

Chapter 1

Introduction

1.1 Chinese in Thailand

1.1.1 Sources of Immigration

The relationship between China and Thailand has been greatly influenced by geographical, social and historical factors. Geographically, the two countries lie in close proximity. The two countries are separated by Burma and Laos. Several ethnical groups exist both in China and Thailand, such as Dai and Zhuang. These regions have similar social structure and common religion.

The economic development of China has made Thailand its second biggest trading partner. In 2003, the China-ASEAN FTA (Free Trade Area) agreement was signed. In this agreement, China and Thailand agreed to eliminate tariffs on fruit, vegetables and other agricultural products. Under the stimulation of this policy, the value of trade between the two countries was around 10.62 percent of Thailand's total value of trade in 2007. And in 2009, the official value was 38 billion US dollar.¹

The two countries are on the road of stable cooperation.

Historically, the Thai Kingdom of Nanchao existed in Yunnan for several centuries and came under Chinese vassalage about 900 A.D. The two countries kept long diplomatic relations for several centuries. Another historical factor that has

¹ Source from China-ASEAN Free Trade Area. www.cafra.org.cn

considerably influenced Sino-Thai relations has been the migration of a large number of people of Chinese origin into Thailand during the nineteenth and twentieth centuries. They came by sea from Hainan (about 70% in 1987) and other adjacent Chinese mainland ports because of economics and politics. (The provinces and ports of Chinese migrants are shown in Figure 1.1.)



Figure 1.1: The Sources of Chinese Migrants

1. Source: R K Jain (1987) "China and Thailand 1949-1983".
2. \\\ indicates the main Chinese migration sources.

It is extremely difficult to determine the number of Chinese in Thailand accurately, although many estimates have been made. In the 1919 census the number of Chinese residing in Thailand was given as 260,194, in the 1956 census as 329,400 and in the 2000 census as 141,600. The number of Chinese in Thailand was between 300,000 and 500,000 from 1919 to 1970. But the government did not count the data

in 1980 and 1990. The tenth census was in 2000 and the number of Chinese in Thailand was about only 140,000.

Table 1.1: The Number of Chinese in Thailand

Year	Total Thai Population (in thousands)	Intercensal Percentage Change	Chinese population in Thailand (in thousands)	Intercensal Percentage Change	Percentage Chinese in Total Population
1919	...	...	260.2	...	...
1929	...	...	445.3	71.14%	...
1937	...	...	524.0	17.67%	...
1947	17,442.7	...	476.6	-9.05%	2.73%
1956	20,095.1	15.21%	329.4	-30.89%	1.64%
1960	26,257.9	30.67%	409.5	24.32%	1.56%
1970	34,397.4	31.00%	311.1	-24.03%	0.90%
1980	44,824.5	30.31%	...	...	...
1990	54,548.5	21.69%	...	...	...
2000	60,606.9	11.11%	141.6	...	0.23%

Source: National Statistical Office Thailand.

Why is the number of Chinese in Thailand decreasing? The general opinion is that the main reason is that Chinese are assimilating with Thai people through

marriage or other ways and become naturalized. Another reason is the reduced Chinese immigration due to the high economic development of China. Chinese have nowadays good opportunities in their home country and retain business contacts with other countries due to the further opening up of China. The third reason is about the traditional mind of Chinese. No Chinese leaves his home with the intention of never to return. His hope is always to come back rich, to die and be buried where his ancestors are buried. After accumulating a certain amount of wealth, the wanderer eagerly look forward to come back to homeland. They focus on the utility beyond income or wealth. But some of the naturalized Chinese may have less intention to come back. They have established stable settlements and social relations and consider themselves native Thai people.

Official statistics show that six million people in 1987 or about 14% of Thailand's population claim to be of Chinese ethnicity. In 2005, there are 7,053,240 ethnic Chinese populations in Thailand, and this number is 7,254,261 in 2004.

1.1.2 Reasons for Immigration

Economic adversity of one kind or another has been the principal reason for emigration. The typical Chinese immigrant was pushed by intolerable living conditions at home; but he was also pulled by the attraction of better opportunities overseas. The simple desire for quick gains, for enlargement of business experience, for education, or for adventure has played a role. Besides these, political reason is another factor of emigration. This is even truer of Chinese emigrants than for some

other national categories of emigrants because of the strong cultural emphasis on enriching the name and financial endowments of family through active business participation and the creation of Chinese-Chinese economic networks.

Many Chinese arrived in the Kingdom with skills or crafts that they could immediately utilize or with commercial experience that gave a sound basis for active participation in the business life of the Chinese community. Earlier data collected from official publications support the conclusion that the majority of immigrants were small traders or labored, perhaps in addition to being farmers.

1.2 Citizenship and Chinese Political Interest

The average Chinese in Thailand is well aware of economic, occupational, and educational limitations imposed by the Thai government. Thailand, like other nations of the world, traditionally took the position that any person born on her territory, regardless of the nationality of his parents, was a Thai citizen by birth. This principle of nationality was specifically recognized in Thailand's Nationality Act B.E. 2508 as amended by Acts B.E. 2535 (1992). The relevant part of this status was the following:

Section 7. The following persons acquire Thai nationality by birth:

(1) A person born of a father or a mother of Thai nationality, whether within or outside the Thai Kingdom;

(2) A person born within the Thai Kingdom except the person under Section 7 bis paragraph one.

Section 7. bis. A person born within the Thai Kingdom of alien parents does not acquire Thai nationality if at the time of his birth, his lawful father or his father who did not marry his mother or his mother was:

The person having been given leniency for temporary residence in Kingdom as a special case;

The person having been permitted to stay temporarily in the Kingdom;

The person having entered and resided in the Thai Kingdom without permission under the law on immigration.

This law also set following conditions for citizenship by naturalization:

Section 10. An alien who possesses the following qualifications may apply for naturalization as a Thai:

Becoming sui juris in accordance with Thai law and the law under which he has nationality;

Having good behavior;

Having regular occupation;

Having a domicile in the Thai Kingdom for a consecutive period of not less than five years till the day of filing the application for naturalization;

Having knowledge of Thai language as prescribed in the Regulations.

Most of the Siamese-Chinese of the mid-twentieth century have all become Thai citizens. These ethnic Chinese live comfortably in Thai society because they can keep their ethnic Chinese identity while at the same time use their national

identity as Thai.

Regardless of the possibility of Chinese people acquiring citizenship, it is quite likely that they never feel completely equal to or integrated with the native Thai population, leading to a feeling of lower social capital and unhappiness. The present thesis will attempt to determine the extent to which this is true. Strong circumstantial evidence is given by the fact that the Chinese community provides the Chinese minority with opportunities for a limited kind of political expression. They have rules to charge arrangements within the ethnic group. Normally, there is a chairman who has reached the apogee of both financial and social success in the community. The Chinese associations thus give to the individual Chinese a social and political position within his own group, and a position which is recognized and respected by the Thai government.

1.3 Justification of the Research

There are at least four groups of official and unofficial agents who might be interested in the results of a study on the relative welfare of Chinese in Thailand.

These include government, business communities, migrant and the general public.

The first group is government: a.) Thai government – Thai government committed to attracting foreign investment. In order to achieve this target, Thai government has introduced a number of measures mainly by free trade agreements with other countries. Besides the economic policy, the government could provide a good investment environment to make Chinese people stay longer in Thailand; Thai

government also wants to compare Chinese in Thailand with native Thai people not only from the role of income but also capabilities, happiness and social capital. Thus from this research, the Thai government could know what is the Chinese people's need beyond money.

b.) Chinese government – As the backer of Chinese people, Chinese government is concerned about its people including those living abroad. It also tries to avoid the loss of resources (labor, economy and intelligence) and encourage more input by creating a harmonic society.

The second group is the civil society, especially the business communities. After a period of economic accumulation, they want to know their economic status, or whether people live well here or not.

The third group involves the potential and current migrants. On one hand they may want to estimate whether they can improve their living standards through migration by scientific evidence. On the other hand, the results of this research can indicate the choice of immigration – would it be to go to Thailand, or to migrate to another country, or to return to China.

The last group is the general public: China and Thailand have a good and stable relationship for long period. People of the two countries expect to live in peace and improve the bilateral relation to achieve mutual benefit. This study can improve the understanding and relationship between Chinese and Thai people.

1.4 Objectives of the Study

The objective of this research is to contribute quantitatively to the understanding of the capabilities, income and social capital of Chinese households in Chiang Mai; and according to the comparing of the Chinese households with Thai households in Chiang Mai, recommend the management changes that would most efficiently contribute to increasing that well-being.

Specifically, the main objectives of the study are:

1. Find the most useful, relevant and applicable approach to measure the capabilities, income status and social capital of Chinese and Thai households from theory.
2. Compare the capabilities, income and social capital between Chinese and Thai households, then figure out the significant differences between these two groups.
3. Identify the factors that influence the income, life satisfaction and happiness of Chinese households in Chiang Mai. And explore the improvement of welfare of Chinese in Chiang Mai.

1.5 Structure of this Thesis

This thesis is organized by the following chapters:

Chapter 1 is an introduction of Chinese immigration and political interest in Thailand. It also lays out the justification of the research and objectives of the study.

Chapter 2 presents the hypotheses and literature review of the main research

domains – income, capabilities and social capital.

Chapter 3 contains the research design, method of sampling and the analysis process of data collected.

Chapter 4 discusses the empirical results which are compared in two ethnic groups - Chinese and Thai people in Chiang Mai. The descriptive statistics of tested variables are also expressed in this chapter.

Chapter 5 is for the relationship among income, capabilities and social capital. It also explains the factors of income, life satisfaction and happiness. The changes of main variables by migrants' length of stay in Chiang Mai will also be investigated.

Chapter 6 consists of the conclusion, recommendations and limitations of this study.