

10th May 2010, Bangkok - Thailand may have earned praise for meeting national targets to slash poverty and hunger ahead of a global deadline, but the two-month long street protests in Bangkok exposes a troubling fact – economic inequality.

Such persistent inequality between the country's richest 20 percent of households and the poorest 20 percent places Thailand in a worse league than its regional neighbours, Indonesia, Malaysia and the Philippines, according to a United Nations report released Monday.

"The richest Thais earn 14.7 times more than the poorest," said Gwi-Yeop Son, resident representative of the United Nations Development Programme (UNDP), during the launch of the 'Thailand Human Development Report 2009'. "The bottom 60 percent of the population's share of the income is only 25 percent."

This rich-poor divide is stark when measured against developed countries that have public policies aimed at reducing the economic inequality ratio between the average income of the top fifth of households and the bottom fifth, the 163-page report noted.

"In societies which value egalitarianism, such as Japan and Scandinavia, the multiple is around 3-4. In the rest of Europe and North America, it is 5-8. Among Thailand's South-east Asian neighbours, the figure is around 9-11. In Thailand it is around 13-15," the report said.

The country's income inequality is the result of many divisions. They include the urban-rural divide, one between Bangkok, the major concentration of wealth and power, and the rest of the country, and splits between sections of the economy that have latched on to globalisation and those that have remained detached, states the report.

The spread of the kingdom's 42-million workforce – where a third is in the formal economy "of salaried jobs and sizeable enterprises" and two-thirds make a living in the informal economy of "family farms, casual labour and petty business" – also mirrors the glaring inequality gap, added the UNDP publication.

"There is growing awareness that inequality lies at the root of several forms of human insecurity, including rising political conflict," it said. "The richest and poorest areas of the country are clearly on opposite sides of a deepening political divide."

What has been unfolding at Rajaprasong, the glitzy shopping district in the heart of Bangkok occupied by anti-government protesters, is a result of such "human insecurity."

"We talk about sustainable growth but only certain people have access to capital and decision making," said Raevadee Prasertcharoensuk, president of the Sustainable Development Foundation, a non-governmental organisation. "(The) patronage system is the main problem."

"The role for the poor and the marginalised to shape policies for their upliftment is limited," she added. "People have limited access to decision making even though our constitution

guarantees it. People participation happens only in theory."

Similar arguments have been echoed by the round-the-clock street protests staged by the anti-government United Front against Democracy and Dictatorship (UDD) in the Thai capital since mid-March. The UDD, which draws its support from the poor rural farming communities in north-east Thailand, has described its struggle against the current government as a "class war," given the ruling coalition's backing from Bangkok's elite.

The choice of Rajaprasong, with its glamorous shopping malls and five-star hotels, is a perfect location to expose those who have profited from Thailand's economic growth and those who were fed the crumbs, said analysts.

"Rajaprasong represents the fruits of prosperity and development," said Thitinan Pongsudhirak, a political scientist at Bangkok's Chulalongkorn University, during a recent speech on this South-east Asian country's political crisis. "The choice of Rajaprasong reinforces the UDD's claim against the (aristocracy) and the business groups who benefited from the long boom."

The contradictions exposed in the UNDP report comes five years ahead of the deadline for the U.N.-backed Millennium Development Goals (MDGs). At the 2000 U.N. Millennium Summit in New York, leaders of 189 countries pledged to pursue time-bound goals to improve the lives of the world's poor.

Eight targets were to be met by 2015. They included halving the number of people living in extreme poverty from the benchmark year 1990, achieving universal primary education for girls and boys, promoting gender equality, reducing child mortality, improving maternal health, and combating killer diseases such as HIV/AIDS, malaria and tuberculosis.

When the MDGs were launched in 2000, nearly 12.6 million, or 21 percent, of Thais were living below the poverty line. By 2007, the numbers had been slashed to 5.4 million, or 8.5 percent of the population.

A raft of pro-poor policies implemented during the administration of former prime minister Thaksin Shinawatra were credited for aiding the poor, ranging from universal health care, debt moratorium to financial assistance to boost the grassroots economy.

Little wonder why Thaksin, who was ousted in a 2006 military coup and now a fugitive in exile to avoid a corruption conviction, remains popular among the supporters of the protesting UDD.

The Thai contradiction of impressive strides to meet the MDGs vis-à-vis a stark inequality gap is not a global exception, said Minar Pimple, the Asia-Pacific regional director for the Millennium Campaign, a U.N. inter-agency body working with citizens to achieve the MDGs. "This contradiction is common in Asian countries driven by the assumption that economic growth will percolate to help people put of poverty."

"The economic growth figures hide the micro realities," he told IPS during a telephone interview from New Delhi. "Many countries have begun to address this inequality issue."

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