

Poverty Reduction: From Policy to Implementation – the Outcome  
Organized by Thailand Development Research Institute (TDRI)  
With Community Organizations Development Institution (Public Organization)  
December 5-6, 2002  
At Wangree Resort, Nakorn Nayok

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December 5, 2002

- 9:00-10:00 Introduction, Objectives and Goals of Seminar
- 10:00-12:00 Discussion of Progress of Research and Practices according to the Results of the Project's First Phase, and Planning for Next Steps
- 12:00-13:00 Lunch
- 13:00-13:45 Analysis of Obstacles to the Success of Poverty Reduction Policies
- ❑ Frame of thinking does not match with real situations
  - ❑ Limitation of resources (financial and human)
    - lack of resources
    - Inappropriate resource management
  - ❑ Public service officials do not have full knowledge and understanding of processes
  - ❑ Problems in cooperation between stakeholders
  - ❑ Etc.
- 13:45-17:00 Exchange experiences about implementing past and present poverty reduction policies, focusing on the practice, obstacles, and solutions. (Group Discussion)
- 17:00-17:30 Conclusion of Seminar, Discussion about Topic of Seminar for the Next Day

December 6, 2002

- 8:30-9:30 What are the Success and Failure Factors in Poverty Reduction Policies?
- 9:30-10:15 Presentation of Framework for Research about Poverty Reduction Policies by TDRI staff
- 10:15-11:30 Discussion of Options and Procedure for Research, Make Plan of Research and Choose Study Areas
- 11:30-12:30 Conclusion of Seminar, Discussion about the Next Seminar
- 12.30-13:30 Lunch
- 15:00 Check-out

## **Poverty Reduction: From Policy to Implementation – the Outcome**

### Background

Last year, the Thailand Development Research Institute (TDRI) and the Community Organizations Development Institution (CODI) had organized the seminar “Poverty Reduction Strategy: From the Viewpoint and Participation of the People”, which brought together community leaders and the poor from both rural and urban areas. This provided an arena for exchanging points of view about the meaning of ‘poverty’, its causes, and solutions. After the first seminar, 12 rural villages from 6 provinces and 6 urban communities in 4 cities completed a survey of their poverty situation and options for mitigating and eradicating the problem. The results are discussed into the second seminar, and presented at the Annual Seminar on Poverty Reduction Strategy in December 2001, which attracted a lot of attention from the public and people who are involved in the field. Many regions have taken the information obtained from this process to implement with hope that it can help solve the problems in their communities. The success of these collaborations suggests that there should be continuous research and monitoring of the progress of the participating communities. TDRI’s main focus in this process is to study the outcome of the implementation of the government’s policy on poverty reduction, i.e. what are the factors that contribute to success and failure. On the part of CODI and the participating communities, the emphasis is the information gathering and follow-up on the implementation of ideas and solutions that were drawn up together by the people. It also hopes that the communities can share and learn from each other’s experiences, and find ways to expand the network to other regions.

### Objectives

1. To gather information about options and guidelines for poverty reduction, and to translate them into practice.
2. To share opinions among seminar participants about the government’s policies on poverty reduction and its implementation.

### Seminar Participants

1. 25 community leaders who have participated in seminars and poverty information gathering, and leaders from other regions.
2. 4 representatives from CODI

3. Representatives from TDRI and other academic institutions.

**Villagers**

1. Mr. Komet Thongboonchu	Nakorn Sri Thammarat
2. Mr. Prayong Nooboonkong	Nakorn Sri Thammarat
3. Mr. Chanawut Thipbamroong	Nakorn Sri Thammarat
4. Mr. Sonthaya Sookpimontree	Lopburi
5. Mr. Prateep Onsalooong	Lopburi
6. Mr. Samean Hongtoh	Supanburi
7. Mr. Adisak Soodtaseng	Supanburi
8. Mr. Manoon Pomanee	Supanburi
9. Mr. Tanom Chuay-ngan	Nakorn Sawan
10. Mrs. Preeyaporn Chanmon	Phayao
11. Mrs. Sanglah Inpiban	Phayao
12. Miss Noparat Duangkaewruan	Chiangmai
13. Mr. Terdsak Kongprom	Chiangmai
14. Mrs. Eng Tawaisin	Roi-ed
15. Mrs. Praiboon Chaiyasoda	Khon-gaen
16. Mrs. Posop Pobuppa	Khon-gaen
17. Mr. Chaiwat Kochasen	Roi-ed
18. Mrs. Pikul Krongyut	Yasotorn
19. Mr. Daeng Kanasoong	Yasotorn
20. Mr. Opas Charoenpoj	Ubon Rachathani
21. Mrs. Supanee Tiamseeha	Bangkok
22. Mrs. Somsri Saithong	Bangkok
23. Mr. Samphan Klang-han	Rayong

**CODI**

1. Khun Jirika Nutalai
2. Khun Pantip Phetmak
3. Khun Prayong Upasen
4. Khun Sri-prai Boonsang
5. Khun Anchan Gamcheoy

**TDRI**

1. Dr. Somchai Jitsuchon
2. Dr. Worawan Chandoeeywit
3. Khun Sombat Sae-Hae
4. Khun Jiraporn Plangprapan
5. Khun Nantaporn Metakunawut
6. Khun Ladapun Kuvisitsophit

**Naraesuan University**

1. Dr. Direk Patamasiriwat
2. Dr. Danai Pahuyut

## Exchanging Experiences

### Supanburi Province – Ban Bang Yai, Amphur Bang Pla Maa

- Mr. Samean Hongtoh (Member of Provincial Parliament),  
Mr. Adisak Soodtaseng, Mr. Manoon Pomanee

#### *What has been done?*

- After collecting some information, we talked about what are causes of people's misery.
- Collect household information and create "Husband and Wife's balance sheet" to record the daily spending of each member of the family. For example, a wife's spending is on average 80 Baht per day, while a husband's spending is mostly agricultural inputs, which can be very expensive.
- Compare to the balance sheet that has been recorded since last year, the household's expenditure is reduced significantly. The wife's expense has been reduced to only 38 Baht per day, because the families start to grow their own vegetables. The husband's expenditure is also reduced due to the use of natural fertilizers instead of chemicals. The first lot of rice farming used 1 case of chemical fertilizers per *rai* (1 *rai* = 1,600 sq.m.), and saved 400 Baht. The second lot used only 30 kg. of chemicals and saved 700 Baht. The third lot used only 10 kg. per *rai* and saved 1,000 Baht. They also stop using pesticides.
- People have better understanding about poverty. Now the level of poverty is almost the same throughout. The livelihood of the ultra-poor is improving because we plan together and help each other.
- We depend more on the environment by using plants that are native to the area such as banana and sugar cane. Households are encouraged to grow these plants because they can be used for multiple purposes. We also emphasize on sharing rather than trading, for example raising fish to share among families.
- Debt is significantly reduced in 20 households, and they are now self-dependent. This trend is growing to among families in Village 8.
- At the beginning, we were not sure about the outcome of these projects since our rice grew slower than others. Some people even told us that we should turn the land over and replant. But in the end, we produced the same amount of output as others but at lower cost.

#### *Where to go from here?*

- Last month, Bang Pla Ma district announced that there will be a collaborative effort to make the district (20,000 households) chemical-free by the year 2007, by starting from individual families and expand to the whole community.
- After that has been achieved at the Amphur level (district), it will be expanded into a larger network of provincial level in order to be more self-sufficient.

### **Obstacles**

- Strength and ability of the leaders of these programs are important factors, because they can act as examples to the villagers. It is not good to let the villagers do projects by themselves.
- The good will of the government can unintentionally cause people to be more in debt, such as in the case of example the 1 million Baht Village Funds.
- Government agencies still cannot get their act together and cooperate. They each have their own agenda.

### **Ubon Rachatani – Urban sprawl communities**

- Mr. Opas Charoenpoj (representative from the network of slum communities, which has members from 14 communities, 2 villages)
- Villagers have a sense of ownership with this TDRI project, because they are confident in the research conducted by the village researchers, who are being trained by the University of Ubon Rachatani.
- The Community Savings Group of the Nong-sa community experienced management problems and failed after the Social Investment Fund came into the village. But now there have been attempts to restart the group and begin new activities. The Kurumitr community, where many people make living from collecting garbage, planned to build a garbage warehouse but also faces problems in management. So not much have changed. There are other development initiatives but not continuous.
- There are both strong and weak communities within the network. Sometime strength of the community can become a disadvantage because the authority feels that there's no need to get involve, e.g. the illicit drugs problem in Lublae village. When the community solves the problem, however, the praise goes to the authority. This is the result of a development process that does not engage the people, which was always the case in the past. In fact, the people are poor because of the government's policy. Working in conjunction with TDRI and CODI is a good sign for their community development.

- In the past, job-training lessons organized by the Community Development Department is always the same, for example making salted eggs. However, CODI and TDRI have taken a different approach to provide them with information first, so that they understand what they and their community need.

### **Roi-ed – Ban Kog Yai, Amphur Pochai**

- Mrs. Eng Tawaisin
- From the information obtained, it can be said that there are many categories of poor people. There are 12 households that are poor since birth and don't have any land. But these landless poor can cultivate rice together in the common land, and receive average output of 10 bags of rice each, which is enough to maintain a living. By cooperating with each other, they are now able to be self-dependent and reduce expense.
- She told a minister who visited the area last week that he should give his land to the poor to cultivate, since he owns a lot of unused land.
- There are other problems; for example, people don't have enough money to pay for transportation to the hospital although they are eligible for the Gold Card for 30 Baht medical treatment. The requests for loan from the village fund are not always granted. Some households that brew alcohol for sale used to make good profit, since the production cost is low (30 baht) but can make 4,000 baht per month, compare to 2,000 baht that they used to get from daily work. But there is more competition and it is illegal.
- There are many teenagers that use drugs. The solution is to report to the police. Lottery is also another big problem.
- Poverty reduction is successful for about 12 households, whose situations have improved because they can use rice from collective cultivation and grow their own vegetables. But other people in the village now question why the focus is only on helping the poor. Other businesses and community development is going in different direction. Everyone hopes that they can rely on the leaders but it is impossible for them to do everything.

### **Nakorn Sri Thammarat**

- Mr. Komet Thongboonchu (Village head), Mr. Chanawut Thipbamroong
- Poverty at the household level is caused by the lack of innovations. The process of poverty eradication in the southern provinces in a process of learning to create a

Community Plan (also called Community Life Plan), understanding their own backgrounds. In practice, the southern provinces have lots of natural resources, but lack good management. We must use the principle of local enterprise, by replace importation with local production to create income.

- The community has indicated 3 main strategies for poverty eradication:
  - Learning from the example of the Life Vase Project from Phayao province to focus on income and expenditure.
  - Sustainable resource management
  - A good management of 3-level self-dependent local enterprise (household, community, and regional)
- The farmers in Amphur Pak Panang were poor because the government supported the cultivation of rice strain that originates in the middle region of the country, which is not suitable for the geography and climate in the south. Now they have switched to the local strain, which produced less output but require less labour, less chemical, and more tolerant to rain storm. They are also trying to cultivate jasmine rice from the Northeast for 600 *rai*.
- They encourage people to consume locally grown rice since it is sold for 3.8 baht, compare 10 baht per kilogram for other types of rice in the market.
- For this reason, there has been an attempt to guarantee the price of rice by the three rice mills in the community. There is also a pig farm, an animal feed factory, as well as clothing industry in the community of Koh Kan and Khon Had in Cha-uad District.
- It is in the process of collecting data in villages that have fruit orchards about how much the community uses the local produce.
- At the local level, some Tambon Administrative Organizations (TAO) have included the community development plan into their own policy framework. There is also preparation for cooperation between the community and the provincial level.

#### **Yasotorn – Ta Sritam community**

- Mrs. Pikul Krongyut, Mr. Daeng Kanasoong
- They are glad that there are follow-up projects based on the collected data.
- They only found out that they are categorized as slum or high-density community in 1991. The Kong-Chee-Moon projects had made life worse off than before because of frequent flooding. It is no longer easy to find food from the surrounding environment. Stock market is also popular among villagers, causing them to work less. The drug

problem is also serious, especially since there are about 20 households whose parents are in jail.

- Since the community does not have any arable land, one of the solutions is to form a garbage bank. This project is linked to the Rice Fund, in which the people can trade recyclable garbage for rice, but it is hard to raise funds.
- Problems occurs for the existing savings groups when the Village Fund started because people prefer to take loans and become members of the new project. Some take loans from one fund to pay debt owed to another fund.
- The new recreational park takes away from the land that people used to farm. Possible solutions are already suggested to the Department of Welfare and the local municipality, but there has yet been any progress.

#### **Chiangmai – Ban Huaysai, Tambon Mae Ta, Mae On Sub-district**

- Miss Noparat Duangkaewruan, Mr. Terdsak Kongprom
- Some people in the village were not confident in cooperating with this research program, because they were not sure that youth can play a role in community development.
- In the past year, there have been problems with corn farming. Four sets of corns are grown each year. While the winter lot was sold for 6,000 baht, they lost 1,000 baht with the next lot. It also requires large amount of fertilizers that are expensive. Organic corn becomes more profitable, but can only be grown in the rainy season. During the dry season, people need to find work in factories for additional income.
- Most people still grow single crop, and afraid to try mix crops. Those who switch to sustainable agriculture believe that this can be a way to rid of debt and poverty.
- This year, the general trend has been a decrease in income, an increase in expense, but also a decrease in debt because of the reduced interest rate. More families can afford to buy household conveniences, especially motorcycles in which many households have more than one. This means that they need to pay more for gasoline.
- Lottery problem still does not show signs for progress.
- Youth are corrupted by propaganda in the media. They like to party, consume alcohol, and other substances, but this has made the sale of locally brewed alcohol increased.

#### **Phayao - Ban Pang, Amphur Dokkam Tai**

- Mrs. Sanglah Inpiban, Mrs. Preeyaporn Chanmon

- More people are interested in the village bank. The membership has increased from 70 to 450 people because the welfare allows people to increase their savings. Each household tries to keep track of their expenses and income by using the Life Vase Plan.
- The Village Fund is generally successful, because they can use the money to buy fertilizers together (100,000 baht). Currently, the village bank has savings of 30,000 baht per month including money from people who benefit from the government's program in extending debt repayment for farmers.
- The occupation groups meet more frequently and do more activities together e.g. the 'broom group' and the 'herbal drink' group. The lady co-op group can reduce expense by buying fertilizers in bulk for growing shallots. These groups can also ask for funding from the Tambon Administrative Organization.

#### **Nakorn Sawan – Ban Kaodin, Amphur Paisalee**

- Mr. Tanom Chuay-ngan said that the villagers are more aware of their expenses. They can produce many things to save money, for example dish detergent, shampoo, organic fertilizer, and vegetables. However, there has not been a conclusion as to how the overall situation has changed.

Besides the representatives from provinces where information has been collected last year, there are participants from other provinces at the seminar, e.g. Lopburi, Khon-kaen, Rayong, as well as other communities or district in Roi-et and Bangkok. These new participants were asked to tell stories about their communities.

Mrs. Posop Pobuppa - Khon-kaen:

- Many people in the village are poor and have debt with the Bank for Agriculture and Agricultural Cooperatives (BAAC). They must come to find jobs in Bangkok and leave their children with the grandparents. They can send money home but cannot take care of them themselves. This caused the children to neglect school and get into trouble.
- After realizing the level of environment degradation in the past few years, people have been trying to conserve the forest and rivers. In Ban Taat, after the forest is recovered, the people can fish and collect food from nature to sell and eat, and becomes an important resource to the poor. Many households have moved back to the community

from the urban areas. Even though they have not paid back the debt, they don't need to borrow more money. The old people start teaching the children the local knowledge.

- If she has money, she would pay the people who are working in Bangkok to return home, because a loving family can prevent many social problems e.g. drugs, and AIDS, and thus help to reduce poverty.

Mr. Sonthaya Sookpimontree and Mr. Prateep Onsaloong - Lopburi:

- Lopburi has done the community framework and gathers information about poverty like other areas, and has learned from the work of Mr. Prayong Ronarong. The factor that has made development difficult is the implementation of government's policy without having a full understanding of the program, or without considering whether that area is ready for such policy. Sometimes the result is focused on quantity rather than quality. Village leaders, head of tambon, and TOA are also embedded in the government's bureaucratic system. The people must consider themselves to be the main implementers and allow the authority to be the supporter in development initiatives.

Mrs. Praiboon Chaiyasoda - Muang district, Khon-gaen:

- The area in which information is gathered is too narrow. Creating a Community Plan and poverty reduction is almost the same story. So far community plan in the Northeast is quickly done, and may not be complete. It should be reviewed and evaluated.

Mrs. Somsri Saitong and Mrs. Supanee Tiamseeha - Bangkok:

- They have experiences with the network of Thonburi Cooperatives in selling rice in the community since 1991. The urban community gave money to the rural community to run a rice mill in which the product was sold by the Co-op. However, this was not so successful so they would like to change business because entrepreneurship and development are two different things.

### **Conclusion of the on-going projects to reduce poverty:**

- Balance sheet of family income and expense, reduce spending, grow vegetable
- Self-dependent agriculture, reduce the use of fertilizer and pesticide

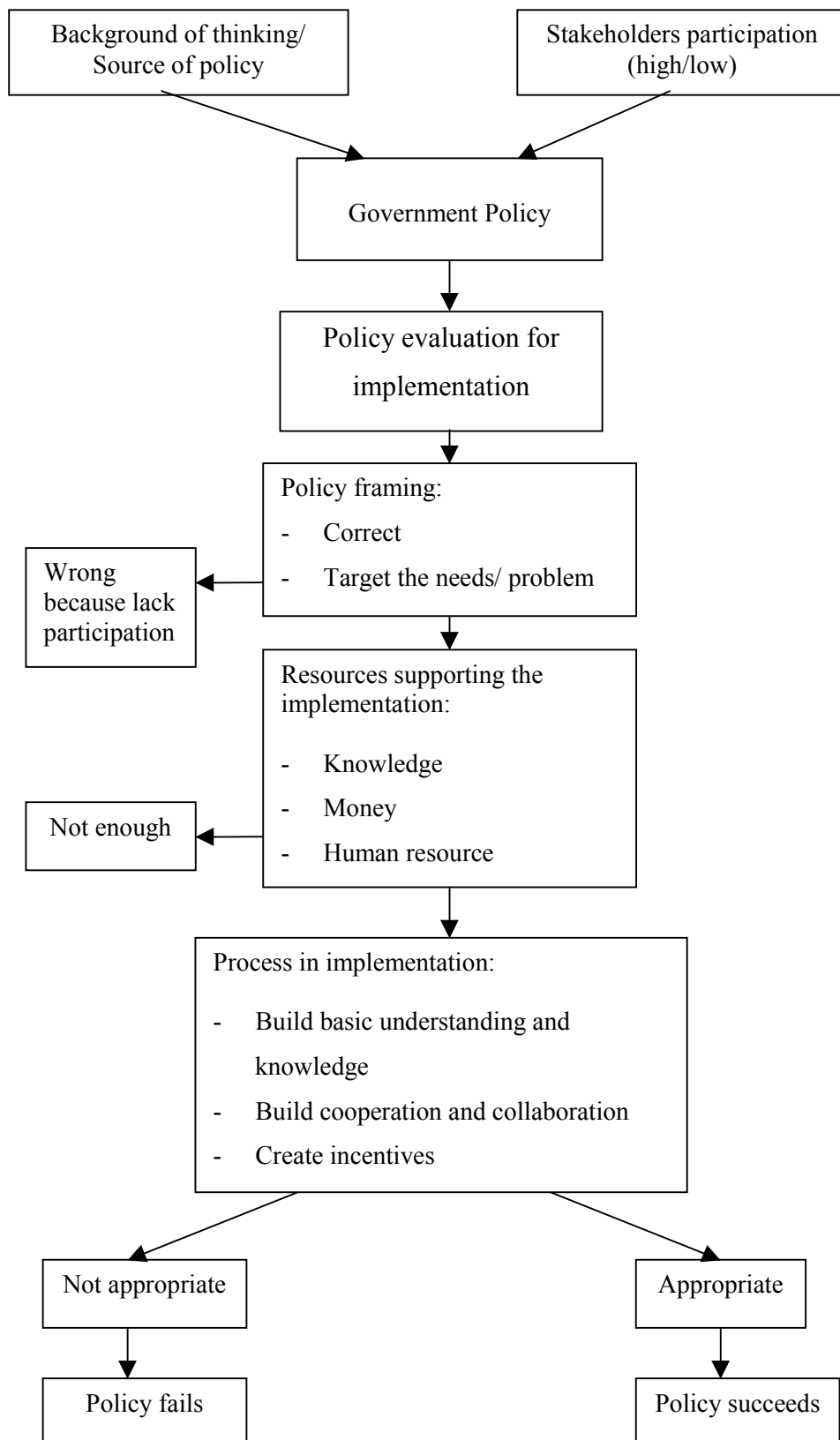
- Regenerate the savings groups and link them to the 1 Million Baht Village Fund and the citizen's bank (village bank).
- Build and expand networks for self-dependent agriculture farmers
- Provide common land to the landless poor to grow rice
- Create a fund to buy fertilizer, make bio-degradable fertilizer
- Set up local alcohol business
- Create Community Plans, improve planning at the provincial level, incorporate community plans into TAO's plan, TAO gives financial support to various occupational groups
- Information exchange within the development network
- Weaving/ community enterprise/ community rice mill
- improve rice strain, encourage the consumption of locally grown rice
- garbage bank

**Obstacles to poverty reduction:**

- Government's policies were implemented without steps taken to give them a full understanding about the projects or prepare them for implementation process, for example the village fund.
- Media and consumerism, which are difficult to keep away from the youth
- Lottery, illicit drugs
- Although some people managed to reduce parts of their debt, it is hard to rid of it completely because it has been accumulated for a long time.
- Problem of the market e.g. not able to sell the product, low price, too much competition, excess supply (locally brewed alcohol)
- A balance between business /entrepreneur and development is hard to achieve.
- The problems in the community are multidimensional. They still need support from people who are really dedicated to development work.

## Government's Poverty Reduction Policy

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**Dr. Somchai Jitsuchon :**

There is considerable amount budget available for poverty reduction programs, but success depends on how we use it to maximize productivity. Why do some policies succeed while some fail? The frameworks in which we evaluate the policies are –

- Starting from the policy itself and how the thinking is derived. Policy may be flawed if the people do not have opportunity to participate in the process.
- If the policy is heading toward the right direction, is there enough financial and human resource to make it work? Even when these two factors are available, the success of the policy still depends on its management.
- There are many dimensions to the implementation of government policies. The key actors are government employees, politicians, academia, development workers, civil society, NGOs, and the poor people. Insincerity, lack of understanding and commitment, and the concern for personal gain are some of the reasons why the poverty reduction policies might not work.
- In practice, cooperation is a big factor since it is unlikely that policies will be successful without cooperation of parties involved. There will always be some people who gain and some who lose as results of certain policies. Also, the government employees who are part of the bureaucratic system do not always have incentives to work hard for the good of the poor.
- To examine the reasons behind the successfulness of policies, elements to consider are such as the appropriateness of the thinking framework, resource management, cooperation between the parties involved, etc.

**Mrs. Eng Tawaisin:**

The government's mistake is that it implements orders from the top down. The community must be empowered in order to eradicate poverty.

**Mr. Opas Charoenpoj:**

There are enough financial and human resources already. But currently, these policies “have the right idea but bad intention”, for example the Village Fund which sent adverse effects to the existing community savings groups.

**Mr. Komet Thongboochu:**

People are the key to success, since there is already enough funding as it is. Many policies still lack inputs from the people, which is crucial if the process is to be driven from the bottom up. A learning process is also important, because the people must learn how to

manage their own community and how to give effective participation. People are units within the community. If the communities can link together to form a network, the power of the people can drive policies towards directions that they want.

**Mr. Sonthaya Sookpimontree:**

The money (from the government) was distributed too fast. The people were not prepared for such project. (Referring to the Village Fund)

**Ms. Jirika Nutalai:**

We should look at the reason behind the policy to see that what the government hopes such policy will lead to.

### **Group Discussion**

Topic for discussion: Government policies regarding poverty reduction, which can be categorized as follow.

1. Policies that subsidize or give supplies to the community, for example various financial funds, training program, infrastructure etc.
2. Policies that involve the law amendment, passing bills, or the management of market mechanisms that aim to have nation-wide effects to poverty situation, for example price guarantee, health insurance, the project to convert assets into funds, decentralization etc.

### **Group 1**

The government policies that were discussed were:

1. The 1 Million Baht Village Fund
2. Poverty Alleviation Project
3. Job Support Project (100,000 baht per village)
4. Small and Medium Enterprise development funds
5. Village welfare center
6. Economic stimulation project (1 million baht per tambon)
7. Etc.

### **Objectives of Government Funding (Village Fund)**

- The community can learn about administration and management.
- Stimulate local economy.
- Provide jobs and income for the community.

### **Problems in implementation (from the case of Village fund)**

- The process is 'top-down'.
- Both people and local state authority were not prepared for the implementation of policies. The educating period was completed in a hurry, so villagers did not understand the policy and procedure of the village fund.
  - The procedures and regulations in the lending process are copied from the rulebook without considering adjusting them to be suitable to each individual village.
  - Many villages show lack of cooperation between the authority/ state agencies and people.

- People have little knowledge and understanding about the subject.
- The government did not plan to link the new projects to similar existing activities.
- In many cases, the beneficiaries are concentrated among those who have connections with the management group.

#### Weaknesses in implementation

- There is too much political expectation for this project. So there is a lot of pressure to complete the project for the whole country within a rather short period.
- Similar experiences e.g. the community saving groups were not used as example or learning tools.
- Lack success indicators that are created by the people.
- Many agencies are not linked together as a network under one supervision.
- The funding does not reach the 'real' poor, partly because it is expected that they will not be able to pay back the loan.

#### Ways to solve the problems of local finance funds:

- There must be a forum where past lessons can be shared and discussed.
- Use financial incentive to bring the community together to cooperate.
- Civil society and the people must have parts in the policy making process.
- Prepare and educate the people about the projects.
- Government should emphasize on building knowledge and a learning process, which can create quality citizens and leaders.
- Government agencies should change their roles to be the supporters, so that the community can develop its learning process and become efficient and self-dependent.
- Prioritize the objectives and strategies in solving the problem. There must be an evaluation of the policy and implementation.
- Find ways to distribute the budget directly to the community.
- Support local enterprise.
- Give freedom to the people.
- Work multilaterally between people, state, private sector, and supporting agencies.
- Let the community/people's organization be the driver who controls the direction of development.

Additional opinions

**Mr. Komet:** The thinking behind the Village Fund project believes that the community is strong enough to manage itself. But this is not the case. If the community is strong, it should be able to turn fund into other things. Government uses repayment rate as the main success indicator, which is not right. It should see whether the money invested in activities that are useful. TAO is a bad place to channel money through because it is under a lot of political influence. Government officials often act according to the political current to please their boss. The Village Fund's administrators do not understand the procedures and regulations completely. Officers from the Community Development Department advised the village to set up new saving groups for managing the Village Fund although it is not a prerequisite.

**Mr. Opas:** The village fund is actually destroying the village because the administrative network is not strong enough to be responsible for such amount of money. Villagers cannot become managers of the fund themselves. Poverty Alleviation Project also does not favour the needs of the poor. The biggest problem of the slum community is shelter, not money.

**Mrs. Posop:** The people want to set their own regulations (for loans) but the government won't allow it. The financial fund programs are good but were implemented too quickly. Any amount of money is useful if one knows how to use it.

**Mr. Prateep:** A requirement for a successful is to have a preparation process for both public sector and people. State should give freedom of management to the people.

**Mrs. Pikul:** These poverty programs lack preparedness and good public relation. Some people do not attend meetings. The real poor did not benefit from the fund.

**Mr. Samphan:** New saving groups were formed to manage the Village Fund, and caused the old groups to fail. This also caused conflict within the community.

**Ms. Champee:** In her case, the money reached the poor because the village community is strong.

**Mr. Sonthaya:** There should be flexibility in repayment period. The 'experts' that were sent to help teach how to manage the fund arrived later than the money did. Therefore, they did not work to address the needs of the community.

### Other opinions

- Community and civil organizations should be included at the policy making level. The SIF program was successful because it included the community in its process since the beginning.
- All of the parties must “learned” together during the development process.
- BAAC made a mistake in letting the farmers lend money without having established their own savings.
- The people should be confident in what they do, and don’t have to follow the lead of others.
- For communities that do not have a strong leader, there should be training center so that the people can exchange information and learn from each other. They can use a brainstorming forum as a tool to create a learning process and social capital (people and knowledge), because now the community still has less information than the public sector.
- Both government and communities need to change their thinking and practice. But the government must do it first, since it is where everything is decided. In order for the communities to learn, the government must find a new approach that allows the community to get involve and provide their inputs. However, many agencies still do not accept that the lack of participation is a problem.

### Change property into funds policy:

- There is no need to create a new policy because there are already many agencies that are working in this area e.g. Office of Land Reform.
- This program creates more debts for villagers. They risk losing their most important asset, which is their land.
- Most of the benefit goes to the land entrepreneur.
- The problem that could follow in the future is the invasion of common land by the landless peasants.
- The rich landowners can use loopholes in the law to change the owning rights to the land.

### Good points:

- This policy can be advantageous for people in the case where they have intellectual assets or indigenous knowledge.

- People can be given knowledge first, and use that as 'property' so that they can be granted funding without having to have actual property.

### Decentralization policy

#### *The situation:*

- The program is under the control of the Ministry of Interior.
- Many people can gain personal benefit if they are in positions of power.
- Corruption also occurs locally, i.e. among local officials and administrators.
- The structural framework of the Tambon Administrative Organization (TAO) does not allow it to work as a team, because each village can elect one person to be TAO member, instead of electing the whole team like the municipal election.
  - Budget is distributed among the circle of people who are in power, especially in the bidding for infrastructure projects.
    - Local politicians hope that some of these projects can earn them support during re-election.
  - The local administration lacks good management. Presidents and members of TAO do not know their roles and the procedures involved with their work.

#### *Solutions:*

- Should elect an administrative team from people at the tambon level instead of the village level, because members of TAO then can work more as a team.
  - Real decentralization requires the distribution of work duty, power as well as budget.
  - Change the administrative structure by remove it from the control of Ministry of Interior.
    - Teach the villagers about law and good governance.
    - Reduce the role of government officials at the provincial and district lever on project approval and budget distribution.
    - Install a check and balance mechanism so that the people can inspect the work of TAO.

Overall, the decentralization policy is good, but the implementation is still a problem because the Ministry is afraid of losing too much power. Corruption is also a major obstacle to the success of this policy, especially when there have been many cases where TAO takes all the money.

Within the TAO, there are 3 administrators chosen from the members. Therefore only 3 villages are represented in committee to oversee the administration of development projects. Often, these people are in these positions because they aspire to gain political advancement in the future. Although more and more money is channeled through the TAO, there is less local corruption than before.

1. Most of the development projects are fragmented, and not linked or cooperated together.
2. There must be cooperation between the public agencies and the people at every level.
3. Communities still cannot manage on their own.
4. There is no new thinking or initiatives, instead most of them are replications.

## **Group 2**

### **Village and Urban Community Fund**

Advantage: allow people to gain access to capital funding

Suggestions: It should allow for 50:50 participation of the people. The process and decision making power must rest in the hands of the villagers and truly driven by their needs.

Financial and human management:

- The amount of fund is not appropriate since every village receives the same amount of money despite the difference in its size.
- It was implemented too quickly.

Actors/ Implementers:

*Officials-*

- Implement the policy in a hurry.
- Do not understand the concept and the process of this project.
- Communication with the villagers is not clear.

*Villagers-*

- Do not understand the problem of the target group, for example do not give loans to the poor because afraid that they will not be able to pay back.
- The money is only given to the administrators and their relatives.
- Villagers participate in the program without full understanding of its objectives.
- Villagers accumulate more debt, or use the loan to repay other debts.

*Suggestions-*

- Must educate the local government officials and the villagers, so that their thinking and ways of implementation are on the same track.
- Emphasize on the readiness of the area in implementing the policy, i.e. create a community plan before the fund from the government arrives.
- The villagers must draft the village plan themselves.
- Educate the villagers so that they feel empowered.
- Do not pressure the communities that do not want to participate to adopt the program.

*Other government policies on providing funds:*

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- Health insurance
- Citizen's bank
- Reschedule debt for farmers
- Change property to funds policy

Ways of thinking about funds policy-

- Should not concentrate only to disbursing the money because it will cause problems e.g. more debt accumulation.
- Must have people participation.
- Include people in the decision making process.

Suggestion about the process and monitoring:

- Prepare community and villagers for the participation process, i.e. collaborate on drafting the community plan.
- Villagers should be allowed to monitor the government's work process.
- Make sure that officials who are responsible for implementing policy have the right way of thinking:
  - understand the policy and process of implementation
  - plan and work together with the people
- Educate and provide all information to villagers.

Policy to change assets into funds:

Problems: rural area

- More debt since it becomes easier to get a loan.
- People lose their land
- Land will be concentrated in hands of rich landowners, since the poor cannot pay back the loan.
- Although villagers still hold the deeds, the land practically belongs to the rich landowner.
- It is difficult to avoid the influence of powerful groups.
- Villagers were given wrong ideas e.g. no need to pay back the money.

Suggestions:

- Allocate land to villagers.
- Clarify the rights/entitlement of the land.

- The government can improve land policy by inviting the community to take parts in the process.
- Should clarify the positive and negative effects of the policy to the people before implement it.
- Regulate the holding of land, so that it will not be concentrated in the hand of the riches.
- Effectively monitor the use of budget (although problems can occur when those who are responsible for monitoring know the administrators well).

Problems: urban area

- Solutions to the problem of land owning do not address the real needs of the people. (e.g. need to move to live in flats)
- Projects such as building parks add more negative affects on housing problems in the community.
- Building Inspection Law causes a lot of problem to the urban poor.

Suggestions:

- Focus on the development of existing communities.
- Government should allow people to rent land for 60-90 years, because they can feel more secure if they can make a long term plan for the next generation.
- Encourage monitoring and information collecting.
- Policy makers should consider developing human resource instead of focusing only on material development.

Successful projects:

- Roads to villages
- Electricity
- Infrastructures
- Supports for agriculture e.g. irrigation system
- Ban Sook Somboon project

Weaknesses of the villagers:

- Do not make effort to learn
- Low education, do not keep up with new information.
- Do not know their limits of consumption

- They expect to ‘take only’, and are not used to do things themselves.

Success factors:

- The use of indigenous knowledge
- Understand their own situation and possible options for improvement.
- Have strong leaders and officials are from local area, or who are in agreement with local leaders.
- Cooperation within villages
- The feeling of ownership
- Spend wisely
- Know how to improve themselves
- Policies must address the needs of the people.

Characteristics of a good poverty reduction policy

- Provide knowledge and encourage thinking
- Encourage community savings
- Establish more welfare services.
- Increase income and reduce expense.
- Change laws or regulations to be in accordance with the needs of the community and accompany the indigenous knowledge.
- Encourage citizens to form a network or organization.

### **Conclusion of discussion by Group 1**

Urgent policies often have negative effects on the communities. The implementation process so far lacks cooperation and participation. State does not act as a kind host, but as the owner of the programs instead. Therefore, policies are similar to ‘orders’ that come from the top down, rather than a collaborative effort. Most common failures are due to the lack of preparation and readiness of both the officials who are responsible for implementation and the people. The idea of giving funds to the community is good, although the process is fragmented. There should be cooperation at every level, between the policy makers, the implementers, and the people. There is more of replication instead of innovation.

*Solutions to the problem of Community/Village Fund:* There should be a forum to discuss lessons learned. People should be given knowledge so that they can create their own learning process. The government must change its role from the commander to the supporter of people's process, and willing to work with all parties multilaterally. The community and civil organizations must have a clear and firm direction, so that they can participate in the policy making process and represent the voice of the people.

*Policy to change property to fund:* Only agree with the policy on the part that people who are equipped with indigenous knowledge can apply for loans. As for other assets, the policy is not necessary since there are similar work done by other agencies. Moreover, it encourages more debt, invasion of common land, and the concentration of land in the hand of the riches.

*Decentralization policy:* The thinking and intention of this policy is correct, but there is a problem with personal gains. Corruption among the local government officials is common. However, when compare to the magnitude of corruption that happens in the center, local corruption is very small. The structural problem of the TAO is caused by the access power given to the administrators.

Changing the structure of the TAO, and electing new members and administrators from the whole *tambon* (county) can solve these problems. The members should have some knowledge of law and governance. The people should try to create their own learning process and should be able to monitor the TAO's operation. The power of government officials should be reduced, and remove the whole structure from the influence of the Ministry of Interior.

### **Conclusion of discussion by Group 2**

People must be included in the policymaking and decision making process. Community planning can help to prepare the people for their role in these processes. There must be an understanding between the officials and the people of the objectives of the policies. Both parties should be involved in monitoring and evaluating the results.

Success factors: The government must have a sincere intention, and the policies must address the needs of the people. Success of a community requires strength, good leaders, participation, firm standpoint, and awareness of current information.

Failure factors: People are used to 'receive help' or 'copy others' more than take action by themselves, therefore it is difficult to create a learning process. This weakness is also supported by the government's distrust in the ability of the people to manage on their

own. The government hopes to get good publicity for its work. Therefore, instead of a process that helps to improve human resources and empower the people, it only focuses on building infrastructures because its result is clearly visible. Moreover, government officials from different departments do not get along well, especially between village heads vs. TAO members.

A good poverty reduction policy must encourage saving, welfare, and a development of a learning process.

Other opinions about the government policies:

- The government *must* (not 'should') include the participation of the people in every process. In the past, the government policies were not clear, depending on the ideas of frequently changing political parties. All the people want is to be able to live well without debt.
- So far people only listen to the government talks about policy, so they do not understand or agree with it completely when it is implemented. Policy making process at the national level should resemble that at the local level i.e. allow people to present their opinions and stories of their success or hardship. If a poverty reduction policy is to be effective, they must be able to make their own policy. Also the government must change its approach about funds because the program must not focus on lending money alone, but must think about resources, knowledge, information as well.
- Training and site visits that government hopes would increase capability of community are not very useful. Indigenous knowledge is not used. Community Development Department and Department of Non-Formal Education only train people to produce the same types of output, and the demand for these products is low. The One Tambon-One Product project is now considered to be the government's big achievement, not the communities. It should also encourage learning from local instructors instead of importing outside 'experts'. The training is not suitable with the environment of the communities e.g. train the slum communities to grow mushroom or train them to produce something but cannot find raw materials from the area. Sometime people can learn or innovate by themselves without having to watch and copy from others.
- The government does not have sincerity in working for the good of the poor. It only wants to create results that can attract more budget for its agency. This eventually leads to corruption. Officials do not have good ethics and values and only do what they are ordered to. However, one of the most crucial success factors in development is to make policies

that are in accordance with the way of life of the people in each area. Since each community is considerably different, to use the same policy everywhere means that it might not going to be as successful as the government hoped.

If the state sincerely wants to give knowledge and allow people to have power of decision making, can the people decisively say what it is that they want?

- Community already has enough knowledge to make their living. What they need is learning about the process of making Community Plan which requires them to improve the way of life that they choose to lead, as well as learn to love their roots. If the community knows its past (indigenous knowledge and resources) and its present (capacity), it can direct its own future.
- The debt rescheduling program and the training of farmers is not effective, because the policy makers did not ask what the poor wants. Officials who implement policies should understand that the monitoring and follow-up is not for pointing fingers, but is a process that aim to see what can be improved.
- The government should not take over the policy making process. It should allow community to propose policies that they drafted. Past policies did not work because people were not allowed to talk, organize, or exchange ideas.
- Government policies are forced onto the community, and do not address the need of the people. Those who want to be involved are not allowed to. The government should consider linking the existing Community Plans into networks instead.
- Information is important, but the people do not always have full access to it. There should be encouragement for community organizations to collect information and categorize systematically. The government should be more transparent with its information. Right now, it shuts out the people from learning about its operation because it is afraid of oppositions.
- A central information collection system is a good idea if it can solve the problem of repetitiveness. People are tired complicated surveys and incorrect data. Now only information about what seems to be the problem in the village is correct.

#### Suggestion for further study

- Wants to see a research about poverty from the dimension of occupations, since the situation is very diverse according to regions.

- The study must be continuous, and should study the effects of policy in areas other than economics too.
- Create a network of information between many agencies e.g. Social Investment Project (SIP) and BACC, so that the cooperation and monitoring can be more effective.
- The research team should go to the village forum because people want to tell them many things about their communities.