

# IGL&P

INSTITUTE FOR GLOBAL LAW & POLICY  
HARVARD LAW SCHOOL

## Informality, Development and the Challenge of Inequality



WORKSHOP  
FOR EMERGING  
LEADERS  
ON THE RULE OF LAW & POLICY

**BANGKOK, THAILAND**  
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# TEAM READINGS



# Informality, Development and the Challenge of Inequality

## Faculty

- **Jorge Esquirol** (United States) Florida International University College of Law
- **Yugank Goyal** (India) Jindal Global University
- **Robert Wai** (Canada) Osgoode Hall Law School

## Description

This team focuses on issues of economic development and income inequality. The sessions are designed as group exercises that combine policy planning with intensive legal analysis. Professionals working directly on concrete public policy projects will have the opportunity to share their intended objectives and the means available to them, from their perspective, for their implementation. These may include both the traditional tools of policy planning, such as national laws and legal institutions, as well as informal tools such as reliably consistent social practices, deliberate official inaction, and long-standing areas of legal non-regulation.

# Stream Session

## Informality, Development and the Challenge of Inequality

Chalamwong, Y., and Meepien, J. (2013). "Social Protection in Thailand's Informal Sector." *TDRI Quarterly Review*, 28(4), pp. 7-16. Pages 1-9

Guha-Khasnobis, Basudeb, Kanbur, Ravi, S. M. and Ostrom, E. (2006). *Linking the formal and informal economy : Concepts and policies*. Oxford; New York: Oxford University Press. Excerpts. Pages 10-13

Tangworamongkon, C. (2014). *Street Vending in Bangkok: Legal and Policy Frameworks, Livelihood Challenges and Collective Responses*. WIEGO Law and Informality Resources. Cambridge, MA, USA: WIEGO. Pages 14-21

# Social Protection in Thailand's Informal Sector

Yongyuth Chalamwong  
Jidapa Meepien\*

## INTRODUCTION

In the international context, the informal sector includes the following: family workers in a business; fewer than 10 people employed in a business; businesses not covered by legal regulations or those where existing regulations are not observed; businesses for which there are no regular working times; those whose workers have fewer than six years of schooling; those where the work is seasonal; those where no electricity is available in the workplace; and those not dependent on regular loans. In Thailand, the informal sector often refers to workers who cannot access social security systems.

In Thailand, the informal sector is the largest and main economic sector. With regard to a survey done on the global economy (Thailand Outlook, 2010), Thailand was ranked seventh among the countries with the highest revenue generated by the informal sector. In terms of its contribution, the sector helps produce 70 percent of GDP, which is significantly larger than the contribution of the formal sector. This is due to the fact that the informal sector encompasses many unorganized economic activities (e.g., commerce, agriculture, construction); hence, the sector has become a natural absorber of labor (Sasiwimon 2011). In 2012, data provided by the National Statistical Office (NSO) indicated that an estimated 24.80 million workers were employed in this sector, or 62.66 percent of the total.

Although this is the largest sector, accounting for more than 70 percent of GDP, the workers in this sector, however, live with constraints. They lack opportunities to access the social protection that the government provides to those in the formal sector; some scholars are of the view that they have been abandoned by the government (Amara et al. 2001).

Most of the informally employed persons are vulnerable to risks which occur as a result of their occupation. This is due to the fact that employment in the informal sector is mostly irregular and without enforceable contracts (Amara et al. 2001). The informal sector workers generally lack job security or workers'

benefits, and not many of them are covered by government-provided social protection schemes. In the worst cases, they are subjected to harassment and exploitation by their employers. The livelihoods of informal sector worker in Thailand, especially in the agricultural sector, have fallen into poverty.

The main research question is, "Do the existing social protection schemes provide justice for those in the informal sector?" To answer that question, this study includes the conduct of:

- A situation analysis of the existing situation in Thailand's informal sector and the social protection schemes provided for that sector;
- An informed assessment of the justice of social protection schemes. The main elements used to measure justice are the coverage of the social protection schemes, accountability and transparency, and sustainability.

The study is divided into four main sections. The first section is focused on the characteristics and role of Thailand's informal sector; it contains a description of the characteristics of the workers in the informal sector, such as composition (sex and age), education, and type of occupation. The second section contains an overview and review of the existing social protection systems and institutions in Thailand's informal sector. The third section provides an assessment of the justice of the social protection schemes. The last section provides a set of recommendations and offers a comprehensive picture of the current situation.

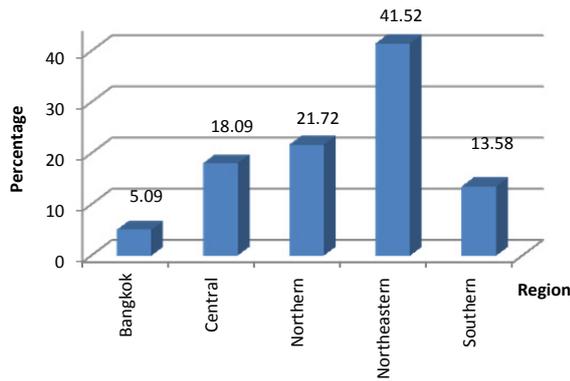
## I. CHARACTERISTICS AND ROLE OF THAILAND'S INFORMAL SECTOR

Many renowned scholars such as Yongyuth and Amornthep (2012) and Amara et al. (2001) stated that the characteristics of workers in the informal sector are very dynamic. This is due to the fact that the sector embraces many unorganized economic activities, which absorb a large number of people from the labor market.

\* Dr. Yongyuth Chalamwong is Research Director of Labor Development, Thailand Development Research Institute (TDRI), and Ms. Jidapa Meepien is a TDRI Researcher.

In 2012, it was estimated that 24.80 million workers were in the informal sector, accounting for 62.66 percent of the total labor force. In terms of distribution, the largest concentration of workers in the informal sector is found in the northeastern part of Thailand (41.52% of the total, or 10.3 million people), followed by the northern part (21.72%, or 5.39 million) and the central part (18.09%, or 4.49 million), respectively. Bangkok accounts for only 5.09 percent (1.26 million) of the informal sector (Figure 1).

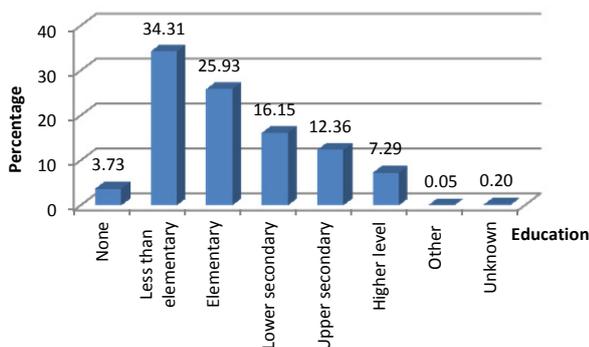
**Figure 1 Percentage of informal sector employment classified by region in 2012**



Source: *The Informal Employment Survey 2012 Whole Kingdom*, National Statistical Office, 2012.

Figure 2 shows the education of the workers in the informal sector. Statistical data collected by NSO in 2012 revealed that the largest share of the workers in the informal sector had less than an elementary or primary education (34.31%, or 8.51 million); they were followed by those with an elementary education and a lower secondary education, accounting for 25.93 percent (6.43 million) and 16.15 percent (4.00 million) of the total, respectively. A small number of workers completed higher education (7.29%, or 1.81 million). These data show that the higher is the worker’s level of education, the less likely is the worker to be engaged in the informal sector.

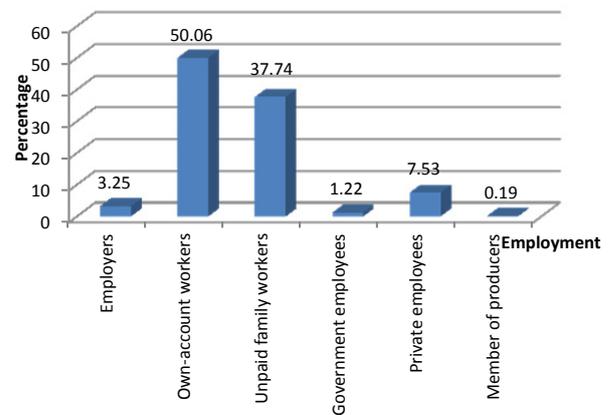
**Figure 2 Percentage of informal employment classified by education in 2012**



Source: *The Informal Employment Survey 2012 Whole Kingdom*, National Statistical Office, 2012.

Figure 3 shows the percentage of informal employment classified by employment status. The statistical data in 2012 revealed that own-account workers comprised the largest group (50.06%, or 12.42 million), while unpaid family workers accounted for 37.74 percent (9.36 million). The third and the fourth largest groups were private employees and employers who had fewer than 10 employees; they accounted for 7.53 percent (1.87 million) and 3.25 percent (805,826) of the total informal employees, respectively. The government sector accounted for a small share in informal employment; according to the statistical data, it accounted for only 1.22 percent (303,029) of such employment.

**Figure 3 Percentage of informal employment classified by employment status**



Source: *The Informal Employment Survey 2012 Whole Kingdom*, National Statistical Office, 2012.

The informal sector encompasses many unorganized economic activities (Sasiwimon 2011; Ruffer and Knight 2007); therefore, it is often found that the informal sector creates many jobs. The statistical data in 2012 revealed that the greatest concentration of informal employment was in the agricultural sector, that is, an estimated 62.46 percent or 15.49 million. The second and the third largest shares were in wholesale and retail trade, and accommodation and services, which accounted for 15.16 percent (3.76 million) and 6.46 percent (1.60 million), respectively. The manufacturing sector accounted for 4.75 percent (1.18 million) of informal employment (Table 1).

Figure 4 shows the problems that the workers in the informal sector face: allowances (44.03%), hard work (24.77%) and short-term work (19.22%). A fourth problem is the insecurity of informal employment (5.95%).

In terms of income, the study found that informally employed persons generally earn less income than workers in the formal sector. According to the 2012 statistical data, the average monthly wage of informally employed persons is 5,045 baht (US\$1 = about 31 baht at the time of writing). The agricultural sector was identified as the sector accounting for the

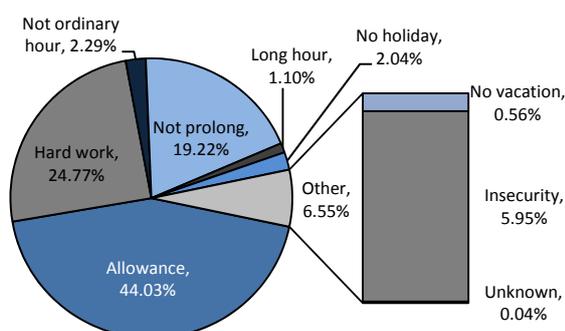
lowest income; the average monthly wage in this sector was about 3,870 baht. On the contrary, informally employed persons in information and communication activities earned the highest average monthly wage of 10,000 baht, followed by activities of extraterritorial (9,000 baht per month), and human health and social work (7,743 baht per month) (Table 2). In the study, formally employed persons were found to earn an average monthly wage of 12,118 baht, which was approximately 2.5 times higher than the wages of employees in informal employment. This phenomenon seems to happen in most sectors. The empirical evidence produced by the NSO showed that in the agricultural sector the number of informal workers was rather high but they received a low average monthly wage of 3,870 baht, whereas formally employed persons earned higher wages (5,784 baht per month) (National Statistical Office, 2012).

**Table 1 Informal employment classified by industry**

Industry	Total	Percent
Agriculture, forestry & fishing	15,490,402	62.46
Mining and quarrying	3,265	0.01
Manufacturing	1,178,506	4.75
Electricity, gas, steam supply	335	0.00
Water supply	11,656	0.05
Construction	1,090,398	4.40
Wholesale and retail trade	3,759,406	15.16
Transportation storage	479,646	1.93
Accommodation and food service	1,602,703	6.46
Information and communication	32,943	0.13
Financial & insurance activities	22,096	0.09
Real estate activities	38,105	0.15
Professional, scientific and technical	69,584	0.28
Administrative and support services	83,040	0.33
Public administration and defence	141,576	0.57
Education	109,875	0.44
Human health and social work	70,986	0.29
Arts, entertainment	129,737	0.52
Other service activities	447,573	1.80
Activities of household as employers	36,172	0.15
Activities of extraterritorial	456	0.00
Unknown	1,039	0.00
<b>Total</b>	<b>24,799,500</b>	<b>100.00</b>

Source: *The Informal Employment Survey 2012 Whole Kingdom*, National Statistical Office, 2012.

**Figure 4 Problems of Thailand's informal sector**



Source: *The Informal Employment Survey 2012 Whole Kingdom*, National Statistical Office, 2012.

**Table 2 Wages of formally employed persons and workers in the informal sector**

Industry	Formal	Informal
Agriculture, forestry & fishing	5,784	3,870
Mining and quarrying	20,672	5,359
Manufacturing	10,416	5,204
Electricity, gas, steam supply	28,916	5,546
Water supply	12,409	5,847
Construction	8,945	5,540
Wholesale and retail trade	10,383	5,403
Transportation storage	15,394	6,336
Accommodation and food service	8,605	5,358
Information and communication	24,099	10,000
Financial & insurance activities	22,478	5,568
Real estate activities	14,631	7,000
Professional, scientific and technical	18,599	7,739
Administrative and support services	11,217	6,395
Public administration and defence	14,616	6,865
Education	20,819	7,586
Human health and social work	14,738	7,743
Arts, entertainment	9,121	4,184
Other service activities	8,642	4,272
Activities of household as employers	6,842	7,511
Activities of extraterritorial	47,357	9,000
Unknown	14,114	2,000
<b>Average</b>	<b>12,118</b>	<b>5,045</b>

Source: *The Informal Employment Survey 2012 Whole Kingdom*, National Statistical Office, 2012.

Another major problem is the insecurity of the informal sector. Even though this problem is not as great as the three main aforementioned problems, it has a considerable impact on the livelihood of informally employed persons. Many studies carried out by scholars, such as Yongyuth (2012) and Amara et al. (2001), found that many of the informally employed persons in Thailand lack social security, especially in terms of social protection. Although there are many social protection schemes, such as the insurance scheme under Article 40 of the Social Security Act and the Universal Health Care benefit, only a limited number of informally employed persons have access to those social protection schemes. For instance, the insurance scheme under Article 40 of the Social Security Act covers 1,184,647 informally employed persons (4.82% of the total).

The foregoing summary shows that the informal sector in Thailand is very dynamic; many new jobs are created and the distribution of this sector is also very high compared with other sectors. The view of many studies is that this sector plays a very important role in Thai society, as it is a major contributor to GDP (Yongyuth and Amornthep 2012; Seela, n.d.). Even though the informal sector is the largest sector, many workers in it face several constraints, such as lack of social protection, insecurity, low incomes, and long working hours. Workers in the informal economy lack comprehensive protection by the government; as a result, they receive unfair wages or wages below the legal minimum, and have less accessibility to health insurance or social welfare, unlike their counterparts in the formal sector. In addition, informal sector workers

are not strongly organized and, therefore, do not have effective bargaining power.

## II. EXISTING SOCIAL PROTECTION SYSTEMS AND INSTITUTIONS FOR THAILAND'S INFORMAL SECTOR

The National Economic and Social Development Board (NESDB) (2009) classified the level of social protection in Thailand into three main categories: (a) social protection floor, which includes accessibility to essential health care for all, income security, assistance for children, the unemployed and the poor, and income security for the elderly and disabled; (b) mandatory social insurance/social security benefit at guaranteed levels for contributors; and (c) voluntary insurance (Figure 5).

The study found that theoretically the social protection schemes currently available are beyond the social protection floor due to the fact that the government has tried to develop and expand many social protection schemes for the informal sector. The existing social protection schemes cover income generation, health-care services, and income security for the elderly.

### Income generation

It was found in the study that the social protection schemes are concerned with income generation in the informal sector and involve microfinance schemes and village funds. These can be divided into two main categories: schemes that the government implements in cooperation with banking institutions and those to which the government contributes.

### Microfinance scheme

Following the 1997 Asian financial crisis, the government developed the first National Microfinance

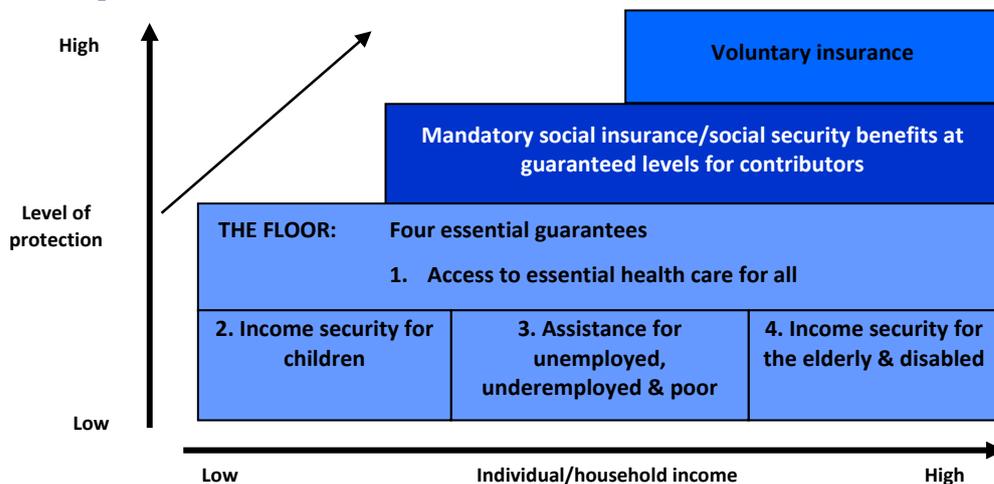
Plan, a five-year plan covering the period 2009-2013. In principle, it is the mechanism that the Bank of Thailand uses for increasing access of the unserved and underserved groups to financial services. The microfinance scheme combines the operation of the formal banking system and the financial services provided for low-income people. Currently, the microfinance scheme can be subdivided into three main categories: (a) formal and large microfinance institutions; (b) semi-formal microfinance institutions; and (c) self-help savings and credit groups (Figure 6) (Foundation for Development Cooperation, 2010).

In the study, it was found that most of the credit coverage is in the formal sector where such coverage is estimated to be about US\$ 234 billion. For the semi-formal sector, the credit coverage is worth about US\$ 26 billion, while the credit coverage for the informal sector is US\$ 909 million. The key players in the microfinance scheme include the government, financial institutions, such as the Bank for Agriculture and Agricultural Cooperatives, the Government Savings Bank. Others include insurance companies, cooperatives, and village banks.

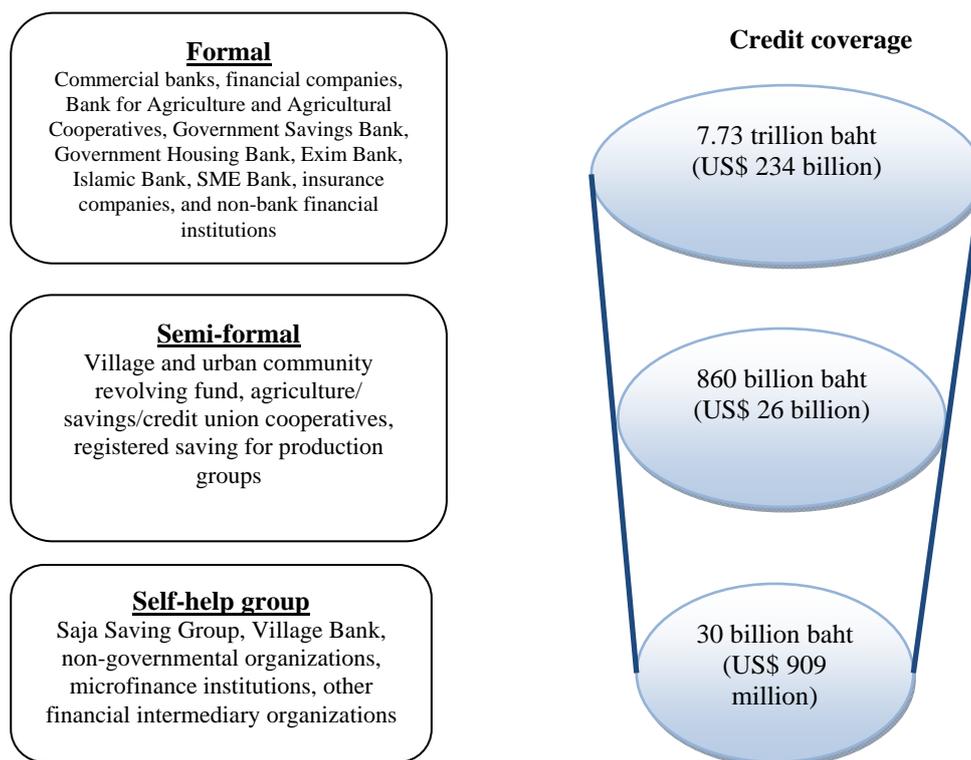
### Village and Urban Revolving Fund

The Village and Urban Revolving Fund had its start in 2001 as a populist program; it was started as the Thailand Village and Urban Revolving Fund program. The objective of this fund was to provide 1 million baht to every village and urban community in Thailand so that it could be used as working capital for locally run revolving credit associations (Jirawan et al. 2009). In other words, this fund helps people in rural communities to access financial resources. The fund, which has been implemented for more than 10 years, has produced numerous beneficiaries: approximately 79,250 villages populated by 12.8 million members. The fund has generated an estimated 160 billion baht (Thanapat 2012).

Figure 5 Social protection's staircase



Source: Community-based Social Protection in Thailand: Innovation and Opportunity (National Economic and Social Development Board, 2009).

**Figure 6 Categories of microfinance schemes in Thailand and their credit coverage**

Source: *Microfinance Industry Report: Thailand* (Foundation for Development Cooperation, 2010).

Even though the government recently announced its minimum income and wage guarantee policy, it was found in the study that not many informally employed persons are being protected by this scheme. Only farmers benefited from the scheme; others still lack the opportunity to access the scheme.

### Health-care services

#### *Insurance schemes under Article 40 of the Social Security Act*

There are a variety of social protection schemes for people in the informal sector, including insurance schemes under Article 40 of the Social Security Act. A provision of the schemes is that anyone who is not an employee under Article 33 may apply to become an insured person under this Act by notifying the Social Security Office of his or her intention. Rules, rate of contributions and type of benefits to be received under Section 54, including rules and conditions of entitlement, were prescribed in the Royal Decree concerned.

As in Table 3, the insurance schemes under Article 40 of the Social Security Act are sub-divided into two schemes: the **100 baht scheme** and the **150 baht scheme**, both of which are partially subsidized by the government. The 100 baht scheme receives a 30 baht subsidy while the 150 baht scheme receives 50 baht. Insured persons under both schemes receive

different benefits. According to the Social Security Office (2009), the organization that undertakes these schemes, there are an estimated 1.84 million informally employed persons registered for these schemes.

#### *Universal Health Care Coverage*

According to Srawooth 2012, universal health care coverage was initiated under the Seventh National Economic and Social Development Plan (1992-1996), with implementation starting in October 2001. This scheme arose from the populist policies of the Thaksin Shinawatra government, and was first called the 30 Baht Health Care Scheme. Thai citizens who applied for the scheme would be charged 30 baht for an outpatient hospital visit or admission. The scheme was aimed at providing full health care for all Thais not covered by the Social Security Fund or the Civil Servants' Medical Benefit Scheme (Srawooth 2012).

The 30 baht scheme consolidated all of the previously existing health insurance schemes belonging to the Ministry of Public Health, such as the Health Welfare Program for the Low Income and Disadvantaged and the Health Card Scheme (the 500 Baht Health Card for Families). Eligible persons have to register with the networks concerned in order to obtain a free insurance card and they can then pay a flat rate co-payment of 30 baht for each outpatient visit or hospital admission (the co-payment was exempted in 2006).

**Table 3 Contributions and benefits of the insurance schemes under Article 40 of the Social Security Act**

Scheme and contribution	Contribution	Benefits			
		Injury or sickness	Invalidity benefit	Death benefit	Old-age benefit
First scheme, or 100 Baht Scheme	<ul style="list-style-type: none"> <li>Insured person contributes 70 baht</li> <li>Government provides subsidy of 30 baht</li> </ul>	√	√	√	–
Second scheme, or 150 Baht Scheme	<ul style="list-style-type: none"> <li>Insured person contributes 100 baht</li> <li>Government provides subsidy of 50 baht</li> </ul>	√	√	√	√

Source: Social Security Office, 2009.

The Universal Health Care Coverage Scheme is financed from government revenue. For inpatients, the government pays fees to hospitals according to the types of illnesses of the patients; this is called the Diagnosis Related Group. For outpatients, the government pays lump sum amounts to hospitals according to the number of individuals who registered to receive services from such hospitals; this is called capitation.

The health care package includes: (a) outpatient and inpatient treatment; (b) maternal care; (c) child delivery; and (d) necessary dental care, including acrylic dentures, preventive care and emergency care. Insured persons must visit public hospitals in their designated areas. If a specialist is required, patients are referred to a higher level of hospital at no extra charge for treatment.

The National Health Security Office was established in 2002 to supervise the universal health care scheme. The number of Thai people insured by the 30 baht scheme increased from 45.35 million people in 2002 to nearly 47 million people in 2008. Those who are not insured under of the scheme are assumed to be insured under other programs, such as Social Security Office, and Civil Servant Medical Benefit Schemes.

In addition, some people in the informal sector who are not insured persons according to Article 40 of the Social Security Act of 1990 can receive benefits under the Universal Health Care Coverage scheme. In August 2012, the Minister of Public Health stated that this scheme covered 75 percent of Thailand's population, or about 48 million people. He further mentioned that in fiscal year 2012 the government had raised the per capita expenditure budget under the Universal Health Care Coverage Program to 2,755.60 baht per head.

### Income security for the elderly and disabled

#### Universal Pension Scheme

The 500 Baht Universal Pension Scheme was established in 2009 in order to allocate benefits for every elderly Thai citizen, but at a lower amount at that

time. A contributory scheme, it provided financial assistance to persons at least 60 years of age who had inadequate income to meet their expenses, lacked a supporter, had been abandoned, or were unable to work.

At first, the elderly were provided 200 baht; the allowance was increased to 300 baht per person per month in 2000. In 2002, the rule for targeting the appropriate recipients was revised. It prioritized the elderly in several underprivileged situations or those living in remote areas where public services were minimal. In addition, the selection committee for this scheme was diversified in order to include representatives of local authorities, elderly-related local organizations, or the community. In 2005, significant reforms of the means-tested old-age allowance system were instituted. In line with Thailand's decentralization process, the tasks of identifying clients and defining allowance payments were delegated to local authorities through grants from the central government, namely, the Department of Local Administration in the Ministry of Interior. The definition of "underprivileged elderly" was maintained. The targeting process occurs cooperatively between local authorities and the community council (*prachakom*). The community ranks the elderly on the list of new applicants and on the waiting list (from the previous fiscal year). The community councils use a range of methods for the ranking process, such as ranking the elderly by age, using the majority-voting mechanism, adopting the community committee system, ranking by various characteristics of the elderly, and allocating the allowance to all elderly (Thaworn 2006). In addition, local authorities with adequately strong fiscal resources could use their own funding to increase allowances. In 2006, the benefit was increased to 500 baht (or 31.4 constant 2005 purchasing power parity dollars, i.e., US\$ 13.88) per person per month (Thaworn and Worarat 2011).

Currently, the government provides a progressive old-age allowance for the elderly, above the previous flat rate of 500 baht. Under the income support policy, elderly persons between 60 and 69 years of age would receive a monthly allowance of 600 baht. Those

aged between 70 and 79 years old would receive 700 baht, with the amount increasing for those between 80 and 89 years (800 baht), and 90 years or older (1,000 baht) (The Government Public Relations Department, 2012).

### *National Savings Fund*

In 2011, the government enacted the National Savings Fund Act B.E. 2554 (2011). This fund is managed and administrated by the National Savings Fund Office to enable people without social welfare services, such as those in the informal sector, to save their income in this government fund; benefits would be returned to them when they reach age 60. This scheme became available to interested persons in July 2012.

Table 4 summarizes the characteristics of the social protection system for Thailand's informal sector. According to the Table, there are six social protection schemes for people in the informal sector. They are aimed at covering all groups of informally employed persons, which are very dynamic, especially in terms of their contributions.

### III. ASSESSMENT OF THE JUSTICE OF SOCIAL PROTECTION SCHEMES

The coverage of the social protection schemes is the main element used to measure and assess the justice of the social protection schemes provided for people in Thailand's informal sector.

Srawooth (2012) stated that, regardless of the economic sector, social protection scheme practices normally are acknowledged to be "imperfect" and "unjust." This is due to the fact that some groups of people, such as people in the informal sector, lack opportunities to access the social protection system.



In the past decade, social protection schemes for the informal sector developed very rapidly. They grew from the populist policies of the government, and later were expanded to cover all sectors. Theoretically, the protection schemes should cover informally employed persons; however, Yongyuth (2012) pointed out that many informally employed persons in Thailand still lacked access to social protection schemes. Statistical data collected by the Social Security Office (2010) show that at the end of September 2012 there were 1,184,647 informally employed persons registered in insurance schemes under Article 40 of the Social Security Act. That number accounted for only 4.82 percent of all informally employed persons.

In addition, it was found that informally employed persons are not covered by the Workmen's Compensation Fund, according to a survey undertaken in 2012 by the National Statistical Office. It revealed that many of the informally employed persons use the Universal Health Care Program (30 baht health care scheme) when they are involved in accidents at work. The study revealed that almost of them would pay for the medical treatment by themselves as they lack medical benefits.

**Table 4 Characteristics of the social protection system for Thailand's informal sector**

Social protection schemes	Details	Institution
Insurance schemes under Article 40 of the Social Security Act	Voluntary schemes provide opportunities for informally employed persons.	Social Security Office
Universal Health Care Schemes	The so-called 30 baht health-care scheme is subsidized by the government, and creates opportunities for all Thai people, as well as migrant workers, especially those who lack social insurance coverage.	National Health Security Office
Universal Pension Scheme	This scheme allocates benefits to every elderly Thai citizen.	Ministry of Public Health
National Savings Fund	This scheme enables people without access to social welfare services, such as those in the informal sector, to build up savings for their old age.	Ministry of Finance
Village and Urban Revolving Fund	This fund provides 1 million baht as working capital to every village and urban community in Thailand.	Ministry of Finance
Microfinance schemes	These combine the operations of the formal banking system and financial services provided for low-income people.	Ministry of Finance, banking institutions, NGOs, and cooperatives

Source: By authors.

It was pointed out in the study that the social protection schemes for informally employed persons currently lack justice in terms of coverage under Article 40 and medical benefits (Table 5). In considering the coverage of the social protection schemes for the informal sector, even though there are no empirical data that show the difference between social protection schemes provided in urban and rural areas, many scholars have pointed out that urban areas provide easier access to social protection schemes than do rural areas. A study by Amara et al. (2001) proposed that decentralization is needed because it would help to increase the efficiency of social protection schemes due to the fact that local governments have better information regarding local needs and preferences. Their study also stated that decentralization strategies would result in poverty reduction. In terms of allocating money to social protection, in particular to social assistance and services programs, civil society organizations have actively played an increasing role nowadays. The media have also played a very important monitoring role in the implementation of social protection schemes, such as village funds, and the 30 baht program. As Amara et al. (2001) stated, “the public has been told of the mismanagement or misuse of certain funds, resulting in a growing demand for transparency.”

With regard to the constraints against just forms of social protection for Thailand’s informal sector, it was found in this study that there are two main constraints against just social protection in Thailand: the institutions and budget allocation; and government policies and existing legislation.

As for the institutions, the empirical study showed that the institutions related to the informal sector still lack integration. Even though there has been an increase in the level of cooperation among the government and other stakeholders, such as the banking institutions, local authorities, and non-governmental organizations, in delivering the social protection schemes to the informal sector, each institution still lacks integration, especially in terms of information.

With regard to budget allocation, the budget for social protection is not very large. Social protection accounts for 7.5 percent of the national budget’s expenditures, or 4.5 percent of Thailand’s GDP; however, a large portion of this amount is allocated to the formal sector rather than the informal sector.

Thailand has several mechanisms, such as government policies, legislation, and national policy structure, for enforcing just social protection for informally employed persons; however, the main obstacle arises in terms of the implementation of such policies.

#### IV. CONCLUSION

This paper was aimed at studying social protection for the informal sector in Thailand. According to the study, the informal sector is the country’s largest sector, and it plays a very important role in terms of its economic contributions. In considering the social protection schemes for the informal sector, although many schemes have been developed and expanded for informally employed persons, only a small number of such persons can access those schemes. Owing to the fact that the characteristics of the sector are very dynamic, the existing social protection schemes do not fit all workers. As for creating a just social protection system for the informal sector in the government, the study disclosed that the coverage of social protection, accountability and transparency, and sustainability are still “unjust” for the informal sector in Thailand. As for coverage, Only a small number of informally employed persons can access the social protection schemes. In considering accountability and transparency, the study found that a monitoring system is still lacking; such a system is needed to monitor the organizations that undertake social protection for the informal sector. In terms of sustainability, Hu and Stewart (2009) stated that broadening the access to social assistance programs, especially non-contributory pensions, is needed.

**Table 5 Work injury claims of informally employed persons**

	Whole Kingdom		
	Total	Male	Female
<b>Total</b>	<b>287,298</b>	<b>201,148</b>	<b>86,151</b>
<b>No benefits paid for medical expenses</b>	<b>59,818</b>	<b>42,528</b>	<b>17,290</b>
Employer	2,287	1,871	416
Parents, relative, friend	3,065	2,784	281
Own paid	54,466	37,873	16,593
<b>The benefits paid for medical expenses</b>	<b>227,480</b>	<b>158,620</b>	<b>68,860</b>
Universal health insurance	198,366	137,204	61,162
Social security/ompensation fund	-	-	-
Welfare official/State enterprise	6,905	3,789	3,116
Private health insurance companies	19,132	15,552	3,580
Others	3,078	2,076	1,002

Remark: The total number is counted from informally employed persons, who claimed for medical expense.

Source: *The Informal Employment Survey 2012 Whole Kingdom*, National Statistical Office, 2012.

It is less deniable that informal sector workers in Thailand comprise the largest group in the economy and is very dynamic. In this context, it is very difficult for the government to undertake any action to bring social protection to individuals. Hu, Yu Wei further stated that it is important to provide social protection for the poor elderly, and this must be on a non-contributory basis. Means testing and universal access are the two main approaches. With regard to the means testing approach, only those who are too poor to support themselves should be eligible for benefits; under the universal access approach, all older people would be eligible.

Compulsory social protection schemes must be proposed for the entire informal sector, because currently only a small number of the informally employed can access social protection schemes. Even though the government has policies that are identified at a high level, it must intentionally propose such policies for all informally employed persons.

For subcontracted workers, a clear legal relationship between employers (contractors) and subcontracted workers needs to be established, identifying their mutual obligations. Part of this would involve having employers (e.g., company or factory managers) register the informally subcontracted workers whom they employ either on or off the premises. The employers should then make social security contributions for those workers, either in a form similar to that for formal workers, or as a fixed amount per informal worker employed payable into a general fund administered by the government for informal employees and their families.

Certain legislation regarding social protection in Thailand needs to be amended, in order to easily allow the development of community-based insurance schemes administered through cooperatives. Regarding health policies, the Thai government should continue moving toward adequate universal coverage, and should monitor and improve over time upon the 30 baht health policy. An immediate need is to inform low-income individuals and families in particular so that they could benefit most from the plan. Other concerns center on the referral system (where smaller health centers transfer patients to larger centers with better health services, relying exclusively on the judgment of local health practitioners to determine whether specialists can be seen) and the quality of care and benefits available through the plan. However, since this is a new program, these aspects need to be evaluated carefully.

The most important component is integration among the stakeholders in managing social protection for the informal sector. The government, along with non-governmental organizations and the private sector, as well as other national and international organizations, should continue working toward the implementation of better policies and institutions that deal with occupational safety and health. Among other efforts, these institutions should help monitor current

conditions, using readily accessible information about safety and health problems and their causes, and help create and enforce new legislation and programs that are aimed at trying to find effective ways to deal with hazardous conditions in the informal economy.

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## **Beyond Formality and Informality**

Basudeb Guha-Khasnobis, Ravi Kanbur and Elinor Ostrom  
Oxford University Press, 2006.

*(Excerpts)*

### **Introduction**

The constructed opposites of formality and informality have been a constant of the development discourse for more than half a century. They have anchored theoretical, empirical, and policy discussion in many disciplines as they have studied the development process. In the 1940s, the Dutch anthropologist Boeke (1942) developed a vision of a developing economy as a 'dual' economy, comprised of the market economy part of the world and a part which lay outside. In the 1950s, Arthur Lewis (1954) conceptualized an influential two-sector model of development in which one sector had modern capitalist firms that maximized profit, while the other sector was comprised of peasant households where the rules for sharing output were different. In the 1970s, the Harris and Todaro (1970) model in development economics brought the dual economy into the standard two-sector framework of equilibrium economics. In development studies more generally, however, the paper by Keith Hart (1973) and the ILO mission to Kenya (ILO 1972) established the importance of the dichotomy, and led to an outpouring of research and policy focus. It has helped to organize thinking, it has served to structure official statistics, and it has generated a series of policy measures to 'help' the informal sector.

Despite this pedigree, the usefulness of the formal–informal dichotomy has constantly been debated in the literature. Early critiques include that by Bromley (1978). Lipton (1984) defends the usefulness of the concept of the informal sector, but argues for care and nuance in application. Over the past 30 years, this 'to and fro' has continued as new evidence from new areas has been brought to bear on the debate. For example, detailed work, in the 1980s and the 1990s, on the management of common property regimes has shed new light on what were once considered to be 'informal' arrangements (McCay and Acheson 1987; Ostrom 1990; Bromley et al. 1992). Policies introduced to 'formalize' these arrangements have been criticized in light of their sometimes counterproductive consequences (Platteau 2004; Platteau and Gaspart 2003; Agrawal and Gupta 2005). In the last few years, the idea of extending formal legal property rights to the 'informal' sector has taken hold as a possible powerful policy tool to help the poor make the best of their assets (de Soto 1989, 2003; but see Alden Wily, chapter 15, this volume). In light of these developments, it is appropriate to consider once again the conceptual and empirical basis of the formal–informal divide, and to assess carefully its policy implications.

[...]

### **Conceptualizing Formal and Informal**

Given the prominence of the formal–informal dichotomy in the development discourse, one might expect to see a clear definition of the concepts, consistently applied across the whole range of theoretical, empirical, and policy analyzes. We find no such thing. Instead, it turns out that formal and informal are better thought of as metaphors that conjure up a mental picture of whatever the user has in mind at that time.

In his early defense of the informal sector (IS) concept, Lipton (1984: 196) set out the problem as follows: 'The IS concept has become discredited on account of three alleged deficiencies: misplaced dualism, misplaced isolation and confusion'. He then goes on to specify each critique and to mount a defense against it. Misplaced dualism refers to the fact that in practice there is no clear split between formal and informal; rather, there is a 4 continuum. The defense is that a dichotomy can nevertheless prove useful in analytical terms. Misplaced isolation is the neglect of the fact that the relationships of the informal sector to the rest of the economy are not investigated. While this is a valid critique of some of the literature, as Lipton also notes, we agree with Lipton that this is not an inherent weakness of the dichotomy, but rather of the uses to which it is put.

characteristics are used to define IS. These are: (1) 'substantial overlap between providers of capital and providers of labour in each enterprise' (pp. 198-200); (2) 'prevalence of perfect, or rather ... near-perfect, competition' (p. 200); and (3) 'IS consists largely of "unorganised," unincorporated enterprises, to which legal restrictions on employment (wage minima, regulations affecting working conditions, etc.) and on acquisitions of non-labour inputs (licences, quotas, etc.) do not apply ...' (pp. 200-201).

However, in the literature since Lipton (1984), the tendency to use many different characterizations has persisted. A bewildering range of (often only implicit) definitions are used to discuss the formal and the informal. Reviews since Lipton (1984) have concluded that there are competing perspectives rather than a single dichotomy (Portes and Schauffler 1993; Cross 1998), and this view is supported by the most recent examinations of the literature (Christensen, chapter 3, this volume; Sindzingre, chapter 4, this volume). And discussions of the formal and the informal have been enriched considerably by the literature of the past two decades on (self) organization of common property regimes (Ostrom 2005), and by the push in some policy circles to extend property rights to groups of individuals who do not currently 'enjoy' such rights (de Soto 2003).

Not surprisingly, the views on the entities that comprise the informal sector also differ greatly. Lipton (1984) argued strongly for the 'Family Mode of Production' as a general category that fell naturally into this category. In official statistics, different countries use the terms differently in detail even when they might mean the same thing in a general sense (Muller and Esselaar 2004; Narayana, chapter 6, this volume; Sindzingre, chapter 4, this volume). The international official definitions, for example as codified by the ILO, have been expanding. The current official definition of 'informal sector' was adopted by the 1993 International Conference of Labor Statisticians based on characterizing an enterprise as informal. In 2003, guidelines were introduced to expand the definition to include informal employment outside informal enterprises, with an appropriate definition of the former (Chen, chapter 5, this volume).

From this mass of alternative uses of the terms and alternative characterizations, we would like to highlight two strands that are particularly relevant for the current policy dialogue. The first strand is the notion of informal as being outside the reach of different levels and mechanisms of official governance and formal as being reachable by these mechanisms. This notion underlies many official definitions of 'informal enterprises' as those that are not registered and are legally outside the tax net. It also underlies many analytical investigations of enterprises and activities that operate illegally, in violation of formal state rules and regulations, even though informality and illegality are not considered to be equivalent in this notion. This notion also animates the lively policy debate on the extent to which the informal sector owes its existence to 'overly constraining' official regulations which lead to economic activity taking place outside this net, either by organizing so that the regulations do not formally apply, or operating in contravention of the regulations. And, of course, this is also the dimension that best captures different views on the benefits or otherwise of extending the reach of official structures to where they currently do not reach (e.g., legal property rights), or of reducing this reach (e.g. labour regulations).

The second strand that can be discerned in the discourse, and which we believe to be important in shaping policy responses, has to do with the nature of organization. The informal is often identified with 'lacking structure' and the formal with 'structured'— the term 'unorganized sector' is often used. Other cross-cutting themes one finds are 'simple' versus 'complex' or 'irregular' versus 'predictable' (Hart, chapter 2, this volume). In the policy discourse, the association of the informal with unstructured has been a powerful impetus for interventions that have often led to disaster. A striking illustration of this is the attempt to nationalize forests in Nepal, based on the analysis that deforestation was being caused by the inability of small local communities to prevent environmental degradation (Ives and Messerli 1989). In fact, as we now know, the local communities had better structures in place to deal with the deforestation that was the result of population and other pressures (Arnold 1993; Varughese and Ostrom 2001). These structures were not recognized, and were replaced by the formal state structures which proved to be ineffective and corrupt leading to even faster deforestation (Gilmour and Fisher 1991; Waltner-Toews et al. 2003). Now, the government of Nepal is trying to reverse its earlier policy and is turning many forests over to Forest User Groups that it organizes (Nagendra and Ostrom, forthcoming).

Exactly the opposite is true of the software industry of India, now recognized as a world leader. It flourished under the entrepreneurship of some highly skilled and far-sighted individuals, quickly becoming the fastest growing export sector of India. Its current reforms notwithstanding, India still remains a fairly regulated economy, but the

government was surprisingly non-interfering as far as the software sector was concerned. Even until very recently, the industry's output and exports were categorized as 'miscellaneous' in India's national accounts (as opposed to being called 'manufacturing' or 'services'), such was the degree of informality. The initial abstinence of the government was indeed a blessing in disguise.

These two dimensions—the reach of official governance and the degree of structuring— need to be further specified and made precise, but they provide an initial entry to a framework for capturing the many definitions that abound in the literature. In this conception, an economic activity can be characterized along two dimensions. The first is the extent to which it interacts with, or comes into the net of, the structures of official governance at the national or local levels. The question of whether an employer is registered or not with a governmental unit would be a simple illustration of this dimension (see chapters 2-6 in Part 1 of this volume). The second dimension is the extent to which an activity and the interactions among its constituent individuals are structured according to a predictable framework (not necessarily one that is written down). Muller and Esselaar (2004), for example, refer to the casualization of employment as involving employees of both registered and unregistered firms who lack a written contract or any form of employee benefits. They find that a significant number of employees have a casual (e.g., unstructured) relationship with employers in South Africa.

The distinction between the two dimensions is not redundant. This is illustrated for example by the detailed empirical work showing the highly structured interactions within groups that manage common-pool resources, far removed from any interaction with official governance (Tucker and Ostrom 2005; Ostrom 2005). Moreover, for similar levels of connection with the state tax system, we see enterprises with very different types and complexities of internal structure.

The two dimensions do, however, interact. On the one hand, attempts by official governance to extend its reach, for example, by widening a regulation to an area where it was not previously applied, will in general lead to a response that may move some activities outside the reach of the regulation (legally or illegally). In so doing, it may well change the structuring of the activities that escape the official net. It has been observed, for example, that relationships within illegal activities are often very highly structured, sometimes more so than in legal activities, as a response to the risks of the activity in question (Gambetta 1996). By the same token, some types of (re)structuring of activities make official intervention easier, or may even be predicated by the nature of the official governance frameworks. For example, as an enterprise expands, it can be monitored and taxed more easily. As another example, if an enterprise wants to become a publicly held company, it can only do so within the framework of existing company law, by definition.

Thus both dimensions are needed to adequately characterize activities and to analyze interventions. And it is not helpful to say that activities to one extreme of both dimensions—for example with high official intervention and highly structured interactions—are 'formal' while those at the other end are 'informal'.

On the policy front, as the chapters in this collection make clear, the policy issue is not one of 'greater' or 'lesser' reach of government being better in general, as it is so often characterized, but one of the 'right' reach of government (Söderbaum, chapter 9, this volume; Shuaib 2004). This 'right' reach has to take into account (1) the objectives of intervention, (2) the implementation of the intervention, and (3) the response of the structuring of activities to this intervention—it being recognized that 'more' or 'less' structured does not necessarily correlate with 'good' or 'bad' (Nugent and Swaminathan, chapter 12, this volume).

What then are we to do with the terms 'formal' and 'informal'? It seems clear that they cannot be suppressed—they are now too well ingrained in the academic and policy discourse. And, as Lipton (1984) argues, their continued use despite all the debates perhaps suggests a continued utility. We would propose, therefore, especially in light of official statistical conventions already adopted, that the formal–informal continuum apply strictly to the continuum between relatively high and relatively low levels of the reach of official governance mechanisms, suitably specified and measured in each context. This relates the terminology directly to the policy discourse on the nature and extent of government intervention in economic activity. This is our preferred option. However, even in this case we would prescribe a health warning—informal does not mean unstructured and chaotic, and does not invite policy intervention on those grounds! More generally, we would keep the 'reach of government' as a purely descriptive term, leaving the issue of whether it is a good thing or a bad thing to be decided on a case by case basis, taking into account the self-organizing structures that communities are capable of producing, within or without the reach of official structures.

Thus, while specifics matter greatly and no general rules can be formulated, a number of themes run through the chapters of this book which can perhaps be brought together as a small number of lessons learnt to serve as recommendations for future work or evaluative criteria that could be applied. These include:

- *Subsidiarity in a multi-level system.* Place the intervention as close as possible (in terms of level of government and/or geographically) to where it is meant to influence markets or groups, but imbed it in a larger system that supports the autonomy of lower level governments and provides them essential back-up services including conflict resolution.
- *Balance between 'formal' interventions and 'informal' practices.* In other words, 'formal' interventions are more effective if they are not meant to replace or 'crowd out' 'informal' rules, but help fine-tune them instead.
- *Implementation capacity.* Design the intervention to be consistent with the implementation capacity of government, and the absorptive capacity of people it is meant to help.
- *Complementary interventions.* Interventions that work are usually in the form of a package. Complementary measures are needed to support the core intervention for it to work.
- *Use voting with their feet as an evaluation criteria.* If people try to move out of the net of an intervention in significant numbers, its presumed efficacy for their well-being must be questioned. If on the other hand people move into the net of an intervention (including when that intervention is reduced), this is a signal of its efficacy.

## Street Vending in Bangkok: Legal and Policy Frameworks, Livelihood Challenges and Collective Responses

Chonticha Tangworamongkon

WIEGO Law & Informality Project (November 2014)

(Excerpts)

### Law and Policy Framework Legal Framework

Laws and regulation related to street vending can be divided into two levels:

1. National Level: The Public Cleanliness and Orderliness Act B.E. 2535 (1992)
2. The Public Health Act B.E. 2535 (1992)
3. The Land Traffic Act B.E. 2522 (1979)

City Level: Key ordinances that are usually invoked to regulate street vendors in Bangkok are:

1. The BMA Ordinance on Selling in Public Places and Footpaths B.E. 2545
2. BMA Directive on Regulations and Conditions of Vending in Designated Areas dated 18 July 2005

Under the laws, street vending is illegal unless permission is sought from authorized local officers. However, the permission is accompanied with detailed regulations and restrictions. The permission can also be revoked easily by the officers. This is because the laws and regulations give immense authority to local officers to grant and repeal permission for street vending.

As the BMA is the local administration of the city, it is authorized to issue city laws and regulations that are consistent with the intention of the national Acts, namely The Public Cleanliness and Orderliness Act B.E. 2535 (1992), The Land Traffic Act B.E. 2522 (1979) and The Public Health Act B.E. 2535 (1992). In other words, BMA's vending regulations should seek to ensure public cleanliness and orderliness, public health and traffic fluidity, rather than protecting the right to vending in public space.

Detailed BMA's rules and regulations have been issued to lay out obligations and conditions that street vendors must comply with, although some rules are hard to apply in reality. For example, it is hard for vendors to leave a space of at least one meter for people to walk by, as countless stretches of footpath in Bangkok are originally less than two meters in width. Additionally, the BMA is equipped with the power to issue rules on street trading partly at its own discretion. Its past issuance shows a track record of issuing rules and regulations, largely influenced by pressing circumstances that have more often resulted in greater restrictions, rather than less. For example, the issuance of the BMA Document dated 27 October 2011 that said designated areas are to be reviewed every two years for adequacy. This specific restriction was probably a response to the then widespread public agitation about vending activities that were perceived to be increasingly obstructive to pedestrians ("Democrat's Prachaiwat" 2011).

There are two development plans for the city: The 20-year-vision (2012-2032) and BMA's 12 year Development Plan (2009 - 2021). In terms of policies related to informal workers and street vendors in particular, the 20-year vision seeks to steer the capital towards an "inclusive city." Implementing strategies include developing a database and registering the informal workers, establishing a one-stop career centre, fostering social welfare for informal workers; and promoting quality street vending that achieves local and international customers' satisfaction while complying with vending regulations; and promoting income security for street vendors (BMA 2013). The 12-year Development Plan seeks to address inequality through setting up incubation centres for community enterprises and enhancing entrepreneurs' access to credit. However, no evidence is found to assess the extent to which these policies and strategies have been translated into actions thus far.

### Current Government Approach to Street Vending in Bangkok

After the coup in May, 2014, the National Council for Peace and Order (NCPO) ruled Thailand with its so-called "Return Happiness to Thailand" campaign. Seen as part of the campaign, the BMA, backed by the NCPO, pledged to reclaim the city's footpath for pedestrians. They launched an operation to "regulate" street vendors in eight major vending areas<sup>6</sup> in Bangkok (however this was most likely a city-wide operation). The claimed justification behind the operation was that the areas received a considerable number of complaints from people affected by street vending activities which caused many problems, including encroachment of footpaths and littering. In fact, this operation was stated to be aligned with the BMA's measures prior to the coup ("Crackdown on street vendors" 2014) The widely used term "regulating" campaign, in fact, is not just about making vendors strictly observe vending laws and regulations, but it typically imposed cancellation of designated vending areas, crackdowns on old markets where unlicensed vending had been long practiced, relocation of vendors, and a ban of day-time vending. [...]

After the deadline, violators were vulnerable to arrest by authorized officers, including military and police officers and city inspectors. They could be fined in accordance with the Cleanliness and Orderliness Act (not exceeding 2,000 baht); and in accordance with the Land Traffic Act (not exceeding 1,000 baht). The overarching aim of the operation was, other than reclaiming footpaths for pedestrians, to crackdown on the mafias who extorted money from vendors ("To crack down" 2014). According to an interview with a BMA officer involved in the operation, the district administration office played a major role in designing the process, which comprised the following steps: (1) vendors are notified about the operation by leaflets and (2) District office's meeting with affected vendors who

are allowed to voice their concerns. However, news coverage of the past meetings revealed that vendors' opposing opinions were not seriously taken into account; at best, they led to an extension of the deadline for clearing the area while not influencing the decision on the measures in any significant way ("Deadline extended" 2014).

In August 2014, the survey by the City Enforcement Department shows that designated vending areas in Bangkok decreased to 690 for 20,632 licensed vendors. Observation and interviews with vendors and officials in a district office revealed that, in reality, the measures in the operation are only applied to vending activities on pavements along the main roads. For side streets and small lanes, where vending on a pavement narrower than 2.5 meters in width and not a designated vending spot, tends to be allowed by the responsible district office for vending activities (Table 1). The vendors are required to pay a "monthly fine" and receive an official receipt in return, which has been commonly practiced long before the current regulating campaign. The officials stated that this practice, driven by the district office's sympathy for street vendors, is allowed as long as they do not receive mounting complaints about the vendors. Therefore, some of the vendors evicted under the current campaign, moved on to vend in nearby side streets and small lanes, rather than relocating to the proposed new vending locations

### **Case Study: Crackdown Operation on Street Vendors in Phra Nakorn District**

Rachadamnoen Klang Road, the stretch in front of the Government Lottery Office in the Phra Nakorn district, is one of the eight areas that performs "regulating campaigns" on street vendors. Based on an interview with officials in the district office, the process comprised three stages: (1) distribution of notification to the vendors about the operation, (2) meeting with Bangkok Market Management Office and the Crown Property to seek support for relocation of vendors, (3) information sharing session with street vendors to inform them about the measures and offer new vending locations.

The district office also proposed a plan to approach banks to provide soft loans to affected vendors and nearby malls to accommodate relocated vendors with cheap rent. Yet the result has not been disclosed publicly.

In terms of justification for relocating street vendors, Pol Maj-Gen Vichai Sangprapai, Advisor to the Bangkok Governor, stated in a media interview that the BMA has a plan to renovate Rattanakosin Island to ensure the cleanliness and beauty deserving of its status as Bangkok's cultural heritage.

*"I understand street traders' troubles but the City Hall must improve the city's orderliness, which I think the traders would appreciate that and collaborate with us just like traders in other areas. Footpaths are public space and shouldn't be appropriated for private uses."* Pol Maj-Gen Vichai Sangprapai, Source: Naew Na 31 July 2014

*"Before implementing such measures, there should have been prior-consultation with traders instead of simply imposing them on us. Consider those who have family burdens and children, what can they do to cope with income cut. Those big distributors in the chain don't get hurt. They are all rich. Only us street vendors who're getting poorer and poorer."* "You are happy but we are miserable. What does that mean?"

*"Reclaim happiness to people. Street vendors are also people."* Evicted lottery vendors, Source: Post Today 10 July 2014

### **Case Study: Cancellation of the Designated Vending Area in Front of Rajamangala University of Technology, Phra Nakorn**

On 20 June 2014, Dusit District Office held a meeting with the Street Vending Regulating Committee which comprises the Director of the Dusit District, members of the BMA Council, representative police officers from the nearby police station and representatives of the Rajamangala University of Technology Phra Nakorn. The platform was meant for consultation about the construction of the new multi-purpose building which would impact traders on the footpath along the wall of the university. The committee came up with a resolution that traders must relocate to the nearby pavement along Phadung Krung Kasem canal within ten days.

In an interview on 30 July 2014 with two evicted vendors who were licensed, the vendors said that originally there were around 30 licensed vendors in the designated vending spot. On 20 June, some of the vendors participated in the meeting and objected to the resolution on relocation. But the authority told them that unfortunately they had already signed for consent on the relocation while the vendors stated that they only signed to show that they were present on the day. Subsequently, the vendors asked to meet with a delegate of the university, begging for an extension of one month for the relocation. Their past experience of vending along the canal, despite it being not far from their original vending spot, is that it hardly has any pedestrians and is thus bad for trading. However, the university's delegate did not concede to the request.

The observation on the same day found that five vendors illegally traded in the recently cancelled vending spot. One of them said that on that day she had been trading from morning to afternoon on the pavement along the canal and only earned 20 baht. In the evening, when the pedestrians are most crowded in the original vending area, they had to defy the order and moved back to trade there. They also changed how they displayed their goods by putting them into mediumsized baskets that can be put away easily if the city enforcers turned up. Meanwhile, the university erected a fence, partially encroaching into the space of the pavement that used to be the designated area, leaving very narrow space, only enough for two pedestrians walking with their shoulders rubbing each other. The vendors tried to trade in that limited space by sitting on the footpath curb, but Street Vending in Bangkok: Legal and Policy Frameworks, Livelihood Challenges and Collective Responses 15 found they were then at risk of being clipped by cars and

motorcycles. Likewise, with the vendors taking some space out of the existing narrow pavement, some pedestrians resorted to walking on the street.

When asked about the troubles caused by the eviction, a vendor who lived close to the vending area where she had traded for more than a decade said that “if you rent a house and your landlord wants you to move out, he would have to inform you three months in advance. In this case, they just gave us ten days...I will have to pay tuition fees for my son soon. I haven’t been able to save up. If the payment is delayed, he will be charged extra cost. Last time we were charged for late pay.”

	<b>Vendors in designated vending areas (licensed)</b>	<b>Vendors outside designated areas, with official recognition (sometimes called vendors in “reviewed areas”)</b>	<b>Vendors outside designated areas without official recognition</b>
<b>Legal Status</b>	Legal with a license	No license with precarious legal status: Many vendors of this category did not realize their precarious legal status	Illegal
<b>Official Measures and Management</b>	Annual fee of 300 baht, comprising: - Fee for license renewal of 200 baht - Cleaning fee of 100 baht	Monthly “fine” of 200-500 baht determined by the responsible district office. Official receipt for the pay is given.	Penalty not exceeding 2,000 baht fine. Some vendors resort to informally paying monthly bribe to city inspectors to operate. The rates are subject to the inspector, ranging from several thousands to more than 10,000 baht.
<b>Ownership over vending space</b>	No ownership, although spouse and children of the licensed vendors are entitled to inherit the vending site. In reality, rights over vending sites are commonly traded	No ownership. Despite outside designated areas rights over this type of vending site are traded as well.	No
<b>Vending Security</b>	- A vending license that must be renewed annually - A designated area is reviewed for its suitability every two years. - Despite the abovementioned, a designated vending area can be cancelled at any time [...]	No security	No security
<b>Entitlements</b>	- Past experience shows that when the state launches a soft-loan programme for the poor, licensed vendors were eligible to access the loans. - Food vendors are obligated and entitled to annual health checks at the expense of 300 baht.	No entitlements	No entitlements

Table 1: Vendors’ Legal Status and their Rights and Responsibilities (note: half of authorized fines go to city inspectors)

### Characteristics, Working Conditions and Challenges Facing Street Vendors

The respondents were aged between 40 to above 60. Most had primary level education; one vendor aged above 60 was not literate. Only a few of them completed secondary level education and/or a college degree. Only one respondent was born in Bangkok; the rest were from all regions of the country, namely northern, north-eastern, southern and middle regions. While most of them migrated to the city to find a job, some of them originally moved to Bangkok for other purposes, including education and marriage. Among those who moved for economic reasons were some permanent migrants who moved to the city more than a decade ago, thus becoming residents of Bangkok, and temporary migrants who only come to the city seasonally during off-farming periods.

### Past Experience and Vending Experience

Before migrating to Bangkok, most vendors worked as rice farmers. Before becoming street vendors, some had worked in other sectors of the informal economy in Bangkok as domestic workers, homeworkers, barbers and wage labourers. Two respondents were employed formally as a company employee and a factory worker. The two reasons identified for shifting to the street trade were: (1) insufficient income to make ends meet and (2) limited freedom inherent to an employee. In terms of vending experience, many of the respondents have worked as street vendors for more than a decade, some for longer than two decades. Roughly speaking, most of them have traded on the street for more than five years. Only one Street Vending in Bangkok: Legal and Policy Frameworks, Livelihood Challenges and Collective Responses 17 respondent worked as street vendor for only two years. Three of them started the job in their late 40s.

## Working Hours

For workers in formal employment, the Labour Protection Act, 2008, stipulates that working hours must not exceed eight hours per day with one hour for a break and a minimum of a day-off per week. For street vendors in Bangkok, their working days and hours are to some extent subject to the regulation of the BMA. Currently, vendors are obligated to have a Monday off every two weeks for cleaning. For busy designated vending areas, there are allocated times for vendors of different shifts. Most vendors observe the regulation, although there were some vendors stating that they could not make ends meet with the days off.

*"Usually I trade despite no-vending day. I paid the city inspectors fifty baht so that I can trade. If I skip a day, I can't make ends meet."* A woman vendor selling seasonal fruit

*"Apart from the Monday off, I also skip Sundays. I sometimes trade on Saturday but it barely make profit as most of my customers are office workers."* A male vendor selling beverage

Other than the designated no-vending days, working hours for street vendors are also influenced by their busy hours, the type of commodity they sell and whether it requires much time for preparation. Working hours for street vendors thus vary and include time for preparation, buying materials and clean-up. Usually the time combined exceeds the working hours legally prescribed for formal workers.

*"I sell (salad) from 3 pm to almost 10 pm, then do the washing up until almost 1 am. At 5 am I got up to go buy fresh vegetable. It has to be daily buy to maintain freshness. Then I spend almost the whole day preparing - wash, chop, boil. I normally clean the vegetable three times-- first with water, second with alkali water and third with water again....With cabbages, it takes a long time to prepare: chop and sink in the alkali water and then dry the vegetable with fans. I use 4-5 fans for vegetable preparation. It prolongs the freshness of the vegetable. My monthly electricity bill is around 1700-1800 baht. Before selling salad, the monthly fee was just 600 baht."* A woman vendor whose working hours exceed 15 hours a day

## Vending Related Fees

Other than investment costs, including materials, electricity and water bills at home, gas and minor services (i.e delivery of materials and peeling fruits), vending activities also incur the following costs:

Vending fees: as discussed in Table 1, "vending fees" are varying, depending on the vendor's legal status.

*"Previously I had to pay 1,500 baht a month to the city law enforcer and it was increased to 1,600 baht. This year this "fee" has risen to 1,800 baht. No receipt."* A male street vendor selling beverages outside designated areas

*"I pay city inspectors 10,000 baht a month. This does not include the "fee" for my selling pirated stuff."* A male vendor selling pirated DVDs in a busy tourist attraction

*"I have to pay for two district offices as in the morning I trade here and I move to trade in front of the school in the afternoon where I have to pay for another district office"* A mobile vendor selling tea

However, these "costs" seem to be irrelevant for mobile vendors. Four respondents who were mobile vendors unanimously stated that they had never been fined for vending outside designated areas. This could be explained by Nirathorn's (2006) observation that city inspectors tend to be lenient in regulating impoverished street vendors. As mobile vendors (with a carrying pole) tend to be poor as they rely on their labour and possess low capital.

### • Cost of purchasing right to vend

According to the BMA's vending regulation, licensed vendors do not have ownership over their vending spot and thus are unable to give or sell it to anyone else. Selling the right to a vending location or subleasing it is an act of law violation. However, designated vending space is in high demand. Also, with an absence of systematic examination of this illegal activity, selling vending rights is widespread. The value depends on the location and whether it is very busy. A respondent bought her vending rights from a licensed vendor for around 10,000 baht. Another respondent paid 5,000 baht over a vending spot where she can trade with official recognition from the district office.

### • "Front-of-house fee"

In general, if vendors occupy the pavement's side next to a house or a building, owners of the house/building are allowed to charge some fee from the vendor. The fee rate has to be mutually accepted. There is no regulation or criteria in determining the rate. In an interview with a city law enforcer, he stated that if the charge is unreasonably high, the affected vendor is entitled to lodge a complaint to the district office. In in-depth interviews with the vendors, it was found that some house owners do not ask for the fee while other house owners do, even when the vendor used the space on the far side of the pavement from the house.

*"I pay the house owner 300 baht a month. The previous vendor (who took this space) paid the same rate. I took over her space and it's better to do it the way they did before. I don't want to get into trouble."* A women food vendor

*"I pay the house owner 100 baht for vending one day. Some house owners in another area even charged 200 baht for vending for a few hours."* A male dessert vendor

### • Utility cost (for the vending space) and pushcart parking fee

*"In the past I went to the toilet in the post office (which is next to her vending space). These days they no longer allow the vendors to use the toilet, claiming that we made it dirty. Actually it was not clear who was to blame as the post office also has a lot of visitors, but they blamed vendors. What I do currently is riding a bike back home to go to the toilet.....for electricity, I plug my extension cord to the electrical socket of a nearby shop. Once the public transformer around there exploded. People blamed it on this shop which allowed vendors to use electricity from their building. If in the future, the shop won't allow us to connect, I'm not sure what to do. The street light is not bright enough."* A woman vendor selling salad

*"I go to the toilet in the shrine. Most vendors around here do the same. When the shrine celebrates a special occasion, we will donate some money."* A woman vendor selling pineapple

*"I use water provided by the hospital. They charge me fifty baht monthly. For my pushcart, I park in a nearby parking lot with a monthly fee of 400 baht. There are also toilets there with five baht entry fee."* A woman vendor selling seasonal fruits

*"I use water from the shop nearby because we know each other. I give her 200 baht a month. My push cart normally parks at the side of that building whose owner is the same as the building I pay for the "front-of-the-house fee." The owner doesn't charge me for the parking. To go to the toilet, I walk back to my house, which is countless in a given day."* A woman vendor selling food

- Cleaning fee and waste management

Licensed vendors are obligated to annually pay a 100 baht cleaning fee. Vendors in a district stated that they are also asked to help with cleaning the area. This cleaning fee has nothing to do with removing daily waste from the vending site. The BMA regulation stipulates that vendors must get rid of their waste by themselves and not to leave garbage at the vending spot and not to drain wastewater into nearby public drains.

*"During cleaning the vending area, the district office provides water for us, vendors are required to do the cleaning. For rubbish, we have to take it home."* A woman vendor selling Salad

*"When I do the washing up here, I pour the water into the nearby drain. If I bring it home, I will have to drain it into public drainage anyhow."* A woman vendor selling food

### **Income, Savings and Debt**

Most vendors indicated that their ability to save up is determined by their financial burdens and debts. Several respondents stated that their fellow vendors in the same vending area were mostly trapped in informal debts, although only one of them admitted their own informal debts.

*"My minimum income, if it's not an extraordinary bad day, I earn around 500-700 baht per day. Cost, which is around 2,000-2,500 baht, is already deducted. My low days mostly happen during the rainy season. I don't have any saving. My debts combined exceed 100,000 baht. Each month I have to pay off the debt, totalling around 4,000 -5,000 baht. I've got two children who have to go school without any support from my ex-husband. My mom is also ill. I have to send money to help her. That's why I don't want to stop trading on the no-vending day. I'd rather pay the city law enforcer and get to trade as usual."* A woman vendor selling seasonal fruit

*"I've never calculated how much I earn daily. I normally look at how much I've got left at the end of the month after paying off all household bills. Mostly I've got 3-4 thousands left and would send some of that to my sisters back at my hometown in the countryside. I hardly have any money left for saving."* A woman vendor selling food

*"I've got a saving with the community's saving group. The interest is higher than banks. I'm entitled to loans, with the value not exceeding my own saving. It's fortunate that I can have loans from the group. Otherwise, it would have been tough. Previously, I had to pay for education of my two children. Now they already graduated from university. I'd say I could support their education thanks to my salad business"* A woman vendor selling salad

*"In the past, when the economy was thriving, I could earn around 30,000 baht in three days of the Chinese Ghost Festival but I didn't earn as much on a usual day. I had informal debts too but because I could have loans from the Government Savings Bank, I already paid off all the debts. As the truck is already paid off, my major financial burden now is my children's education. And I have another loan for buying a house that I have to pay off."* A male street vendor selling duck noodle

### **Access to Social Protection and Government Support**

When asked to list the entitlements they have received as a licensed street vendor, most of them, at first, could not figure out any until examples were given. Some of them talked about BMA's training opportunity about food safety. A few of them mentioned their gas subsidy, although one said that the process was too complicated and time-consuming; she'd rather spend the time on vending than to go through the process to receive the subsidy.

The policy that the respondents mostly mentioned was the "30 baht" scheme, which is currently known as the Universal Coverage Scheme. Nevertheless, some of them said that they never utilize their entitlement as they are rarely ill and prefer the pharmacy store. Some said they prefer out of pocket payments to get better service than the service they experienced using the UCS. Soft loans from the Government Savings Bank rank second. However, a licensed vendor in the vending area governed by the NHA stated that she was not entitled to any small credit for vendors granted by the bank because only licensed vendors in BMA's designated

vending areas were eligible. In fact, most vendors said that they did not know about the Social Security Article 40. The vendors who were insured knew about the scheme from their community's saving group and their informal worker's network.

### **Occupational Health and Safety**

The typical work-space of a street vendors is a section of public pavement next to a busy road or street. Some vendors might use a big umbrella or the eaves of nearby houses as shelter protecting them from rain and sun. Typically, street vendors are exposed to air pollution, noise and extreme weather conditions. The nature of their work sometimes demands that they carry heavy things. The common health problems and accidents that the respondents experienced are as follows:

**Body aches:** Most respondents have to push carts with their goods from either their house or the nearby parking areas to the vending spot. One of them had a fixed stall and only brought their goods from home. Most of them have problems with body aches.

*"When I first started vending, I felt achy all over my body. I almost couldn't walk. One time we pushed the cart to the market further away from our current vending spot. We made good business there but we didn't have strength enough to push the cart there."* A couple of vendors aged over 50

*"In the past I was quite mobile with my push cart, stopping from place to place, but that was tough. I constantly had body ache. I only got this fixed vending spot recently, shortening the distance that I have to push the cart."* A vendor aged over sixty

*"I carry my stuff to sell from home then got on a bus (to the vending spot). It's not heavy. I don't sell many things."* A male vendor selling miscellaneous products such as sponge and envelope.

**Air pollution:** All vendors said that they breathe in polluted air from time to time. Some of them operate on the street that is busy with traffic all the time. While only a few of them stated that the air pollution has caused health problems, many of them suffer from asthma.

*"At the beginning, I really struggled. I felt pain in my nostrils. Currently, I'm used to it although I have asthma and have to see the doctor occasionally."* A woman vendor on a busy side street

*"I have asthma but I don't go to see the doctor. I only go to pharmacy."* A woman vendor on a busy side street *"I have acid reflux disease before I start salad vending. I guess it was caused by my delayed meals. With the street vending business, my meals are even more delayed."* A woman vendor beside a main road

**Getting clipped:** some vendors operate literally on the street as the pavement is too narrow to accommodate a vendor and their cart or stall. These vendors said they experienced their stall/cart being clipped by a car.

### **Other Challenges: Complaints**

"Complaints" (on vending activities) emerged as a great concern of most vendors. Complaints can be made by pedestrians, road users and owners of nearby buildings on a range of issues, including obstruction of public ways, littering, smoke caused by food street vending, congested traffic caused by parking of cars to transfer wares to vendors or to buy food from the vendors. Most of the respondents have had some experience with "complaints": some were confronted directly about their vending activities, some were pushed out on the alleged grounds of complaints, some have been warned constantly about observing the rules and not causing complaints or their permission would be revoked.

Most of the respondents insisted that they always obey the regulations. Some admitted that some fellow vendors in the same vending area do cause some problems, triggering complaints. For example, some vendors did not remove their Street Vending in Bangkok: Legal and Policy Frameworks, Livelihood Challenges and Collective Responses waste after finishing their operation. Some vendors' businesses draw big groups of clients who crowd the pavement and block other pedestrians. A respondent said that when the district office receives a lot of complaints for the same vending area, they summon all vendors in the area for a warning even though only some vendors cause the problem. This raises grave concerns for vendors as the designated vending areas can be cancelled at the discretion of the district office.

*"I obey all the rules and regulation because I'm afraid that they won't allow me to trade. But when they receive complaints, they criticize us all, threatening to cancel the vending spot. The district office would summon all of us for a meeting to give a warning. One rotten apple spoils the whole barrel. I don't know what to do. It's hard to ask fellow vendors to observe the rules. Sometimes you get told off when you do it."*

"Complaints" are commonly used as major justification for most evictions and relocations of vendors, as well as revocation of designated areas. At present, complaints can be made via phone calls and electronic channels (i.e. Facebook pages, websites and mobile application). Interestingly, there does not seem to be an exact number of complaints after which action is required." In late November 2013, it was reported that the total number of complaints in Bangkok potentially exceed 2,500, surging from 2,062 recorded in the previous year. The coverage stated that the issues included street vending, unauthorized building modifications, electricity, waterworks and roads. It also made an assumption that the surge of complaints was possibly caused by complaints made by vendors affected by crackdowns ("Street vending tops" 2012).

In 2014, there was an emergence of virtual groups organized on social media platforms, namely Facebook, for people frustrated by street vending to get together and discuss it. The prevailing narrative underlying these platforms is that pedestrians are

seeking to reclaim the footpath. The groups with more than one thousand followers were as follows: • Thai against Street Vending: <https://www.facebook.com/saynostall> • Bangkok Sabai Walk Group: <https://www.facebook.com/BangkokSabaiWalk> • Reclaiming Footpath Group: <https://www.facebook.com/footpaththai> While the other two groups campaigned for reclaiming pavement for pedestrians from other users, including street vendors, motorcycle taxi drivers and sidewalk billboard owners, the “Thai against Street Vending”, which had more than 5,000 followers in July 2014, is exclusively against street vending as suggested by the 28 WIEGO Law & Informality Project group name. This Facebook page is open to anyone to share stories and pictures to show how existing street vending causes problems for pedestrians and the city as a whole. They are also active in lodging complaints about street vendors to the responsible district office and the NCPO. They have been proactively monitoring whether BMA’s regulations remain stringent after the crackdowns.

It is no exaggeration to state that this is an emerging challenge for street vendors. While those opposing street vending have adapted to the changing information technology and widely have access to social media to get together beyond geographical constraints, enabling their voice as pedestrians and city dwellers to be strengthened, it has been found that social media is not being leveraged by street vendors to collectively campaign for their interests. Whether street vendors have access to the technology needs to be examined elsewhere as it is beyond the scope of this study. At this stage it is reasonable to say that the increasing visibility of those pedestrians disapproving of street vending could potentially influence future policy on street vending.

### **Vendor Organizations**

While formal workers are guaranteed the right to unionize by the Labour Relations Act, B.E. 2518, street vendors, as a sector of informal workers, despite their large number, are not legally entitled to organize as a labour union. In terms of policies, organizing street vendors was to some extent promoted [...]

Charnchoengrob (2002) argued that the limited organizing of street vendors and the inability to stay vigorous and long-standing can be attributed to livelihood constraints, street vendors’ excessive reliance on leaders, the independent operating nature of street vending, the lack of knowledge on street vending rights, the failure to leverage the legal framework to defend their rights, limited aims of organizing, such as only to secure vending rights while failing to recognize the rights in other aspects, including the right to vending facilities and utilities.

### **Case Study: Nakkeela Community Service Cooperative**

In fact, in Bangkok there is a street vendor organization that has robustly defended their vending rights and eventually developed into a cooperative that is successful in solving vendor members’ debt problem. Calling themselves the “Nakkeela Community Service Cooperative”, the group, under administration of the National Housing Authority (NHA), mainly comprises street vendors from the “Economy Square” in Nakkeela Community.

Their original mobilization of affected vendors was triggered by their conflict with the NHA. In 1996, the NHA wanted to implement a plan to renovate the community’s old market. The vendors, thus, were asked to temporarily move their trading to the “Economic Square”, which was a space across from the original vending site for community activities. They were promised that they would get their vending location back with the NHA once the development was finished. Subsequently, promises were broken; the NHA contracted a private company to operate the renovated market, resulting in too high a rent per stall for the vendors to afford. To counter the NHA’s move, most of them refused to move back, continued to trade in the square and kept paying vending fees to the NHA. Unfortunately, some residents filed a lawsuit against the NHA, accusing them of profiting from community space which was preserved for communal purposes. As a result, the NHA pressured the vendors into leaving the space by all kinds of means, including not taking the vending fees to undermine the vendors’ legitimacy in using the area for their trading. However, in defiance, the vendors continued their vending activities in the square, in answer to which the NHA organized a group of men who dismantled the vending shelters and stalls. The NHA then filed a lawsuit in the court, demanding that the vendors clear the square (“Vendors complain on NHA” 2006).

More than 100 vendors were affected by the NHA’s attempt to evict them. These vendors organized themselves into a savings group of vendors from Nakkeela Market, which was led by Areerat Chulathip. From the onset, the group was essentially supported by the Consumer Foundation who guided them through the process of effectively organizing, mobilizing and campaigning. During the period before the verdict was announced, the group actively advocated for their justice by petitioning related agencies to scrutinize the NHA on this case. Their advocacy successfully drew some media attention. The verdict was subsequently delivered, stipulating that once the NHA secured a new vending venue for the vendors, the vendors must clear the square. Until now, a decade since their conflict with the NHA broke out, the vendors have maintained their vending operation in the square as the NHA has not provided them with a new vending location. The savings group has transformed itself into a cooperative seeking to provide social benefits for its members, who are mainly the street vendors.

Like other groups’ efforts in organizing, the Nakkeela Service Cooperative started to organize themselves in a bid to counter an emerging eviction threat. Unlike the other vendors in resistance organizations, the organization has transformed from a collective reaction response to an immediate threat to their livelihoods into an institutionalized organization among vendors for their long-term

interests. Their achievement can be largely attributed to a group of unwavering leaders who have continuously led their resistance, and to the strategic support provided during their initial stage of organizing by the Consumer Foundation. There are some contributing factors that should be taken into account: First, under the governance of the NHA, the vendors are regulated by a different set of regulations which are loosely prescribed, unlike street vending under the BMA regulations. Second, a community developed by the NHA is typically located in the suburbs of Bangkok; in other words, street vendors under the supervision of the NHA are not in economically and culturally important locations in Bangkok.

Currently, the cooperative has 275 members, although membership is not limited to vendors only. The organizational structure comprises a president with a two-year term and nine committee members. There is one annual meeting of the president and the committee members who get 300 baht meeting fee. As mentioned earlier, the achievement of the Nakkeela vendors' organization was not about securing their right to vending space from eviction only, but the group also addressed the member vendors' informal debts by providing soft loans. An eligible borrower is a member who bought a share of 100 baht on monthly basis. Once they have done that for six months, they are entitled to a loan twice as much as their savings. In an effort to curb public complaints about street vending activities in the square, an overarching strategy that all members are encouraged to adopt is to be considerate of other users of the space, including pedestrians, road users and building owners by not causing congestion or blocking the space or the nearby road. They are aware of the fact that complaints can be used as a legitimate reason to displace them. Additionally, the cooperative seeks to fortify its relationship with other community members by regularly contributing some funds to the community's activities. However, the existing limitations that could potentially undermine the sustainability of the group are as follows: • Lack of a new generation of leaders to take on leading positions, especially as the chairman. • Lack of appropriate media and platforms for disseminating information. Due to livelihoods constraints, meetings are rare, which is not sufficient for effective communication and dissemination of information among the group members. • Lack of effective measures to ensure 100 per cent return of money borrowed. • While the cooperative's soft loans are appealing to members, it is not yet enough to be an effective mechanism in pressuring street vendor members to discreetly observe the vending rules

## Conclusions

While not all street vendors in Bangkok are disadvantaged, street vending is unmistakably a crucial source of poverty reduction as it provides employment for those with limitations, including the low-educated and the elderly, and provides supplementary income for seasonally unemployed farmers. Some of them could even generate sufficient income to support family burdens, including children's education and family debts, which, in turn, benefit society as a whole. In producing these advantages, this economic activity merely relies on public space and the state's permission to use it.

In terms of street-vending laws, there is a clear boundary between what is legal and illegal, but when it comes to law enforcement, leniency at the district office level caused by either empathy, vested interest, or bribery can be commonly observed. Therefore, other than legal and illegal status, a number of street vendors have ambiguous and precarious legal status without realizing that this is so. Similarly, the inconsistency of Bangkok's governors' policies on street vending, particularly when there is a change of administration, has made it difficult for both city inspectors to regulate street vending and for street vendors to ensure their compliance with the laws and regulations. Fluctuation of policies may occur even during the administration of the same governor. Swift change of the predilection has often been attributed to mounting public complaints on street vending; and the need to crackdown on extortion as well as city renovation projects. These may serve as justification for abrupt application of law enforcement actions as well as additional rights-restrictive measures on street vendors, including eviction of long-operating street vendors, cancellation of designated vending areas without meaningful participation processes resulting in tight deadlines for affected vendors to relocate. For some, moving out from the same vending spot is equivalent to the need to leave street vending for other means of livelihoods.

Technological advancement and access to social media has facilitated virtual organizing for those who disapprove of street vending, including pedestrians and road users affected by street vending, and those holding ideas that street vending is a sign of underdevelopment. They have campaigned to connect to those who share the sentiment and closely monitor BMA to ensure their stringent regulations on street vendors. While there are vendors who violate the laws and rules, causing trouble for stakeholders of public space, a number of street vendors diligently ensure their self-regulation on vending. These vendors fail to adapt themselves to changes; there is no equivalent social media leveraged to empower street vendors. Past organizing has been largely limited to short-term street protests, political pressure and justifying their street vending as long-practiced to counter state evictions and beg for their empathy. But the laws do not guarantee any vending rights, regardless of how long one has been trading on the street, while the laws give full protection for pedestrian rights in public space. Street vendors' efforts to organize in a short-term manner in pursuit of reclaiming their vending rights in the same site is probably a critical factor that undermines the prospect of long-term organizing for street vending. Representing a successful case of organizing of street vendors, the Nakkeela Community Service Cooperative demonstrates that relentless determination of group leaders in organizing and guidance by an experienced nonprofit organization and efforts on collective self-regulations are important factors to their achievement of organizing and securing vending rights, although there exist challenges to the organization's sustainability.