

Livelihood changes in a rural Thai village during one decade: A panel data analysis

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Abstract

Rural villages in emerging market economies in Asia increasingly rely on off-farm income and remittance. This paper uses village census data of a rural Thai village in Phetchabun province, collected in 2009 and 2018 respectively to observe changes in the households' livelihood changes. We find that on average net household income has doubled in real terms² while at the same time village inequality has increased too with a Gini coefficient increasing from 0.47 to 0.59. The major source of livelihood has changed towards non-agricultural sources while remittances have almost doubled. We identified factors that influence the household's migration decision. Larger households, with better education tend to have more migrant members while households with more land tend to have less. Results of our study show that within a decade, migration to urban areas has been the major factor contributing to changes in livelihood changes and in the socio-economic conditions in the village.

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² Calculated by Consumer Price Index (CPI), CPI source: Ministry of Commerce Thailand