

Chapter 7

Thailand's Migrant Worker Management Policy as Regional Development Strategy

Maki Aoki

Introduction

Located in the middle of mainland Southeast Asia, Thailand is one of the largest destinations for migrant workers in the region. Strong demand for workers by the labour-intensive sectors has prompted the Government of Thailand to accept large numbers of migrant workers from Cambodia, Lao PDR, and Myanmar since the early 1990s. At the same time, Thailand has also sent its own nationals to the Middle East, East Asia, and neighbouring countries such as Malaysia and Singapore. Since 1992, the Government of Thailand repeatedly regularised irregular migrants by issuing work permits to registered migrant workers. Thus, the number of registered migrants surged from 706 Burmese nationals in 1992 to a peak of 1,284,924 in 2004. In 2013, the number of registered foreign workers from these three neighbouring countries was reported as 1,082,892 (IOM, 2014) and accounted for 2.7% of Thailand's total national labour force (NSO, 2013). Today, internal and international migration plays a significant part in the social and economic development of Thailand (IOM, 2014).

However, the government has not defined clearly the role of foreign workers in the national development strategy for a long time. In 2007, the government first mentioned 'immigrant workers' (*raengan tangchart*)¹ in the Tenth National Economic Social Development Plan (2007–2011), and merely implied the necessity to develop strategies to handle in future the 'free

¹ Takeguchi (2014a) stressed that migrants from three neighbouring countries are called *khon tangdao* (alien) or *raengan tangdao* (alien workers) and distinguished from other foreigners, which are usually called *khon tangprathet* (foreign nationals). Such wording can also be observed in official documents and laws.

movement of people' from the viewpoint of internal security (NESDB, 2007: 2–4).

Recent studies have concluded that Thailand's policies for managing migrant workers have been reactive and lack a long-term national strategy (Yamada, 2012; Iwasaki, 2015). The definition 'migrant-receiving policy' in these studies was precisely focused on immigration and border-control rules and the alien workers' registration system. However, changing the scope from Asian cases to migration studies in general, we find several studies that consider migration-receiving measures in a broader context. Based on such migration studies, we may expand the scope of study by using the term 'migration management', instead of migration-receiving measures. This includes unilateral migrant-receiving policies and the international deals between the destination and origin countries regarding immigration and border controls, and aid for the origin countries to reduce migration. By employing an expanded analytical framework, this chapter sheds light on the proactive aspect of Thailand's migrant worker policy.

In this chapter, we use the Ayeyawady–Chao Phraya–Mekong Economic Cooperation Strategy (ACMECS) as a case study of Thailand's comprehensive migrant management endeavours. ACMECS is also known as the Economic Cooperation Strategy (ECS) by five mainland Southeast Asian countries (Cambodia, Lao PDR, Myanmar, Thailand, and Viet Nam), but it was originally proposed as the ECS by Thailand in 2003 to control the inflow of foreign workers from three border-sharing neighbours (Cambodia, Lao PDR, and Myanmar).² Most studies have concluded that the early 2000s were the turning point in Thailand's migrant-receiving policy because several important new policies and initiatives, including ACMECS, were introduced during this period. This chapter establishes the hypothesis that ACMECS was part of the migrant management mechanism at the international level and examines its purpose and background in the light of the restructuring of the migrant-receiving policies.

² In this chapter, we refer to these three countries as the 'three neighbouring countries'.

1. Conceptual Framework

Human migration is a phenomenon that dates to prehistoric times and can be observed everywhere on earth. It was only presented as a problem after the modern nation-state system arose. This was when the meaning of 'border' changed from the 'frontier around' to the 'division between' states, and thus became a mechanism to produce a 'nation' within and 'aliens' without. Today, the problem of international migration is strongly dependent on a state's decision as to who should be allowed to cross the border and what their legal status is. In other words, immigration and border control are subject to state governance (Okabe, 2005a).

It is important to note that such immigration control is implemented not only unilaterally, but also in the form of international cooperation as a common border control. We review the manner of international common immigration and border control with reference to the studies by Hollifield (2000) and Okabe (2005a, 2005b, 2013).

Okabe (2005a) illustrates the multi-layered common mechanism for immigration and border control in Europe. European states with relatively small economic and social gaps preferred to control jointly their common border with an institutionalised cooperation mechanism under which the member states agreed to limit the full exercise of their sovereignty over border control. The Schengen Agreement, which was concluded between five western European countries in 1985, originally aimed to streamline the border-crossing procedure. It was later developed into an institution to promote the free movement of goods and people within a common outer border. It also provided joint control of the outer border. The agreement only covers part of the territory of the European Union (EU), and it aims at cooperation for internal security control amongst the countries concerned. The Schengen Agreement and its implementing conventions were legally defined as complementary institutions to the European Single Market and have bound the migration management policies of each EU and European Community member state.³

³ The Amsterdam Treaty defined the Schengen Agreement and the convention implementing the

Hollifield (2000) and Okabe (2005a), on the other hand, show that the immigration and border-control mechanism amongst states with large economic disparities can often be achieved through interlinkage and bargaining on different issues. The outline of the process is shown in Figure 7.1. Assume that migrant destination country A proposes the policy to suppress the outflow of workers from origin country B. At the same time, country A also offers development or humanitarian aid to country B. These two independent negotiations can be made more acceptable to both countries by interlinking the issues with the logic of 'aid in place of migration.' The government of country A can persuade its domestic public, which is against spending money on aid, by emphasising that it prevents a migration influx. Likewise, aid proposals make it easier for country A to persuade country B to accept a proposal that could reduce remittances from overseas workers. In this way, the destination country can find a way to involve the origin country to jointly manage migration.

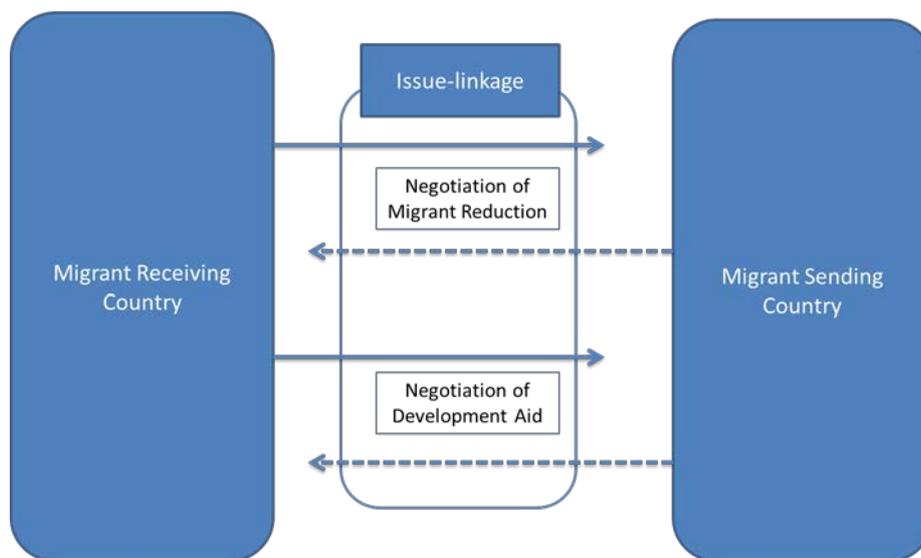
According to Okabe (2005b), such 'migration diplomacy' can be observed in the negotiations over Indochina's refugees during the Tokyo Summit in 1978. It was pointed out that the EU states had negotiated with the migrant-sending countries outside their common border (Okabe, 2005b). It is important to note that the logic of 'aid in place of migration' had a significant impact on policymaking in the migrant-receiving countries and provided a theoretical backbone to the activities of international organisations, such as the International Organization for Migration (IOM), the International Labour Organization (ILO), and the United Nations High Commission for Refugees (Okabe, 2005a).

We have outlined two migrant management mechanisms. What is important is that there is a variety of such measures (a direct approach, such as immigration and border control, and a comprehensive approach, including development or humanitarian aid), in addition to variation

Schengen Agreement and related conventions as a part of EU law in 1999. The Palma Document is a report that the Coordinator's Group on the Free Movement of Persons presented to the European Council in 1989. It pointed out the importance of legal and political measures regarding the elimination of intra-regional borders, and its proposals were incorporated in the Schengen Agreement.

in the level at which they are applied (unilateral or national, bilateral, and multilateral). With these variations in mind, the next section provides an overview of Thailand's migrant management efforts.

Figure 7.1: 'Migrant Diplomacy' for Migration Management



Source: Okabe (2005a: 74).

2. Thailand's Migrant-Receiving Policy

2.1 Migration management within member states of the Association of Southeast Asian Nations

In 2003, the Association of Southeast Asian Nations (ASEAN), declared the establishment of the ASEAN Community, which comprises three pillars: the ASEAN Political-Security Community, the ASEAN Economic Community, and the ASEAN Socio-Cultural Community (ASEAN, 2003). The movement of natural persons was discussed independently along with those three pillars. The

member states agreed a Mutual Recognition Agreement (MRA) in relation to specialists as part of service trade liberalisation (ASEAN, 2008). However, the movement of unskilled workers is still the subject of earnest debate over the protection of workers' rights (Suzuki, 2012). In the ASEAN Regional Forum Security Policy Conference, the member states signed the 2015 ASEAN Convention Against Trafficking in Persons, Especially Women and Children, as a part of anti-transnational crime cooperation (Aoki, 2016). In brief, the ASEAN members agreed only to liberalise the movement of high-level specialists, and institutionalised an agreement promoting the movement of favourable people (ASEAN, 2008; ASEAN, 2012), and regulating (combating) unfavourable movements (ACTIP, 2015). The general problem for ASEAN is the absence of a legal or conventional framework that stipulates the relationship between ASEAN documents (declarations and conventions) and domestic laws. Enforcement of ASEAN agreements is often at the discretion of each member state. Take the case of the ASEAN MRAs, which facilitate the movement of skilled labour around ASEAN. Although member states have concluded MRAs for eight service sectors since 2005, some of them have blocked the entry of foreign specialists by making new immigration regulations and domestic rules (Sukegawa, 2011).⁴ In summary, ASEAN has not yet established a regional immigration and border-control mechanism like the EU's Schengen Agreement. Instead, the member states manage migrant workers by implementing unilateral national immigration-receiving policies and laws.

2.2 Thailand's migrant worker receiving measures

Thailand has accepted incoming migrant workers since the beginning of the 1990s. Recently,

⁴ The ASEAN Agreement on the Movement of Natural Persons (signed in Cambodia on 19 November 2012) also stipulates that the agreement does not prevent a member state from applying measures to regulate the entry into, or temporary stay of, natural persons of another member state in its territory, including any measures necessary to protect the integrity of its territory (article 3, (d)).

sectors such as construction, agriculture, fishery, marine products processing, and household work have suffered from chronic shortage of labour (Suehiro, 1997), and the influx of migrant workers has filled the high demand. Thailand's Immigration Act 1979 stipulated that foreigners entering the country without formal procedures would be subject to deportation (Immigration Act 1979, section 12) However, the government decided to let irregular migrant workers remain by issuing work permits under Article 17 of the same law, in place of official registration.⁵ Migrant worker registration was implemented about four times during 1992–2000 (Martin, 2007).

Other studies agree that the early 2000s marked a watershed in Thailand's migrant management (Huguet and Punpuing, 2005; Martin, 2007; Otomo, 2010; Yamada, 2012). This was based on two events. First, the Cabinet decision on 28 August 2001 to open every sector in the country to registered migrant workers. Second, the National Security Council (NSC) order, approved on 21 July 2003. The order mandated to issue the work permit to the irregular migrants in Thailand. At the same time, it urged the setting up a border economic zone to which the migrant workers commute from their countries using a special pass (Martin, 2007).

Pungpond (2009) emphasised that there was no legal basis or master plan for a migrant worker policy before 2001, except the Immigration Act 1979 and the Alien Working Act 1978. Most policies came from Cabinet resolutions. The Department of Employment in the Ministry of Labour and Welfare and the Provincial Office of the Ministry of Interior were the authorities directly responsible for migrant worker registration and work permit issuance. The Immigration Bureau of the Royal Thai Police oversaw the detection and deportation of irregular migrants (Pungpond, 2009). After the Thaksin Shinawatra government established the National Committee on Illegal Workers Administration (NCIWA) as the focal point for migrant worker

⁵ Section 17 of the Immigration Act 1979 provided that 'In certain special cases, the Minister, with Cabinet approval, may permit any alien or any group of aliens to stay in the Kingdom under certain conditions, or may alter the conditions, or may consider exemption from conformity with this Act.'

issues, Thailand's national migrant management policy was implemented along with the master plan for foreign worker management proposed by the NCIWA in 2004. The plan consisted of three main pillars (Pungpond, 2009: 9):

1. Open registration of irregular migrants from the three neighbouring countries, permitting one category eligible for employment and the other category to stay as dependants.
2. Establish a nationality verification process that allows officials from the worker-sending country to carry out such verification, in order to work towards legalising all migrants.
3. Implement a memorandum of understanding regarding legal recruitment from and repatriation of workers to the three neighbouring countries.

These measures were implemented in subsequent years. However, the NCIWA plan has not had a significant impact on reducing irregular migration. On the contrary, the studies mentioned above concluded that it created a further surge in migrants. Table 7.1 shows that the number of irregular migrant workers from the three neighbouring countries leapt after 2003. In 2007, numbers returned to levels before leaping again in 2009. We can conclude from Table 7.1 that the NCIWA plan had a significant impact on migration registration, but it had little effect on reducing the influx of migrants.⁶ In 2008, the 1978 Alien Workers Act was abolished and replaced by the Alien Workers Act 2008. This act summarised and institutionalised the previous migrant-receiving measures and provided a firm legal basis for migrants' regularisation. The government appears to have shifted its emphasis from deterring incoming migrants to controlling the flow.

⁶ It should be noted that the enhanced migrant worker registration system has helped the government to quantitatively measure the movement and status of migrant workers in Thailand.

Table 7.1: Number of Migrant Workers and the Migrant-Receiving Policies,

2001–2014

Yearly	Mode of Entry					Migrant Receiving Policy
	Total	Legal entry sub-total*	Legal entry		Illegal entry	
			Temporary migrant workers newly entering Thailand under the MOU	Temporary migrant workers receiving nationality validation under the MOU	Migrant workers from three neighbouring countries (Myanmar, Laos, Cambodia)	
2001	623,068	50,844			568,249	2001/8/28 Cabinet decision for six-month permits for all jobs renewable for another six months until September-October 2002. 2001/9/25 National Committee on Illegal Workers. Administration (NCIWA) was established.
2002	491,188	69,364			409,339	2002/9-/10 Cabinet decision for six-month permit renewal. 2002/10/18 Thai-Lao Bilateral MoU was concluded.
2003	384,003	79,581			288,780	2003/07/21 NSC approved resolution to legalise and control all migrant workers. 2003/05/31 Thai-Cambodia Bilateral MoU was concluded. 2003/06/21 Thai-Myanmar Bilateral MoU was concluded. Nationality validation (NV) procedure started.
2004	974,143	100,520			849,552	2004/03/02 Cabinet decision for restoration to MoU (2004/06-/07 registration). 2003/11-2004/06 six-month work permit renewal NCIWA approved National Master Plan for Illegal Migrants
2005	846,660	101,111			705,293	Employment of newly/legally entered workers (Laos/Cambodia) under the MoU started
2006	826,399	112,794			668,576	NV of Laotian and Cambodian workers started
2007	708,976	122,903	14,150	72,098	546,272	
2008	790,664	228,353	17,059	71,017	501,570	2551 Alien Workers Act approved.
2009	1,544,902	210,745	27,447	77,914	1,314,382	2009/05 Registration of undocumented migrant workers started. 2009/07 NV of Burmese workers started
2010	1,335,155	379,560	43,032	228,411	932,255	2551 Alien Work Act enacted. Employment of newly/legally entered workers (Myanmar) under the MoU started. 2010/02/28 Cabinet decision to extend the NV deadline to 2012/02/28.
2011	1,950,650	678,235	72,356	505,238	1,248,064	2011/07 Second registration of undocumented migrant workers started.
2012	1,133,851	940,531	93,265	733,603	193,613	2012/02/28 Cabinet decision to extend the NV deadline to 2012/06/14. 2012/06/14 Cabinet decision to extend the NV deadline to 2012/12/14. 2012/12/14 Initial deadline for registration.
2013	1,183,835		174,042	847,130		2013/08/06 The government decided to extend the NV deadline until 2014/11/14.
2014			206,168	971,461		

Note: * Including migrants with other modes of entry.

The second column from the right, 'Migrant workers from three neighbouring countries (Myanmar, Lao PDR, Cambodia)' amongst 'Illegal entry', means migrant workers who entered Thailand illegally, but with work permits that the Cabinet permitted, especially construction and domestic workers.

Source: Bureau of Foreign Workers, Ministry of Labour, (Martin, 2007).

Yamada (2012) explained that the measures did not work well because of their complicated and costly procedure. The registration is strongly dependent on the employer, but the benefits of registration are not clear and the sanctions for violation are too low. Complicated procedures create room for intermediaries who demand high commissions. The fear of being deceived by these individuals prevented many foreign migrants from registering. For similar reasons, the immigration process under bilateral memorandums of understanding (MoUs) has achieved only limited progress (Yamada, 2012).

3. Migration Management as Development Assistance under the Economic Cooperation Strategy

As outlined so far, Thailand's migration-receiving policy has been reactive, both to the demand from employers and the migrants' inflow. Nevertheless, it does not reflect an absence of government will to define the role of migrant workers and control them.

As mentioned earlier, the government's expansion of migrant registration to all provinces and industries in 2001 was followed by the NSC resolution on tightening the regulation of illegal migrant workers in 2003. We stress that this was the turning point for migrant management, in the sense that the Government of Thailand had, for the first time, embarked on the creation of a system of international migrant control. The NSC resolution proposed six locations to develop the economy of the regions opposite the Thai border to reduce the volume of migration (Huguet and Punpuing, 2005). It should be noted that this resolution was issued straight after the Prime Minister's proposal to the heads of the three neighbouring countries for new economic cooperation and initiatives. At the emergency meeting of the ASEAN Plus China Summit on severe acute respiratory syndrome (SARS) in April 2003, Prime Minister Thaksin raised the idea of an economic cooperation strategy to address the economic disparity between Thailand and its three immediate neighbouring countries (Aoki, 2008). On the other hand, Thaksin explained the ECS to Thai nation as the solution for incoming illegal migrant workers (Aoki, 2008)..

We must emphasise that redefining the relationship with neighbouring countries Cambodia, Lao PDR, Myanmar, and Viet Nam was a policy focus of Thaksin's policy. Under his government the quality and quantity of Thai official development assistance (ODA) developed rapidly (Aoki, 2008). Thailand's international development assistance started in 1990 as aid to these four neighbouring countries. B22 million was allocated in 1990, and this expanded to B412 million in 1997. It halved in 1998 due to the Asian financial crisis but recovered in the 2000s. At its peak in 2004 it amounted B8 billion – 0.19% of gross national income – and even surpassed the ODA of

some members of the Organisation for Economic Co-operation and Development (TICA, 2009). Aid to the neighbouring countries amounted to almost half of the total ODA. During 1997–2001, the four countries received B795.52 million in ODA, or 76.1% of the total ODA (Suehiro, 2001). Moreover, in 1996 Thailand established within the Ministry of Finance a development assistance agency specialised in helping neighbouring countries – the Neighbouring Countries Economic Development Cooperation Agency. In 2005, it became an independent agency responsible for ODA loans to the neighbouring countries, including aid through ACMECS.

Considering the changes introduced by the Thaksin administration, we propose that migration management under this administration should be examined as part of Thaksin’s initiative for regional strategy with the neighbouring countries.

After the ECS was announced in April 2003, Thaksin ordered the National Economic and social Development Board to draft the plan. The report was published in July, and it was followed by the first meeting of the heads of the ECS members on 12 November of the same year. The members agreed to name the initiative ACMECS, and confirmed the main four aims were to

- (i) increase competitiveness and generate greater growth along the borders;
- (ii) facilitate relocation of agricultural and manufacturing industries to areas with comparative advantage;
- (iii) create employment opportunities and reduce income disparity amongst the four countries; and
- (iv) enhance peace, stability, and shared prosperity for all in a sustainable manner (ACMECS, 2003).

The ECS Action Plan, proposed in 2003, put forward 46 common projects and 224 bilateral projects (ACMECS, 2003). Its main focus seems to be bilateral trade and investment promotion between Thailand and the other members, as well as regional tourism cooperation (Table 7.2).

Table 7.2: Inaugural Projects of the Economic Cooperation Strategy, 2003–2012

Projects	Trade and Investment	Agriculture and Industry	Agricultural Cooperation	Industrial Promotion	Transport Linkages	Tourism Cooperation	Human Resource Development	Total
Regional	10		4	7	4	13	5	43
C-L	3		3	4	2	4	2	18
C-M	short term	3	4	1	3	6	3	24
	mid-long term					4		
C-T	short term	11	13		2	5	1	63
	mid-long term	9	14			7	1	
L-M	short term	7	5	1	2	6	1	25
	mid-long term					3		
L-T	short term	13	3	4	8	8	7	43
	mid-long term							
M-T	short term	11	9	5	5	10	2	49
	mid-long term				1	6		
Total	67	27	28	22	26	66	22	

C = Cambodia, L = Lao PDR, M = Myanmar, T = Thailand.

Source: Ayeyawady–Chao Phraya–Mekong Economic Cooperation Strategy (ACMECS) Action Plan, 2003.

However, the ECS was introduced to Thai nationals from the beginning as a framework for migrant control. The English title of the National Economic and Social Development Board report was ‘Economic Cooperation Strategy’, but its Thai title translates as ‘Construction of the Border Economy System’, which more directly expressed its purpose (NESDB, 2003). The report drew attention in its introduction to the economic potential of the Thai border areas that remained underdeveloped, and pointed to the wide economic disparity between Thailand and the three neighbouring countries. It stressed that such disparity had caused social problems, such as illegal alien workers, and warned about the possibility of a further influx of alien workers and the social disruption they may cause, such as pandemic diseases and crime.

Therefore, it proposed joint development of the border areas by relocating industry as the fundamental remedy. The lower wages and land cost might be favourable for the relocation of labour-intensive, raw-material-dependent sectors. By moving them to the neighbouring

countries, the report recommended the creation of lower-value-added jobs outside the border. However, migrant workers who were already in Thailand would be a constraint to such industrial relocation. The ECS report recommended 'swift consultation with the migrant-sending countries in order to implement swift repatriation of workers, and establish an appropriate employment system compliant with the legal system in each country', and 'to clarify the number of workers needed for which sectors.' In addition, the paper recommended to 'develop and create jobs in the border areas in order to reduce the movement of alien workers into the interior of Thailand' (NESDB, 2003: Chapter 3 Section 3, (B)). It is noteworthy that the report stressed the need to reduce the number of migrants. National Economic and Social Advisory Council (NESAC), which is the official advisory agency for the Government of Thailand, also proposed similar recommendations. NESAC studied the migrant worker issue with security and migration specialists, government officials, and economists. Their June 2002 report recommended ending the employment of irregular migrants and limiting the employment of legal migrant workers to the sectors that Thai workers avoid. It proposed measures such as full enforcement of migrant worker registration, the establishment of an effective legal system for the protection of migrants' rights, and an international legal migration mechanism with the sending countries and nationality verification⁷. The report concluded that irregular or illegal migrant workers were at the core of security, public health, and economic problems. People smuggling and labour exploitation, pandemic diseases, and the cost of social care for the migrant families were raised as the possible problems. Likewise, it was suggested that addiction to a cheap labour force might hamper technological innovation that is indispensable for economic progress. We would like to focus attention on the similarity of the logic of the NESAC and ECS reports, especially their emphasis on the strict control of irregular migrants.

In 1999, the Government of Thailand implemented large-scale deportation of irregular migrants

⁷ Shukan Tai Keizai, 4th November, 2002.

of Burmese nationality in the border area, based on the decision of the NSC in response to the heightened diplomatic tension between Thailand and Myanmar⁸. Together with the occupation of the Myanmar Embassy in Bangkok by Burmese anti-government activists in October, the local media exacerbated the national mood of exasperation and hatred towards Burmese migrants. Outside such special circumstances, anti-alien sentiments are rarely seen amongst Thai people (Takeguchi, 2014b).

The migrant management programme under the Thaksin government emphasised striking a balance between the needs of security and economic demands. Undocumented migrant workers (illegal aliens) were perceived as problems in terms of security and the economy. Therefore, their inflow should be prevented, or at least controlled. However, the government was fully aware that the migrants had already become indispensable to Thai industry. The solution the government offered was the relocation of lower value-added industrial sectors to the countries of origin of the migrants. The Thaksin administration expanded development assistance to the neighbouring countries to promote the relocation of the relevant industries to those countries. Registration of undocumented migrants within Thai territory and bilateral agreements on regular immigration and employment procedures were launched so the government would be able to accept irregular migrants under its control and allocate them to the sectors that needed them along and outside the border.

⁸ Shukan Tai Keizai, 8th November, 1999

4. Migrant Workers in Thailand's Development Strategy

We have presented an overview of the Thaksin government's migrant worker management policy and showed that it was part of the restructuring of Thailand's economic system. However, it is necessary to look more carefully into the Thaksin government's development strategy, known as the 'dual track policy.' This idea divided the Thai economy into the 'grassroots economy' in rural areas, and the export-oriented industries and service sectors in and around the capital city. According to this idea, the government encouraged the grassroots economy by providing marketing and investment, and it supported the export-oriented industries and services through policies for export expansion, currency stabilisation, and the introduction of further foreign investment (Suehiro, 2010). Especially for the latter, Thaksin organised and chaired a policy committee that in 2002 announced the National Competitiveness Plan. The plan had three pillars: expanding exports, selecting strategic industries, and increasing productivity in these strategic industries. Five strategic industries were selected: automotive, food processing, fashion, tourism, and software. Oizumi (2013a) pointed out that the plan was based on the perception by Thaksin and his team that the Thai economy was caught between low-labour-cost countries and technologically strong countries, and that it was losing its economic competitiveness. Interestingly for this study, the plan proposed forming industry clusters and directing investment and human resources to these clusters (Suehiro, 2008, 2010). The National Economic and Social Development Board's ECS report had proposed to establish border special economic zones (SEZs) in which the migrant workers commute from their homeland daily, to attract and relocate the labour-intensive industrial sectors (NESDB, 2003). From the description in the ECS report and Thaksin's speech referring to the three neighbouring countries as suitable resources of raw materials for Thai industry, we can conclude that the border area and the three neighbouring countries were seen as material suppliers for these strategic clusters.⁹

⁹ It is interesting that Thaksin talked about agricultural production in his radio speech by on 24 May 2003. He said, 'If we can import agricultural products from neighbouring countries, it will give them a steady

At that time, the development of 'economic corridors' connecting the capitals and main cities of mainland Southeast Asia was accelerated under the Asian Development Bank's Greater Mekong Subregion (GMS) Economic Cooperation Programme, and Thailand started to build connecting routes according to the GMS plan. Thailand's ODA loans through ACMECS were put forward to finance the building of connecting routes between Thailand and Lao PDR (Chiang Rai, Luang Namtha, and Nong Khai, Vientiane); Thailand and Cambodia (Trat-Koh Kong, Chong Sa Ngam, Anlong Veng, Siem Reap); and Thailand-Lao PDR-Cambodia (Mawlamyaing, Mukdahan, Savannakhet, Danan) as part of the GMS corridors (Tsuneishi, 2005).

In the early 2000s, Thailand was moving towards a regional economic system. This was to have Thailand at the centre, with upgraded, competitive, higher value-added industries. The neighbouring countries, such as Cambodia, Lao PDR, and Myanmar, were expected to play the role of suppliers of raw materials and workers to the border areas. Thailand's ODA (including to Viet Nam) was introduced to foster the movement of labour-intensive industries into the neighbouring countries, and migrant worker receiving policies were redesigned and reinforced to relocate workers to these sectors.

However, since the end of Thaksin's administration, Thailand's migrant worker management policy has been pursued independently from development assistance to the neighbouring countries and migrant worker registration and immigration control, and has lost the National Competitiveness Plan as the backbone. Although the average share of ODA to four mainland Southeast Asian countries reached 40%–80% of total development assistance during 2010–2015, ODA as a percentage of gross domestic product was lower than in the early 2000s.¹⁰ In 2012, ODA was B1.1 billion (\$37 million), or about 0.01% of gross domestic product. The largest recipient was Lao PDR, followed by Cambodia and Myanmar. In 2011, 31% of total ODA was

income and we can reduce the production cost.' (Shukan Tai Keizai, 26th May, 2003).

¹⁰ See the statistics on TICA website "Thailand Official Development Assistance" from 2010 to 2015. <http://www.tica.thaigov.net/main/en/other/3569> (accessed 4 August 2018).

used to provide financial assistance for infrastructure development. This was concentrated in transport infrastructure and was predominantly administered by the Neighbouring Countries Economic Development Cooperation Agency, but the projects were generally small and highly fragmented (Miller and Werapong, 2013).

In July 2014, the Government of Thailand proposed a new border SEZ plan to build new five SEZs along and within the Thai border areas (Figure 7.2).

Figure 7.2: Thailand's New Border Special Economic Zone Plan



Source: Board of Investment (2018), A Guide to Investment in the Special Economic Zone (SEZ).

Table 7.3: Cross-Border Trade Volume at the Five Border Areas

	Cross-border Trade Volume (Billion B/ 2013)	Growth during 2009-2013 (%)
Maesot/Tak	46	15
Sadao/Songkhla	27	7
Mukdahan	30	20
Aranyaprathet/ Sa Kaeo	28	28
Klong yai/Trat	10	10

Sources: National Economic and Social Development Board and Department of Foreign Trade, Ministry of Commerce.

In 2015, the new Deputy Prime Minister, Somkid Jatusripitak, clearly defined the new SEZ plan as part of the new industrial cluster strategy (The Nation, 2015). The goal was set as competitiveness enhancement, increase in employment, the people's well-being, prevention of illegal migrant workers to the inner areas of the country, and prevention of illegal agricultural product smuggling from the neighbouring countries (Policy Committee for Special Economic Zone Development, 2014). Although this suggests a revival of the ECS, the biggest difference is the attitude of the neighbouring countries. Because the new SEZ plan proposed hiring commuting migrant workers from the area, it provoked concern amongst the policymakers of the neighbouring countries that the workers might be attracted to the Thai side of the border, potentially hampering the development of inland SEZs in their own countries (Nikkei Shimbun, 2015).

Recent studies show that the increase in wages in China forces Japanese manufacturers overseas to move their production network to countries with lower labour costs (Oizumi, 2013b). Thailand is seen as one of the alternatives. However, the Japan External Trade Organization (JETRO) reported that many Japanese manufacturers in Thailand regard higher wages in the country as

the main stumbling block (JETRO, 2015).¹¹ Some corporations agree that the neighbouring countries are an attractive alternative, but they remain cautious because of problems such as the quality of human resources (JETRO, 2015). These reports raise the possibility of a race for cheaper migrant workers between Thailand and the neighbouring economies.

Concluding Remarks

This chapter investigated Thailand's migration-receiving measures and development assistance to the neighbouring migrant-sending countries as a comprehensive policy package for international migrant worker management. Some studies have analysed the migrant worker registration system, and others have focused on ACMECS, or the National Competitiveness Plan, but they have treated these topics independently. An examination of the ECS report and the National Competitiveness Plan reveals that the changes in Thailand's migration policy in the early 2000s were introduced, in essence, as measures to relocate migrant workers from Cambodia, Lao PDR, and Myanmar within the regional economic system. These reports and plans clearly recommended relocating regularised migrant workers to the border SEZs, and repatriating irregular migrants to their place of origin.

The objection will no doubt be raised that Thailand's migration management policies have not noticeably reduced the number of illegal or irregular migrant workers. As noted in Chapter 2, migrant worker registration and immigration procedures under bilateral MoUs were not effective because the benefits of registration were not clearly defined for the migrant workers or the employers and sanctions for violation were not seen as sufficiently costly (Yamada, 2012). In addition, despite its inaugural aim, Thailand's development assistance to the neighbouring countries in the late 2000s was pursued independently from the migrant worker problem. The

¹¹ According to JETRO's annual questionnaire survey of Japanese corporations in Asia-Oceania, about 60% of the 2,313 companies answered that the increase in wages is the biggest problem (JETRO, 2015).

ECS could have been an effective long-term strategy for regional migration management, but the idea did not last.

It should be noted that the Government of Thailand once clearly defined the role of migrant workers in its regional development strategy and inaugurated concrete measures to control such workers that were accepted by the migrant-sending countries. As the regional economic system is developing in mainland Southeast Asia, the regional management of migrant workers is becoming a more urgent and critical issue. It is now indispensable to devise a migrant management mechanism that is acceptable to both the country of origin and destination. ACMECS and the bilateral MoUs between Thailand and its neighbouring countries could be the case for pilot study of regional migrant management system. An analysis of the negotiation process for ACMECS and the bilateral MoUs would be a necessary extension to this research.

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