

## Poverty Dynamics in Thailand: Evidence from Household Panel Data

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**Abstract :** This study aims to examine determining factors of the dynamics of poverty in Thailand by using panel data of 3,567 households in 2007-2017. Four techniques of estimation are employed to analyze the situation of poverty across households and time periods: the multinomial logit model, the sequential logit model, the quantile regression model, and the difference in difference model. Households are categorized based on their experiences into 5 groups, namely chronically poor, falling into poverty, re-entering into poverty, exiting from poverty and never poor households. Estimation results emphasize the effects of demographic and socioeconomic factors as well as unexpected events on the economic status of a household. It is found that remittances have positive impact on household's economic status in that they are likely to lower the probability of falling into poverty or trapping in poverty while they tend to increase the probability of exiting from poverty. In addition, not only receiving a secondary source of household income can raise the probability of being a never poor household, but it also significantly increases household income per capita of the chronically poor and falling into poverty households. Public work programs are recommended as an important tool to relieve household financial burden and uncertainty and thus consequently increase a chance for households to escape from poverty.

**Keywords :** difference in difference, dynamic, multinomial logit model, panel data, poverty, quantile regression, remittance, sequential logit model, Thailand, transfer

**Conference Title :** ICSED 2023 : International Conference on Social Economics and Development

**Conference Location :** Rome, Italy

**Conference Dates :** May 04-05, 2023