The National Economic and Social Development Plan as an Urban Driver for Khon Kaen City

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Abstract

Khon Kaen is Thailand’s fourth largest city with an urban population of approximately 150,000. Beginning as a small settlement, it has been developed into a major city of the northeastern region.

In 1962, the Thai Government launched the first National Economic Development Plan (NEDP) which aimed to provide adequate basic facilities for living. From the 1st to the 4th NEDP, an extensive expansion of infrastructure accelerated the growth of urban built-up areas in order to accommodate the increasing demand by new immigrants who were moving to the city center. Khon Kaen City became a center for health care facilities and communications. Development strategies for the 5th to 7th Plans shifted attention to economic growth and industry. The city has changed its role from an agricultural-based economy to an industrial center. The later series of development plans set the focus on international co-operation. Khon Kaen has been proposed to be developed as the logistic hub of the Greater Mekong Sub-region (GMS) countries. The 10th NESDP (National Economic and Social Development Plan), operating from 2007 to 2011, with its focus on the management of human and environmental resources, has proposed the next interesting step for the city.

NEDP/NESDPs have been one of the key factors that have continuously contributed to the urbanization of Khon Kaen City. This paper aims to provide an overview of the series of NEDP and NESDP that have been driving the city toward new challenges in development and transformation of urban structure.

Keywords: The National Economic and Social Development Plan, urbanization, Khon Kaen City, Thailand

I. Introduction

Khon Kaen Province occupies an area of 10,885 km² with a total population of 1,767,643 in 2003. It consists of 25 districts, comprising 2,284 villages in 198 sub-districts. Khon Kaen City (KKC) is the capital and urban center of the province, situated in the poorest region of the country. The majority of the population of Khon Kaen Province belongs to the Phaw Thai (Isan Thai) ethnic group (subgroup Laos-Vieng) who migrated from the present-day Lao PDR. In the city, Chinese–Thai people dominate commerce and industry, with many people from other provinces being attracted to work in the public service sector or to study at Khon Kaen University. Khon Kaen Province shows the highest population growth rate in the northeast region, and Khon Kaen ranked as the top in the region in terms of gross provincial product (GPP) in 2002 (National Statistic Office, 2004). The information strongly supports the view that KKC is not only the regional center by its location but is also the “actual” economic and services center of the region.

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During the last few decades KKC has experienced an accelerated growth in urban area because of the people who have migrated to live within the city. Starting from a small settlement, KKC has expanded greatly and will be developed as a transportation and economic center of the Indo–China Peninsular in the near future. The history of KKC urban development strategy by the National Economic Development Plans (NEDPs) and National Economic and Social Development Plans (NESDPs) will be discussed in this paper.

II. Brief History of Khon Kaen

Around the beginning of the Buddhist Era, there were agricultural settlements scattered throughout the region. At Ban Sitan Village in Muang Khon Kaen District, there is some evidence indicating the existence of many ancient communities still visible today (http://www.khonkaenpoc.com/, retrieved on January, 25 2008). During the 18th and 19th century when Lao Vieng people migrated into the northeast region, Khon Kaen Province was one of the sites for new settlement of these immigrants. Early settlements were situated adjacent to natural ponds, or Bueng, originating in 1783 near Ban Phai District to the south of today’s KKC. From 1797 to 1879, the city had moved six times before it finally settled at Nuang Kaw on the west side of Bueng Kaen Nakhorn. A few villages with an approximate area of 2 km² compacted around the Bueng Kaen Nakhon. During the reign of King Rama I, the town was designated as a city.

KKC continuously expanded until it fulfilled the requirement for the second highest status of Thailand’s local administrative system. In 1935, the city was categorized as Khon Kaen Municipality (KKM) by the Ministry of the Interior. The arrival of railroad to the city in 1942 was considered as a major shift toward urban development. The construction of a new railroad track transformed the city from a cluster of rural communities to an urban area. Though the early settlements of Khon Kaen were located to the east of the railroad, in the later periods, urban developments were scattered along both sides of the tracks. Many new arterial and major roads were constructed in order to provide a transport network connecting local transportation with the railroad that links KKC to other provinces—Udon Thani to the north and Nakhon Ratchasima to the south.

The population of KKM has continuously increased from 14,364 in 1947, 80,286 in 1977 to 122,370 in 2005 (Khon Kaen Municipality, 2005). KKM now belongs to the first status in the 4 levels of local administrative classifications, namely Nakhon Municipality, followed by Muang Municipality, Tambon Municipality and Tambon Administration for sub-district. KKM originally covered 4.301 km² and it became approximately 10 times larger in area in 1971. Today KKC’s urban area is surrounded by three major Buengs; Bueng Tungsang in the north, Bueng Kaen Nakhon in the south and Bueng Nong-Kote in the west. Buengs have shifted their role from major life resources to reservoir areas for draining storm water (Hanpachoen, 2000).

III. Development of the National Economic and Social Development Plan

During the 1950s, Thailand suffered serious problems of poverty and inadequate infrastructure. The World Bank suggested that the government develop a strategic plan focused on providing services and infrastructure to improve the quality of life and social security of the people. As a result, the first National Economic Development Plan (NEDP) was established, effective between 1962 and 1966. The main focus was set to develop agricultural products to relieve the urgent problem of an insufficient food supply. Moreover the plan aimed to develop basic infrastructure such as new road network, electricity and piped water, which continued to be the major objectives for development in the 2nd and 3rd NEDPs. The idea of “Food for All” to eliminate the problem of poverty was strongly fostered by the government. Along with the focus on infrastructure development, there was also a concern to develop human resources. Consequently, public universities were established in each region, among which Khon Kaen University was founded in 1964 as the first
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university in the northeast region before the Thai–German Technical College was opened in 1968.

The 2nd NEDP (1967–1971) determined to develop regional centers, and Khon Kaen was selected as the center of the northeast region. In the regional centers, improvement in physical infrastructure such as roads, water supply and drainage systems was implemented city-wide. For the years 1972 through 1976, the 3rd NEDP was planned to relieve the country’s urgent situation of increasing population growth. The visions of this development promoted social security including education and health care facilities. The 4th NEDP (1977–1981) focused on population planning in order to overtake the targets of the previous NEDP. In addition to basic production for home consumption, agriculture began to produce, on a larger scale for export, crops such as sugar cane and cassava, which were grown extensively in the northeastern region. The plan also supported the development of infrastructure in the urban areas. Khon Kaen was one of the 36 major cities in Thailand that had been positioned as central towns for new urban planning and development. Roads, electricity and piped water were constructed to form the city infrastructure network. Public utility service facilities such as health care centers and nursing schools, hospitals, technical colleges, a new airport, a governmental regional center and television and radio broadcasting stations were established. Under the auspices of national development planning agencies, Khon Kaen was identified as one of the secondary cities marked as growth poles and perceived as engines of regional development in the 1970s.

The 5th NEDP, implemented between 1982 and 1986, continued the strategies of decentralization of industrial growth and the development of secondary urban centers. As such, the national policy was concentrated on only eight major regional cities. KKC was included in the plan. The development of infrastructure and transportation networks between northeast regions to the Eastern Seaboard area was expected to attract industrial projects and investors. The policies had helped to develop the growth of KKC and the surrounding rural area. More laborers and rural population migrated to find jobs in the industrial factories and other employment in the urban area. The plan also aimed to implement population planning.

NEDP was changed to the National Economic and Social Development Plan (NESDP) with the beginning of the 6th NESDP (1987–1991). The strategies for development shifted the focus from the development of infrastructure to human resources because of increasing social problems and to improve management of natural resources. Consequently, the plan outlined a scheme for successful population planning and the support of social security. Thailand reached an economic boom with annual growth rates higher than 10 percent. The success of the industrial-based economy resulting from the previous development plans had increased the migration rate to the urban areas. The economic boom began to boost the concept of the growth pole of the region. While the strategy to develop regional centers had been continuously supported from the 4th NEDP, in which Khon Kaen was proposed to be the center of the northeastern region, many new industrial developments with international associations were set up, such as Eastern Seaboard industrial zone in relation with the Newly Industrializing Countries (NICs) policy. Due to the impact of the 6th NESDP, many investors moved their manufacturing factories to areas beyond Bangkok and its vicinity. Industrial parks sprang up along the arterial roads of the northeast region, and links from the northeastern mainland to the Eastern Seaboard industrial zone became available by inland transportation to the seaport.

Because of the regional industrial development and expansion of urban centers, many growth pole cities faced social problems derived from the high density of population. Previous development plan policies had helped promote the growth of the secondary cities but at the same time they also created new problems of sustainability in the cities and their surrounding rural areas. Therefore, during the 7th NESDP (1992–1996) the concept of economic growth was controlled to be no higher than 10 percent. Solving social problems was the cen-
tral core of the plan objectives. The “Education for all” concept was launched in order to uplift social security from a fundamental basis to cover the potential population. Compulsory education to High School level was introduced, and the development of industrial parks and supporting utilities were continued with careful consideration throughout this stage.

During the 8th NESDP (1997–2001), after Thailand had confronted an economic crisis and increasing social problems from accelerated development, a regression of development was clearly observed. From the previous development plan, educational support continued to be strengthened as a high level of literacy can contribute to long-term life support and elimination of poverty. Furthermore, the government initiated a policy to provide loans for higher education to those who could not afford to pay educational fees.

Human-centered development was also reinforced in the 9th NESDP, which operated from 2002 to 2006. Three aspects of society, including economic problems, social problems and natural resources, were marked as important concepts. In addition, in 2002, the National Statistical Office reported that the poor accounted for 9.8% of the total population of the country, with 17.7% of the population in the northeast regarded as poor. The main goal of the plan was to unlock the poverty problem and enhance economic development of the region by several strategies such as the expansion of international trading among the Greater Mekong Sub-region countries, more investment in both small and large projects, road expansion and resources management. The concept of economic growth focused on international cooperation and competitiveness with neighboring countries through increasing GDP. Thailand was proposed as a center for regional development. Prior to that, in 1992, Asian Development Bank (ADB) had initiated the core strategies for cooperation among the countries of the region, in which cross-border transport networks should be supported in order to give access to such high economic-potential cities in the region as Bangkok, Rangoon, Hanoi, Ho Chi Minh City and Kunming. The idea of an economic corridor was recommended, including North–South Economic Corridor, East–West Economic Corridor (EWEC) and South Economic Corridor. The EWEC is a major corridor that passes through the northeast region, bringing the expectation of economic and social benefits to local communities. The Cluster Provincial Conference in 2005 proposed Khon Kaen and Mukdahan as the core cities for development along the EWEC.

The 10th NESDP during 2007–2011 shifted objectives to the concept of “sufficiency economy”. The key indices for successful development have change from economic figures such as GDP and GPP to the Gross National Happiness (GNH) which concerns the happiness of society. The plan comprised 5 development strategies including: (1) building human and social development to create a unified and peaceful society; (2) building strong communities based on balanced development corresponding to community size along with a self-dependent economy and environmental concerns; (3) increasing product values for global competitiveness and improving infrastructure to attract foreign investment; (4) focusing on sustainable use of the natural resources to ensure a good quality of life and to preserve for future generations, and (5) emphasizing good governance to distribute income and authority to local communities.

The new government policy of decentralization led to political changes in the administrative system and local administration so as to provide and manage public services locally. Local administration responded to the 10th NESDP by providing community participation with public hearings before submitting actions to municipal parliament for debate and final decision. Several topics such as community development plans, infrastructure improvement projects, garbage management, public water and open space management attracted great interest from local people. Urban development projects came to respond partly to the needs of local communities and create cohesion among municipality residents.
IV. Impact of NESDP on the Development of Khon Kaen City

The original settlement of KKC in 1797 was under the driving force of development, mostly due to the geographical situation (Fig. 1). Flooding and drought were undesirable living conditions that caused migration of local people in search for suitable lands for settlement. Some migrants moved several times from their early locations adjacent to Bueng Kaen Nakhon area to other towns or even to adjacent provinces such as Roi-et, Mahasarakham and Kalasin. Lao Vieng people from present-day Lao PDR as well as Chinese and Vietnamese who migrated from neighboring countries also constituted the initial groups of settlements at the early stage of the city development. Migration was the major factor that contributed to the growth of KKC urban settlement (Fig. 2). The city center was moved at least six times during its 200 years of development. The early settlement of the city consisted of a few small villages covering an area of approximately 2 km². The community essentially compacted around Bueng Kaen Nakhon and partially extended to high terrain in the north. However, the origin of modern KKC, as we know it today, dates back to 1942 when the railroad track was built to the west of Bueng Kaen Nakhon. (Fig. 3) On one hand, the railroad linked the city to other parts of the country for the first time, but on the other hand, it limited and defined the early development of KKC. The construction of the new railway was considered a major shift toward urban development. The city was transformed from a cluster of rural communities to a small urban area. During this period several roads were improved to provide links to the local communities.

After 1957, Khon Kaen was considered to be a strategic place by the government. It was planned to be the capital of the northeast region during Field Marshal Sarit Tanarat’s regime. The early development of KKC corresponded to the NEDP in focusing on providing basic needs for the people, including sufficient food, convenient transportation facilities and infrastructure (Fig. 4). From the first to the third NEDP, major asphalt roads in the city were constructed to form a transport network for nearby communities and provinces. Moreover the railroad track, telegram and government buildings were all clustered adjacent to the settlement area on the lowland between Bueng Kaen Nakhon in the south and Bueng Tungsang in the northeast. During 1962–1968, education facilities such as Khon Kaen University and Thai–German Technical College, and health care facilities—medical and nursing schools, hospitals—were established. Later, in the latter half of the 1970s, the urban built-up area expanded to the other side of the city. Small communities were scattered around Khon Kaen University’s campus. In order to supply electricity and water for agriculture and households in the city, Ubonrat Dam was constructed during this period. Therefore, construction of infrastructure was regarded as the major driving force in the early stages of KKC development (Fig. 5). Other basic facilities and services such as elementary and secondary schools, health care facilities, a technical college, television and radio broadcasting station, a correctional facility and recreational areas including urban parks were also introduced. The former military base airport in the north of the city was moved to the city periphery in order to expand its capacity for commercial use to handle a larger number of travelers. This area was replaced by new governmental offices, elementary schools and a public urban space for important cultural events. In the years of the 4th and 5th NEDPs, KKC became a center for regional government offices, education, and transport and health care facilities owing to the extensive improvement of infrastructure.

At the same time, the 4th NEDP emphasized the concept of agriculture for export, and production was adapted to commercial and service sectors. An integrated farm system was developed to grow rice with upland crops such as cassava, sugar cane, kenaf and mung bean. However, agricultural development was restricted by poor soils, high salinity, small landholdings, uneven and insufficient rainfall and inadequate irrigation. The construction of
dams helped to mitigate the demand for water. Furthermore, since KKC was one of the 36 cities as regional centers proposed by the plan, new government offices and the civic center were expanded to accommodate increasing needs.

Development strategies for the 5th to 7th Plan shifted attention to economic growth and
industry (Fig. 6). The city changed its role from an agricultural-based city to an industrial center. The idea of the growth pole was continually reinforced, and KKC was one of the major cities proposed as central areas for urban planning and development. During this stage, development of infrastructure aimed to support industrial activities and to provide links from
the northeast region to other parts of the country such as the Eastern Seaboard area and Bangkok and its neighboring provinces. The expansion of the manufacturing industry encouraged increasing migration to the city center and its vicinity. Approximately 100 satellite
residential estates sprang up around the city’s periphery. Sub-districts were developed to provide infrastructure and basic facilities of 5,000 new houses to accommodate in-migrants. Urban sprawl became more obvious, as a large number of rural laborers moved to the urban area for work in both the formal and informal sectors. Many lived in slums without public service facilities. In KKC, the largest area of the urban poor settlements was located parallel to both sides of the buffer zones along the railway track. Government policy pursued investment in Khon Kaen, which resulted in the unprecedented population growth of KKC. The economic boom was the driving force during the years 1985–1993, when KKC was becoming the transport center providing links to the north–south (Mitraparb Road or Highway No. 2) and east–west (Maliwan Road or Highway No. 12) areas of the region.

By the impact of the 6th NESDP, the built-up area of KKC increasingly expanded and became the economic center of the northeastern region particularly for the industrial sector. The manufacturing industry was attracted to Khon Kaen because of the advantages of the transportation network, and KKC was one of the four cities selected for accelerated growth with infrastructure improvements such as upgrading the airport in the satellite district of Nam Pong, a new highway to the Eastern Seaboard and the use of container based transport. At this stage, Khon Kaen was increasingly expected to develop its potential as an export centre for Indo–China. Khon Kaen had become in every way a major location for industrial development.

The 8th NESDP was effective from 1997 to 2001. During this stage, Thailand was threatened by economic regression and increasing social problems particularly among those who lived in urban areas. As a result, the government launched several strategies to improve and develop human resources. The “Education for All” and “Loan for Higher Education” programs were major plans to promote people’s education. The number of higher educational institutes increased, and more people sought higher degrees in order to obtain a better job through changing their roles from unskilled labor to skilled labor. As for the manufacturing sector, innovations in technology attracted more people compared to the previous simple level of production. Therefore KKC, which was ready with its successful basic infrastructure to be a home to leading educational institutions, was developed into a center for education. KKC is home to Khon Kaen University, which is the largest university of the region and famous in the fields of engineering, medicine and agriculture as well as Northeastern University, Ratchamongkol University, business college, technical colleges, nursing college, and private schools that attracted a large number of students to the city. In 2006, the number of students enrolled in higher education institutions in KKM was 64,364 out of 124,751 of the total population (Yongvanit and Bejrananda, 2005). The record indicates that approximately half the population of KKM consisted of students by the end of the 9th NESDP in 2006. This figure supports the conclusion that the growth of the KKC urban area has responded to the expansion of education and service sectors.

Later, the development plans also focused on international cooperation. Khon Kaen has been proposed as a logistic hub of the Greater Mekong Sub-region (GMS) countries including China, Vietnam, Lao PDR, Myanmar, and Cambodia. The East West Economic Corridor (EWEC) proposed by the ADB Strategic Plan for providing transportation was to link economic centers in GMS countries, and the 9th NESDP responded to this suggestion. This needed transport corridor would be integrated with existing infrastructure and economic activities. Due to its geographical setting, Khon Kaen has a high potential as a logistic hub not only in the northeast region but also in the GMS. Therefore, it was proposed as the home of an inland container depot (ICD) with other functions such as a truck-stop area and container manufacturing facilities, and considered to be the information center for international trade in GMS and one-stop service investment. Several projects aimed to construct a transportation network for efficient movement to the corridor, including the related infrastructure such as electrical power grid, telecommunication and energy development. The EWEC was
expected to be completed by 2008, with Highway No. 12 (Maliwan Road) being a part of EWEC that passes through KKC. More infrastructure, trade and investment, agro-industry and industrial estates are anticipated to transform urban areas of KKC in the near future.

According to the government policy of decentralization in 1999, KKM was endowed with the authority to manage public services as a part of local administration. The political changes of the administrative system, social and economic structure are fundamental driving forces of the city’s development. Despite the changes of politics and policies at the national level, the city has been strengthened and continuously developed, corresponding to national development policies. KKC has expanded not only physically through government policies, but also developed socially.

V. Conclusion

The National Economic and Social Development Plan (NESDP) is one of the most important factors that have continuously contributed to the urbanization of Khon Kaen City. This review of the series of NEDP and NESDP has indicated that the city has been driven toward new challenges depending on policies and the national situation and by both external and internal factors such as geographical setting, poverty, infrastructure and economic driving forces. Motivation for the development of Khon Kaen City was defined as change in general and change brought about under the government’s organized efforts. Urban development and its role in the region were also factors that brought a major change to KKC urban structure. Khon Kaen was planned as a central city in the development of the region. Despite the changes of political and national policies, the city has been strengthened and continuously developed over the years.

Today, KKC faces some limitations in development such as heavy traffic conditions across the city during rush hours, flooding during the rainy season, unplanned development and construction of roads, an increasing number of informal settlements and low-income groups. But there is great opportunity and potential to develop industry, trading, services, and tourism owing to the large population and the opportunities to connect with neighboring countries. The government policies have helped induce growth in the city but in doing so, they have also induced new problems of sustainability in the city and its surrounding rural areas.

References


