

WOMEN POWER IN FIGHTING WITH THE LAND INVESTORS: AYUTHAYA PROVINCE, THAILAND

Tanaradee KHUMYA

*Department of Sociology and Anthropology, Faculty of Social Sciences,
Kasetsart University, Thailand
tanaradee.k@ku.ac.th*

Abstract

The objective of this study is to examine the process in agriculture land sales to the foreign and Thai investors in Ayuthaya province and to elaborate how women fight with land investors in order to have their rights to cultivate. The study areas are Tambol Ladchid, Pakhai District and Huawieng, Saena District in Ayuthaya province, Thailand.

The findings of household survey show that there were 22.7 percent of sample households that sold their land in the past 20 years. The highest sales happened in 1994-1998. In the past 20 years, the land about 1,930.90 Rai (772.36 acre) were sold which valued 101,098,500 Baht (2,537,462.5 Euro). Among the farmers who sold land, they sold land average 13.32 Rai(5.33 acre) per household and gained over 200,000 Baht (5,000 Euro) . In addition, almost half of farmers who sold land, 45.5 percent, sold their land to the great companies, not individual person. There are four companies related to the land sales and one of the companies had the foreign investors in its stock holders. In terms of changes in livelihoods, some of farmers who sold lands gave up their occupation as the rice farmers. Some still continued being a rice farmer but as the land tenant. However, in 2007, the price of rice had greatly increased. Thus, the farmers who gave up rice field have been back to continue working in the rice field again as the land tenant, while the new landlords highly increased the rent price. Therefore, conflicts between the new landlords and land tenant have been started and it seems difficult to end. The study found that only female farmers who are incharge in fighting with the new land tenures. This is due to the fact that women have good communications among the female farmers and really strict with the problems that they need to solve.

This study gives the recommendations that the Thai government need to initiate the controlling mechanism in land tenures by managing through the local administrative organizations or other local organizations. There is need to review and solve the laws related to land uses for the current socio-economic situation which foreign capital greatly flow in to Thailand and supporting the uses of the act of parliament on agriculture land protection. In addition, there are needs to educate women in terms of law and other related regulations.

Keywords: *Agriculture, Farmers, Foreign investors, Land tenures, Livelihoods, female farmers*

Introduction

Focusing on economic growth has compelled the Thai government to ease the clauses and conditions in the national investment policies to attract more foreign investors into the country. However, the increasing foreign investment cannot be stimulated from internal factors only. This is because the capital movement in the context of development in the time of globalization also increases rapidly. Currently, the increasing numbers of foreign investment are not limited to the investment in business and industrial sectors only, but it also starts to expand to the agricultural sectors, especially related to food and energy crops (Ministry of foreign affairs, 2008).

The issue of food shortage and security in the world to some extent can be attributed to the rapid increase of fuel price (Krissada, 2009). This issue causes foreign investors to shift their capitals from energy sectors (oil and gas) to the agricultural production, especially related to energy crops (e.g. rice, sugar cane, and maize). Thailand, which has been renowned as a country with abundant potentials related to agriculture, becomes very appealing for investment in food and energy crops.

Even when the regulation prohibits for foreigners to own the land, it does not yet administer the land purchasing for profit and lack of protection of use according to its land carrying capacity. The gap in the regulation also enables foreigners to purchase the land and use the land without necessarily complying with the existing regulation. For example, a registered juristic entity that has 49 percent of overseas shares and the rest 51 percent of shares are owned by Thai citizen can purchase the land without violating the regulation. Multinational corporations can also join hands with local farmers to purchase land, which is difficult to verify under the regulation.

Currently, there are no clear data on land sales and ownership changes from Thai farmers to foreign investors. The investigation conducted by Department of Special Investigation of Ministry of Justice cannot find any evidences on foreigner's land ownership, but it is discovered that there are increasing number of complaints from farmers that face problems when selling lands to large-sized corporations. It is believed that these corporations are transnational companies that intend to buy around 300,000-400,000 rai (4,800,000,000-640,000,000 Sq.m.) of farmland in many provinces in Central Thailand (Post Today, 2009).

Agricultural land acquisition by foreigner, either by using an individual Thai representative or a Thai company, will inevitably cause significant effects to the farmers' livelihood. The lack of sufficient data makes it difficult to formulate efficient solutions to this problem. Empirical evidence on the relationship between foreign investments and change of livelihood of farmers is important to understand the actual problems and situations. This type of study will benefit relevant stakeholders to formulate policies on foreign investment and prevent the further acquisition of agricultural land and its effects on farmers.

The research chooses Ayuthaya, a province in the north of Bangkok as the study area. The province was a capital city of Thailand in the past, before moving to Bangkok, the current capital. The province is known for well-maintained rich cultures and traditions. The reason of selecting the province is that Ayuthaya is currently the third biggest rice producers in

Thailand. Moreover, its approximate location with Bangkok will offer a clearer picture in portraying the changes of livelihood of farmers caused by the foreign investment. The study then selects TambonLadchid, AmphoePakhai and TambonHuawieng, AmphoeSaena as the case studies.

Globalization and Land Selling

The definition of Globalization is still under a debate between academics. The general definition of Globalization has been shortened or compressed as a process of capital, products, resources, technology and services circulation due to transportation and communication technology (Kearney, 2002). These rapid circulations connect local economics and financial network into a more global level. The linkage crosses beyond boundaries between developed and developing countries (Grant and Short, 2002).

Globalization concept and theory affect the changes in the world as an economic phenomenon in the last couple decades, especially pertaining to production system, financing, and new consumption pattern. Globalization experts take into consideration of role and expansion of foreign companies around the World. On the contrary, there are scientists who argue that there is no such thing as Globalization. It is only a myth. It means that 2-3 decades of economics development from capital, products, resources circulation does not really happen. It is caused by the increasing and clustering of some central economics regions and the emergence of new industrial countries. Experts insist on the existence of Globalization argue that foreign companies from central economics countries do not expand benefits for their mother countries but it advantages to business partners, who are from various countries. Therefore, it cannot be claimed that it is for the purpose of specific country's benefit (Wattana, 2005). Thai society is not accustomed to globalization, especially in land sales phenomenon. Land selling and buying is considered as common activities but from the situation of Thai and foreign investors fully purchase land in these 20-30 years, we cannot deny that foreign financial circulation has a big influence to land acquisitions in Thailand, because the country has a global high demand on food and energy crops. Fertile lands become just as attractive as lands with oil or mine potential for investment. Globalization provides explanation on land sales phenomenon of Thai and foreign investment.

Moreover, globalization concept is beyond only economics aspect but also link with culture and social aspects. Globalization seem to connect people, community, and worldwide society to be closer in pop culture, yet it does not mean that individual, local, and country share similar experience (Lie and Lund, 2005). In this point, if we take into account of villagers, it may clarify globalization impacts on people livelihood. Current consumption pattern cannot be separated from the globalization impact. People's life are more influenced by global culture than local culture, and livelihood that relies on agricultural products becomes less attractive. The Increased of education level demands human resource improvement to be in the global standard. On the other hand, lands still play a significant role as a valuable asset of an individual or a family. The idea of using land as the source of occupation has changed. Money from selling land seems to be more attractive and crucial for livelihood in the present time.

Methodology

Data for this study is obtained from **household survey** of two Sub-districts (Tumbon), namely Tumbon Huawieng, Saena District (Amphor) and Tumbon Ladchid, AmphorPukhai. The survey questionnaire consists of household structure, Socio-economic characteristic, household lifestyle, land use, existing and past land tenure status, changing of land tenure status. The total number of sample for the study is 639 households.

Besides, this study also conducts **In-depth Interviews** with farmers who experience problems of changing land tenure status to foreigner investment or interview through foreigner investment representatives with total of 10 samples. **Key Informant Interviews** are conducted through the interviewee who can provide overall picture of land tenure changing status situation in Ayutthaya. The key informants are representative of local legal aid center which mainly responsible to gather information and land selling problems of farmers and community head (Dumrong Dham Center).

Major Finding:

Land Selling and Selling Process

Data from household survey and in-depth interviews show that land sale phenomenon happens for long. It mostly takes place in the area of study before economic bubble in year 1996, with General Chatchai Chhunhawan as prime minister at the moment. Household survey presents that (Table 1) within these 20 years one fifth of a sample (10.3 percent) sale land less than 10 Rai (16,000 Sq.m.), following by sale 10-19 Rai (16,000-30,400 Sq.m.) (7.5 percent) and 4.9 percent sale more than 20 Rai (32,000 Sq.m.). For the income of selling, it is found that 71.0 percent of sales receive the profit about 200,000 Baht. The money earned from the sale of 50,000 Baht lowest 8.9 percent.

In the study area, 1930.90 rai (3,089,440 Sq.m.) of land have been sold in the past 20 years. In Tumbon Hua Wieng, the land sale is 881.33 rai and in Tumbon Lad Chit is 1049.57 rai (1,679,312 Sq.m.). The total money received from the sale is 101,098,500 Baht. From Tumbon Hua Wieng, it receives 47,027,000 baht. While from Tumbon Lad Chit the amount of money received is 54,071,500 Baht.

The land area of the sample households (Table 2) shows that prior to the sale of the majority of households (73.6 percent) use the area for farming. And after the land sale in the year 1994-1996, the land use changes particularly into a rental land (31.6%).

However, it is found that 22.8 percent of lands are still in the form of agricultural farm, which the new owners do the farming. The high proportion on this group is probably because of the also because the unclear question in the questionnaire. The question asks, "after land sales, what is the land use of the area?" which most of the farmers would answer their current livelihood instead the current use of their land. The response, therefore, be concluded from the fact that there are 25.7 percent of the land owners to hire someone else to farm. The finding suggests that the land is still for agriculture, only the person who does the farming change.

Table 3 shows that the sale of land to foreign investors (perceived by respondents) has the highest proportion (45.5%). The sales to local buyers accounts for 17.2% and the sales to relatives are 12.4 percent. It is also found that householdshighest land sales happen in 1994-1998 followed in year between 2004-2010. Land sale is highest in year 1996 as presented in Table 4.

Table 1 land sale and income earned from land sale

Information	Number	Percent
1. Land sale/loss within 20 years		
Not sale	489	76.5
Less than 10 Rai	66	10.3
10-19Rai	48	7.5
More than 20 Rai	31	4.9
No response	5	0.8
Total	639	100.0
Land Sale average per household 13.32 Rai		
2.Income Earned from land sale		
Less than 50,000 Baht	11	8.9
50,000-199,999 Baht	25	20.1
More than 200,000 Baht	88	71.0
Total*	124	100.0

*Calculated from household land sale (no response is excluded)

Table 2 land use of household before and after land sale

Land Use	Before land sale		After land sale	
	Number	Percent	Number	Percent
Rice/Crops by househld	106	73.6	31	22.8
Hire someone to grow rice	13	9.0	35	25.7
Accomodation/ business	8	5.6	15	11.0
Land for rent	9	6.2	43	31.6
Abandon	8	5.6	12	8.8
Total*	144	100.0	136	100.0

*Calculated from household land sale (no response is excluded)

Table 3 Type of land buyers

Land Buyers	Yes	No	Total
Local buyers	17.2(25)	82.8(120)	100.0(145)
Outside buyers	10.3(15)	89.7(130)	100.0(145)
Investors/Foriegners	45.5(66)	54.5(79)	100.0(145)
Families/Relatives	12.4(18)	87.6(127)	100.0(145)

() =Number of reponse

Table 4 Number and percent of sample in land sale period

Period	Number	Percent
Before year 1994	31	23.1
1994-1998	48	35.8
1999-2003	23	17.2
2004-2010	32	23.9
Total*	134	100.0

The highest year of land sale (Mode) 1996

*Calculated from household land sale (no response is excluded)

Agriculture land sale process

The study shows that land sale has started since year 1994 by Thai established company who acquire a large block of land in Amohor Sena and Amphor PukHai. The forms and procedures of land sale are as follows.

1. Outside agent approaches head of community and then contacts local agents, relatives and farmers who want to sell.
2. Contact made by two agents. First is a community outsider and has close relationship to investor, connects between investor and farmer and completes all the legal requirements. The agent also makes contacts with second agent who is local agent. This second agent plays role as the information provider and price negotiator with farmer.
3. Farmers' land sale has two patterns; 1) sell the whole land due to owning only a small plot 2) partial sale since they occupy big plot of land. They may sell since land is far away from house or for other economic reasons.
4. Investors has two ways of land acquisition; 1) partial deposit first then pay the remaining parts with land ownership transferring 2) Cash paid for all at once, with the transfer of ownership.
5. Land sale process usually begins from first agent come to make contact through local agent with spreading news on land sale and interesting condition. Farmers start to exchange information, and finally decide to sell land. The approximately price is set up around 60,000-100,000 Baht per Rai.

Reason for Land Sale

There are several reasons of farmers land sale, it is found that firstly, **income uncertainty and debt problems of farmers** due to the high cost of production, whether in terms of technology, cost of cultivation such as fertilizers and pesticides. Farmers grow rice only for sale not for household consumption. They also suffer losses from natural disasters and spread of disease in rice crop. Farmers' debt problem becomes important reason to sell land. For the motivation, **higher land prices** during the year 1994-1995, it changes rice field, which seems to be low value, into family valuable asset. Rice field price is up to 60,000-100,000 Baht per Rai. Furthermore, **changing to be more convenient occupation and lifestyle and children education** become important factor for land sale. Farmers also

perceive as suffer occupation. If possible, many people want to change from being farmer especially those farmers' children who access higher education. They tend to change jobs from agriculture to industrial sector or government officer for more secure than farming.

Foreigner or Thai Investment

In-depth interviews show that most of farmers who sell land assume that buyers are probably foreigners. The value of the land purchased is considered as a huge amount of money. Some farmers in Tumbon Ladchid, Amphor Pukhai used to meet Chinese investor. It is quite sure for villagers that the buyer is foreigner. In approximately, each Tumbon sells land during year 1994-1996 is around 1,000 Rai. It shares minimum value of 60,000 Baht per Rai. It means that the investor has to pay 60,000,000 Baht per land. Based on data from the Department of Business Development of the Ministry of Commerce (2010 and 2012), it is found that company in Tumbon Ladchid (S.P. Co.,LTD.) has a registered capital only 1,000,000 Baht.

It was found that there are four companies related to the land sales and one of the companies had the foreign investors in its stock holders. The company establishment and stockholders of these four companies remain unclear whether it holds by nominee or any hidden purpose of big land acquisition especially in some land use determined as green area. Although foreign company shareholder contains only one company out of four, which definitely less than 49 percent limited by law, foreigner can hold more significant role, which all sectors of society should pay attention in checking.

In addition to concern issue of foreign investment, rapid growth of capitalism that favors people with more resources both Thai and foreign investment, should take into an account. Thai investment can also empower and dominate in production factors. Thai society gives freedom of land tenure. With loose regulation of land tax, it provides great opportunity for big Thai investors to expand their lands and other resources unlimited.

Women power in fighting with the land investors

After the farmers sold their lands, they were seduced that they were able to do the rice cultivation forever. It was true that the investors allowed the farmers to do the cultivate for some years. Untill 2010 which the rice price were increased than never happen before, there were high demand of land to cultivate including the demand of the farmers outside the areas. The problem start with the new land onwer ask more the rent and the farmers could not afford with the short notice. Then, the conflict started among the new land owner, the rice farmers who used to be the land owners, and the people from outside who rent the land.

From the in-depth interviews, it shows that women are mainly persons who fight with the land investors. In the two studies areas, the two female village heads were really powerful in gather the farmers who faced the problems of loosing their lands. In fact, the group of farmers firstly mix both women and men but later on after the farmers were on the media and the issues became more serious and reach the court, most of male farmers step back from the fighting. The reasons that make women gain power in this issues may combine with many issues. One is related to the fact that women have good communications among the female farmers and really strict with the problems that they need to solve.

However, the problems in fighting for women are the fact that women have less knowledge about law and this can be a weak point for them as well as the dangers in fighting with the people from outside can be harmful to women. The conflicts can be violence between female farmers and men from outside areas.

Conclusion and Recommendation

From surveying the household samples in the area, the study finds that in the last of 20 years, there are 22.7 percent of households that sell their land. The highest number of land sale happens during 1994-1998 with a total amount of 1930.90 rai (3,089,440 Sq.m.), which valued 101,098,500 Baht. In average, 13.32 Rai (21,312 Sq.m.) of agricultural land per household were sold with profits over 200,000 Baht. Only 12.4 percent of the respondents intend to give the land to their grand children and relatives and 17.2 percent sell the land to people in the area.

Although land sales can be considered as an effort to increase household's economy, but if the farmers continues the practice of selling agricultural land to foreign investors, it will eventually affect thai society in the future. Therefore, this study recommends actions as follows.

1. Assistance from the Government

Farmer who wants to buy back the land can get a loan from state financial institution. After 10 years, buying back the land will require more money because the land price will increase twofold. When the farmer does not have sufficient resources to be able to borrow money to buy back the land, then government can buy back the land and farmer can buy the land from the government by installment.

2. Social Movement

Currently farmers group initiates the movement on the issue of land rent and land sale. The study finds that the farmers group has less power in blocking the agricultural land sales to foreign investors, because they feel anxious about losing the fight to the big investors. Farmers group then voice their concern through media and government, however assistance from government or relevant organizations are still insufficient. The group is one of the most important stakeholders in preventing and minimizing the impact of agricultural land sales. There are some farmers who think that establishing the group is difficult, because the land sales already sold to the foreign investors, and there is nothing that they can do to get them back. In addition, there are needs for educating law for local people including women.

3. Establishing Land Control Mechanism

Sub-district Administrative Organization (SAO) and local authority should establish local mechanism to monitor the land tenure and land use, especially the ones owned by foreign investors. This includes eliminating the obstruction of accessing the land resource, which is one of the main factors of poverty alleviation. Building this mechanism will also enhance empowerment of the local people to become the actual producer of agricultural goods. Although the agricultural sector jobs is decreasing, controlling land tenure and use will also lead to new innovations in agriculture, such as organic or medium farmland, semi-industrial agriculture, social network agriculture, that will benefits the next generation.

4. Creating Stability in Land Tenure for Agriculture

Land tenure is important for farmers because land attrition tends to increase. Many farmers do not own the land so they have to rent the land to farm, which cause their job to be unsecure. These types of farmer have limited opportunity and tend to live in the poverty.

5. Suggestion on Law

1) Land laws need to be amended to correspond to the current situation. First, foreign investors have to sell back the land when they withdraw the investment from Thailand. Second, setting up activities that government wants to encourage investments by reducing the discretion of director of the Land Department. Third, specify land use that foreign investment can occupy.

2) Enhancing the Implementation of Agriculture Protection Act

Effective implementation of the law will protect agricultural land in every province and prevent foreign investors to own the land.

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