

"The New Trends in Urban Lifestyle in the Kingdom of Thailand" (serial in 3 parts)

Part 3 Past, Present, and Future of Bangkok

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Introduction

In the Part 1 of "The New Trends in the Urban Lifestyle in the Kingdom of Thailand", the report mainly analyzed the census data of Thailand and considered the social changes of Thailand and the lifestyle of the wealthy and middle classes in the Bangkok metropolitan area. In the Part 2, Bangkok citizens were categorized by their lifestyles, and their sense of values and consumption behaviors were explained based on the questionnaire survey targeted at the Bangkok citizens. In this final part, on the basis of the last parts' discussion, the development of Bangkok city is reviewed and the housing trend, the movement for modern trade, and the changes in the diet, as well as the Bangkok citizen's new lifestyle and trend related to Japonism are introduced. Furthermore, the problems of Thai stratified society and the Buddhist mentality of reconciliation are reviewed and the future lifestyle of the wealthy/middle classes is considered.

1. Growth of Bangkok metropolitan area and current problems

Firstly let's outline the origin of the urbanizing Bangkok. Bangkok is a land produced with a lot of earth and sand the Chao Phraya River carried. Around the 14th century the coastline entered as far as to the ancient city Ayutthaya located in the north of Bangkok, and Ayutthaya was a port city state prospered in trade with China etc. The coastline of those days greatly differed from that of present Gulf of Thailand. Accordingly, the Bangkok plain is a vast and flat land with poor drainage. Till the 60s, the city turned such adverse conditions to its advantage by developing the waterway as a traffic infrastructure and using ships as main means of transportation.

In the 70s, however, many industrial zones were developed mainly in Bangkok along with rapid industrialization. As the laborers flooding into the city required housings and the rapid spread of cars called for improved road networks, Bangkok started to drastically expand.

In the 80s, the foreign manufacturing industries including Japanese companies moved into the Bangkok metropolitan area where industrial complexes and office buildings were developed. In order to deal with the worsening traffic jams, the road networks were improved and highways were constructed, while housing environment were bettered and slums in the city were redeveloped to secure the massive work force. However, these developments have proved to be insufficient as a city planning for the over-urbanizing Bangkok.

At the end of the 90s, in the middle of the Asian financial crisis, the public traffic networks were developed including the elevated and the underground railroads. At the same time the relocation of factories to the suburbs was facilitated to redevelop the city. The city was renewed largely though not sufficiently in 2006 when the new airport opened in the eastern suburbs.

In this 21st century, the East-West Economic Corridor (Vietnam-Thailand-Myanmar, an overall length of 1450 km) and the Kunming-Bangkok Expressway (Bangkok-Laos-Kunming, an overall length of 2000km) are under construction to serve as a main artery of the economic growth of the Indochina. As such, the traffic infrastructure of Bangkok, the hub city of ASEAN after economic integration in 2015, is under development including the international highways running across and down Thailand.

The current population of Bangkok city is about 6.4 millions and that of Bangkok metropolitan area is as much as about 10 millions; Bangkok is still expanding as a global city.

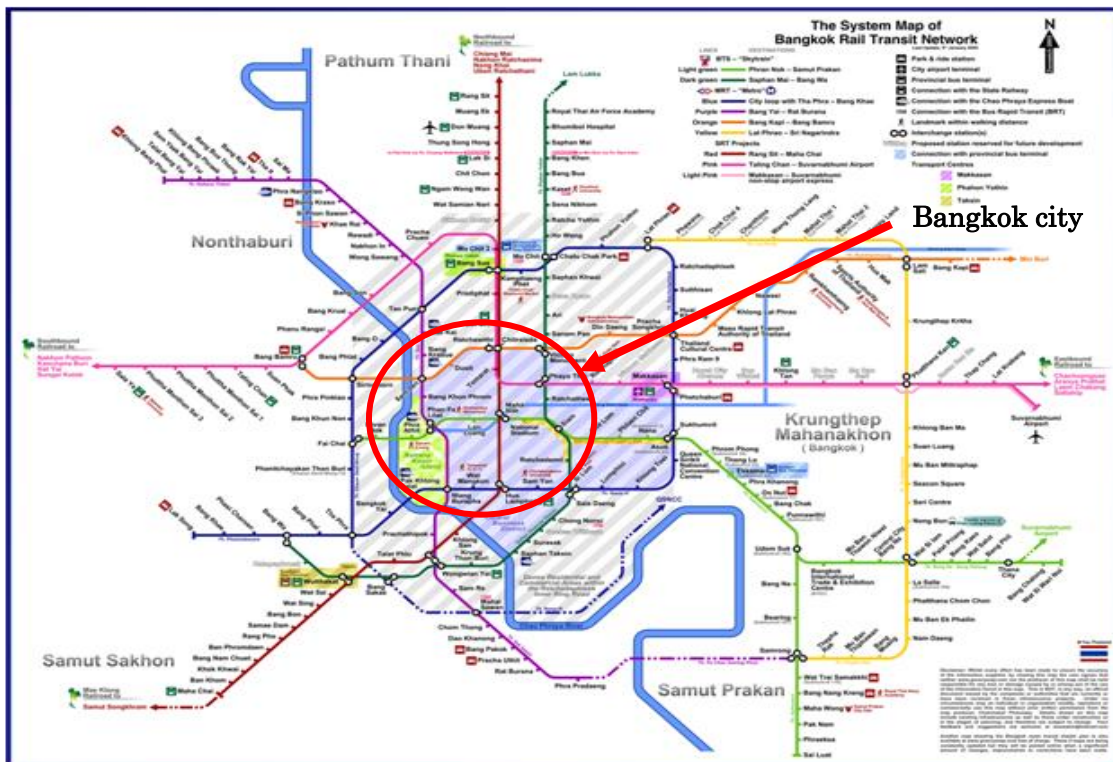


*Sky Train, a local train running through Bangkok city (BTS) opened in December '99



*Highway in Bangkok city

An urban problem unique to Bangkok is the risks of flood and deluge disasters owing to its flat and swampy land form. To deal with the problems after the major flood damages in '70 and '90, flood control facilities and drainage trenches have been constructed to prepare against the disasters. For all the preparations, the enormous damages caused by the deluge in Ayutthaya and Bangkok in 2011 are still fresh in our memories. On the other hand, the development of traffic infrastructure and the improvement of housing environment are far behind the over urbanization of industries' concentration and the population growth. This problem is caused by the weak authority of public sectors playing a role of main entity to promote urban planning, the complicated land law and strong rights of land owners, and lack of coordination among private-leading developments. In order to create a new Bangkok metropolitan area, the improvement of railroad and roadway as well as extension of them to the suburbs, the redevelopment of city area, the development of new housings and large-scale commercial establishments in the outskirts are pressing tasks that are expected to be powerfully promoted.



* Railroad map of projected trains and subways in Bangkok

2. Urbanization and expansion of city bring about new lifestyles

Changes of the Bangkok metropolitan area has had big influence on every aspect of the Bangkok citizens' life including food, clothing and dwelling. More specifically, their living areas such as residential and shopping areas change, means of commuting to and from work or school change, and their fashion style changes as new lifestyles are surfacing. The greatest changes caused by the urbanization are housing, transportation, and rising of modern trade. Let's examine from housing.

2-1. Typical city residence new type condominiums are popular

A new housing form created by urbanization is a condominium. About 30 years ago, dwellers of condominiums were limited to foreign business persons or Thai super-elites who came back from study abroad. The condominiums of those days were high-class properties, most of which were wider than 80m² and located in Sukhumbit or Silom adjacent to the business center area of Bangkok.

These days, however, the emerging nuclear families have started to purchase condominiums with a longing for the lifestyle of developed countries. The young couples and singles, who seek convenient life and commutation, prefer living in a condominium close to work or school in the city to living in a shophouse or a suburban

detached house with their parents, though the latter has been considered to be a normal way of life. As a result, instead of the conventional expensive condominiums, the number of new-type middle and small sized condominiums of 27 to 60 m² has increased in the market these days to accommodate the needs of purchasers.

Additionally, extension of transportations, such as an elevated railway and a subway in the city, is accelerating construction of the condominiums. In the surrounding areas of newly constructed stations the new type condominiums are constructed. The middle class purchases the condominium and large-scale shopping centers are opened one after another, targeted at the residents.

The purchasers of such condominiums include newlyweds, single office workers, working women, foreign business persons, and college students of middle upper class. The wealthy class is also main purchasers of the properties. Many of them own the city condominiums not for rental or investment, but as assets for their children and grandchildren. They can afford the properties because unlike Japan, Thailand does not have inheritance or real estate taxes and the cost of owning and maintaining properties is relatively low.

The recent boom in real estate is widening the gap between haves and have nots.



*Suburban condominium



* A comfortable living room which is compact but user friendly.

2-2 Suburban housings: Residential villages for the wealthy and the middle classes

Meanwhile, the traditional paternalists who are the managers or the small and medium-sized business owners used to live in a shophouse or a town house in the city, but now the acquisition values of lands in the city are too high for them to purchase a detached house. Accordingly they have started to seek for a spacious detached house in the Bangkok suburbs.

There are two ways to own a suburban detached house: purchasing an estate and

build a house for oneself, and choosing a ready-built housing in a residential village constructed by real estate firms. According to the writer's observation, many of those who take the former method are Chinese people who are in trade or owners of small or middle sized business, while those taking the latter are mostly managers of major companies or public servants.

It is also noteworthy that those living in the suburban detached houses and those living in the condominiums in the city use different transportation. Many of those living in a condominium use public transportation because the condominiums in the city are located in the vicinity of train or subway stations. On the other hand those living in the suburbs invariably own an automobile for commuting or shopping. Owing to the sluggish work of construction in Bangkok, it takes extremely a long time for the train and subway to reach to the suburbs. As such, cars are indispensable life tools for those living in the suburbs.



*An example of residential villages. This is what is called "a large-scale housing development estate" if it were in Japan. The width of a block is 240m² or more and the prices range from about 6 million to several ten million bahts. The residents are the middle class or higher. Play grounds and gyms are located inside the residential village. Some of the proprietary companies host festival (1baht = 2.5yen).



*A large scale suburban shopping mall accommodates a wide range of needs from daily shopping to holiday leisure.

3. Movement from traditional market to modern trade

Until 10 and a couple of years ago, the shop styles in Bangkok were mainly the Mom and Pop store, a small scale personal shop, or a shophouse consisting a shop on the first floor and residence on the second floor. However, as a growing number of people adopt urban lifestyle, various lines of new modern trade have appeared such as hypermarket, supermarket, mini supermarket, convenience store (CVS), department store and shopping mall, which are increasing their market share.

The CVS 7-eleven run by Thai CPALL under license has more than 6000 branches as of 2011, boasting the world's No.3 largest number of branches following Japan and the US. Other CVS's such as Family Mart and Tesco Express are located on major streets to serve as an indispensable social infrastructure for the Bangkok citizens to buy daily commodities.

Furthermore, around the newly developed condominiums in the city or residential village of detached houses in the suburbs, such modern trades as CVS and shopping malls open to support the residents' shopping and leisure.

3-1. Traditional markets are losing their customers

The traditional housing districts in the city still have many Mom & Pop stores. Their customers are the habitants of relatively higher age group in the local community who purchase their commodities in a nearby market. The traditional markets are also influenced by the trend of the time.

For example, such specialty merchandise as gardening tools, auto supplies or dress materials sold at traditional shophouses on a shopping street specialized in the goods have become available in new shopping malls or suburban DIY shops. In addition, the young people living in the traditional housing district in the city are, unlike their parents, familiar with the new lifestyle; a growing number of those do their shopping at modern department stores, supermarkets or DIY shops, instead of the traditional shophouses. More and more people of young generation are likely to abandon the traditional market in the future.

When the traditional and modern markets are compared, one newly-opened 7-eleven allegedly closes down six Mom & Pop stores; as a matter of fact, the traditional market is visibly on the decline. However, in local and rural areas other than Bangkok, the traditional markets occupy an unwavering position as a supplier of merchandise to local citizens.



*Convenience store serves as a life infrastructure.



*Traditional small-sized private shop.

3-2 New and old style shoppers have different senses of values and concepts of money

Other phenomenon is that some Bangkok citizens do their shopping at traditional markets while others enjoy shopping or leisure at the modern trades although they are living in the same city. These two groups seem to have different senses of values and concepts of money according to their life environment and lifestyle. For example, an egg is sold at lower than 4 bahts at a traditional market, while it costs as much as 5-6 bahts at modern supermarkets. In such a modern market, expensive eggs with nutrition of Omega-3 fatty acid such as DHA are often sold at 9 bahts or higher. Thus, those who have never shopped at other than traditional markets feel that 5-baht is too expensive for an egg, while those who do their daily shopping at a supermarket assume 9 baht is a reasonable price for an egg. Even if they share a same level of financial power, they have different senses for prices according to their lifestyle.

3-3 Distribution in Bangkok are led to the modern trade

The modern trades such as shopping malls and supermarkets have generated a new lifestyle that friends and families enjoy not only shopping but movie viewing or meals at the establishment. In the future, new style of commercial facilities are expected to appear that propose new lifestyles to further entertain the Bangkok citizens, as a number of large-scale commercial establishments and large complexes of hotels and offices in the city and suburban shopping malls are projected.

Currently the modern trades account for 40%, with the percentage on the rise. Although the modern trades may be projected on the basis of expanding consumption market, the risk of store excess is arising. From now on, careful strategies for site location and tenant selection will be required.



*Shopping malls have supermarkets, retail stores of home appliances and furniture, restaurants, variety shops, cinema complex etc, forming a collection of all kinds of merchandise and services needed by customers. Shopping malls are "One-Stop Shopping" sites where customers can enjoy themselves all day long.

3-4. Online shopping is expected to expand

Other major trend of shopping style is that a larger number of customers use online shopping. The number of the Internet users in Thailand amounts to as much as 18 millions, and 21% of which are Facebook users. Social media are widely used mainly among adolescents. Unlike the older generation, they are digital natives skilled at communication using social links via the network. They write their review of purchases on the network, or consult the online information to choose their purchases; the Internet has become a seamless site for information gathering and purchasing. When the digital native generation will become the hub of consumption in the future, the sales of online shopping are expected to increase. It is necessary to keep an eye on the online shopping as a new shopping habit.

4. New trend in food is "easy" and "fast"; the easiest food is eating out

Thailand has bountiful food materials such as fresh meat or vegetable, and boasts tasty traditional home-made dishes. In recent years, however, as a greater number of women have participated in the society and many households (66%) have become dual earners, their diet has significantly varied with the changing lifestyle. Though the older generations enjoy standard Thai food, the younger people have demands for varied menu and novelty dishes. The more significant change is that easier and faster foods have become popular. In a dual-earner family, cooking is a hard work after the couple comes home from job, often very late owing to traffic congestion or other reason. What they need more than anything else is that they can have nutritionally balanced food without taking too much trouble for cooking.

The trend of home cooking shows high demands for "prepared, ready-to-eat food", and chilled food, instant food and snacks are popular. Note that they avoid high-fat meal because they are beauty- and health- conscious. Even when they cook, they have a preference for using taste enhancers that enable them to cook luxury restaurant-like dish easily and quickly.

Such trend for easier and faster food is supported by home appliances including refrigerator and microwave, as well as CVS and mini supermarkets located in high density, where they can readily purchase various food materials and easy food.



*The easiest food for the Bangkok citizens is eating out. Their options are varied according to price, convenience, and cooking styles including the Thai cuisine, the stall food and the Japanese food.

Other feature of the trend in food is that eating out has become everyday affair. The easiest food for the Bangkok citizens is eating out. Bangkok city has various types of eating places. For a small group, eating out is lower-cost, more convenient and enjoyable. Therefore, the frequency of eating out has become higher than that of homemade meals. The frequencies differ according to the income or lifestyle, but eating out has become a daily habit as the wealthy people eat out almost every day, the upper middle 2-5 times a week, and the lower middle 1-4 times a week.

Table 1 Frequency of Bangkok citizen's eating-out opportunities

	breakfast	lunch	supper
every day	32.5%	52.5%	20.3%
once a 2-3days	32.0%	29.8%	31.5%
once a week	15.8%	9.3%	21.8%
once a month	9.8%	5.0%	12.3%
none	6.5%	2.0%	9.5%
not eat	1.8%	0.5%	3.5%
no answer	1.8%	1.0%	1.3%

Source: JETRO "Market survey in Thailand" in 2012.3 Bangkok citizens male and female, N=400

5. New services for children in the age of declining birthrate

In Bangkok, those with high education and large income are likely to be unmarried, get married later, and have fewer children. The birthrate throughout Thailand is 1.58, which should be lower for the wealthy and middle class citizens in Bangkok city. Accordingly economically affluent people increase their desire for higher education and culture for their children. To serve the needs, various merchandise and services have appeared in the market. For example, such merchandise and services have appeared as eggs enriched in DHA, an omega3 fatty acid for healthy growth of children, supplement foods for brain and health, and not to mention preschools for study, many schools have started services of music, brain training, etc. for kids. Also many students study abroad, and the United Kingdom, where they can complete master's course in a year, is a more popular destination than the United States. Needless to say, the returnee students feel an affinity with the UK.

As such, a cycle of changes has been formed when the change of urban lifestyle has generated declining birthrate, the lower fertility has created new educational services, and the services bring about new lifestyle of child care.



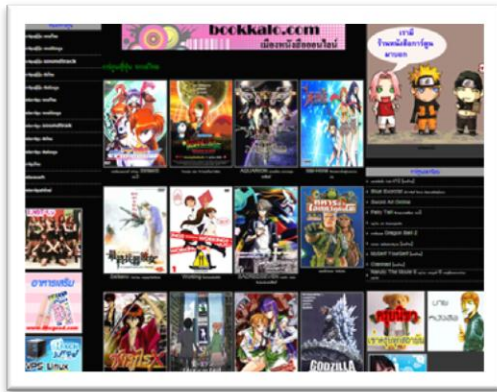
*Brain training school for children



*Eggs enriched in DHA etc. for children

6. Japonism firmly rooted in Bangkok

The Thai people have long been fond of Japanese goods and familiar with them very much. Many associate automobiles and home appliances with typical Japanese goods, but in reality, various life culture goods including cosmetics, Japanese food, comics and games boast great popularity in Thailand. Especially the comics and games are popular among children; also many of the under 40's are devoted fans of them. Not a few of them went as far as to study Japanese to play with the Japanese games. Through these products, they have become interested in the Japanese culture, history, cuisine, etc and nurtured sense of affinity toward Japan.



*Japanese comics have long been popular among the Thais.



*Daiso is a tenant of shopping malls.

6-1. Lifestyle of the Japanese living in Thailand contributes to the favorable image of Japan

The pro-Japanese feeling of Thai may be partly caused by the Japanese lifestyle of many Japanese business persons and their families. Currently, about 100-thousand Japanese people live in Bangkok, and for their daily life the department stores and supermarkets in the city provide a lot of Japanese goods including materials of Japanese food, seasonings and sundry goods. Though expensive, these items are high-quality and handy, and have an appealing power to provide the Thai lifestyle with new pleasure. Firstly the wealthy have started to purchase the Japanese goods, followed by the middle class who have recognized the reputation and high status of the merchandise. This is a pattern of communication and popularization of good lifestyle from upper class to lower class.

Since the potential demands for Japanese goods and services are extremely high, many Japanese companies such as Ryohin Keikaku, UNIQLO and Daiso have branched out into burgeoning Bangkok recently to offer the Thais a new lifestyle.

In this way the Thai people's confidence in Japanese goods has long been nurtured through Japanese merchandise and services, as well as exchanges between the Thai and the Japanese peoples. The Thai people's attachment to Japanese items has deepened over generations and have steadily infiltrated into the life of Thai people, though the popularity is not as flashy as the Korean boom of recent years.



* The supermarkets for the Thais also deal with Japanese sundries and foods.

6-2 Japanese cuisine also contributes to pro-Japanese sentiment

Japanese cuisine is enjoying great popularity. Japanese cuisine, which shares rice-eating culture with Thai food, has friendly taste for the Thai people. Owing to the growing sense of health-consciousness, the Japanese food with healthy image gets more and more popular among the wealthy and middle class people these days. Though the high cost is a drawback, the Japanese dishes have widely established themselves as an option for eating outs.

Japanese food is so popular in Bangkok that more than half of the restaurants on the restaurant floor of a shopping mall are occupied by Japanese food restaurants run by Japanese or Thai companies. Even the Korean food restaurants that are enjoying Korean boom try to give an image of Japan and overlap Korean food with the image of Japanese cuisine.

The Japanese food in Bangkok is also changing. To be perfectly frank, the Japanese food of 10 years ago was a Thai-style Japanese food, with its taste arranged for the Thai people who adore sweetness. Today, however, as a growing number of people travel in Japan and experience the authentic Japanese cuisine, they started to ask for the taste of genuine Japanese food in Bangkok. Though such full-fledged Japanese cuisines are expensive, they enjoy a large patronage these days. On the other hand, most of the family-oriented Japanese restaurants accommodate their customers with sugar and Nam Pla, a Thai fish sauce, so that they can personally season the dishes; such Thai-style manner of enjoying Japanese food is widely spread.



*Japanese restaurants run by Japanese or Thai companies are popular among families and couples.

The above is an example to show how deeply the Japanese goods have filtrated into the Thai lifestyle and in a sense have created a new lifestyle. In the Korean boom of recent years, the young people admired Korean stars and spend a lot on the music, fashion, cosmetics, travel and various other goods and services, but as the boom cools down and time passes, the demand for Korean products seems to be diminishing.

For an instance, traveling in Korea used to be popular in the Korean boom, but the percentage of repeaters to Korea is not as high as that to Japan.

7. The Thai people quickly heat up but cool down just as easily

The Thai people are trend conscious. It seems they readily be subject to a boom. Let's examine this matter from a viewpoint of cross-cultural research as following.

According to the well-known Hofstede's study, Thailand and Japan are categorized in the same Collectivism culture. In the general theory, the research describes "Those of Collectivism are concerned about their surrounding people and behave in a group-conscious manner when they are engaged in things". As a matter of course, consumer behaviors are influenced by the group consciousness of the consumers.

For example, in the US, a typical individualist country, celebrities are rarely used for advertisement. On the other hand, in the Collectivism countries of Thailand or Japan, the advertisements using public figures including actors are relatively common. Those of Collectivism tend to feel confidence in opinion leaders and are strongly inclined to own/consume what the leaders use. In other words, a reliable opinion leader has enormous influential power. But the peoples of Thailand and Japan have quite different psychology of group-consciousness.

The Japanese consumers regard the opinion leader just as a source or a start, and

make a decision of purchase only after studying the function or various information of the merchandise from a comprehensive standpoint. On the other hand, the Thai consumers put more emphasis on sensitive factors such as design and status rather than function when they decide on a purchase. Therefore, the Thai consumers are less likely to collect related information than the Japanese, and have stronger tendency to listen to or imitate an opinion leader. Such consumption habit is particularly prominent in the younger people. Since they buy things upon feeling or sense of fashion, the things have only short vogue. The boom of green tea several years ago or current Korean boom is a good example of such phenomenon.

8. How to incorporate the needs of the Bangkok consumers

The Japanese companies may be most interested in the home appliance industry now. Samsung and LG provide not only moderately priced but well-designed merchandise for the tastes of Thai consumers. The Korean products are quite popular among under middle class and for second appliances.

Japanese brand appliances are still acknowledged as highly functional and expensive line by the wealthy people, but the Korean products such as TV or mobile terminals enjoy firm popularity because higher-quality goods are expected to be developed in future. Now is the time for the Japanese home appliance companies to seriously rethink their strategy for the Thai market.

When a business expands into the Thai market from now, it is important in the first phase to appeal to the sensitivity of the Thai people. However, in order to filtrate deeply into the life of the Thai people, who quickly heat up and cool down easily, a life culture rooted in the Thai life should be proposed, as the Japanese people and their society in Thailand have influenced the Thai lifestyle over a long period of time.

To keep the Thai consumers' trust in the Thai market, the Japanese companies need to strengthen marketing for development of merchandise that incorporate the change of the Thai lifestyle in advance using the advantage of Japanese goods.

9. Social sense of values in Bangkok, the mentality of the Thai people

The deluge in 2011 seriously damaged the whole Thailand including Ayutthaya and Bangkok, resulting in plummeting production and consumption. At the beginning of 2012, however, trend of economic recovery became apparent (0.3% positive growth for the first quarter), thanks to the quick recovery of production and consumption. On the side of consumption, the wealthy and middle classes spend more while the poor people in urban areas turn to further frugality because the prices of life necessities have risen

owing to the flood and for preparation against life risks and disasters. Far from narrowing, the gaps are widening.

Thailand is a stratified society, where the urban wealthy/middle classes and the poor class are coexisting under such circumstances. To further understand the lifestyle in Bangkok, the reality of poor people in Bangkok and the Buddhism, a base of peaceful Thai society and a spiritual support of the Thai people, will be described as following.

9-1 The stratified society where the wealthy/middle class and the poor class coexist

In Thailand, there exists not only a gap between the urban and rural areas but a gap between the urban wealthy/middle class and urban poor/lower class. In general, a social riot is likely to happen when a Gini coefficient exceeds 0.4, but the Gini coefficient of Thailand is as high as 0.536. However, in Bangkok metropolitan area, the urban wealthy/middle class and urban poor class are coexisting as same Bangkok citizens without violent conflict.

The main occupations of the urban poor people are such informal economy as street stand, peddler, taxi driver, construction worker, junk dealer, market worker, staff of eating place, etc., that firmly support the urban economy and life infrastructure of metropolitan Bangkok. According to the development economics, the informal economy is generally supposed to disappear along with the economic development, but in Bangkok its presence is increasing along with the widening gap between the social strata.

In order to narrow the gap, the government is taking measures such as constructing cooperative dwellings in the suburbs as substitutes for slums, but they are not effective enough. For one thing, the poor people's "dense community"(slum) is a workplace adjacent to habitation; relocation of slum would deprive them of their means of living.

The major reason why the urban poor class does not uproar for dissatisfaction is that they have a living environment where food, clothing and shelter are available at low cost and they can manage to get along. In addition, Thailand is basically a rich country in food, and migrant workers in Bangkok have an option to go back to their farm villages when they can't make living.

They are fixed dwellers in the city playing certain social roles. Their dwellings, even if they are just slums, function as a community where their children grow up to provide a next generation. Some of them try to move from the poor to the upper class, which is basically a difficult work. From now on, education in the poor class, improvement of the jobs and the status of female workers, betterment of economic conditions are required to stop the reproduction of poverty.

For secure lives of Bangkok citizens of each class, such political measures were realized as the hike in the minimum wage (300 bahts per day in '12, raised by 40%) and the health care insurance to ensure medical service at 30 bahts, but policies such as income distribution for gap reduction are great challenges for the future.

Table 2. Percentage of Thai stratum, unit 1000persons

stratum	2009	2015	2020
	population 65million	population 66.5million	population 68million
The wealthy	2,007(3.1%)	4,273(6.4%)	7,275(10.7%)
The upper middle	9,451(14.5%)	16,357(24.6%)	21,485(31.6%)
The lower middle	30,100(46.5%)	30,511(45.9%)	28,012(41.2%)
Lower / poor	23,174(35.8%)	15,623(23.5%)	11,218(16.5%)

Material: Compiled from JETRO Sensor 2011 March and Euromonitor International 2012

The wealthy: annual disposable income per household is over 35,000dollars

The upper middle: 15,000 ~ 30,000dollars, The lower middle: 5,000 ~ 15,000dollars,

Lower / poor: under 5,000dollars

Table 2. Comparison of ASEAN 10 nations' GDP and GDP per person

	Thailand	Indonesia	Malaysia	Philippines	Singapore	Brunei	Cambodia	Laos	Myanmar	Vietnam
population	64.5	241.0	28.7	95.9	5.3	0.4	13.1	6.6	62.4	89.3
nominal GDP	346	846	279	213	260	16	13	8	52	123
GDP/person	9396	4666	15568	4073	59711	49384	2216	2659	1325	3359

In units of million for population; billion dollars for nominal GDP; and a dollar for GDP/person

Source: World Economic Outlook April 2012(IMF)

9-2 Buddhism is a part of daily life and gives harmony to the community

Thailand is a devout Buddhist country. Under the protection of the royal family from 13th century, Buddhism has been a part of the Thai people's life and greatly influenced the society, culture, and sense of life values. The Buddhism in Thailand is Theravada Buddhism, which emphasizes ordination and Precepts. Not a few men ordain as monks because they are easily allowed to return to secular life. While they ordain as monks, they are immune to tax or military obligations and give up their right to vote. By becoming a monk, they can succeed to Divine Light (the Buddha's teachings illuminate the earthly darkness) thanks to the lay people's offering.

The teachings are Samsara, an endless cycle of birth, death and rebirth, and a punitive justice, explaining that "If one does evil in this world, he will be unfortunate in

the coming world, so he should do good things". It is believed that doing good deeds will lead to happiness in the coming world and that creating good relationships with family, friends and even strangers is also a good deed.

Such mentality of the Thai people is not only the spiritual base of the people who are eager to work for community, gentle and harmonious, and highly esteem their family, but also a significant reason for the certain degree of stability in the society of widening gap between classes.



*Devout Buddhists offer prayers at a Buddhist Temple every day.

10. An important viewpoint to foresee the orientation of future lifestyle

Hailing the ASEAN economic integration in '15, Bangkok is expected to further develop both economically and culturally with a stronger presence as a hub city of ASEAN. At the same time, the wealthy and middle classes are expected to expand. The new changes of life environment under such circumstances will create new needs, which will further change the lifestyle of Bangkok citizens on a larger scale; thus a cycle of changes will be created. The factors that significantly influence the changes of life environment are, as described above: low fertility, age trend, income gap and globalization. Particularly among those low fertility and age trend have great importance, and they are reviewed from a different standpoint as following.

10-1. How to cope with the low fertility

Bangkok is currently suffering the low fertility, which will cause another problem of decreasing production population in the future. The Demographic Bonus period of Thailand is projected to end around 2010 to 2015. The income level is unlikely to rise highly enough to accumulate sufficient asset required for future social security. This is a huge challenge for the social agenda and labor/economic policies. In this sense, not only measures against low fertility, but actions for extension of Demographic Bonus

period such as creation of job opportunities for the aged and women are required, as well as human resource development for the next generation. In other words, new lifestyle and working style are required for the nonworking women and the elder people who have once retired.

* Demographic Bonus: During the Demographic Bonus Period, the birthrate decreases owing to a population control policy etc. while the production population increases resulting in economic development and income growth. At the same time, revenue from social investment including education or social security increases and living standard improves.

10-2. Actions against the age trend

The average life expectancy of the Thai people is 73.9 (as of '11), 70.6 for male and 79.6 for female. 65 and older is regarded as fully old age.

As the population of the 65 and older exceeded 7% in '01, Thailand has already entered the "Aging Society" according to the definition of the United Nation. The nation is aging at higher rate than Japan with the percentage being expected to rise to 13.3% in '25. Thailand will face the challenges of care and medical services for the elderly people. Since the nation has various other tasks including pension, however, public assistance for the aged is unlikely to expand. Accordingly, the family members are expected to look after the elderly.

Even though the Thai people have strong family bond, the number of nuclear families is growing among the Bangkok citizens and their housing environment has been changing significantly. Measures for the elderly people are required that is not solely dependent upon the family members. Although the affluent class has started to think about "hiring care helpers" and the middle upper class anticipates "old age at nursing home", the middle lower class can't afford such services. The government has set out to enhance funds and medical insurance for the elderly people, which is a very difficult task to achieve.

Therefore, for the independent life of the aged people, it is a pressing issue to develop health care on their own and new daily efforts for disease prevention, in other words, new lifestyle for the aged people.

11. Bangkok style in the future

This paper has examined the various factors that influence the varying lifestyle of the wealthy and middle class in Bangkok and the trends in the new lifestyle over three installments. In spite of such problems as over-urbanization, gaps between parental and younger generations, and income disparity, the quality of the Bangkok wealthy and

middle classes' life has positively improved.

From now on, as a hub city of ASEAN economic integration, Bangkok will be more rapidly globalized, where newer lifestyle will be generated. Furthermore, in this age of developed network environment, the citizens are no longer reliant to local information, but have access to world's trend, life, and business information in real time and pick it up according to their personal preference. As such, new lifestyles are expected to arise on the basis of global life information.

As for relationship with Japan, the Thai people are extremely pro-Japanese. Their affinity toward Japan can be seen in their confidence in Japanese merchandise and services, an increasing number of Japanese people living in Thailand and a growing number of tourists to Japan. Unfortunately, many of the young people who would like to study abroad go to the US or Europe, and the number of students study in Japan is on the decline. But undoubtedly Thailand and Japan will get even more deeply involved with each other in the future. For such relationship, further mutual understanding is desirable through various exchanges among the Thai and Japanese people. It is also most important to understand the actual lifestyles of each other.

Though this report did not mention it, the Thais are eco-sensitive people. As a national character, they are unwilling to cut down wood because they believe spirits dwell in a wood. In course of economic development, however, natural environment has been destroyed. Considering such regrettable situation, the people are actively engaged in anti-pollution activities in cooperation with the public administration. They are seeking a lifestyle coexisting with the nature in the easygoing, bountiful climate and land of Thailand.

While the Bangkok citizens maintain their good lifestyles such as traditional life habits, value of family and strength of local community, they have flexibility to try new life culture without denying it, and accept good things and services. The sense of *Mai Pen Rai* (something will come up) works here. For the future, the citizens tactfully prepare for the newly changing society and life, while they create their own happy lifestyle by trial and error. This is the Bangkok style.