turns to local politician and a loophole on land exploitation under local government organization.

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