

BOOK REVIEWS

The Economic Development of Thai Agriculture by T. H. Silcock, Ithaca, New York, Cornell University Press, 1970, xiv+250 pp.

I

Emeritus Professor T. H. Silcock of University of Malaya, the author of ten previous books, is a well-known specialist on the Southeast Asian economy. Since leaving Malaya in 1960, he has been associated with the Australian National University at Canberra, where he is still now engaging in his subject as an economist. After doing considerable research on the Malayan economy, he has in recent years concentrated most of his attention on Thailand. He edited *Thailand: Social and Economic Studies in Development* in 1967 and published *Proud and Serene: Sketches from Thailand* in a somewhat lighter vein in 1968. His research on Thai agricultural development involves a wide range of literature, and is based particularly on extensive searching for periodicals published by central and regional governments in Thailand. (The references are listed at the end of this book.) Moreover, he carried out field work for the study of agricultural development in the southern provinces in 1964, and supplemented this with questionnaire survey in each representative village of the following provinces in 1967; Chang Mai and Nakhon Sawan in the North, Roi Et and Nakhon Ratchasima in the Northeast, Chon Buri in the Southeastern and Ratchaburi in the Southwestern extension of the Central Plain, and Sing Buri and Ang Tnong in the Central Plain. (The items of these questionnaires are listed in Appendix II.) I was much impressed by the efforts of this professor, sparing no pains to do such field work in spite of his age.

It is well known that, among developing countries, Thailand has achieved steady and well-balanced economic development. Also she is highly estimated by her developmental strategy in which agriculture plays an important role in the overall economy. Therefore, the development of Thai agriculture, I believe, merits a case study as an example of a developing economy. Inasmuch as this comprehensive study is the first of its kind on Thailand, its publication should be given a warm and enthusiastic welcome.

II

In the introduction (Chapter 1), the author understands the Thai economy as an example of a "contact economy"—an economy that falls between subsistence farming and commercial economy—and proposes as his subject crop and region analysis. He indicates his sources, describes his field work, and briefly touches on the historical background of Thailand.

"Problems of Measurement" (Chapter 2) deals mainly with the relative size of the rural sector. Distortions in the price structure introduced by the rice premium in the calculation of the gross domestic product (GDP) are pointed out. For example, he adjusts the official 1965 ratio of GDP in agriculture from 32.8 per cent to 38.5 per cent. Also he takes up the statistical problem of production and demonstrates some inconsistencies in government figures.

In "the Growth of the Rural Section" (Chapter 3), he discusses the pre-World War II growth of the main crops, namely rice, rubber, and teak, and for the postwar period, he analyzes rice and overall developments.

Next, he takes up rice, rubber, and kenaf (including jute)—the three major national products—in terms of crop analysis (in Chapter 4), and deals with other export crops such as maize, Mung-beans, cassava, and sugar-cane, crops for the domestic market (tobacco, cotton, and fruits and vegetables) as well as livestock and forestry (in Chapter 5). The monopsonistic aspect is emphasized here.

Regional analysis (Chapters 6 and 7) is accorded to four regions, the Northeast, North, South, and Center. For purposes of agricultural development analysis, however, he adopts a regional division which is slightly different from these four regions. Dividing the whole country into two parts, Central-North Central, and the Outer Regions, he goes on and divides the former into the Inner Central Plain and West Sub-region, and the latter into the Far North, Northeast, and South Regions. Thus he indicates the expansion of the cultivated crop area and the increase of the yield per rai, and also outlines his own observations from the field survey. Indeed, readers should realize that any regional analysis would have been impossible without this field survey.

And then, factors promoting growth are examined (Chapter 8). Here the author gives us a quantitative summary of rural development in addition to an account of sources of growth, factors favoring change, land resources, and utilization, and land and irrigation ideologies. According to this account, in the eleven years between 1951-53 and 1962-64, rice output showed an increase of 30 per cent, while other farm products showed an increase of 284 per cent. Farm products thus showed an overall increase of 59 per cent. In terms of population growth, it is of course true that rice output per capita has remained stagnant, but at the same time, in other farming products diversification has been intense. Furthermore, the role of agricultural exports has been significant. Maize and kenaf have increasingly been exported as "miracle crops."

Chapter 9, entitled "Policy towards the Rural Sector," considers the strategy of rural development, and agriculture in the national development plan. He takes special note of the rice premium policy in a separate section. The author, who has discussed the rice premium in various parts of the book, here gives a summary of his view of the problem.

In the conclusion (Chapter 10), he examines the following five points: rice price policy, population and land policy, growth centers and regionalism, cost-benefit analysis, and techniques with little capital.

In an Appendix, including the above-mentioned village questionnaires, he also includes the previously published "Economic Effects of Thai Policy at the End of World War II."

III

This book is the first comprehensive study dealing with the development of Thai agriculture. Silcock's epoch-making achievement here is his delineation of the process of development from subsistence to commercial farming quantitatively by crops and by regions, thus grasping Thai agriculture as a "contact economy."

In the recent study of Southeast Asian economies as well as agricultural development in developing countries, this is truly an important achievement.

Considering his limited sources and his field work without a staff to assist him and within the limited pages of this book, it would have been impossible to do more analysis than he has done. Also, I have nearly no disagreement with his method of

analysis or the points of argument he presents in this book.

However, I would like to indicate some points which should be more fully examined as problems of Thai agriculture.

First is the question of the natural foundations of Thai agriculture, especially in their regional differentiation. In treating agricultural developments in developing countries, economists are apt to ignore natural conditions. For example, rice growing in the upper and middle parts of the Central Plain is different from that of the lower delta part. And, it is much more difficult to introduce new high yielding varieties, and double cropping in the lower delta. In addition, the agricultural development of Northeast is severely restricted because of its so flat topography, too little rainfall, and poor soil conditions including weak power of water retention. In pursuing policies for agricultural development, deeper attention should be paid to these differences in natural conditions.

The second point concerns historical background. We should evaluate highly the contribution of the traditional and fundamental policy which admits squatters' rights in the national domain. Essentially, it is connected with the fact that the relationship between people and cultivable land had been very favorable in Thailand. In this sense, Thailand is seemingly a new country, with still relatively small population. The rapid growth of maize and kenaf production is largely due to the existence of this cultivable uncultivated land!

Thirdly, it may well be said that the problem of the subjects of agricultural development in Thailand should be studied more deeply. In this connection, some points are figured out as follows: (1) Farmers and rural society in general are rather unrestricted by their tradition, and are suitable for the transformation. (2) Chinese businessmen, or Chinese agribusiness entrepreneurs have been able to act comparatively freely. (3) In addition, the central government has adopted liberal policies; especially successful has been the sound monetary policy of the Bank of Thailand. In addition to these three, there are other subject-related points which should be fully investigated.

The fourth point concerns the progress of agricultural technology. The following are important keys for the development of Thai agriculture: The introduction of new high yielding varieties and new farm products, improvement of cultivation methods, fertilization, and pests and diseases control, improvement of water supply, and betterment of profitability is much more desirable.

The fifth and last point concerns the projection of agricultural trade products. The problem of rice premiums is indeed closely related to the changes of the international rice price. It is the fluctuation and the decline of the rice price which is the pressing problem in the development of Thai agriculture at the moment. In 1967, when the author made his investigation, the international rice price rose as high as approximately two hundred dollars per ton. But recently it has been closer to one hundred dollars. For example, in 1967 exports of rice from Thailand totaled \$232 million, its highest ever, but this dropped sharply to \$147 million in 1969. Projections of world rice supply and demand is the key to the progress of Thai agriculture. The same thing can be said for maize, rubber, and kenaf. I myself believe that strengthening her capacity for world competition should be the theme of Thai agriculture from now on.

There are surely other problems to be dealt with. However, I would just like to express my highest evaluation of this book as a foundation for future studies of Thai agricultural development. At the same time, I would like to express my sincere admiration for the academic efforts of the author.

(Takeshi Motooka)