

Economic Mobility of Migrants in Kanchanaburi DSS : A Preliminary Analysis

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Introduction

In recent decades, Thailand has become emblematic of migration transition, with increasing streams of immigrants arriving as Thai emigrants continue to embark across borders to seek opportunities abroad (Battistella 2002). Although international migrants have become a significant share of the Thai labor force, little is known about the occupational and socioeconomic positions that they occupy in the Thai context, nor about their experiences of social and economic mobility. In fact, there has been little empirical analysis of the economic status and economic mobility outcomes of foreign-born individuals in emerging countries of immigration. As existing knowledge has been based largely in Western countries characterized by extensive immigration histories, it is difficult to ascertain whether sociological and demographic perspectives on economic mobility of immigrants apply to more recent migration streams in different global regions. We use longitudinal data from the Kanchanaburi Demographic Surveillance System (KDSS), collected in Kanchanaburi province of western Thailand, to conduct an initial exploration of foreign-born economic status and status mobility in an emerging immigration context. While the time frame of our analysis is quite short, four years to be specific, it is suitable for assessing whether immigrants economic fortunes are shifting in patterns parallel to native-born Thais, or if they progress or regress in a distinctive pattern.

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International Migration in the Thai Context

In the current era of regional economic development, Southeast Asia has witnessed unprecedented levels of population mobility as migrants have moved internally and across borders to seek economic opportunity, as well as refuge from political persecution and economic dislocation (Bain 1998; Castles 1998). Thailand experienced a rapid, and somewhat unexpected, upturn in immigration beginning in the 1990s, with over one million migrants flowing into the country, largely from neighboring Myanmar, Cambodia and Laos, over the course of several years in the early 1990s (Battistella 2002; Chantavanich 1999). Due to both its accessible border and employment opportunities, Thailand has been the recipient of most of Myanmar's million-plus population of migrants and refugees (Bain 1998). Among the unprecedented numbers of migrants entering Thailand since the 1990s are many undocumented migrants from Myanmar, Laos and Cambodia (Shinnavaso 1995).

Descriptive studies conducted to date provide an incomplete sketch of the economic wellbeing of foreign-born workers in the Thai contexts. From these studies a picture emerges of several distinct types of migration and migrant economic niches in Thailand, including concentrations of migrant workers in the fisheries, agriculture, factory and domestic labor sectors. Migrant registration is limited, as is knowledge of migrants' rights to register and obtain migrant and worker protections (Amaraphibul et al. 2002). The precarious situation of unauthorized migrants in the Thai labor market, coupled with the vast supply of potential migrants in neighboring countries, has contributed to a situation in which violations of workers' rights, such as payment below minimum wage and non-provision of social benefits, is commonplace (Battistella 2002). Although the foreign-born are a relatively small share of the total Thai labor force (about 3% at the beginning of the decade), their heavy concentration in certain industries, such as fisheries and plantation agriculture, has created structural dependence on immigrant, and especially unauthorized immigrant, labor (Battistella 2002). Furthermore, following from recent experience and principles of international migration and development theories,

levels of migration to Thailand are likely to increase and immigrants will be inclined to settle for lengthy periods or permanently (Huguet 2005).

Several scholars have observed that international migrants, especially the sizable segment of unauthorized migrants, occupy vulnerable positions in the Thai labor market and perform jobs deemed undesirable by most native-born, and especially affluent, Thais (Chantavanich 1999; Battistella 2002). Immigrants' tendency to occupy the lower echelons of the labor market, and their often marginalized position in the wider society, leads us to inquire about their economic positions and experience of economic mobility vis-à-vis the native-born Thai population. To date there has no attempt to delineate the economic livelihoods, or the short-term economic mobility experiences of immigrants and their households in contemporary Thailand. The current analyses offer a first step in filling this empirical gap.

Perspectives on the Economic Mobility of Immigrants in Destination Contexts

Existing studies of immigrant incorporation and mobility, conducted largely in the United States and other long-standing immigration contexts, maintain that immigrants encounter hardships upon arrival in host societies that initially limit their success in locating suitable jobs and otherwise integrating in the destination labor market and other institutions (Haberfeld et al. 2000; Rajzman and Semyonov 1995). However, the passage of time in destination, which usually enhances host country information and work experience, familiarity with local customs, language and labor markets, and facilitative social network ties, tends to enhance immigrants' economic position relative to their initial status position (Chiswick 1978, 1982; Rajzman and Semyonov 1995). However, not all immigrants are equally successful in advancing their economic position in the host society, as gender, ethnicity and other characteristics condition pathways of immigrant economic incorporation and mobility (Haberfeld 1993; Myers and Cranford 1998; Semyonov and Lerenthal 1991).

Extant research from the U.S. and other industrialized countries indicate divergent economic mobility outcomes among immigrant groups. While a long predominant assimilationist viewpoint maintains that immigrants and their children attain convergence with mainstream, native-born groups relatively quickly, such as within the span of a generation or two, more recent perspectives on the mobility of immigrants and their children recognizes greater variability and obstacles to economic mobility by the foreign-born that stems from the characteristics of the immigrants, their origin countries and the contexts of reception that they encounter (Portes and Rumbaut 1990).

Compared to research investigating economic mobility across immigrant generations (e.g., Borjas 2006, 1993; Perlmann and Waldinger 1997), research that actually traces the intra-generational mobility experiences of first generation immigrants over time has been very limited (Chiswick et al. 2005b; Chiswick et al. 2003). In developing and emerging immigration countries this type of analysis is essentially nonexistent, hence we focus our review on analyses of the U.S., Australia and other settings with extensive immigration that have been the focus of immigration scholars. Borjas (2006:57), in a selective synopsis of immigrant mobility research, asserts that most immigrants to the U.S. experience earnings and socioeconomic status disadvantages relative to native-born individuals and that these disadvantages tend not to diminish during their lifetimes. Other scholars, while observant of intra-group disparities, are less pessimistic about positive forms of mobility in the first generation. While “catching up” to the native born is a select process that favors immigrant with certain occupational positions and national origins, this other body of research points to select groups that experience select mobility gains. For instance, Chiswick and colleagues have often observed an upward trend in immigrants’ earnings associated with duration of residence in the U.S. or Australia (Chiswick 1986). Recent analyses of the foreign-born in Australia demonstrate that those with transferable work experience and educational resources are more likely to experience positive forms of economic mobility in the host society than other migrants (Chiswick et al. 2005a, 2005b). In the European setting, analyses of Mediterranean origin immigrants in Germany reveals that first generation immigrants, largely employed in low

skill occupations, experience quite limited socioeconomic mobility compared to native born and second generation workers (Seifert 1997).

Data and Methods

To date, the empirical gap on immigrant intra-generational economic mobility has stemmed, in part, from the absence of longitudinal datasets with earnings or economic status information on sufficient numbers of immigrants (Chiswick et al. 2005). The Kanchanaburi Demographic Surveillance Systems (KDSS) is a unique data resource that provides repeated measures of household and individual level socioeconomic status among all adults and households in 100 communities of the western Thai province of Kanchanaburi. The KDSS design permits a short-term assessment of economic mobility patterns of foreign-born individuals as compared to native-born individuals in an emerging immigration society. Furthermore, given that the KDSS provides information on place of birth as well as self-defined ethnicity, it is possible to consider and compare the economic mobility experiences of cross-border migrants and the non-Thais but born in Thailand, compared to the Thai population in this diverse border province.

Most research on immigrant economic mobility has highlighted variability in wage earnings among immigrants and their second-generation and native-born counterparts. This approach to measuring socioeconomic status is not feasible in the context of contemporary Thailand, where a sizable segment of the population is engaged in own-account and formal sector labor in both the agricultural and nonagricultural sectors. As such, many workers do not earn wages, but rather in-kind income and the profits of agricultural and nonagricultural small enterprises which are often produced by entire households, rather than individual laborers. Furthermore, the segment of workers that does earn wages often labor in the informal sector where wage earnings are highly variable over time. To overcome the many difficulties associated with measuring income in developing country contexts, numerous scholars have come to rely upon proxy measures to assess household living standards (Montgomery et al. 2000). These proxy measures have proven to be feasible to obtain, reliable, and meaningful for assessing the

relative and shifting economic position of households. Therefore, we construct measures of household living standards that capture multiple dimensions of household wealth across all subsets of the study population and over the four year observation period. Rather than the standard assessment of labor market adjustment adopted in analyses of immigrants in advanced industrial economies, our focus on households as the unit of analysis as opposed to individuals, and a multidimensional measure of living standards as opposed to earnings, is most appropriate to the Thai society and economy.

In our analysis, we use information about household assets to reflect household's economic status. Twelve household assets and two house characteristics are included (television, telephone, cell phone, satellite, stereo, VCR/VCD, air condition, computer, washing machine, refrigerator, microwave, car, pick-up, motorcycle, itan, sewing machine, and truck¹). Using a Principle Component Analysis (Filmer and Pritchett 2001), the 14 items mentioned above are combined to form an asset index for each household in 2000 and 2004. In each year, based on the asset index, households are classified into three groups: poor (the lower bound 40 percent), middle (the middle 40 percent), and rich (the upper bound 20 percent). We then created the dependent variable of economic mobility by comparing economic status in 2000 and 2004. The dependent variable is categorized into 5 groups: no change (poor to poor), no change (moderate to moderate), no change (rich to rich), upward mobility (poor to moderate or moderate to rich or poor to rich), and downward mobility (moderate to poor or rich to moderate or rich to poor).

Existing research on immigrant economic incorporation and mobility has compared migrants according to the duration of time they have lived and worked in the destination society. Unfortunately, the KDSS does not provide information on the number of years foreign-born individuals have resided in Thailand. While we are not able to construct this important time-based measurement of host-country experience, the KDSS data does provide information on several other characteristics of individuals and households which serve as indicators of the degree of incorporation or assimilation to Thai society. For

¹ A good roof is defined as a house roof made of tiles or cement. A good house is defined as one with walls made of wood, brick, or concrete.

adults aged 15 and older, among other things, the KDSS collected information on ethnicity, which is self-defined in nature and place of birth. By aggregating the birthplace information, we are able to determine whether the household is headed by the non-Thais, foreign-born, the non-Thais, Thai-born, or the Thais.

Following the logic above, we find that around 12% of households included in our study are headed by the non-Thai. Among these non-Thai households, two-thirds are those foreign-born. So, as a whole, 8% of the households headed by the non-Thai born outside Thailand, 4% are the households of the non-Thai but born in Thailand, and the majority are Thai households, comprised 88% of the total households included in our analysis.

Our analysis also takes into consideration other covariates possibly related to economic status. The covariates include other individual characteristics of household head (age and sex), household structure (household size and number of household member in dependent age), household socioeconomic status (whether any member of household has secondary education, whether any member working in non-agricultural sector, and number of household member working in agricultural sector) and stratum of residence place (urban/semi-urban, rice, plantation, mixed economy, and upland).

Results and Discussion

There are 8,679 households interviewed in both 2000 and in 2004 included in our analysis. The economic status of the majority of our study households, about three fourths (74%), does not change during 2000 to 2004. Households that have improved their economic status during these 4 years period is 16%, while 10% experience downward economic mobility. Table 1 then clarifies that the biggest group of unchanged economic status, when looking closely, is composed of 3 groups; either they continue to be classified as rich, moderate, or poor households. With this more detail figure, we can see that, in general, the highest proportion of households (41%) fall into a group in which their economic status is classified as moderate and had not changed over the 4 years of

study period. Those who start off poor in 2000 and still remain poor in 2004 comprise more than one fifth (21%).

Table 1 Percentage distribution of household included in the analysis by economic mobility between 2000 and 2004

Economic mobility between 2000 and 2004	Percentage
Stay poor	21.3
Stay moderate	41.7
Stay rich	10.7
Upward	16.4
Downward	10.0
Total	100
N	8,679

Table 2 looks at economic mobility between 2000 and 2004 take into account of household migration status as well as other household characteristics. We see that non-Thai households experience no changes in a higher proportion than Thai households, especially for households of those foreign-born. Note that the households headed by the non-Thai but born in Thailand show economic improvement in a proportion quite close to Thai households. However, looking at no change without considering from which position the household starts may blind the fact. Taking a closer look at this no change group, classifying households in no change group into stay poor, stay moderate, and stay rich, across migration status of households suggests that within the no change groups, reveals a distinctive pattern. In the Thai household, stay-poor households comprise only a small fraction, while among households of the non-Thais, staying poor is dominant, particularly of the foreign born, among whom almost 90% stay poor over the 4 years period. At the same time, we see very little in economic improvement among the non-Thai households, compared to the Thais.

Economic mobility across some household characteristics is also noticeable. Households with any member finished at least secondary education or working in non-agricultural

sector stay poor in a lower proportion than households without. Households living in upland stratum seem to remain poor higher than those in other stratum.

(Table 2 is about here)

We further explore whether household migration status is really associated with economic mobility, taking into account of other household characteristics possibly related to economic mobility. Using multinomial logistic regression, we find that compared to the Thai households, households of the non-Thai, foreign born or Thai born are more likely to continue to be poor than to improvement in economic status (Table 3). To be specific, households headed by the foreign-born are 8 times to remain poor over to get economically improved during the 4 years period as likely as households headed by Thais. The likelihood of staying poor for households headed by the Thai-born is not as great, though still higher than households headed by Thai people (two times as likely). The chance of staying poor over staying in moderate group or staying in rich group is also greater for households of the non-Thais.

(Table 3 is about here)

Not only that the foreign-born are more limited in improving economic status than Thai, they are also more disadvantaged compared to the non-Thai who were born in Thailand as Table 4 suggests. Households of foreign-born are almost three times as likely as of the Thai-born to stay poor over upward mobility and almost 8 times as likely as of the Thai-born to stay poor over staying moderate.

(Table 4 is about here)

Other characteristics that are positively associated with staying poor over upward mobility include households headed by older people, households with large number of member in dependent age, and households with large number of member working in agriculture. Characteristics that are positively associated with upward mobility are larger household size, having member in non-agriculture, and having member finished at least secondary education.

Conclusion

In this analysis, we use longitudinal data from the Kanchanaburi Demographic Surveillance System (KDSS) from 2000 to 2005 to conduct an initial exploration of foreign-born economic status mobility in an emerging immigration context. The dataset also permits us to assess whether economic fortunes of migrants are shifting in patterns parallel to the non-Thai but born in Thailand, and to the Thai population, or if they progress or regress in a distinct pattern.

Findings from our preliminary analysis indicate the disadvantaged economic position of the foreign-born individuals. Throughout the four years study period, the foreign-born experience very little economic upward mobility. They start off poor and tend to stay poor for a number of years. Migrants tend to encounter limitations in improving their standard of living. Our findings are consistent with previous study in long-history immigration context suggesting that the disadvantages that migrants encounter tend not to diminish during their lifetimes (Borjas, 2006:57). Beyond migration status, we also find that upward economic mobility among migrants is selective on education and on certain occupational sector. Other scholars, while observant of intra-group disparities, are less pessimistic about positive forms of mobility in the first generation.

Our study is a start to explore understanding about socioeconomic position among migrants and their incorporation into Thai society. Clearly, the extent of limitations to opportunities among migrants needs further study. Our analysis has implications for policy makers to reconsider national socioeconomic plan in order not to leave behind some certain groups in the society, especially cross-border migrants who tend to keep coming and to settle in Thailand for lengthy periods or even permanently.

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Table 2 Household economic mobility between 2000 and 2004 by selected household characteristics

	Household economic mobility between 2000 and 2004						Total	N
	No change (poor - poor)	No change (moderate-moderate)	No change (rich-rich)	Up ward	Down ward			
Total	21.3	41.7	10.7	16.4	10.0	100.0	8,679	
Migrant status								
Thai	16.6	44.5	11.4	16.9	10.6	100.0	7,931	
Non-Thai, Thai-born	52.6	20.6	4.6	15.7	6.6	100.0	350	
Non-Thai, foreign-born	87.2	3.5	1.3	6.3	1.8	100.0	398	
Any member has > primary								
Yes	7.2	45.7	20.3	16.2	10.6	100.0	4,155	
No	34.1	38.0	1.9	16.6	9.5	100.0	4,524	
Any member in non-agriculture								
Yes	10.03	42.75	20.71	15.68	10.83	100.0	3,738	
No	29.75	40.82	3.1	16.92	9.41	100.0	4,941	
Household head is female								
Yes	21.7	39.5	10.0	17.0	11.8	100.0	2,471	
No	21.1	42.5	11.0	16.1	9.3	100.0	6,208	
Strata								
Urban/semi-urban	5.6	36.3	32.3	14.0	11.9	100.0	1,691	
Rice	16.4	51.3	4.2	15.5	12.5	100.0	1,649	
Plantation	19.7	50.3	3.2	17.3	9.5	100.0	1,421	
Upland	47.9	26.4	2.1	17.5	6.2	100.0	2,054	
Mixed economy	11.6	48.3	11.9	17.4	10.8	100.0	1,864	
Mean age of household head	48.3	47.6	48.2	46.4	52.6	48.1	8,679	
Mean size of household	3.5	3.9	4.1	3.8	3.8	3.8	8,679	
Mean number of dependent household member	1.6	1.5	1.4	1.5	1.5	1.5	8,679	
Mean number of household member in agriculture	1.5	1.5	0.5	1.3	1.3	1.3	8,679	

Table 3 Coefficients from multinomial logistic regression predicting economic mobility between 2000 and 2004

	Stay poor /Upward		Stay poor /Stay moderate		Stay poor /Stay rich	
	B	S.E.	B	S.E.	B	S.E.
Household migration status (Ref: household headed by Thais)						
<i>Non-Thai, Thai-born</i>	0.78	0.33*	1.15	0.34**	0.76	0.39
<i>Non-Thai, foreign-born</i>	2.11	0.30***	3.21	0.52***	1.68	0.60**
Age of household head	0.01	0.00***	0.01	0.00*	0.00	0.00
Household head is female	0.17	0.10	0.25	0.08**	0.59	0.11***
Household size	-0.30	0.05***	-0.39	0.05***	-0.49	0.06***
Number of member in dependent age	0.18	0.05**	0.31	0.05***	0.39	0.07***
Number of member in agriculture	0.19	0.06**	0.07	0.06	0.49	0.07***
Any member in non-agriculture	-0.31	0.12**	-0.56	0.12***	-1.02	0.18***
Any member finish secondary+	-1.03	0.11***	-1.13	0.11***	-2.91	0.18***
Stratum of household residence (Ref: Urban/semi-urban)						
<i>Rice</i>	0.62	0.20**	0.40	0.22	1.98	0.30***
<i>Plantation</i>	0.64	0.21**	0.54	0.20**	2.20	0.24***
<i>Upland</i>	1.23	0.24**	1.68	0.30***	3.56	0.44***
<i>Mixed economic</i>	0.20	0.21	0.15	0.22	0.94	0.35**
Constant	-0.38	0.24	-0.66	0.23**	1.66	0.27***

$N = 8,679$

Log likelihood = -10621.71

* Significant at 0.05, ** Significant at 0.1, *** Significant at 0.001

Table 4 Coefficients from multinomial logistic regression predicting economic mobility between 2000 and 2004

	Stay poor /Upward		Stay poor /Stay moderate		Stay poor /Stay rich	
	B	S.E.	B	S.E.	B	S.E.
Household migration status (Ref: Household headed by Thai-born)						
<i>Thai household head</i>	-0.78	0.33*	-1.15	0.34**	-0.76	0.39
<i>Foreign-born household head</i>	1.33	0.34***	2.06	0.43***	0.92	0.49

$N = 8,679$

Log likelihood = -10621.71

* Significant at 0.05, ** Significant at 0.1, *** Significant at 0.001

Note: Other independent variables included are not shown