

## **THAILAND: Everyone's rushing to grow rubber**

**Source: Daily "Bangkok Post", Bangkok; 21 Jan 2011**

Here's some good news. Rubber farmers are rich, judging from a car-buying spree in the rubber-growing provinces of Surat Thani and Songkhla, where almost 1,000 cars were sold in just one day last week.

Next, Deputy Agriculture and Cooperatives Minister Supachai Phosu announced a plan to give free rubber saplings plus other grants to new rubber farmers under the government's plan to increase the acreage of rubber plantations by 800,000 rai (one rai=1,600 sq m) within three years.

That good news is followed by bad news, however. Forestry officials cut down and cleared away over 500 rai of rubber plantations in Ranong and Phitsanulok because they were located in protected forest areas.

They also threatened to fell more rubber trees once the Royal Forestry Department wins eviction cases against plantation owners who encroached on forest land.

The two sides of the same issue are no coincidence.

What links them is the record-high rubber price, which hit 159 baht a kilogramme at the main rubber market in Songkhla on 20 Jan. 2011.

It's okay for rubber growers to enjoy the new high after having long endured the falling price of rubber.

But the government, especially the Agriculture and Cooperatives Ministry, must not get carried away by the lucrative income. The demolition of rubber plantations by forest rangers last week hinted that something "might go wrong" with the rapid expansion of rubber cultivation during the rubber price rally.

A senior forestry official who led the rubber demolition operation in Ranong's Kra Buri district said the surge in rubber price had led to widespread forest encroachment by rubber farmers and agribusiness operators.

A similar situation had occurred in Phitsanulok province where almost 500 rai of a watershed forest in Nakhon Thai district had been encroached upon by rubber planters.

Forest encroachment is not the only problem resulting from rapid expansion of rubber cultivation areas. There is also the issue of food security surrounding the transformation of food crop farming to growing non-edible cash crops.

Another issue to watch is corruption in the government's scheme to increase rubber cultivation, which involves a multi-billion-baht budget for rubber saplings procurement and grants for other farm materials.

The 1.44-billion-baht rubber saplings procurement scandal, in which 44 state officials and businessmen were charged with malfeasance, should be a big warning to the Democrat Party-led government.

The notorious rubber sapling procurement was part of the Thaksin administration's policy to expand rubber cultivation to one million rai between 2003-2006.

The deputy agriculture minister said the ministry would spend a budget of 580 million baht in the first year of the three-year rubber cultivation expansion scheme, which was endorsed by the cabinet last month and will officially kick off next month. Of the 800,000-rai target, 500,000 rai will be in the Northeast; 150,000 rai in the North; and 150,000 rai in the Central, East and South.

He expects a total of 160,000 farmers to join the scheme and the ministry will soon call a bid for the production of rubber saplings for distribution to farmers.

Mr Supachai claimed that the project is a "win" for all involved. Farmers will have more money in their pockets, the government will earn more revenue and more jobs will be created.

He even boasted that an increase in rubber plantation is good for the environment as it "helps increase rain volume and reduce global warming". The deputy minister seems not to care or is aware of undesirable effects from the scheme.

But the rubber plantation expansion must not go ahead until the government comes up with concrete measures to prevent forest encroachment, sustain food security and guarantee farmers - not giant agribusiness firms - that they will benefit from this scheme.

Things are not as simple as Mr Supachai thinks when it comes to the rubber issue. The government cannot simply say something

like: "Rubber prices are up, folks. Let's grow more rubber trees!"

*(Syed Rashid Ali, Karachi, Pakistan)*

**Adresse:**

<http://www.gupta-verlag.com/rubber/news/industry/9303/thailand-everyones-rushing-to-grow-rubber>