THAILAND'S ECONOMIC CRISIS

Thai People Tell Their Stories
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A constitutional kingdom with a population of 61 million people who revere their monarchy, Thailand has an ancient tradition of self-reliance. The majority of its people still live in rural rice farming communities across much of its 76 provinces. Thailand's economy, largely based on agricultural production, began its shift toward rapid industrialization and urbanization in the 1970's. Beginning in the 1980's, Thailand experienced a long run of multiplying good fortune that took the country's growth into double digits. Despite a big gap between the rich and poor, record-high incomes were seen at nearly all levels in 1996. But there were underlying weaknesses in trade, competitiveness, financial sector regulation and the property sector.

In 1997, the financial system went into crisis, rapidly followed by declining economic output, employment and incomes. Construction came to a halt. Workers lost work. Wages went down. The economic decline reached bottom in 1998, and this year is showing encouraging signs of recovery.
The statistics tell us quite clearly that Thailand's financial crisis has led to increases in the unemployment rate and declines in average household incomes. What the statistics don't show is the people's perspective. This booklet is our first attempt to look behind the numbers and listen to Thai people describe their own experience over the past two years.

At the outset of the crisis when predictions were grim, there was a potential for panic in the population. The King of Thailand, a man known for his devotion to reducing rural poverty, spoke to the nation asking for calm, understanding and self-sacrifice. The people listened. As many of the stories illustrate, the Thai commitment to self-sacrifice and mutual help has buoyed many families through the financial upheaval. Other stories in this booklet show what can happen when there is no helping hand nearby. No one can read them without being touched.

It is unusual for the World Bank to publish an unscientific sample of this kind. What is the reliability of the voices heard herein? Are there other stories that would reflect a different picture of the crisis? We should note that many Thai families, to be sure, have not been heavily affected by the crisis. We asked a journalist to go out and listen to what people themselves were saying about the crisis and its impacts and to write those stories down. We cannot judge how representative these stories are, but they do convey, quite eloquently, what so often eludes the more affluent — the sheer hardships and courage of ordinary people in difficult times.

Despite the statistical limitations, the Thais talking in these accounts help us to appreciate some already well-understood dimensions of the crisis. Even with a speedy and determined effort by Government and civil society alike, some Thai people have fallen through the patchwork of safety nets. Another theme from these accounts is the destructiveness of the methamphetamine drug phenomenon, which seems to have accelerated during the crisis. And of course the resilience and “togetherness” of Thai families and communities is inspiring.

Thus a non-scientific, non-representative “listening” has brought forward a revealing set of stories that remind us that the human dimension of the crisis has not been adequately heard. They remind us that when we speak of strong coping mechanisms, we are talking about the resilience, self-sacrifice, and dignity of individual people.

These compelling personal accounts will enrich our, and we hope other, more systematic efforts to understand the social impacts of the economic crisis and the responses to them.

J. Shivakumar
Country Director
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Bangkok police arrested an eight-year-old girl earlier this year after finding 1,800 methamphetamine pills in her school backpack. Known in the West as speed, in Thailand it is called ya baa, or “crazy drug.” Uncertain what to do, the police kept her overnight in an adults’ jail before shifting her to an overcrowded juvenile detention center.

It is likely someone tipped the police to the girl out of fear her parents were using her to make their drug deliveries. But did she belong locked up?

“What do you do?” asks a bewildered American Catholic priest who was trying to get her released into his custody at a shelter for kids in Bangkok where another eight-year-old girl lives because her parents and several relatives are in prison for ya baa dealing.

“What do we do?” For the past two years, the priest has increasingly heard this quandary from police, social workers, government officials, and even judges. Under the black cloud of the financial crisis, they feel overwhelmed as they try to cope with the number of kids using and dealing ya baa or whose parents are in prison on drug convictions, with the overextended families struggling to care for the children of jailed parents or those abandoned, and with the troubling numbers packed into juvenile centers.

With the increase in unemployment and fall in wages since the onset of Thailand’s financial difficulties in July 1997, ya baa has become not only an easy and quick supplier of money, but also an escape from stress.

That so many children have been caught in the grasp of the drug’s reach is a challenge to values and taboos in Thai society. Heroin dealers didn’t sell to neighbors or to kids, explains Chaiwat Satha-Anand, political theory professor at Bangkok’s Thammasat University. Chaiwat acknowledges that the breakdown began in the latter-end of the economic boom period but blames the crisis for exacerbating ya baa’s influence.

What other patterns in the social fabric now have been discovered as a result of the crisis?

At the onset of the troubles, analysts feared the worst and predicted that Thailand was in for a long run of social breakdown. The reasons for the negative outlook seemed logical: There were dramatic declines in average incomes and zooming unemployment. The pressures of surviving on less income or none at all was compelling many Thai families to do things they would not otherwise do. In the backdrop, Thailand had not built a strong social safety net for times of crisis: no formal welfare-protection system, no unemployment insurance other than severance pay provisions and limited unemployment assistance, social security, and pension programs.

How has Thailand fared overall? So far, there appears to be no large-scale slide into destitution.

There were feats of sacrifice and quick action that staved off some calamity. In education, families and schools shifted behavior and policy to prevent school dropouts, and the government made more scholarships available. Still, for some families it wasn’t enough, and there were kids who were forced to leave school.

In general, people’s health has not been negatively affected. Thai families maintained or increased their use of public services and took advantage of government insurance card schemes. Use of services increased significantly, although stories in this booklet show that some were not aware of their options for free or subsidized health care. With increased patient loads, some facilities are strained, but quality of care, according to practitioners, is being sustained.

There is debate on the impact of the crisis on the Thai social fabric. Some observers believe that the dramatic declines in average income, coupled with the high unemployment and the ya baa proliferation, have unraveled Thai moral standards, family cohesion, and community cooperation. Others think the crisis has helped to renew the Thai people’s cultural strengths of self-reliance and mutual self-help, that it is helping to knit some families and communities closer together, and that it has given the country a rare chance few societies get to step back and see where it is going, or what it could, or should, be doing differently.

With the worst predictions not materializing, there remains a threat of complacent relief. There are always some people who fall between the cracks. But how many is acceptable? Could there be fewer? Many Thais fear that if the economy doesn’t improve, the inspiring Thai spirit and self-reliance will soon erode.
"The boat has sunk, but I'm going to save it," says Somchai Pleinwong. "I've drowned, but I'm going to survive. I tell my children to understand."

Somchai, 47, was among the waves of countryside people who flocked to Bangkok following the lure of bright lights and better money in the 1980's. A rice farmer, at first he came in the wet season when there was little paddy work. He and his wife rented a home in the Klong Toey slum area where two children were born, the youngest now 9, the eldest 16. Somchai drove imported and exported goods around the country. Then just after the crash, his boss had to sell his trucks to pay his debts. "Can you find a new job?" he painfully asked Somchai. Somchai didn't curse his boss. "It's his right. It's not like he has to hire me for life."

Then a year ago his wife was among a quarter of the 8,000 employees at a garment factory who was dismissed. Neither of them received severance pay. Somchai didn't feel that he should ask the government for help. "It's just me and my wife, we're not a big group." The only help he takes is from the Bangkok Metropolitan Authority school that pays for his youngest son's uniform and lunch. "I'm satisfied with that."

He is not interested in the government's health insurance card. Based on past experience when he broke his leg and was given only paracetamol and sleeping tablets for the pain, he thinks the card is an invitation to inadequate service.

Daily, Somchai scouts around the Klong Toey slaughterhouse for any job. Sometimes he lands a construction project, but at lower wages. A job that once paid 10,000 Baht before the crisis has been cut back to 8,000 or 9,000 Baht. Usually he works on broken-down trucks. But without many tools, it isn't easy. His wife tried selling coffee at a stall around the truck lot of the slaughterhouse, but expenditures were greater than income. She closed it after a month.

His life savings is spent. His family has had no new clothes for two years and buys only bare necessities. He built a house from scrap wood in a teeming slum area to cut out a monthly rent. Somchai struggles mostly to give his elder son his usual 50 Baht-a-day allowance for going to school and buying lunch. Somchai doesn't criticize his elder son for being "embarrassed" if he can't eat like his friends. "I understand his feelings."

Some months when there is no money for the rent or food, Somchai borrows at 20 percent interest. He went back to his farm earlier this year, but with excessive flooding in the Pratchinburi province, the fields had become salinated. For six months he did nothing, then returned to Bangkok. If he had some money, Somchai says he could start a prawn farm. He stays in Bangkok mostly because of the schooling of his children, his most prized possession. "If they have little education like me, they'll be in trouble." Farming, he says, doesn't provide enough money for basic education. "When my hope is all gone, that's when I'll start thinking about going back to the farm."

He is not likely to lose hope, however. "There are people worse off. They don't have anything to eat. But they are fighting. So are we. I won't despair."
There is nothing like an eruption in unemployment and falling wages among workers to shake a society. When that happens predominantly to the uneducated poor in a country such as Thailand, which relied on economic growth to reduce unemployment and poverty, the pressure on communities and families can be immediate and devastating. In the middle class, the pressure can be equally harsh on families.

After the onset of the crisis, companies heavily indebted or relying on imported materials were hit hard. While most large-scale exporters managed to rise above the troubles, scores of small- and medium-scale exporters and factories oriented to the domestic market could not escape. Suddenly, the bright promise which for the last two decades had lured thousands of provincial young people and farmers to the cities for higher-paying factory jobs seemed to be sinking.

Many companies elected to reduce wages and benefits rather than cut the work force.

Unemployment continues to rise. The increase has taken the 1996 pre-crisis unemployment rate of 1.5 percent of the labor force up to 3.1 percent.

Employment in construction and services fell off sharply. Hard hit also were the young people entering the workforce because the current growth is not sufficient to absorb them.

Many companies elected to reduce wages and benefits rather than cut the work force. Others moved from two to three shifts to cut costs of overtime pay. Bonuses were cancelled or paid in installments.

According to research done by the Brooker Group and Chulalongkorn University's Social Research Institute, more than two in every five households were worse off in 1998 than in 1996. Some 41 percent, or 6.6 million households, suffered a welfare loss, the survey concludes. Other reports show that 1.1 million people fell below the poverty line.

The only “guaranteed” protection available to laid-off workers was six-months severance pay. A year later the law was changed to increase severance pay for long-term employees. But severance pay is available only to formal sector employees, with little attention paid to enforcement.

With no pension plans for the poor or limited social security programs, people who were forced to retire early faced great uncertainty.

Thailand's strong family unit has always taken care of its members till death. The family has been a person's social security and pension. A year into the crisis, the average urban household size had grown, suggesting that families were consolidating their resources. And droves of workers who had futilely combed Bangkok for months after losing their jobs packed their few belongings and took a bus back to their farming villages.

While the workers' return brought parents and children together, it also strained family relations. Village families typically benefited from wages that were quickly sent home. Now there are more mouths to feed and no money arriving from the city.

Families quickly made necessary adjustments to cut costs. The National Statistics Office notes reductions in household spending, and the poor have been compelled to spend out of their savings.

As the employment situation worsened, the government took additional steps. In addition to the 1998 severance pay increases and extension of social security benefits, the Ministry of Labor and Social Welfare set-up a Center for Assistance to Laid-off Workers with a 10-billion Baht fund as a one-stop service that includes assistance with severance pay disputes, social security card, placement and counseling, low-interest loans and training courses.

With money from the donor community, several programs were designed to create jobs and provide services to the poor and unemployed. Among them is the $462 million Social Investment Project, which supports programs to build small-scale civil works, offer training courses, and expand access to free health services. The World Bank is financing part of this program and placed much hope in it as a vehicle to bring quick, tangible results, as well as a first step in working together to open new avenues for social protection in the wake of the crisis. The Asian Development Bank has provided a $500 million Social Sector Program Loan for key social programs and policies to mitigate social impacts.

The new Labor Protection Act, approved in August 1998, extended social security benefits to the unemployed and created pension and child allowance schemes for employees in the formal sector.

Some people and families have endured great hardship and are not recovering quickly. Issues such as child care centers at factories and work safety guarantees have been pushed aside, according to the Center for Labor Information. Older women who lost jobs are not expected to find new employment easily since the few factories hiring seem to prefer recruiting women younger than 25 years. As one story shows, however, out-of-work women actively organize themselves in the informal sector and work at home in a subcontracting system, but this pays lower than the minimum wage and often involves longer hours.

Many Thai people want to get themselves out of trouble and believe that the government owes them nothiing. “What of the children born of me?” asks one man. “They must learn to be strong by my example.”
The seamstresses were the first to go. Then their sewing machines. Waewdao Kawekasem watched as batches of coworkers were laid-off or fired during the first eight months of 1996 from the Eden Group garment factory where she worked as a quality control inspector. The manager at first consoled the remaining workers that the situation was temporary. Then he said the company was reducing its size.

The dismissals were confusing. There was still overtime work every day and sometimes on Sundays. Even though their monthly earnings rarely went higher than 7,000 Baht, it was enough for many of the 4,000 employees, mostly women in their 30's and 40's, to put a down payment on cheery new townhouses near the factory. Then, on a sunny morning in December, Waewdao found the factory door closed. Taped to the outside was a list of those who were to be laid off. It contained all 650 names of the remaining employees.

Waewdao and her co-workers found themselves looking for jobs in a time when more and more doors were closing.

Despite the existing law, there was no provision for severance pay. At the time, Waewdao, 29, had never heard of a factory closing. At the Labor Ministry, a calm and understanding official told her he would talk with the factory owner, who along with the manager were living out of the country. She never heard back from him. The Labor Ministry offered the Eden workers an “emergency loan” of up to 15,000 Baht. Waewdao used 10,000 to pay off a debt and had nothing left. After three months without finding a new job, she returned to her home village in central Thailand.

Waewdao was the first “returning” villager, but very soon, “many, many others” appeared. Waewdao could find no work outside of her village, and days became months. She helped her family peel garlic, which they sold in the market. The family usually earned about 80 Baht, or $2, a day. Some days they had so little to eat that Waewdao could hardly enjoy the time she now had with her three-year-old daughter, who has lived with Waewdao’s parents since her birth. With five other of Waewdao’s siblings living in the same house, meals were sparse. Nothing was said at home, but Waewdao felt pressured to go back to Bangkok. “There will be work,” the neighbors kept nudging.

After six months, Waewdao couldn’t bear the stress any longer and returned to Bangkok. It was mid-1997 and by then, company closings were disturbingly common.

Waewdao came back intending to join a few friends still doing factory sewing. But she was afraid of being laid off again. Instead, with another friend from the Eden days, she sold shoes and clothes on the street from 1 in the afternoon until 10 at night. Then she trudged off to a night market peddling the clothes from 1 to 5 in the morning.

A friend working with the HomeNet organization suggested Waewdao should organize her sewing friends and look for subcontract work. The NGO, which helps women organize work at home, would provide Waewdao and her group 2,000 Baht each per month to help with expenses; for a three-year period, it would also pay rent for an office and the rental of a few machines. The women would rent their own sewing machines. They would have three years to become self-sufficient.

By October 1997, 16 former workers from Eden and other garment factories had agreed to band together. The women chose to call their group Women Creating Work. Their office, where Waewdao and the other manager live, is located in a one-street development of fairly new townhouses, which several Eden women had bought previously. Because the developer of the housing village encountered his own financial problems, the bank has allowed the homeowners a grace period of three years free of their mortgage payments, a turn of luck for many of the families whose income had shrunk drastically with the crash.

Waewdao and her housemate troll the garment factories for subcontract jobs. The orders are not steady, however. Currently the women, now numbering 30, are sewing white cotton shirts and brown shorts worn by boys in the public schools. Waewdao hopes to obtain contracts from schools on a regular basis. But the new working structure has put a strain on other friendships. Her friends still with factory jobs resent what she is doing. “Because I am paid so little, they fear it is taking work away from them,” says Waewdao. “But we’re not subcontractors working out of a mini factory. We are just housewives helping our husbands.”

“We don’t trust factory bosses anymore.”

Currently the women earn between 2,000 and 4,000 Baht monthly. It is enough to get by, says Waewdao. But she regrets the pressure it keeps on her family; when she worked at Eden, she used to send home up to 3,000 Baht each month. Now she rarely sends more than 1,500 Baht. She says they have cut back spending: they no longer travel far to a hospital when someone is sick but opt for a nearby public clinic.

As the leader of her group of seamstresses, Waewdao imposes a demand on herself to improve the quality of the other women’s lives. She dreams of obtaining some kind of social security from the government for the women, though she knows of none. “A leader should be able to provide the members this,” she explains. She believes their situation can only improve if the economy picks up. “I’m tired, but I have to have patience and be strong, so that others will follow my example. It is no use to despair.”

She and the others don’t care to return to a factory job. “We don’t trust factory bosses anymore,” she explains.
Santi Bamrungthanarup, 54, is a self-made man who went from the son of poor rice farmers to running a company that bought and sold real estate and before the crisis was valued at 37 million Baht. He had a comfortable savings, four houses, three cars, one child in college and a nine-year-old girl in Korat’s most expensive private primary school.

Now the bank owns three of those houses and has given him till the end of this year to pay the outstanding debt on the fourth residence, the one where he and his family live. His savings are gone and he has sold off two of his cars, turned off his three mobile phones and lost to pawnbrokers a variety of gold chains he bought as investments. For the past two years, he has had no income and relied on his son and two older daughters to make the bank payments for the house, pay the utilities and provide food. He has arranged with the school to defer his younger daughter’s tuition. But with so many parents begging for the same situation, he’s not sure how long the school can wait. He is unwilling yet to switch his daughter from her private school into the local public one, out of fear of the emotional impact that move would have.

“It was difficult to adjust when it first happened. Many, many problems came at the same time. But I had good friends who gave me advice. They told me to match my ability with a company or an idea,” Santi believes that having been poor as a child, he could cope better than other prosperous people who lost their fortunes as he had. Many he heard about “gave up” and were unable to look for options. A couple of men he knew committed suicide. “But I have to think of my future, to be a good example for my family. To struggle, to fight, to survive. Now I feel better. The debt is still there. But I have hope.”

Santi has found Amway, an American-based door-to-door sales company. “There is no middleman, which is why I like the company. Growing up on my family’s farm, I used to dream of being a trader, to sell things. There is no big investment and it brings out my skills. Many products in Thailand are low quality. These products are basic consumption: cosmetics, kitchenware, car care products. People need it no matter how expensive they are. But people choose better quality now. This is the hope of people.”

It, too, is his hope now. Having just started with a 500 Baht membership, he is now earning about 10,000 Baht a month.

Entrepreneur

SHATTERED DREAMS

The road behind Bangkok’s courthouses is filled with scores of the down and out, as if only here will they find justice. They sleep on the sidewalks in the afternoon to save spots where the police allow them to peddle whatever they can from twilight to midnight. Because he is homeless, Apiruk Laewnumchok will rent a room for the night when he earns big. Otherwise he sleeps in the nearby Sanam Luang park.

On a small sheet of plastic he sets out a couple of tattered radios and a small pile of used clothes he bought in a market. Apiruk has been selling things for years. Until the crisis hit, however, he was building a modest fortune, lived in a pleasant neighborhood and had employees working for him.

It was the fabled life of a man who set out on his own from a factory job, whose small company grew quickly and steadily. And whose business, dreams and morale were wiped out almost in a blink.

Apiruk left his manager position in 1993, and started producing ashtrays and sculptures cheaply from plastic. He worked out of his home with his wife and four children. At first they sold the items at a weekend market then found orders with department stores. At the peak of the plaster business, they were making around 200,000 a year. It was enough to move to a middle-class neighborhood where their house had a garden and to give Apiruk confidence to switch to more expensive resin material. He hired four extra workers.

Unfortunately, Apiruk made the investment in late 1996. Not long after the new year, Apiruk knew things were going wrong. Orders were being reduced by half. He was borrowing money from relatives to pay his workers’ salaries. The stores were delaying payments. By March there were no orders. Apiruk couldn’t keep up, closed the company and sent his employees back to the provinces. “We didn’t even have enough money to eat,” he says.

For six months, payments trickled in. During that time, family life became tense as he and his wife argued about money. He sold his car. They moved out of their house and into two rooms the landlord had built on the same property. Finally Apiruk took back the jade-like rabbits, birds, mice and dolls from the stores that hadn’t paid him and started hawking the resin items on the street behind the courthouses. The fighting at home continued.

“I was so depressed. Before, I had made so much money. Now I wasn’t helping anyone. I couldn’t live there anymore. It was like I was a good-for-nothing.” Shamed, Apiruk left his family and his home. Recently he tried to borrow money from the Labor Ministry but was rejected. He says it’s because he has no one to guarantee the loan.
When their incomes shrank, most Thai families didn’t waste time making adjustments. Whatever was necessary, one priority held strong: keep their kids in school, which is compulsory up to grade six. Cars were sold, money borrowed, foreign sponsorships were found, less food was bought, pleasure delayed. Alcohol and tobacco dropped immediately while spending on education increased. In some cases, children moved from private schooling to public to save on fees.

In response to the projected impact of the crisis, the government acted quickly to protect education opportunities for vulnerable groups. Parents were allowed to pay tuition fees in installments; schools waived tuition fees on a case-by-case basis; private schools extended payment deadlines; and vouchers were provided to private school children in Bangkok that allowed them to continue at those schools. Local international schools were encouraged to accommodate students forced to return from schooling abroad.

With assistance from the ADB, $25 million were provided in scholarships to primary and secondary school students who had dropped out or were unable to continue their education. Schools resorted to other innovative coping strategies, including soliciting in-kind and cash contributions from parents and community members; rotating distribution of free milk and meals among students and recycling teaching materials. Teachers and administrators even provided food.

The World Bank, using comparative data from the National Statistics Office, concluded that despite fears of negative and irreversible consequences for education, especially for the poor, so far it appears that few kids were forced out of school because of the economic crisis.

However, not all children have been fortunate. Some have consolled themselves by taking up home schooling or finding nighttime and weekend education programs. Elder kids, often girls, have been pressured to quit to earn money to keep younger siblings in school.

Where children had to work to help support the family, many managed to stay in school and find afternoon or evening jobs. Many kids report that lack of money has affected their grades. Families that are struggling to keep their kids in school fear that their resources may give out, especially if economic recovery fails to reach them.

Teachers have been paying for students’ needs just to keep them in classes.

Just how many have been unlucky is not clear. Casual conversations with villagers or slum dwellers often include at least one reference to someone in their area who had left school. The problem of getting more kids to complete secondary schooling, regarded as serious before the crisis, has not been helped by the financial troubles. There were reports of irregularities, particularly with disbursements for school milk and teaching materials. Bureaucratic glitches also kept aid from reaching some of the most needy.

But school budgets have been spared; actual education expenditures by the government increased in 1998, and the 2000 budget gives 26 percent of total budget to education.

In some areas, teachers have been paying for students’ needs just to keep them in class. One man in central Thailand borrowed from his teacher’s co-op, from his relatives and took from his own pocket a total of 50,000 Baht in the past year to help his students. Others have been known to have spent between 20,000 and 30,000 Baht in the past two school years to keep kids in school, feed them or get them books.

Even though the government helped eased a chunk of the educational burden, family sacrifices are largely credited for the high level of enrollment. The Thai commitment to education factors in heavily. So too does the reality that there was little work available for children.

The country’s new constitution includes specifications for education reform. Along with decentralization of control, a sweeping overhaul of primary and secondary curricula and teaching methods are proposed. As the means to economic and intellectual survival of the country, education experts are encouraging that independent thinkers be nurtured and prized.

Educators believe that teaching kids to have confidence in their own ideas and in being individual may be the only tactic to battling the drug problem, which has escalated among the youth who tend to “follow the herd.”
Social Worker

Thongdee Phothiyong almost shrieks when asked if she has noticed an increase in the number of kids leaving school in the past couple of years. "This year I have 193 families who have asked for help. But I have lost some funding. Now, I don't know where I'm going to find the money." She says she'll try to help at least 100 of them. "The older ones can work to help their families and study at home," she states.

She pulls out a pink-paper bound report covering the situation of school-age children in a seven-district area, many of them hill tribe minorities. "The situation is gloomy here," she says, in the tranquil shade of fruit trees outside her house and office where she runs a small community-based Project for Women and Youth. Despite her own grade four education level, she formed the NGO 13 years ago to help farmers, seamstresses and housewives organize themselves into support groups and create savings funds for themselves. She also trains women to seek out political roles in their communities and educate villagers against child prostitution, child labor and AIDS infections.

"The economic problems are causing many, many other problems," she concludes, tapping her report that covers an area north of Chiang Mai. Ya Baa is the biggest problem, says Thongdee. Among kids, she sees it taking them into prostitution to earn the money needed to keep buying the drug. Among non-drug users, she sees the numbers of child prostitutes increasing, especially in villages where many kids are resorting to it to help their families. "It's not that parents approve, but if everyone is doing it, they think it's normal," she says.

Families are in debt, under a lot of stress, according to Thongdee. "They fight constantly. Alcohol, divorce and abuse are increasing. Before, men in the village may go out to brothels and drink, but they never hit their wives or children. Men are stealing money from their wives. There are more reports of men attacking their wives and children, even taking a knife against them."

Thongdee is easily distracted from talking about education. All the problems are linked, she says in her talkative congenial manner. Though she finds herself often rambling on about what to do with those problems, her ultimate aim is keeping kids in school.

"Everyone has to help each other, otherwise we will not make it. Thailand is not at all rich. That is an illusion. In the provinces, we still need help."

Hill tribe minorities comprise 30 to 40 percent of the area where Thongdee works. She doesn't regard them as left out of government targeting efforts, but they, like other low-income families in need of help, suffer from lack of government coordination. "All information is delayed. And the government takes a long time to find out where the trouble is," she explains. "Once the government is aware of the problem, an officer is sent to the area to analyze it."

Thongdee finds that children are not angry, they're only sorry they can't stay in school. But their parents are mad and blaming everyone: their representatives, ministries and government corruption. She doesn't agree.

"These people don't have true information," she explains. "They're just angry and want to blame someone. Instead of blaming others, these people should look at themselves. In the past when the economy was still good, they weren't careful about spending. It has taken me more than 10 years to teach these people that it is important to save."

"The crisis has been a good thing in helping to restore self-reliance."

In the past, Thongdee helped vulnerable children stay in school by matching them with sponsors or scholarships. But those funds have become harder to find and the number of kids needing it has grown. "The crisis has affected everybody. People are donating less and less. Even foundations, clubs and rich people have cut back their giving," she says.

Thongdee has used her family's savings, pawned a daughter's gold necklace and borrowed up to 200,000 Baht in the past year to help kids stay in school, or eat. Lately, she has had to use some of the borrowed money to pay her own house bills because her savings are gone. Her repayment plan demands 20,000 Baht a month. She has no idea how to make the current month's payment.

Thongdee has considered taking a bank loan with her house as collateral to pay off her current debt. Without borrowing anymore, Thongdee says it will take 10 years to repay all her loans. "It will be okay. I'll only be 60 then."

Sighing, Thongdee says she can't be tough with people who come to her for help. "When I see the sadness in their faces, I cannot say no."

Despite the difficulties and her own personal debt, Thongdee is a big believer that the crisis has been good for her country in helping to restore self-reliance.

"The olden times are being revived," Thongdee says cheerily. "People are grouping to survive. They don't have money to share, but help one another with their farming. They give chickens and rice to help people who've returned from the cities to start up."

Thongdee says she is not the only one self-sacrificing to help others. She knows of several schoolteachers who have borrowed up to 50,000 Baht or used their savings to pay for their students' books and supplies.
Malai Changsantien smiles too easily for a woman with a lot of burdens. Some social critics note that under all the famous “Thai smiles” simmers a lot of suffering. Her resilience supercedes other emotions, and Malai even giggles.

Malai, 27, and her husband have three children. Malai’s sister, her sister’s boyfriend, and her 19-year-old son are in jail for selling drugs (The boy’s father is also in jail on a separate drug-selling conviction). Malai believes her nephew was not involved in his mother’s drug dealing.

He was at his home, located along the railroad tracks in Bangkok, when the police charged in. The son had dropped out of vocational school after one semester in 1997 because he couldn’t afford the fees. His mother sewed handkerchiefs at home but never enough to pay the bills. She and her boyfriend, a former monk, had resorted to selling the popular methamphetamine ya baa to finance their dream of starting a new life together.

When her sister was imprisoned, Malai took in the other two children. She had been paying the school fees and daily food allowance for Joon, the elder girl, but Malai had to tell her recently that she could no longer afford it. “I had to tell her she couldn’t stay in school,” Malai says wincing.

There were too many kids, and because of the crisis her husband was earning less money as a taxi driver. Malai was also raising two other children abandoned as babies by her brothers after their marriages fell apart. There were seven kids and only one person earning money.

Tearfully, the 14-year-old girl said she understood.

When Joon didn’t appear in class, her teacher went to Malai’s home in a dingy five-level tenement complex in Bangkok. She said the school didn’t want to lose Joon, but there was nothing it could do to help her. If she could stay in school, she might find a sponsor the following year. Or because there is a deadline for applying for free meals, she could try for the subsidized program also the following year. If not, maybe she could try night school. Instead, Joon found a training course to teach her to sew.

Malai is determined that none of the other kids will leave school. She was one of 12 children growing up in the same two-room apartment she still lives in and one of seven girls who had to quit school at grade six so that the brothers could finish their studies. “I don’t want my children to be like me,” she says. Malai married when she was 13, and she had her fist child two years later.

To add to her husband’s income, Malai last year bought on installment a television and Play Station video game machine. She has opened her tiny living space to the neighborhood kids who pay by the hour. When the games are on, it is brutally noisy in her two-room apartment where the ceiling paint is peeling and the walls are various shades of grungy green.

A pink telephone sits on an unused air conditioner and seldom rings because they can’t pay the bill. When the money is really scarce, Malai borrows from the high-risk lenders who charge 20 percent interest a month. “If there were not so many children, we could save money for our future, for my children’s future,” she says.

Malai and her husband, Siri Sirakhun, 33, were treading the financial waters just barely when a passenger fell out of her husband’s taxi truck recently. The police told Siri she was responsible. When they thought the young fellow might die, Malai confesses she thought of running away with the family. “But what would become of the children,” she asked herself. Or what if they were caught and put in jail? The fellow didn’t die, so Malai and her husband borrowed 30,000 Baht to pay his hospital bills. The debt requires a 6,000 Baht monthly repayment. He husband earns between 100 and 200 Baht a day.

Malai has started sewing training also in the hopes she can find work.

Her eldest son and a niece receive sponsorships for their school fees from the Christian Children’s Fund. Malai says that the children would not be in school without the CCF. If the support were to disappear, she would have no choice but to think of her own children first and take the others out of school. But she would never think to send her brothers’ and sister’s kids elsewhere. “If those kids were with someone else, they’d probably get addicted to drugs,” she believes.

Coping with the extended family has changed drastically since the accident. Sitting on her white tiled living room floor among four sleeping children, Malai’s eyes flood. The smiles are gone. “I don’t want to live anymore,” she mumbles. “You work so hard and get so little money to keep you going.”

No one in Malai’s family is aware of government scholarships or loans to stay in school. If their own financial crisis doesn’t end soon, she is unsure how many kids will be able to stay in school next term.

“I had to tell her she couldn’t stay in school.”
Unlike eight of her friends, Kvanraonjit Kalsanga, 15, has been able to stay in school. Her widowed mother lifts cargo at the pier and washes clothes to pay her school fees and bus fare and constantly reminds her what hard work it is. Kvanraonjit says, stoically, the 10 Baht a day she gets for lunch is enough. “I have to be enough, I can’t give you anymore,” interjects her mother, Bunruen Kamtavee, 34. She has no steady job. She finds work only two or three days a week.

Kvanraonjit does allow that there is not enough money to do well in school. Her grades are average. Because she can’t afford to buy certain types of paper for reports or other needed supplies, her teacher finds her work “not good enough.” Her grades suffer.

Three times she has applied for a student loan but was rejected because she didn’t pass a certain exam. She’ll keep applying, though, she says. Kvanraonjit found an afternoon job after her father’s death, trying to ease her mother’s burden. She works only a few hours a few days a week in a gift store near her school.

“I feel scared. I don’t want to be like my friends who had to quit school,” Kvanraonjit says, sitting on the floor of the tiny wooden house in a Bangkok slum where she lives with two younger brothers and her mother. The empty lot next door is filled with swampy garbage. The house front is painted goldfish orange and potted plants give it an inviting feel. Inside, family photos jam the unpainted walls. Her father’s certificate of appreciation from the police, for his informing on drug dealers, looks down on them.

He was a good man, Kvanraonjit explains, after admitting that they used to hide when he came home drunk because he would beat them. He died from his alcoholism, she says. She wears a black and white photo of him in an amulet on a chain around her neck and says it is lonely without him. After he died in April of this year, she reluctantly told her mother she would quit school to help with the income. “No, you keep studying,” her mother insisted. “I want you to have a good future, not work hard like me.”
Analysts in 1997 were quick to predict the worst for the health and well-being of Thai people. They would not be able to afford getting sick, warned the doomsayers. Prices of medicines would rise sharply. Services would be unavailable or too costly. And the country's remarkable health care system, with its network of public facilities and education projects that reach into most sub-districts and remote areas, would not be able to take care of those in need.

Part of the negative expectation factored in the early budget cuts, even in social services and poverty programs. In addition, from early on the drastic currency devaluation and initial high inflation were affecting prices of key medical supplies and services.

Even with its back to the wall, the Thai government sustained its commitment to health and limited the cuts. Most cuts focused on capital investment and, to a lesser extent, on the expenditures for specific programs of health education and communicable diseases, including HIV-AIDS. But some cuts have been restored to the AIDS program.

Fortunately so far, the crisis does not appear to have severely impacted people's health.

Mortality rates do not show a negative effect from the crisis. The lack of increased incidence of malnutrition among children suggests the quality of their food has not changed. However, according to the government's Health Intelligence Unit, more underweight children were born to women from the lower income group since the crisis began.

Government statistics reveal that the average household expenditures for health services decreased as people spent less, except for self-medication expenses, which suggests that more expensive treatments might have been postponed or paid for by using government financed insurance for their healthcare.

The distribution of 500 Baht Voluntary Health Cards, which provide access to free services in public facilities, increased during the crisis. The proportion of the population covered by health insurance went from 56 percent to 77 percent. Private insurance accounted only for two percent of that. With ADB support, the government doubled its subsidy of that card to hospitals. The Public Assistance Scheme, which the World Bank supports, also was made more widely available. Thai families seemed to have preferred the Voluntary Health Card scheme, but some may not be aware of options. One laid-off mining manager said he prayed for a year that no one in his family turned sick until he could scavenge enough money to buy the 500 Baht insurance card.

Because of the high fees charged at private hospitals, many patients switched to the public facilities after the crisis hit. And in 1998, the government insisted civil servants would only get paid medical care at public facilities. Public health facilities have seen a significant increase in patient loads, especially among people using the insurance cards, which entitles them to free service. The increase of patients has added to the strain on the hospitals' budgets.

“*Our policy is we support our poor people.... we don't speak so loud about it.*”

"It's a big problem," says an internist in a Bangkok hospital. "A lot of people who can afford to pay are buying the 500 Baht card. We now are trying to limit the number of cards we distribute."

Acknowledges the Bangkok internist, "Our policy is we support our poor people. We have a budget to provide this, but it's not much. So we don't speak so loud about it. But if they come and have no money, they don't pay. Of course, every hospital must try to get money at first. That, he suggests, can lead to misinformation and a lot of people probably don't realize free health care is possible.

It is difficult to say what may have happened to quality of care. Some facilities report budgets for medicines and supplies were cut, delayed or just insufficient. Those health centers and hospitals that had to rely on non-government funds experienced difficult drops in donations.

Hiring of additional doctors and nurses has continued, though many staff members acknowledge it has not been enough. In one 200-bed provincial hospital, for example, the one internist is on call 24 hours every day of the week. Patient-nurse ratios have increased in many wards. But as nurse Pranee Phimprasan concedes, "The whole country is having a problem. We just have to do the best we can." She is beginning to worry that if her Phitsanulok hospital's budget or revenues don't increase, next year she will face more problems in maintaining quality with the increased patient load.
A man in his 30's tosses and turns atop a rolling bed parked in the entranceway of Bangkok's Lerdsin Hospital ground floor observation room. Suffering with AIDS, pneumonia and tuberculosis, he should be in an isolated ward. That ward, as well as the general ones, currently has more patients than beds.

The AIDS patient has been in the hospital for two months. Because his condition is relatively stable now, he has been moved downstairs temporarily to make room for someone needing more immediate attention. An older man who suffered a stroke and also is plagued with TB and pneumonia, sleeps near him.

The construction company building the new Lerdsin Hospital went bankrupt.

The chess-like moving of patients has become a daily practice for the bed space-impaired Lerdsin Hospital.

In the modest reception area, a model of a 24-floor, 1,000-bed, equipment-improved hospital collects dust. Doctors and nurses should have been bustling through that facility by now, instead of wrangling over which patient can be moved where in the present five-floor, 500-bed tattered center.

It is not the most hygienic of situations. Patients sleep just outside bathrooms and next to washing sinks. The 10-bed observation unit, also often overloaded with as many as 40 patients, is an open area around the corner from the emergency ward and a driveway entrance. Shifts of two registered nurses and two student nurses juggle the patient load.

Panitan Kontrong, an internist at Lerdsin, says conditions in the intensive care unit aren't much better. There are only 10 beds and half of them are for the surgery patients, plus three computerized respirators and only a few heart monitors. The isolation ward is separated from the general unit only by a sliding door that isn't always kept closed.

Yet the Lerdsin staff count themselves fortunate. Until 1997, the hospital had no central air conditioning; the walls and ceilings were crumbling; patients waited for doctors on old wooden benches. Fortunately, the administration had made a few renovations while waiting for the completion of the newer facility. “We are lucky it was finished before the crisis. Otherwise it might not have happened,” says Dr. Panitan.

When the economy crashed, nearly all construction and real estate development came to a standstill. The construction company building the new Lerdsin Hospital went bankrupt. For 18 months the work site stood silent.

The former construction company has since been replaced and work has resumed on the new structure. It is less than half-finished and won't be operational for at least two years. With costs up considerably, and the hospital's construction budget bone dry, it might even take longer to complete.

According to Dr. Panitan, the staff used to complain about conditions before the crisis. Now they are resigned to making the best of conditions. “They understand the situation is beyond the hospital's control,” Dr. Panitan explains. “They know it will change when the new building is finished.”

Though he admits that there are times they send patients home early or to other hospitals, and that the hygiene is not ideal, Dr. Panitan doesn’t think the financial setback has drastically affected the quality of Lerdsin's healthcare. "We know what are the problems and we find ways beyond the government to solve them. We have learned to ask from foreign sources, such as the World Health Organization."

“Sometimes it is difficult to work like this,” admits Dr. Panitan. “But we try to do our best to save the patients. Anyway, it's not the normal situation.” The new facility will resolve Lerdsin's bed-space problem and upgrade and expand its equipment inventory.

Fortunately, the doctor-patient load has remained manageable because the government provided enough resources for the hospital to hire on an adequate level of doctors. The additional nurses also hired boosted the nursing staff to 600, but that, however, has not been enough.

Forty percent of Dr. Krisananpong Manotham's patients have HIV or AIDS. Most, if not all of them, are never treated with the usual and most-in-demand HIV-AIDS drugs because they are high cost and have to be imported. And most of his patients are using health insurance cards that provide them with free services. But expensive imported drugs are not included in that policy.

Acknowledging that patient loads have increased dramatically in hospitals around the country, Dr. Panitan and his colleagues don't believe healthcare problems that existed before the crisis have been made any worse. The crisis has only stalled resolving those issues. Some planned health improvements have been delayed, such as the WHO's program of wiping out TB with a Direct Observation Treatment Short-Course. But that plan was resumed this year, and now half of Thailand has been covered.
The crisis didn't kill Suthon Maungpan's five-month-old son. But he thinks of it that way.

Squeezing his arms around his eldest son, Phakphoom, now 3, he smirks in the telling of how he left Bangkok three years ago because life there was so “difficult.” He was a salesman, peddling fire extinguishers. It was okay work, he even managed to maintain a small savings account. But prices, rents and the environment in his community were unpleasant. He had recently married and his wife was pregnant.

Even though her parents lived in a slum community in a distant province, Suthon had been drawn to the pace of life there, the crowds of banana trees and lemon grass bushes and the less-harried ways to earn a living. “When you walked out your door, you could earn,” he says, referring to the Korat municipality in Thailand's northeast corner, traditionally known for its mass exodus of young people and former farmers who swarmed into Bangkok's higher-paying unskilled labor force.

Timing was not particularly kind to Suthon, now 28.

Arriving only a few months before the crash, he and his wife moved with her elderly parents to the squatter community along the railroad tracks where he set his stilted house apart from the other rumble-tumble dwellings with a picket fence, a gate and a modest attempt at landscaping. He even dug out a tiny fish pond. It was an illegal community, not recognized by the government. Most of the people who lived there had no I.D. cards, no birth identity, home registration or social security card. Suthon drove a Tuk-tuk, a novel Thai three-wheel taxi that he rented daily.

The new-found tranquility was marred by the financial debacle. By late 1997, “things got bad,” he says. By 1998 more Tuk-tuk and bicycle cab drivers were elbowing their way around him and the few passengers were paying less.

A month after the birth of their second child, Suthon’s wife insisted on moving by herself to another province where she was offered a live-in restaurant job of washing dishes. She sent her entire salary of 2,500 Baht a month home.

In her absence, Suthon continued driving the Tuk-tuk and with his elderly mother-in-law took care of the two boys. He knew Toomtam needed a doctor after several days of diarrhea that wouldn’t end.

He didn’t go for help because he had no money. “When you go to the hospital, the first thing they ask you is how much money you have.” He wasn’t aware there were health care cards that guaranteed free service for the disadvantaged. Worrying about the costs, he waited till he had what he thought was enough money in hand.

The doctors refused to treat Toomtam. They said it was too late. He died a couple of days later.

Suthon’s wife quit her job following the baby’s death. Suthon drives day and night to earn just 500 Baht, enough to pay for the taxi’s rent, fuel and some food for his family. Another child was born a few months ago.

Had there been no crisis of income earning, Suthon believes his wife would have been at home, and he would have had money for medical care. Was he unaware of his options until panic pushed him into the emergency room? Was he cowed by the fear that living in an illegal community with a baby that had no identity card would inhibit treatment? Did hospitals in his area truly not provide service for people with no money, as he believed? Did he not realize just how sick his baby was?

Though the crisis did not kill little Toomtam, it highlights the vulnerability of the very poor and uneducated who don’t know where to turn for assistance.

The village leader of the railroad neighborhood explains how women sneak out of the hospital just after giving birth to evade payment. By leaving prematurely, their child received no birth certificate, therefore would not be able to get an I.D. card, without which the child can’t go to school or get certain jobs in life. In early 1999, there were 23 such children out of 167 families living alongside Suthon who couldn’t enroll in school and another 19 who couldn’t go to preschool.

Suthon’s community has since been recognized by the local government and Suthon’s family is now on a list to receive a free health care insurance card available to people who are severely disadvantaged. All unregistered children will be given I.D. papers.

But Suthon curses his leaving Bangkok and wants to return to his previous job. He says he can’t yet pay for the four-hour bus ride to the capital or getting settled. His despair grows. “If the situation here stays the same, I’ll keep falling and falling backward,” he says.

“The industry owners, the factory owners might get better. But they’ll cut down wages and the workers will continue to suffer,” he reasons. “Now it’s really bad. But I can’t see if it’s the worst, or if the worst is yet to come.”

“When you go to the hospital, the first thing they ask you is how much money you have.”
Every Tuesday, an English-language newspaper in Bangkok runs a huge section called We Care. It "honors" someone in the country who unselfishly helps others, often through a unique program.

The column began a year into the crisis. The editors have never found a shortage of altruism nor a dearth of people who need to be cared for. Recently, the paper profiled a group, organized by the Department of Public Welfare, of abandoned older folks who had become surrogate grandparents to HIV/AIDS kids and were also caring for other elderly people.

At the end of each article there are directions for sending donations. In the past two years, social activists have seen that donations to help the disadvantaged around the country have fallen considerably. Still, it is not unusual to hear of someone who borrows money or pawns jewelry to help strangers who are in need.

While Thai society has a strong overall social fabric that is family and community-based, several of its threads are frayed. In 1995, long before household incomes dropped severely, poor parents abandoned more than 100,000 children. The number of adults in prison has doubled from 103,000 in 1996 to 203,000 in 1999; of the current prison population 38,000 men and 12,000 women are serving drug-related sentences. Some social workers fear the ya baa drug problem is uncontrollable and partly attribute that to younger generation's "crisis in their heads." Parents are neglecting their children, if only from working too hard. Many traditional values appear to be disintegrating. There is the comical yet sad stories of some urban groups in the country's capital who are still hung up on appearing flush. With crashed bank accounts, they have resorted to renting image-critical designer shoes, handbags, dresses and jewelry.

Has Thai society reached a limit on its capacity to endure?

Has Thai society found a limit to its capacity to endure?

Thai leaders have placed strong emphasis on community and family responsibility in coping with the impacts of the crisis, and a clear policy of strategic collaboration has evolved between governmental and non-governmental agencies in facing challenges and building community-based safety nets. Decentralizing many responsibilities to local governments, as required in the new constitution, is expected to strengthen that collaboration. The World Bank is financing a $120 million Social Investment Fund that focuses on long-term community strengthening and the building up of networks of locally based organizations. The objective is to nurture social capital - the rules, ties, obligations, trust and networks that are like the nuts and bolts that hold societies together.
Juvenile crime in quaint northern Chiang Mai has increased some 30 percent since the onset of the crisis. Most of the cases involve possession of ya baa. A tablet, which is burned and inhaled, sells for up to 100 Baht. Years ago it was legally sold for a cheap one Baht per pill.

Ya baa is easy and cheap to make, and small clandestine laboratories are rife along both sides of Thailand’s northern borders. The highly lucrative drug business is reported to be sending into Thailand some 200 million tablets this year.

According to a survey by the Office of the Narcotics Control Board, there are some 190,000 kids high school age and younger who are estimated to be using and dealing ya baa.

The increases have been most obvious in the juvenile courts. In 1996 in Bangkok, there were 119 cases of children under age 18 charged with possession of the drug. Last year, there were 7,726. Chiang Mai’s family court records echo the alarming increase in Thailand’s 29 other family courts.

Three years ago in Chiang Mai, Chief Judge Sirichai Sirikul and his three associate judges ruled on about 200 children charged mainly with petty crimes. Back then, they would send the child into their parents’ custody on a kind of probation basis or hand down a light sentence. “As a policy, we don’t look at these kids as criminals,” explains Sirichai. “They lack opportunities. In many cases, the parents have split or for financial reasons, no one has much time to spend with them.”

Last year Sirichai and his staff were confronted with 628 cases involving children from age 11 to 18; 80 percent of the crimes were ya baa-related. And the incidence has not let up, warns Sirichai. A 17 year-old girl recently stood in his courtroom after her arrest for possession of 10,000 ya baa tablets.

In the past two years, drug dealers have honed their dealing skills and zeroed in on children with highly persuasive tactics to try the drug. Though it’s not physically addictive, it does exact a psychological addiction. Because of the system’s leniency toward children in crimes past, drug dealers and even parents are using kids to courier their sales. They believe that children wouldn’t be suspect, or if caught, get off lightly.

To protect her 13 year-old son from drug influences, one mother in Bangkok sent him to be raised by strangers in a refuge for poor kids. “I didn’t want him to become like my father,” she says, crying. Her ya baa-addicted husband and his friends had been exploiting the boy to do their drug buying because they thought the police wouldn’t suspect him.

As the numbers of children caught with drugs escalated rapidly, judges had no choice but to pass down stern sentences. The average detention stay is two to three years. But since there are only 30 juvenile detention centers among the 76 provinces, some kids end up far from home or are sentenced as adults and go to adult jails.

Sirichai now fears that drug dealers are promising to pay kids extra money if they end up in detention. “So many of them are willing to confess,” he says. But the tactic necessitates harsher sentencing. “We don’t want dealers to think the kids get off easy,” he explains. But the massive overcrowding in the 31 centers in this era of crisis means budget constraints keep kids from acquiring useful skills or from getting proper counseling. “It’s better than having them in jail, but it’s not the best choice,” says Sirichai.

All detention centers are operating at double or triple their capacity. The male and female centers in Chiang Mai with their 628 current residents were built for a maximum of 300 kids. A girls’ center in Bangkok was built decades ago for 60 residents, but currently there are 312 girls squeezed into the small facility, including some 13 teenage girls who are pregnant or have babies with them.

Increased drug crimes certainly are not all crisis related. But the economic crunch means the government has fewer funds to improve the detention centers or build additional ones, or to support rehabilitation and training. The budget in Chiang Mai allows the director to feed, educate and counsel his residents on 27 Baht a day, but Sirichai contends realistically they need 40 Baht.

“We have to postpone ideas that could benefit the kids.”

Until 1998, Sirichai says the detention center managed sufficiently with private donations and the fundraising the Juvenile Court Foundation made each year to finance vocational training programs. In the past, most programs for the kids, including a home for those who have no family to go to when they leave detention, were supported by the interest on the 10 million Baht principal. But with a drop from 13 percent interest rates to 4 percent, now the principal is nearly gone. Donations have died.

Sirichai had plans to set up a factory where the kids would carve jewelry pieces. The project has been on hold for the past two years. There are a few individuals from the community willing to help with their own money, such as the man who pays for kids to learn barbering and provides them with the 2,000 Baht worth of tools to start a business. “I have so many ideas, but no budget, no Foundation money. We have to postpone ideas that could benefit the kids,” laments Sirichai.
Sitting on the floor with his legs folded up under his monk’s saffron sheet draped around his plump body, the countryside temple head monk reaches among an assortment of paper bags and plops two puff pastries into a bowl. A large green guest book is opened. Previous visitors seem illustrious and from their notes, intrigued. One American economist wrote appreciatively about Abbot Nan’s “spiritual approach to development.”

The economist and other visitors are drawn to the Abbot’s symbiosis of economics and social security using the Dhamma principle of Buddhism to encourage the farmers in his small community that the paddy fields can yield prosperity and peace of mind.

The crisis has offered a sharp test of that idea’s strength. And it has scored well by the lack of any disturbing reactions. “There hasn’t been much change here in the past two years,” the Abbot explains, referring to the members in his "Buddhist NGO."

It is a group of villagers who organized in the early 1980’s. “People have prepared themselves to face any situation,” he says, and not so modestly. They grow and mill enough rice not only for themselves, but a hearty amount to export. They have balanced the fields with vegetables. They weave their own cloth. They contribute 75 kg to a rice bank each year. They operate a co-op shop stocked with their basic needs selling at reasonable prices. When they borrow, and over 75 percent of the Baan Ta Sawang village households have debt, members will take from their Savings Group for Development.

“There is one major change,” Abbot Nan later decides. “I have seen more warmth in the families.” Husbands, for example, used to leave the village in the dry season to work in the cities. Since joining the community group, no one feels compelled to earn more money in the cities, and they stay at home.

Abbot Nan’s intellectual farmer’s approach draws on Thai wisdom, or village philosophy: people share resources, work together, and learn healthy farming methods. Some meditate and all support one another in a crisis.

It is about self-ability, which is most successful when individuals learn to control their consuming, the Abbot adds, chuckling over the few who squander their success on “luxury items” or gambling impulses. He sometimes feels he is losing an unspecified battle with media influences.

“I need to spend more time teaching self-awareness,” he says as if scolding himself. And then as if thinking aloud, he remembers how busy he is with the management of all the projects. Then again, he concedes, “There are those who will never learn, who won’t see the value in setting aside earnings for savings or for the future.”

When he became head monk here 19 years ago, Abbot Nan studied the surrounding rice fields like they were some ancient scripture. The Thai economy was changing. But something didn’t feel right. What happens to these people when something goes wrong? How can they survive any situation? He asked himself, intellectuals in Bangkok and experts abroad. Along the way he discovered that the economy doesn’t always come first.

“You have to concentrate on what possible problems could arise and how to solve them,” he explains. “Can we work together? Are there enough resources to share?”

Back in the Amphur Muang village, Abbot Nan set up a committee of religious people for development.

They were from different religions, but it led to what he calls his Buddhist NGO. Members are taught about fertilizing organically and why it’s healthier to turn down local influential businessmen who offer payments for using chemical insecticides. They have learned to increase their income by growing fruit trees and also diversifying with vegetables. They built and run their own rice mill. Without the middleman, they earn more and sell more efficiently. Since the early 1980’s they have been exporting more than 200 tons of white and brown rice yearly. Most importantly, the farmers have been taught the value of savings, of standing on their own feet, or, as the Abbot puts it, “to breathe through their own nose.”

He knows farming isn’t for everyone, especially those who had sought dreams in the cities who are used to luxuries. But there are plenty of them back now, having lost their dreams in the city. Fortunately, many have found other jobs, although at lower wages, as accountants, beauticians, mechanics, financiers and waiters in the smaller Surin City.

But he regrets how the government’s campaign years ago to convince young people to move into industry diminished the nobility of farming, or didn’t encourage them to seek higher education in order to be better farmers. Parents want their children to get just enough education to land a factory job.

A country’s development has long been accepted as the duty of the government, the Abbot says. But he believes change can come from other leaders. In Thailand, monks can serve a powerful role in development. Not all monks agree with him. They see themselves solely as spiritual guides rather than social activists. And besides, he adds, it’s hard work. “You have to prepare your mind and your body.”
In 1991 when he was 24, Prasert Dechaboon could see how difficult life had become for people with HIV/AIDS. The public was frightened. The number of AIDS patients was soaring. And so were the ancillary problems: the number of orphans was rising, infected children were becoming more aggressive and despairing, and most people were without hospital care.

Villagers were barring even the HIV-positive individuals from participating in everyday activities. Prasert believed that people with HIV/AIDS needed to be in their home villages where they would be emotionally better off living with family and friends. The public's fear and ignorance had to be confronted if Thailand was to cope with the problem.

So Prasert and his wife, Lamai, both HIV-positive, formed a group called Clear Skies, of people with HIV to help other people with HIV. They set up an office in Lamai's home village outside Chiang Mai and announced their HIV status. Their goal was to improve the lives of people with HIV and AIDS through acceptance and support. The first step required people with HIV/AIDS to accept themselves. Clear Skies activities included counseling, self-help training and community education to build societal acceptance.

They also set up a holistic approach, unlike anything used by other projects, that exposed infected people to such practices as meditation, herbal medicines and yoga as a way to teach them how to live with AIDS, how to care for their body and mental health and how to address their attitudes toward society and the society's attitude towards AIDS.

They went into the homes of other infected people. They talked with family members and neighbors about what AIDS meant. Word spread. Monks got involved, which helped break down some of the cultural fences. The monks touched the infected people, prayed for them, brought them clothes and toiletries, ate the food they cooked. It was a powerful display of compassion.

The fear eased into acceptance and eventually non-infected villagers were volunteering to help. Clear Skies became a model project of how communities could help themselves to solve the AIDS-related problems.

Clear Skies network pushed its services beyond Chiang Mai into neighboring provinces and throughout the North. It helped improve communications between various types of NGOs as well as government agencies.

Government analysis indicates that the rate of HIV infection in Thailand has leveled off during the crisis time. Prasert wouldn't blame the crisis for any impact on infection rates anyway. It is people's attitudes, behaviors and ignorance that cause AIDS to spread, he says. “Everyday people still go to brothels. They still aren't aware that AIDS is dangerous.” Clear Skies estimate that 80 percent of patients in the North are women infected by their husbands, many of whom are now widows.

AIDS activists caution that it will take time, even years, to accurately read if there has been any crisis-related impact on infection rates. But they also point out that in other countries, crisis times have affected people's behavior and access to education. And that a disruption in the information process can help old patterns to quickly return.

The government did include a portion of its AIDS program funding among budget cuts. The 90 million Baht spent nationally for AIDS work before the crisis was reduced to 60 million by late 1998. But the World Bank has provided a two-year loan of 90 million Baht for grassroots AIDS programs supported by the Ministry of Public Health aimed toward the hard-to-reach groups. Community-based HIV/AIDS projects can also apply for funding from the Social Investment Fund, which is based with the Government Savings Bank.

Clear Skies has had to cut half of its 1.2 million Baht budget, most of which came from foreign donor agencies and ended for non-crisis reasons. But it ended in the middle of the crisis. For a few months until his current funding from the Public Health's AIDS Division came through, which is still half of what he needs, he had nothing. And he is unsure where he'll find additional funds for next year, though he intends to apply for the World Bank support.

“It is not the crisis, but people's attitudes, behaviors and ignorance that cause AIDS to spread.”

In the meantime, he has cut his staff of four people down to one and six volunteers down to three. The monthly holistic programs have been reduced to five times a year. The self-help and community education programs are on hold.

Appearing paper-thin and weak, Prasert says his two main worries are keeping up with the counseling and finding funding from foreign sources.

The cuts do not despair Prasert. Clear Skies members are angry, though, at the loss of programs, he says. “The situation is uncomfortable for people all over the country,” he states calmly. “We get less. But I would work if there was no money. I want to help the society, to do whatever I can before I die.”
Kook wasn't even born yet when Thailand was first hit with its financial problems. At the time of the currency devaluation, her mother was pregnant and collecting garbage to sell. No one in Bangkok's Mercy Center for kids who are homeless or need protection from troubled homes, seems to know what became of Kook's father, or when. Nor why Kook's mother asked an ailing aunt to care for her baby. Pranee Klasarn, the house mother for the center's 22 boys, only knows that Kook's mother is now in prison for selling the illegal ya baa methamphetamines.

Did Kook's mother opt for the "easy" money so many neighbors were making from selling drugs, or was she so desperate that she felt she had no options?

Whatever her motivation, Kook's mother did not act alone. Eight of her extended family members, including a 17-year-old niece, are also in prison on similar convictions. Another family member should be there with them. But confronted with so many adults in handcuffs, the police realized no one would remain to parent the five young children left behind. They released her to look after the brood. But she had no means to do so.

A social worker, nervous that an eight-year-old girl among them was in danger of being used by drug dealers or worse, pushed into prostitution, brought her to Mercy Center. Her younger brother joined her months later, as did three more cousins, including Kook. Her aunt could no longer care for Kook.

There are 26 young female residents of Mercy Center, but they live in a separate residence far from the boys. They have taken over the top two-floors of a makeshift warehouse, where food and household donations for needy families in the Klong Toey slum are stored and where the umbrella organization Human Development Center is based.

When the girls are home from school, it is a lively place. Kook may grow up there. For now, she lives in the boy's center, in a slum area where large rats scurry through the open drains lining the walkways.

After Kook's mother is released from prison, what will become of Kook, now 18 months old? Would she take her back to a neighborhood where drug use is rife? What if her mother abandons her to grow up in the Mercy Street Kid Center? What is likely to become of her potential and what impact will she have on Thailand?