

## The TDRI 1991 Year-End Conference

### "Educational Options for the Future of Thailand"

Sustaining Thailand's economic growth and achieving a more equitable distribution of income requires attention to the country's human resources and their further development. This is a critical area and needs both improvement and reform. It is a priority objective of Thailand's National Economic and Social Development Plan.

Modern industries and services are increasingly demanding better educated and trainable workers, who can adapt to rapid technological changes and new production techniques. How can Thailand reach this goal while the statistics show that almost half of the Thai children who finished primary education do not go on to secondary education, that the country's gross secondary enrollment ratio is the lowest in ASEAN, and that more than 80 percent of the Thai workforce finished only primary education or less?

In recognition of these problems, the Chai Pattana Foundation and the Thailand Development Research Institute selected the theme "Educational Options for the Future of Thailand" for the TDRI 1991 Year-End Conference. The Conference was the outcome of a major research effort on the Thai formal education system, the non-formal education system, training, and on-the-job training.

Held from December 14-15, 1991 at the Ambassador City Jomtien, Chon Buri, the Conference was attended by a total of 431 participants, including representatives from government organizations, state enterprises, academic institutes, private agencies, international agencies, non-governmental organizations, and the media.

Participants were gratified and indeed honored by the presence of Her Royal Highness Princess Maha Chakri Sirindhorn, who graciously attended the Conference, presiding over the Opening and Closing Ceremonies.

In her opening address, Her Royal Highness said:

*Continuing and sustaining the country's social and economic development will depend on the labor, knowledge, and skills of people from every profession. The quality and efficiency of the Thai people is shaped by the education system. Education also plays a significant role in instilling appropriate social and cultural values in Thai youth, especially at a time of rapid social and economic transition. Moreover, education provides an opportunity for the poor and disadvantaged to gain knowledge and skills which can be used to improve the standard of living for themselves and their families. During the past few years, Thailand's economic growth rate has been satisfactory. Income distribution, however, has not improved. This is partly because the present educational services do not provide adequate opportunity for all of the Thai people. Many children are unable to continue on to higher education, leading to a widening income gap in Thailand. It is now vital that the Thai education system be restructured so that it harmonizes with socioeconomic changes. For solutions to these problems, all viewpoints and aspects must be considered.*

### Summary of the Synthesis of Research Findings\* The TDRI 1991 Year-End Conference

# "Educational Options for the Future of Thailand"

Education and training of people is the single most important investment a nation makes. The nature of this investment—the amount, distribution and quality—affects the capacity of a people and the resilience of a culture to adjust to rapid change. It determines the future competitiveness of the economy. It affects changes in social structure, the distribution of income, the overall quality of life.

This paper is a summary of the synthesis of research and recommendations on educational options for the future of Thailand presented at the 1991 Chai Pattana Foundation/TDRI Year-End Conference. Among the most important findings of the research are the following:

- Rural primary schools, teachers, and the curriculum are strongly affected by pervasive social change and yet must play a special role in helping people cope with this change;
- Quality variations among primary schools are high, and equity of access to good quality primary and pre-primary schools is low;
- There has been a cumulative under-investment and under-enrollment in secondary education which has led to a growing imbalance between the educational attainment of the labor force and current and future needs of the economy. This imbalance is likely to threaten the future competitiveness of the economy, the distribution of income, even social structure and social cohesion;
- The overall fit between the education and training system and the economy is weak and not improving: secondary enrollments remain low, vocational school graduates do not have the skills employers seek, worker training and up-grading in industry, services and agriculture is less than needed, and the university system cannot graduate sufficient numbers of people in the fields the private sector demands;
- The formal public education system needs to be more flexible and responsive to users—to students and employers of graduates;
- Private schools appear to be more flexible, responsive, effective, and efficient, but at most levels (particularly the secondary level) have been over-controlled and constrained; the constraints should be removed;
- Changes in formal education—particularly increased enrollment at the secondary level—will affect the economy, income distribution, and social structure, only after a lag of a decade or more; an intensive program of worker up-grading is needed in the meantime.

Thus, a shared conclusion of the research is that there is an accumulating and interrelated set of problems which affects and will affect Thai development, equity, social values and social structure. Recognition and analysis of the problems creates the opportunity and options to solve them.

The research findings for the 1991 Year-End Conference can be synthesized into six parts.

**PART 1 Formal Education: The Historical Context** summarizes three phases in the development of modern formal education in Thailand. The first phase was a response to Western imperialism and to the reform of the central government and provincial administration. The second was the building of a national consciousness among the Thai people. The third, the present one still continuing, is the profound change from an agricultural to industrial society.

The roots of at least four current problems in education are seen in the earlier phases: (1) status and educational disparities between the capital and the provinces, between the elite and the rural population; (2) the view that the lower levels of education are only stepping stones to the top level, with little value in themselves; (3) strong government control of private schools; and (4) assumption by rural primary teachers of the responsibility of teaching and promoting values.

**PART 2 Roles of Teachers and the Nature and Quality of Primary Education** analyzes new pressures and expectations of rural primary school teachers, and risks to their status and motivation. The expectations include implementation of a curriculum which is to be student-centered not teacher-centered, other improvements in school quality and student achievement (to increase the value of primary school to

graduates and the number of graduates who go to secondary school), and teaching of ethics and values in a period of rapid social change.

The risks are that teachers' formerly high status and motivation are being diminished by the rapid social change which is making their jobs both more important and more difficult.

Research results show that strong teacher-student and school-community relationships are needed for successful implementation of the new curriculum and improvement in school quality and student achievement, and for teachers' sense of efficacy. The quality of the school principal is found to be critical for these outcomes. But other incentives designed to help restore teacher status and motivation may be needed from the Ministry of Education as well.

Finally, there is analysis of the role of teachers in promoting and teaching values and ethics in a period of rapid change, mass media, growing materialism, individualism and competition. Critical thinking skills and learning how to learn, combined with traditional Thai values of moderation, patience, compromise and social harmony, may be the most desirable mix.

### **PART 3 Secondary Education and Educational Attainment of the Labor Force: A Growing Imbalance**

**Imbalance** analyzes the key imbalances between education and educational attainment of the labor force and the needs of the economy. Almost half of the children who complete primary school do not continue on to secondary education. In 1990, 83 percent of Thai workers had completed only primary school or less. Low secondary enrollment and the high share of the labor force with primary education may be the key constraints to achieving sustained growth and better income distribution in the future.

Next there is analysis of government pilot projects to increase rural enrollment in secondary schools and of the potential of private schools.

The Ministry of Education offers lower secondary education in some rural primary schools with excess classroom and teacher capacity. There are no fees or tuition. Uniforms and textbooks are made available free to students. This experiment was evaluated in village interviews in the Northeast. The program was found to reduce the main barrier to rural enrollment in secondary schools—the high private costs. Students who otherwise would not have gone on to secondary school are now enrolled. The main concerns of parents interviewed had to do with curriculum and quality. The schools do not offer the normal secondary curriculum (for example, vocational classes are offered) and do not require examinations. Most parents had high occupational aspirations for their children. They were concerned that the lower secondary certificate from these schools would not be recognized and that their children would have difficulty passing the exam for admission to upper secondary school.

The shares of enrollment in private schools at most levels below higher education decreased between 1980-1990, most importantly at the lower secondary and academic upper secondary levels. The reasons for the decline were regulations of private schools, mainly a tuition ceiling. Public schools remained heavily subsidized and able to charge much lower tuition and fees. One existing study and one new study comparing the relative effectiveness of public and private schools—after controlling for differences in student characteristics—found that the private schools are at least as good and probably better than the public schools and more cost effective as well. Analysis of the occupations of parents showed that enrollment inequities were as large in the public schools as in the private schools. Thus there is no justification for discrimination against private schools and much potential for private schools to create additional secondary places in the cities and towns so that more public resources can be devoted to promoting and subsidizing enrollment of rural children in good quality secondary schools.

Finally, there is simulation to the year 2000 of the economic and income distribution consequences of differing transition ratios between primary and secondary school (the proportion of primary graduates going on to secondary school). Three scenarios are examined: the Seventh Plan target of 73 percent by 1996, 100 percent by 1996, and 100 percent in 1992 (an ideal case, for analytic purposes). Gross Domestic Product (GDP) growth is forecast at about 7.5 percent in the first case and somewhat lower in the second

and third cases as having more children in school reduces the size of the labor force in the near term. Income distribution worsens in the first case and shows only slow signs of improvement toward the end of the decade in the second and third cases. Thus increases in formal education enrollment have an effect only after a long lag.

**PART 4 Training and Upgrading of Workers: Righting the Balance** proposes and analyzes a strategy to up-grade or "convert" the productivity, trainability and learning skills of workers with only primary education to levels comparable to workers with lower secondary education.

First there is analysis of current training and training needs in industry and services, and in agriculture. In industry and services, most training is informal and given on the job. There is some, more intensive formal training offered mainly for new workers. High labor mobility, labor poaching, and disincentives faced by the many small firms lead to less training in industry and services than would be socially optimal.

There are new training and information needs in agriculture due to structural changes in the rural economy including crop diversification, increased mechanization and use of agro-chemicals, and the increasing average age of farmers. Future extension work by the public sector will need to be by system rather than crop based, include machine maintenance and safety in the use of agro-chemicals, and make use of television in combination with existing training programs and the training and visit (T&V) system.

Based on what is being done and needed in all three sectors of the economy, a strategy of intensive worker training is proposed. The objective would be to upgrade enough workers with primary education to lower secondary level so that the proportion with only primary education would be 55 percent in the year 2000. This means up-grading or "converting" 7.4 million workers over the next nine years. The research on training in industry, services and agriculture suggests that about 300,000 are upgraded per year now, meaning that the effort needed is 2.5 to 3 times the current level. The estimated total cost of the strategy to the year 2000 would be 42,100 billion baht (in 1990 baht). Simulations indicate that the real GDP gain produced by such a strategy would be three times the cost. There would be a significant improvement in income distribution as well. Thus, the proposed strategy may be one of the best investments Thailand could make. The purely economic benefits would swamp the costs.

**PART 5 Education for Science and Technology and Research and Development** projects future demand and supply of technical engineering and scientific manpower, analyzes demand signals and supply response on the part of users and producers of science and technology (S&T) manpower, and proposes short-term and long-term policy and other changes, including restructuring of the vocational/technical track of the education system.

Demand for technicians, engineers and scientists has been strong. Shortages are evident. Demand projections to the year 2000, based on past trends in South Korea and supply projections based on current and planned capacity, indicate some shortages at the technician level and persisting excess demand for engineers. If research and development (R&D) is to grow, there will also be a need for more post-graduates in all scientific and technical fields over the next decade.

Group and individual interviews with users and producers of S&T manpower indicate that (current) signals from employers are clear but that suppliers' response is constrained.

In particular, the public educational institutions producing S&T manpower have severe resource constraints, both in terms of financial resources to maintain up-to-date programs and facilities, and in terms of quality staff to teach and to administer them. The problem is particularly severe in the S&T manpower area due to the much higher costs of operation and keeping up with new technologies (new equipment, materials, etc.) and the much higher salaries for S&T personnel in the private productive sector, creating a brain drain from the educational institutions to private industry.

In general, private-sector producers, for example the private universities, when unconstrained by policy regulations and other artificial measures such as tuition ceilings, respond relatively well to signals.

However, the large investments and commitments required to implement a long term S&T manpower production strategy must be led by a clearly committed and better financed public sector. Higher fees, coupled with scholarships for needy students, is an obvious and overdue first step.

Finally it was found that both the supply and demand sides of the S&T manpower equation take only a near-term view toward education and training. Foresight and vision seem virtually non-existent.

**PART 6 Educational Options for the Future of Thailand** summarizes the policy recommendations and policy options presented in each of the individual research reports contributing to the 1991 Year-End Conference. There are four common themes in the recommendations and policy options.

First, there must be more user control, or in the jargon of economic theory: "consumer sovereignty." Students, parents, communities, and the employers of graduates must have more impact on education, and the producers—the institutions and the educational bureaucracy—less.

Second, there must be more flexibility. That is, the education system needs to be more free of regulations and other constraints to respond to the demands of parents, students, communities and the employers of graduates.

Third, there must be greater choice. Private education should be free of unnecessary and unjustifiable constraints. Subsidies (if any) should be given to students—in the form of vouchers or coupons—not to schools.

Finally, new public investment and intervention should be highly targeted, supporting activities and developing new programs which neither the market nor a much more flexible system of education will supply. Interventions which meet this test include: a program of incentives to restore the prestige, retrain and up-grade rural primary teachers and rural primary schools; experiments with curricula and teaching methods to promote critical thinking and learning skills; promotion of enrollment of rural children in good quality lower secondary schools; incentives to increase private-sector training in industry and services; support for a new system of training and information for farmers; and, above all, support for a 10-year program to upgrade the productivity, trainability and learning skills of workers with only primary education in all three sectors of the economy.

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