

Deepening COMMUNITY WELFARE in Thailand

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September 2004

Between September 2 and 4, 2004, CODI organized a national seminar of 700 key community leaders from all over Thailand on community-driven welfare in Bangkok. The idea was to discuss and reflect on the community welfare activities already going on in urban and rural communities, and to find ways to deepen and broaden this movement. The theme of the seminar was "Community welfare: Solving poverty at the roots." Here are some thoughts on what was discussed, and on Thailand's growing community welfare movement, from CODI's director, Somsook Boonyabancha.

Thailand's urban community networks have been addressing the issue of community welfare since just after the Asian economic crisis in 1997. In 1999, UCDO coordinated with the World Bank's Social Investment Fund (SIF – "Menu 5") to develop a ground-breaking national community-driven welfare system in which urban community networks were the program's designers and implementers.

The process began with community meetings within networks around the country, in which people discussed their own particular welfare problems and identified the needs of their community's most disadvantaged members. The next step was to carry out detailed surveys of welfare needs to inform the development concrete planning of welfare activities. More meetings followed, at network and community level, to thrash out all the details of the welfare program: what kinds of welfare activities could be undertaken, how to do this, how to work together, how to coordinate with other groups, how to set budget standards, how to manage the money, how to set up different kinds of welfare funds, and what should be the relationship between networks, communities and target groups?

Eventually, most of Thailand's urban poor community networks were managing their own welfare funds to support:

- scholarships and loans for school fees.
- grants for elderly citizens in need.
- grants for medicines and hospital fees.
- grants for rehabilitating drug addicts.
- grants for HIV-positive patients.
- small revolving fund loans for income generation activities for very poor families.

Since UCDO was merged with Thailand's Rural Development Fund in 2000 to become CODI, community welfare has continued to be an important area of work for CODI and the community networks it supports around the country. The rural communities, for whom community welfare has always been a much more critical issue, have brought to this work a burst of fresh energy and creativity to and a much deeper understanding of the importance of building community-based welfare systems in both rural and urban situations as part of development as a whole. Nowadays, in all the meetings, rural and urban leaders sit together, and they're learning from each other all the time. And from this process, four points about community-managed welfare emerge clearly:

- **Welfare is a process which involves both giving and taking :** The way people are looking at community welfare is not just as a matter of *somebody* giving you *something*. They see welfare not as something that is *granted* to you. The first thing they all kept saying is that community welfare is

something which involves giving and taking. You give and you take. You share. And if you get the right way of thinking, this is quite important. Ultimately, this concept of give-and-take will help bring up our children to be more balanced, more responsible, more compassionate, less greedy, less selfish. This goes against the prevailing cultural tide of our globalizing world, which is all about materialism, selfishness, individualism, etc.

- **Welfare is a process of providing life-long security:** Community welfare is a life process and a means to bring security to life for everybody. And by security, they meant security, happiness and a balanced way of living for every member of the community - from birth to death.
- **Welfare is a cycle, not a point** Somebody in the meeting said, the father and mother give welfare to their children when they were young. This is the welfare of the family, in which those children are fed, cared for, educated, loved, and brought up so that they can be prepared to lead good lives as adults, and can look after those parents in turn, when they grow old. It's like a cycle. And if we understand all welfare as a cycle, which is about life, and in which it is clear that everybody needs to both give and take - this is something important.
- **Welfare between urban communities has much to learn from rural ones:** Another person in the meeting added, if we look at welfare in a broader sense, it means the rural areas have given the urban areas a lot of welfare in Thailand! In a development sense, we could understand this as co-existence: we assist you in various ways, and you assist us in different ways. Learning to live with nature, therefore, is part of making community welfare sustainable.

And these angles make us look much deeper into the idea of community welfare, to see how we could find a way in which such welfare systems exists in every community, so every community is able to take care of everybody, inside that community in such a warm and mutual way of doing things. The concept of welfare was looked at in discussions which ranged from the philosophical right up to the very practical details about day-to-day management of a community welfare system.

What was new that came out of the meeting?

Fresh ways of thinking about welfare: The discussions went much deeper into the aspects of life, and how welfare is not only a thing you get from the state. I think this is a highly "oriental" way of looking at welfare, as a part of life and something that involves both giving as well as taking. Family, community, living with nature, sharing resources and taking care of each other : there are systems and processes that are communal ways of taking care of each other which exist in Thai society, and have existed for centuries. That was clear in this meeting, but when we look around the region, we find very similar and very old cultures of communal care-taking in most Asian societies. And these are the roots of welfare.

Communities are already rich in assets : On the first day of the seminar, *Kru Chop Yodkaew (Community savings leader from Songkhla, in southern Thailand)* made the point that communities - even very poor ones - are already rich in assets - we just don't know how to use these assets properly. He describes what he sees as the seven kinds of capital which already exist in communities, including *ideas, labor, time, resources, money*, etc. (I have the diagram!). When we try to deal with the financial side of community development, the fund is quite efficient in boosting several other assets. That's why savings and credit is so important, because it also helps build other community assets, makes them active assets. So the question is how to mobilize these resources into a welfare process in which everybody will have a secure life. *That is community welfare.*

The culture of people somehow being taken care of has been around a long time in Thailand. In this older culture, old people, for example, were not seen as being burdens to be got rid of, but as resources in the community, the senior leaders who give advice, make decisions and dispense wisdom. The community elders. But this culture has been under enormous pressures since the new development as come - all kinds of new systems have been imposed on communities under the capitalist system, which have changed things, made people more individualized, materialistic, competitive rather than cooperative, individualized rather than collective. People become more connected to national policies than to each other. And as a result, this power communities had to take care of their own has faded. And this is something we're trying to revive and boost.

So what was proposed in the meeting to do that?

1. To look at welfare in a more holistic way (than the way it is normally seen by the government as an entitlement, or as a state give-away to the weakest members of society only). How to make the lives of all our fellow community members secure? How to take care of everybody when they need help - from birth to death - the whole life cycle? And how to do this so that this welfare culture is there, is a part of all our lives in the community, not something external. How to make the community the unit in charge of taking care of all its members, in a holistic way. Which means, for instance, (as one old man said) *"Every community should take*

care of their own old people. Everyone who retires from their farming or their work at sixty, we should have a system which takes care of them! One idea is to give them some small monthly stipend and organize some kind of society in which they can do things together - anything. But it should be the task of the community to take care of every single elderly person in the community - there should be a plan to do this."

2. To Look at welfare as part of religion : Caring for each other (in a welfare sense) is something that is in the fundamental teaching of almost all religions, though the details may vary from faith to faith. So we organized one sub-group in the seminar which focused on this point about the meaning of welfare from a religious point of view. In that sub-group, Buddhist monks, Muslim mullahs (teachers) and even a Catholic priest - representatives from the three major religions represented in Thailand - sat together and discussed. I don't have the conclusions of this sub-group with me, but the idea was that the teachings and faith in all these religions very much contributes to the concept of community welfare, and how can this be used to help promote community welfare?

3. To look at welfare as part of nature : *Paw Lek (Rural community leader from Isan) :* We have a land of plenty here in Thailand, a land of wealth. You throw anything in the field here and it grows! I've traveled to England and France in the past, and I can tell you that those are *very poor countries*, because I found that one small slim package of green vegetable in the store there cost ninety Baht! *Ninety Baht - imagine!* Now any place where a miserable little piece of vegetable is something so dear as that is a dammed poor country in my mind! If we just imagine all the things we can grow so easily in Thailand - all the hundreds and thousands of beautiful fruits and vegetables and grains - we are by contrast so rich! But we have to live with nature, and we have to take good care of the earth which is the source of our bounty. This is another dimension of welfare, and another way of seeing that welfare cannot work when it is just a matter of always taking and taking. We live in nature, and the forests and fields and waterways and seas at our disposal, which give us so much food and medicine and fresh air - we cannot only take, take and take forever from these resources. They also need to be taken care of in return, if we are to co-exist - we have to give back to the earth we take from. If we understand this and act accordingly, nature will continue to provide for us and protect us. And that is a kind of welfare.

Some innovative community welfare systems around the country

In important part of the seminar was a series of presentations made by communities which have designed and undertaken innovative welfare systems in their areas, such as :

1. The elderly group's self-funded welfare system through communal rubber plantations in Satun Province: The group of mostly Muslim elders in Satun Province used a million Baht grant from the Miyazawa Fund to develop an unusual sustainable elderly welfare fund. They kept aside 200,000 Baht for emergency grants for medicines, health care and funerals, and used 800,000 Baht to buy a mature rubber plantation, as a communal, productive asset which belongs to all the elderly groups in this large province. Since charging interest on loans from a revolving fund is considered sinful in Islam, the rubber plantation would be a more harmonious (and more profitable!) way of generating income on a communal asset. Many of the elderly leaders had years of experience as laborers working in the region's rubber plantations, and knew the business well. They calculated exactly how much profit the plantation was likely to produce and for how long, and worked out how the proceeds from this rubber plantation could support their elderly group's activities. They figured that this would increase their fund at a much better rate than any bank could provide. And when the rubber trees stop producing, they still have the assets of the wood and the land, so they can just start planting rubber trees again.

2. Province-wide social welfare from savings in Songkhla Province: The 21 rural networks in Songkhla province have linked together and developed another community welfare program that is as comprehensive. All these networks have savings groups, which now have saved over 30 million Baht, which is in constant circulation in loans among members, earning 12 - 20% annual interest. Instead of paying back this interest to savers, they keep a portion aside for management and use the rest to fund their own province-wide social welfare program, which covers 14 kinds of welfare, each having its own separate fund. These 14 mini-funds cover the usual welfare needs like hospital fees, survival grants to the poorest, elderly support, relief after calamities like floods, emergencies, school fees and funeral expenses. But they've also made mini-funds which provide grants and subsidies to support the production of organic manure, to encourage organic and sustainable farming methods and to start community enterprises. This complex and highly progressive program is run entirely by community savings group members to take care of so many kinds of needs. In 2002, they spent 4.1 million Baht in 21 networks on these 14 kinds of welfare, benefiting 7,000 member households. The province later proposed that CODI top-off their current year's welfare fund with a matching

grant. A special committee comprising community leaders from other regions has been set up in CODI to look into this exciting emerging process.

3. Community welfare via organic farming: This was a major point of discussion in the seminar, amongst the rural leaders. I had never thought of this, but they feel this is a crucial way of giving back to the nature which supports our lives. If you are kind to the earth, and don't pollute and undermine her with poisonous chemicals and pesticides and toxic fertilizers and harmful mono-cropping techniques, she will continue to give her bounty to us. So a long-term welfare-promoting strategy is to farm organically – it is good for the earth, and the chemical-free fruits and vegetables and poultry and meat we produce are good for our own health as well. This is a huge issue in Thailand, where the pressure to farm commercially, using high-input farming techniques, has caused devastation of fertile farmland and rivers across the country, besides threatening the survival of farmers, who find themselves increasingly in debt paying for all these chemicals. It was worse ten years ago, though. People felt the crisis in the past decade, and people have begun to react to it. The organic movement has become strong since then. At least now people are talking about this issue, and there are other options. Now, when the government pushes GMO crops, for example, there are loud voices protesting. It's better than before.

4. Ward-based educational welfare program: In the meeting, I sat for a while next to one Ward Chairman from a rural ward. He was telling me that in his ward, they have a community-based system for taking care of all the children in the ward. People in the ward all contribute to a special welfare fund to support the children's studies – organizing tutors for kids who need extra help with their studies, providing assistance for books, uniforms and fees for kids from poor families so they can continue to study, helping bright kids who pass their exams to go on to university for higher studies. What this means is that the ward authority has a quite good idea about the educational needs and educational situation of all the children in that ward. He said that as a result of this program, they have many more children in this poor rural ward who have been able to pass their exams and to go on to universities – some have even become doctors. And now, because all these children have been through this experience, and been helped by their community, many of the now-grown-up kids come back to the village on weekends, or several times a year, to tutor a new generation of kids. This is a way of giving back opportunities and assistance to the village which gave them, through this ward-wise educational welfare program. Some of these students told the Ward Chairman that when they had felt tired from their studies, dispirited and thinking of giving it all up, they just had to look at the certificate on the wall, announcing the educational stipend the village gave them, and it gave them a boost - just to remember all the people in that ward who chipped in to help them get an education.

5. The Muslim saka-fund community welfare system: One very interesting idea described in the meeting is based on the "saka" system used in many of Muslim communities to raise funds for communal purposes. In the saka system, everybody in the community has to contribute a certain percentage of their income (something like 2.5%) to a communal fund. It's like a tax, but it's a social tax which is imposed by communities, and used by the community for its own purposes. In rural communities, the tax also applies to the products you grow or produce, so if a farmer raises chilies, he has to contribute 2.5% of his chilly crop to the *saka fund*! And these saka funds operate like a community welfare fund. For Muslim communities, their welfare funds cannot be funded by interest earned on loans from the savings and credit groups, because the Quran strictly forbids the practice of charging interest. In most Muslim communities, loans from the savings groups are given and repaid without interest. So where there is no money being generated by interest, the *Saka* fund provides a non-sinful way of collecting money to build a communal welfare fund, to help their needy, sick and more vulnerable community members.

6. The "One-Baht-a-day" welfare systems: Several communities have developed systems where community members contribute one baht a day for welfare - it's just like a tax, but a tax which is collected and managed by the community itself, for this specific social purpose. Which means each person puts in 30 Baht a month into a communal pool, which can then be drawn on by people in need, according to systems of ceilings and benefits the community itself sets: some grants, some loans, etc. to take care of different kinds of welfare in the community. In some cases, the one-baht-a-day is not collected separately but subtracted from the savings group, and kept as a separate welfare fund, as part of the savings process. Many savings groups also keep a portion (usually half) of the interest earned on internal loans for welfare, so the more loans are given and repaid, the bigger the welfare fund grows. Many of the strong savings groups around the country do this now, and in these groups, the welfare fund is growing to be quite large now.

How are these small community welfare funds in communities around Thailand being used?

- **Funeral assistance :** They often start with giving assistance to help with funerals, which represent a big (and often un-planned) expense for bereaved families. It is a very simple need, but one which everyone eventually faces in the communities.

- **Birth benefits** : Next, they might expand to providing a birth benefit. In some communities, they pay 500 Baht or 1,000 Baht to family that has a new baby, to help meet initial expenses. Sometimes they even use this cash to set up a savings account in this new child's name.
- **Illness** : And of course, the welfare funds are used to cover illnesses, medicine expenses, doctor fees, hospitalization. The good groups are now able to pay the full hospital expenses of their members who get sick! Other groups might only pay half - but it's a big help. Some groups even pay a little something to those who accompany the sick member to the hospital!
- **Paid holidays!** Some of the richer groups (richer in terms of size of their welfare fund) have even allowed their members to use the welfare fund to take a holiday or go on an excursion! Really! They can get an allowance for a certain period (each year?) to make a trip, or to go for a meditation retreat. Last week, Khun Amporn and a group from Songkhla went to Lao to visit the women's savings collectives there. They hired a bus and paid for the trip themselves - from one end of Thailand to the other!
- **Fund to support the security of economic development** : In Khun Amporn's group in Songkhla, for instance, they have a system where they guarantee the price of certain crops farmers in their big group raise. They encourage members to raise their own chickens, for example, by promising to buy the mature chickens at a guaranteed price, which is higher than the market rate, and then sell that chicken cheaper. In another system, they make it an incentive that if you grow five chili plants or certain vegetables for your own consumption, a farmer gets five baht per chili plant, and so many baht per vegetable or fruit tree. The idea is to promote the idea of self sustenance and raising food for your own family, not just for the market. Nowadays, the government encourages farmers to raise only what can be profited from on the market, and this has robbed farmers of their self-sufficiency and made them vulnerable to fluctuating prices on the market. This is a way of encouraging a return to that earlier self-sufficiency and thus greater security - *and this is another kind of welfare*. They even use this guarantee fund for cows! If your cow has a baby, you get 100 Baht from the fund!

It is so diverse and so interesting, all these rich systems! Where does all this innovation and all this richness come from? When people in a community have their own communal welfare fund, which is set aside from their savings, it is a truly communal resource for the good of every single person in the community - not just for the savers or the borrowers. A community's welfare fund is something very important, because it gives people a chance to make use of the "*social capital*" which exists in their community, and gives them strength to consider what is good for *everybody*, what allows everyone in the community to enjoy a sense of security. They are going back to the ancient spirit of the common good, which has deep roots in Thai community culture. The welfare fund can play a role in many different ways, as we see in these innovative programs, using incentives, etc.

How does Thailand's national welfare system work now?

The Thai government's current national welfare system is quite limited, and more-less follows the conventional western model of delivering certain welfare entitlements to a small group of targeted beneficiaries (elderly, sick, drug-addicts, HIV-positive, etc.) The Public Welfare Department is under the Ministry for Social Development and Human Security, and it's work is implemented by local branches of the department throughout the country. The department's elderly welfare program, for example, runs 20 old-age homes, 18 elderly health care centers and a network of elderly support groups around the country to provide medicine, health care and social support to poor elderly people. But with an annual budget of only 1.5 billion Baht, the program can provide only bare-bones assistance to 430,000 people, which leaves the country's other 600,000 elderly poor without help of any sort. Because the beneficiaries of these programs are usually selected by the village head-men (in rural areas), or local politicians (in rural areas), there are always complaints that these are not always the most needy, but people who are near to the decision-makers. It's impossible to know how true these complaints are, but it's clear that the design of this kind of welfare system is wrong.

Thailand's public welfare system is now being decentralized : According the Thai constitution, in the next two years, the national government is supposed to transfer 35% of its budget to municipalities. This is all going very slowly, but as part of the process of decentralization, the budget for public welfare is going to be passed to local authorities, which will then take over the task of implementing public welfare programs locally. And this is the reason why we feel the time is right to link with these local authorities and take advantage of this changed situation, try to influence this new system.

Goal : Linking community welfare and formal government welfare systems: One important direction for further work on community welfare that was identified in the meeting: to explore ways by which these community welfare funds can link with local authorities, and by linking to find ways that the welfare systems developed by people become the main thrust for the state's formal welfare system, now that that system is supposed to be decentralized. It is similar to what we are trying to do with Baan Mankong, in which communities are linking with their municipal governments - the lowest government units which have the

potential to be influenced (owned by?) people on the ground. So in similar ways, we're now looking for ways that people can begin working with their local authorities to develop community-based welfare to be the predominant model for delivering welfare - and channeling state funds for social welfare. This could be in a city, a town or in the rural wards.

This is something quite different from the rights-based approach to welfare, or to education, in which people believe that they have a right to certain educational benefits, and that it is the government's duty to provide those benefits. I should have this, I should have that. *That is the taking mode*. This is the giving and taking mode, and everyone is a part of the process. And this is why saving is so important. We have this ongoing difference of opinion with our friends working within the C.O. model and within the rights movement. A right is something you expect someone else to give you, but saving is a process which starts with your own initiative, and involves giving to each other, sharing with each other, and beginning to resolve your own needs by taking responsibility yourself. We build strength by giving to each other, and it gives us confidence that we can live together, we can develop things together to meet our own needs, we can take care of ourselves – as a group. That strength brings with it improvements in our rights – it is like a back-door to getting our rights.

A lot of western society is increasingly involved with securing benefits for individuals – not for the common good. And these individual-oriented, commercialized welfare systems are gradually taking the place of the strongly socialist welfare systems which have been in place since after the second world war. In places like Denmark, for example, people pay taxes of as much as 50% of their income to support their cradle-to-grave social safety net, so they take a keen interest in what kind of social benefits they get back from the government. And they really shout for their rights, because they are contributing so much to this communal pool, and they know how that system works. But these systems are being overhauled, taxes are being reduced, benefits are being cut and the importance of nurturing the “common good” is shrinking in the tide of market-oriented reforms, which governments around the world are buying into.

But in a place like Thailand, which is still 70% rural, both market-oriented and the government-driven socialist styles of welfare are like ideas from the moon! In rural Thailand, survival continues to depend on a strong tradition of community-support, mutual help and give-and-take. It is important to acknowledge that these are systems of social welfare and they already exist – they are informal, they are extensive, they are strong, they are effective and they are deeply embedded in “people’s culture” of Thai society. But these systems, for all their continued application, are not regarded as part of the formal welfare system. In this context, government-driven and law-driven systems for guaranteeing certain welfare entitlements is unlikely to work, except perhaps in the urban areas. It's the wrong system for this society. Thailand is not going to be able to absorb all its laws and social strategies from the other side of the world – it has to make use of its own traditions, its own resources.

So the big question for us is how can we get the formal system to recognize the enormous potential of these ancient, informal and community-based welfare systems that are already in operation, and to strengthen them, to build on them, to make them part of the nation's overall strategy for guaranteeing the welfare of all its citizens?

Thailand's ancient “community culture” is alive and well : One university professor at the seminar was telling me that he's been studying Thai villages for forty years. He said that in fact the production methods and culture of Thai communities hasn't changed significantly in the past centuries. Even today, the community culture is still there, and he believes this community culture remains the dominant culture of Thai society. He's not talking about a nostalgic myth of happy peasants in indigo smocks we see on television, but a real, living culture which people are sharing things, voluntarily doing things for each other, giving of their resources to neighbors in need, contributing in all sorts of ways to the greater good of the village they are part of. It sounds romantic, but it is actually key to people's survival in these places, where life is not easy. This is all still there, and it is very strong. Farming, for example, continues to be done using the borrowed labor of neighbors and extended family members in times of sowing and harvesting. The same goes for constructing houses, repairing temples, digging village wells – all involving contributions of time, labor and materials – and even borrowed oxen to pull the plow! Of course there are lots of problems, especially as these older systems come in contact with the new urbanized, materialistic culture of the cities, which is invading the country.