

(Extended Abstract)

**IS LIVING WITH MIGRANTS CONSEQUENTIAL?  
AN ANALYSIS OF HOUSEHOLD WEALTH IN ETHNICALLY DIVERSE  
COMMUNITIES IN KANCHANABURI, THAILAND**

Thailand is by far the wealthiest country in the Mekong region, with about 91 percent of the combined GDP of Cambodia, Laos, Myanmar, and Thailand (Pearson 2004). Migrants from neighboring countries coming to Thailand with hope for better lives are increasingly common. It is estimated that there were about 1.3 million migrant workers from neighboring countries in Thailand in 2004, among whom 80 percent were from Myanmar, 10 percent from Cambodia, and another 10 percent from Laos (Fallavier et al. 2005). Over the past decades Thailand has actually become increasingly economically dependent on migrant labor in many sectors.

Although migrants represent an important source of cheap and flexible labor for Thailand, little is known about migration flows and the social and economic impacts of labor movements on Thai population in the subregion (Fallavier et al. (2005). While many studies document living conditions of migrants in urban destinations, Thailand, especially the exploitative and abusive working and living conditions (Pearson et al. forthcoming, Punpuing et al. forthcoming), the general socio-economic status of those in rural contexts has been less of a concern. To help the government establish a more efficient and humane system both in protecting labor migrants and in facilitating the Thai people to better prepare for living in harmony with the migrants, we need to equip government officials with knowledge and an understanding of the living situation of migrants in all facets throughout Thailand.

Even less is known about the situation of Thai people who live in ethnically diverse communities compared to those living in the Thai-dominated communities. According to the sociological perspective, social structure constrains the behavior of individuals and neighborhoods influence individual behavior beyond what one would expect based on characteristics of individual actors (Tienda, 1989). This study provides evidence that in the diverse context of Thailand, living in a village where the majority of population are migrants dampens economic status of all households, Thai and non-Thai.

This paper explores household wealth of ethnically diverse people in Kanchanaburi, one of Thailand's provinces bordering Myanmar. Household wealth in the study is measured using the asset index constructed using Principal Component Analysis. The study has two main aims. The first objective is to explore the socio-economic characteristics of households in the study area, classified into three categories based on ethnicity and country of birth of household head, as follows: household headed by Thais, households headed by non-Thais born in Thailand, and households headed by non-Thais born outside Thailand. The second objective is to examine whether living with migrants is economically consequential. The paper tests whether the economic status of Thai households in villages occupied mainly by non-Thais is different from those in villages occupied mainly by Thais.

The paper uses the data from the Kanchanaburi Demographic Surveillance System (KDSS), which is a census of 100 villages and urban communities throughout the 13 districts of Kanchanaburi province. Four of the 13 districts are on the border with Myanmar. Data have been collected annually since 2000. Although the analysis for this paper is based on data from the 2004 round, some information is constructed from the dataset in 2000 round.

The KDSS data are composed of the village, household, and individual datasets. The data included in this present analysis were mainly derived from the household datasets. While the household dataset includes basic information on all household members of all ages and the household characteristics, the individual dataset has more detailed information on members aged 15 and older present at the time of interview.

There are two main findings. First, the results not only show significant, adverse effects of non-Thai ethnicity, but also the significance of birthplace, length of stay, and village context. Clearly, non-Thai households, regardless of country of birth, have a lower socio-economic status compared to Thai households. Having a household head who is not Thai and born outside Thailand further dampens a household's wealth. At the same time, duration of residence has a favorable impact on economic status. For the most part, the results seem to support assimilation theory: migrants who have stayed longer in Thailand better adapt and better assimilate to the local

Thais. Whether the upward mobility of subsequent generations of migrants is really happening in the context of Thailand invites further research.

Secondly, and probably more importantly, the study speaks to the impact of labor migration on Thai population. The findings indicate that, among Thai households, living in a non-Thai village, defined as a village where more than 50% of its population is non-Thai, decreases a household's wealth. The study supports the notion of neighborhood effects perspective. Although the paper is not able to offer explanations of this relationship because of the data limitations, it raises a concern of more understanding in this issue so that further study should be pursued.