

## **PREFACE**

This booklet is a product resulted from a research project whose title is “Rural Industries in the Upper Northern Thailand: Problems and Potentials,” which was conducted during one year starting April 1996 to March 1997, while I was staying at the Social Research Institute, Chiang Mai University, Thailand. The objective of the project was to identify the resilient power for economic and social development which intrinsically exist in the Upper Northern sub-region of Thailand, or to be more specific, the Lanna Thai region. The maintenance and even development of such power in spite of the drastic social and economic change in the past more than thirty years proves this power a model of regional economic development. The Thai economy today most needs economic and social development rather not at the national level but at the regional level. It does not necessarily mean, however, that active economic ventures and their achievements in and around Bangkok should be trickled down to the regions. We expect that when the question of the resilient power in the Upper Northern Thailand is answered, then it will also contribute to the development of the other regions in Thailand.

Now, in the Upper Northern sub-region of Thailand, the social and economic changes are more drastic than ever. The fundamental basis of society and economy used to be in agriculture. The agriculture sector is still the most important economic sector in the region, however its weight in the economy is declining quickly. In almost every corner of the region, you can see the coexistence both of the quickly changing landscape because of the development in non-agricultural activities such as construction of buildings and resort areas, and slow but definite changes in the rural off-farm production activities of the people there. Such a coexistence is very common and usual. They live a life just like they lived yesterday, yet they experience a new thing today, sometimes at a long time interval. Self-demand and self-supply type of living, or production for domestic consumption in other words, is still common in the region. But it is going to disappear gradually. Is it an achievement of development, and do they become happier? It is a difficult question when you raise the term like happiness. In economic terms, however, you can evaluate the result of development with the income level. The income level is rising, with a slight aggravation of the distribution pattern. The region has really enjoyed economic development in the past three decades and more.

In this volume, we tackled to scrutiny the present situation of some sectors of the rural industry, and agriculture, emphasizing their problems and potentials for future development. The sectors of rural industry which we selected and studied intensively included, tourism, handicraft (traditional textiles, and wood carving), and food processing. We have conducted a study mainly based on the available documents, and almost no field survey was conducted. It was because of limitation of time and resource. It is almost needless to say, therefore, that the content of our research result lacks information on some aspects of problems and potentials of the sector, or it is deficient in some important sectors of the rural industry, or not the whole Upper Northern Thailand was covered. However, we are confident that the reader can get some hints to think over the issue of the regional development in the other regions in Thailand or in other countries, when he or she obtains some notions about the rural industry's problems and potentials in the Upper Northern Thailand after reading this book.

In making of this book, we have received cooperation from a number of persons and organizations. First of all, the Social Research Institute, Chiang Mai University provided with the base for research project, as well as a nice stay. I am especially thanking to the Director, Dr. Chayan Vaddhanaphuti for making completion of this research a success. Dr. Narin Tongsir (Coordinator, Royal Processing Project, Chiang Mai) kindly gave a valuable and inspiring lecture at a meeting of our research project. Mr. Komol Chobchuenchom (Northern Center, NESDB), Mr. Boonchoo Lueng-on (Agricultural Extension Office, Chiang Mai Province), Mr. Chaiyot Santivong (Northern Center of Economics and Investment, BOI), and Mr. Sanan Suthaporn (Thai-Canadian Investment Co.), gave valuable information either through interview or by written form. Dr. Duangchan Charoenmuang of Social Research Institute, gave useful suggestions for the study. Dr. M. S. Goeltom's useful comments at the ASEAN Workshop (November, 1996) was acknowledged with gratitude. Mr. Thammarak C., and Ms. Phuddhachard T., helped us in collection of information and its alignment. To all of them I am deeply thankful.

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Editor