



❧ Editorial ❧

Educational Inefficiency, Gender-based Wage Disparity and Inter-generational Inequity in the Social Security System

We focus on three issues associated with the development of the human capital of a nation: efficiency in the provision of education, wage discrimination between women and men workers, and social security pension fund.

Recent events in Thailand underscore the relevance of the article, School-based Management Framework and Education Efficiency by Jiradate Thasayaphan. The study found that school-based management can explain students' achievement. The findings suggest that socio-economic and institutional factors drawn from the school-based management framework, in addition to higher budget allocation, are required to improve efficiency in providing education. TDRI in fact had found that the return on Thailand's relatively high investment in education (around 4% of GDP, which was higher than Japan and Singapore but on a par with South Korea's) was low. This implies an inefficient use of the resources likely as a result of poor management and other factors.

The second article, Gender Wage Discrimination in the Thai Labor Market by Chatmanee Khorpetch and Kiriya Kulkolkarn, found that female workers received lower wages than male workers because of their gender not because they are less productive. On the contrary, the female workers were shown to be more productive than the male workers and would have earned higher wages than men. This was especially true in the age groups 15-24 and 25-54 years old. Although the wage gap was partly explained by a lower productivity of workers 55-60 years old, wage discrimination played a substantial role. Wage discrimination was worse in the younger than the older worker groups.

The Thai Social Security Pension Fund is showing signs of strain according to the analysis of its sustainability and inter-generational fairness conducted by Euamporn Phijaisanit. The paper warns of the non-sustainability of the Thai Social Security Pension Fund and the potential for inequity that will impact later generations (they will not be able to fully obtain their old-age benefits). The actuarial analysis indicate that the year 2030 will mark a net expenditure of cumulative reserves and therefore the start of accumulation of net liabilities until the fund reserve is completely depleted in 2039. The research suggests reconsidering, in the short run, the rates of contributions and benefits. Meanwhile the contributors should be informed about the rates that they would have to pay and would receive throughout their work-age periods. For the long run, the research suggests reconsidering other options for restructuring the Fund to be more in line with the

demographic structure of the Thai labor force and Thai society.

The fourth article in this issue compares the effects of crisis events on tourism demand in Thailand from the international market by Akarapong Untong et al. The events were disease outbreaks, internal political chaos and the Indian Ocean Tsunami of 2004 and the destruction by terrorists of the World Trade Centre in New York City. Disease outbreaks had a greater impact than the other crises, but the degree of impact was likely to decrease should a similar outbreak occur. In contrast, the impact from the internal political chaos was relatively small when it occurred for the first time, but would be greater if it recurred. The Indian Ocean Tsunami of 2004 had a huge impact but recovery was faster than that from other crises so that impact was short-lived. The 9/11 event had minimal impact on Thai tourism. Based on the results, it is suggested that political stability should be the first priority if government aimed to enhance Thailand's tourism industry. In addition, the measures used for solving crises should be designed to fit each foreign tourist markets' diverse responsiveness.

The fifth article is on the sustainable management of shrimp trawl fishery in Tonkin Gulf of Vietnam by Thanh Viet Nguyen of the Faculty of Development Economics of the Viet Nam National University of Economics and Business. The results indicate that the fishing effort should be reduced by 12-44% to achieve the maximum sustainable yield and 46-61% to reach the maximum economic yield. With a social discount rate of 10%, the effort should decrease by around 45-56% to achieve the optimal yield. The entry tax should be 92-279 USD/month/boat to achieve the maximum sustainable yield and 160-314 USD/month/boat to attain the maximum economic yield.

Our book review features the book "Dynamics of Poverty: A Case Study of Rice Farmers in Central and Northeastern Thailand" (in Thai). The book is based on a research work that sought to identify and describe the causes of poverty. The research also presented reasons as to why some poor remain poor, some are able to get out of poverty, and some who are not poor become poor. The panel data of 240 households of years 1988 and 2009 were applied. The reviewer, Arayah Preechametta of Thammasart University, points out that the strength of this research is the use of both quantitative and qualitative methods in the analysis. According to the reviewer, however, the results would have been more meaningful if the analytical framework and data was able to capture the dynamic decision making process of households on their consumption and saving patterns, risk management and accumulation of assets and capitals. The book is published by the Knowledge Network Institute of Thailand (KNIT) in 2012 and is downloadable at www.knit.or.th/apw/images/apw/dynamic.pdf.