BANGKOK AND THAI ECONOMIC DEVELOPMENT: ASPECTS OF CHANGE, 1820-1970

Porphant Ouyyanont

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Certificate

I certify that the substance of this thesis has not already been submitted for any degree and is not currently being submitted for any degree or qualification.

I certify that any help received in preparing this thesis, and all sources used, have been acknowledged in this thesis.

Porphant Ouyyanont

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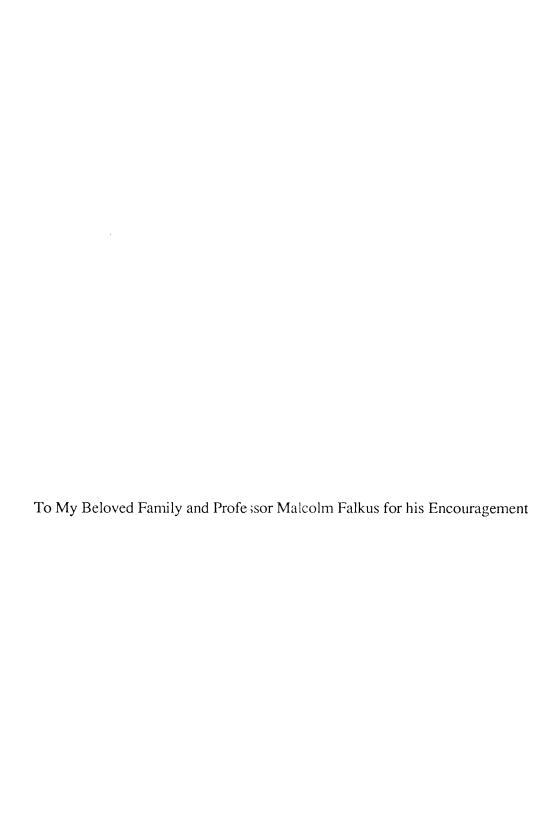
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ABSTRACT

Bangkok has played a dominant role in the economic development of Thailand. The main findings of this thesis suggest that Bangkok's primacy was clearly established from around the 1820s. Bangkok has held a concentration of the nation's wealth, has been centre of domestic and international trade, the seat of government, the most populous area in Thailand. Factors affecting Bangkok's "primacy" varied through time. Between 1820-1851, three key factors were significant for Bangkok's development. Firstly, Suay collection (tribute taxes) was controlled by the King and his royal family. Suay constituted the largest portion of expor s under the royal trading monopoly. Secondly, the role of canal construction was important to facilitate Suay collection from the provinces to Bangkok for exports and also for public and royal construction activities in Bangkok. Thirdly, Chinese migrants constituted a large portion of population in Bangkok and played an important role in developing the non-agricultural sector. Between 1851-1932, the role of Bangkok was enhanced. Four factors were significant. One was the liberalisation of trade under the Bow ing treaty in 1855. Trade and the city developed together. Trade brought capital, labour (mostly Chinese), and western ideas. Bangkok became the fastest growing area, being a centre of trade and business and depended on the supply of Chinese labour. Secondly, canal construction. Growth of trade and industrialisation in Bangkok was accelerated by a network of canal construction in the Central Plain. Canals provided cheap transportation for bulky products, above all rice. Thirdly, road construction in Bangkok helped transform the city from a "floating city" to a "land- based city". Road construction led to an increase in land and terrace house the expansion of trade and business and the expansion of land transportation. Fourthly, the establishment of the Ministry of the Capital (1892-1922) led to the development of facilities necessary for urban growth. The Ministry was empowered to collect taxes which were spent on construction and maintenance of roads, canals, and water supply. The Ministry also annexed adjacent areas to make room for urban growth. The estimated Bangkok's population for Bangkok city and suburbs was around 300,000 in 1900 and increased to around 400,000-480,000 in 1920.

Between 1932-1950, the role of Chinese immigrants became increasingly significant in developing trade and commerce in Bangkok. The Chinese were to be found in all works of commercial life, from the highest to the lowest. They were coolies, skilled labour, middlemen, industrialists, merchants and so on. The influx of Chinese immigrants helped to keep down wage; in Bangkok until 1941.

Finally from the early 1960s onwards, Bangkok grew rapidly, and it exercised a powerful influence upon many aspects of Thai economic, social, and cultural life. Three factors have been significant. Firstly, there has been the influx of "cheap labour" migrants from provincial areas. This was caused by the rapid growth of population, mostly in rural areas, from the late 1940s that significantly increased the supply of labour and led to a relative decline in wage rates and household incomes in rural areas. Secondly, the Vietnam war boosted the rapid growth of Bangkok as a financial, industrial, commercial, and tourist centre. U.S. military air bases brought a massive injection of military expenditure and indirectly induced foreign direct investment. Tourism boosted construction activity, for example, hotels and department stores. Thirdly, the role of provincia highways encouraged labour mobility from the provinces, and expanded the size of the domestic market and facilitated exports and imports.



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The errors in this thesis, both of fact and judgment, are my responsibility alone.

Abbreviations

B.E. Buddhist Era

ESCAP Economic Commission for Asia and the Pacific

JSS Journal of the Siam Society

L.E. Little Era, the Thai lesser Era which began on

the 21 st March 638 A.D

N.A. National Archives, Bangkok

NESDB National Economic Development and Social

Development Board

N.L. National Library, Bangkok

PPB The Privy Purse Bureau

R.S. Rattanakosin Sok ,or Bangkok Era (1781=

A.D., Except for the months of January, February and March of the Rattanakosin Sok

R.S.plus 1782 = A.D).

TDRI Thailand Development Research

Institute

TURA Thai University Research Associates

Glossary

Amphur District, administrative subdivision of province. Ban Village, house, home Bia Wat Annual salary Chao Phasi Tax farmer "Lord of the town"; local governor (before the Chao Muang 1890s reforms) Chao Phraya The highest rank of the Thai ancient civil nobility Province Changwat Chin Chinese Westerner Farang **GDP Gross Domestic Product** A measure of weight equal to 60 kilogram Haab Terrace house, rows of identically -built rooms, Hongtaew shops or apartments, or row house **IBRD** International Bank for Reconstruction and Development Northeast-region of Thailand Isan Te conscript Ken M nistry Krasuang City Krung Khun Title for the lowest rank of conferred nobility A capacity measure for paddy equal to 15 piculs Kwien (one picul is equal to 60 kilograms), and also cart, bullock cart, wagon Krom Administrative department Krommuan Lowest of the conferred princely ranks Klong Canal, waterway Kum Handful, package, bundle Waxing moon Kum Lek Cilizen, able-bodied man

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Luang

Conferred rank, higher than "Khun ", below "Phra"

Menam or Manam River

Muang Country; state; district; town

Monthon Unit of provincial administration

or "circle", one

monthon contains a set of provinces or "changwats"

Nai Lord

Nai Mr

Nai Roi Caravan trader

Nakorn or Nakhon Town, city

Nakombarn City administration

Phasri or Pasri Tax, duty toll, customs

Phasri Rongran Shop and house taxes

Phra Conferred rank, higher than

"Luang", below "Phraya"

Phraya Conferred Rank, higher than

"Phra, below Chaophraya"

Phrai Indentured peasant

Phrai Luang Phrai indentured to the King

Phrai Som Phrai indentured to a noble

Picul Cne picul was equal to 133.5 lb which was changed

to 60 kg., or about 132 lb in 1855.

R & R Rest and recuperation

Rai Unit of land;1 rai = 0.16 hectare= 0.4 acre

Sakdina Status hierarchy under the traditional monarchy

Samuhanayok Archaic Minister of the Interior

Sen Unit of linear measurement

equivalent to 40 metres

Sok An ancient Thai measure of length equal to

the distance from the elbow to the extremity of the

middle finger: roughly 50 centimetres

Suan Carden

Suay Tax, tribute, especially tax in kind

Tang An ancient- measure of 20 litres

Talard Market place

Tanon Road

Tarang wa The unit of measurement

equal to two metres squares

Tical European word for Baht

Tumbon or Tambon Group of villages, official

administrative subdivision under Amphur

Tumlueng A Thai monetary unit of four Baht

Tung F.eld

Wa The measure of length

equal to two metres

Wat Buddhist Monastery

Siamese Money and Weight

A. Money:

800 Bia = 1 Fuang
2 Fuang = 1 Salueng
4 Salueng = 1 Baht
4 Baht = 1 Tumlueng
20 Tumlueng = 1 Chang

B. Expressed as decimals of Baht:

 1 Bia
 =.00015625

 1 Fuang
 =.125

 1 Salueng
 =.25

 1 Baht
 = 1.0

 1 Tumlueng
 = 4.0

 1 Chang
 = 80.0