



SENIOR RESEARCH

Topic: “How does corruption within the Rice Pledging Scheme disproportionately affect smallholder farmers compared to larger-scale producers in Thailand?”

NAME: Jirapat Ekudomsin

ID: 6448017529

Advisor: Torplus Yomnak, Ph.D.

Date: 8th May 2025

Senior Research Submitted in Partial Fulfillment of the Requirements
for the Bachelor of Arts degree in Economics (International Program)
Faculty of Economics, Chulalongkorn University
Academic Year 2024

Approved

(Prof. Worawet Suwanrada, Ph.D.)

Chairperson

Date of Approval _____

Acknowledgement

I would like to express my deepest gratitude to Assoc. Prof. Torplus Yomnak, Ph.D., of the Faculty of Economics (EBA), Chulalongkorn University, for his invaluable guidance, encouragement, and unwavering support throughout the course of this research. His insights not only helped shape the direction of this study but also inspired me to think more critically about the intersection of policy, governance, and social equity. Additionally, I would also like to thank Assoc. Prof. Chayodom Sabhasri, Ph.D. for valuable insights and feedback. I would also like to sincerely thank P’แฉะ from the National Anti-Corruption Commission (NACC) for her kind assistance in helping me access official reports and materials that were instrumental to my analysis. Her generosity and openness made this research more grounded and relevant. I am especially grateful to the two farmers who graciously agreed to be interviewed and generously shared their experiences. Their voices brought essential lived perspectives into this study and reminded me of the real-world impact behind every policy. In addition, I wish to thank my family and close friends for their constant encouragement and moral support throughout this journey.

This research would not have been possible without the contributions and kindness of the individuals mentioned above, and I remain sincerely grateful.

Abstract

This research examines how corruption within Thailand's rice pledging scheme (2011–2014) disproportionately affected smallholder farmers compared to larger-scale producers. While the scheme was originally designed to guarantee a high purchase price for rice and improve rural livelihoods, widespread corruption undermined its implementation. This study applies a qualitative comparative content analysis (QCCA) of 18 secondary sources—including academic studies, government reports, and legal rulings—supplemented by two semi-structured interviews with smallholder farmers conducted in April 2025. The analysis identifies four main corruption mechanisms that shaped farmer experiences: discretionary quota allocation, informal payments and bribery, delayed disbursements, and political favoritism. Findings show that these mechanisms did not operate uniformly but instead functioned as selective filters that favored large-scale producers with better access to political networks, economic capital, and administrative influence. In contrast, smallholders—constrained by limited land, lack of storage, and weak institutional ties—faced exclusion, delayed compensation, and reduced trust in the state. The study argues that corruption in this context was not merely a governance failure but a structural mechanism that reproduced rural inequality under the guise of a redistributive policy. By highlighting how program design interacted with localized discretion and informal power structures, this research contributes to a deeper understanding of the institutional dynamics of corruption in agricultural subsidy schemes. It also offers implications for future research and policy reform aimed at improving transparency, equity, and accountability in rural development programs.

Table of content

Acknowledgement.....	1
Abstract.....	2
Table of content.....	3
Introduction.....	5
1.1 Research Background.....	5
1.2 Research Question.....	6
1.3 Research Objectives.....	7
1.4 Contribution.....	7
Literature review.....	8
2.1 Farmers.....	8
2.1.1 Farmer Categorization in Literature.....	8
2.1.2 Characteristics of Smallholder vs. Large-Scale Farmers.....	8
2.2 Policy and Impact.....	9
2.2.1 Policy Intentions and Outcomes.....	9
2.2.2 Policy Evaluations.....	9
2.2.3 Evaluation Methods Used in Literature.....	10
2.2.4 Unequal Impacts Between Farmer Groups.....	10
2.3 Corruption and Unequal Access.....	11
2.3.1 Mechanisms of Corruption Identified in Literature.....	11
2.3.2 How Corruption Affected Farmer Groups Differently.....	11
2.4 Contribution and Knowledge Gap.....	11
2.5 Conclusion.....	12
Methodology.....	14
3.1 Research Design.....	14
3.2 Data Sources.....	14
3.3 Units of Analysis.....	15
3.4 Analytical Framework.....	16
3.5 Supplementary Farmer Interviews.....	18
3.6 Limitations.....	19
Findings and Comparative Analysis.....	21
4.1 Quota Allocation and Discretion.....	21
4.2 Bribery and Local Gatekeeping.....	22
4.3 Delayed Payments and Financial Vulnerability.....	23
4.4 Political Favoritism and Institutional Networks.....	25
4.5 Comparative Summary Matrix: Corruption Mechanisms and Unequal Impacts.....	26
4.6 Thematic Synthesis: Corruption as a Mechanism of Structural Exclusion.....	28
Discussion.....	30

5.1 Corruption Did Not Affect All Farmers Equally.....	30
5.2 Structural Conditions That Shaped Vulnerability.....	30
5.3 How Corruption Became a Tool for Excluding Smallholders.....	32
5.4 Reproduction of Rural Inequality Through Policy.....	33
Conclusion.....	35
6.1 Research Summary.....	35
6.2 Implications.....	36
6.2.1 Academic and Research Implications.....	36
6.2.2 Broader Awareness and Discourse.....	36
6.3 Research Limitations and Future Research.....	37
6.3.1 Research Limitations.....	37
References.....	38
Appendix.....	41
8.1 Interview Questions and Summarized Farmer Responses.....	41

Introduction

1.1 Research Background

The rice value chain in Thailand is a complex, multi-stage process that spans from input provision to export. It begins with the procurement of agricultural inputs such as seeds, fertilizers, and machinery, followed by land preparation, planting, and cultivation, often relying on both family labor and hired workers. Harvested paddy is then transported to rice mills, where it undergoes drying, milling, and quality grading. From there, rice is distributed through domestic wholesale markets or prepared for export by large-scale traders and exporters. Throughout this chain, various actors—including input suppliers, millers, cooperatives, government agencies, and exporters—mediate farmers' access to services and markets (Isvilanonda, 2015; Ricks, 2018). Power asymmetries in the value chain frequently place smallholder farmers at a disadvantage, as they have limited bargaining power, storage capacity, or access to high-capacity mills, especially in remote areas (Ricks, 2018; Laiprakobsup, 2017). These structural conditions shape farmers' exposure to both market fluctuations and bureaucratic processes, which are central to understanding their differential experience under state-led subsidy programs like the rice pledging scheme.

State interventions such as the rice pledging scheme typically target the post-harvest segment of the value chain—when farmers bring their paddy to participating mills and receive loans or guaranteed prices in return. Theoretically, such interventions aim to improve farmgate prices, enhance income security, and reduce farmers' reliance on volatile market prices (Ineichen, 2012; Poapongsakorn et al., 2014). However, the design and execution of these programs often introduce new layers of bureaucratic discretion, middlemen influence, and political interference. In Thailand's case, institutional weaknesses in storage, pricing transparency, and farmer registration systems allowed corruption to become embedded at multiple points along the value chain, especially at the intersection between farmers, millers, and local officials (Namchaidee, 2017; TDRI, 2014). These vulnerabilities critically shaped who benefited from the scheme—and who was left behind.

One of Thailand's most ambitious agricultural subsidy programs was the rice-pledging scheme, which was implemented in 2011 during the Yingluck Shinawatra administration. With the goal of

increasing farmer incomes and promoting rural development, it guaranteed rice prices above market. But the plan soon came under fire for its high cost, poor execution, and numerous corruption claims (Poapongsakorn, Sornsaruht, & Niphatpatcharin, 2014; Namchaidee, 2017). The Office of the Auditor General (2014) and the National Anti-Corruption Commission (NACC, 2017) both conducted independent investigations that verified widespread financial mismanagement, official-private actor collusion, and political capture of policy mechanisms.

Despite being intended as a universal support system, the program's results differed greatly among farmer groups. Research indicates that large-scale producers were better equipped to manage the program, commit to larger volumes, and reliably access state resources because they had greater access to networks, capital, and storage (Poapongsakorn et al., 2014; Tansakul, 2015; Laiprakobsup, 2017). Smallholder farmers, on the other hand, experienced systemic corruption at the local level, restricted access to pledging quotas, and administrative delays, especially in the Northeast. These included requests for bribes, unfair treatment by rice millers, and tampering with farmer registries (Nanthasuwan, 2017; Sahapattana, 2015). These obstacles increased smallholders' susceptibility to debt and market shocks in addition to preventing them from fully participating in the program.

Few studies look at how particular corruption practices resulted in unequal burdens for various farmer groups, despite the fact that a growing body of research addresses Thailand's governance issues and agricultural subsidies. The majority of the literature focuses on the legal ramifications of high-profile scandals like the phony government-to-government (G2G) contracts or macro-level inefficiencies like fiscal losses and export disruptions (Supreme Court of Thailand, 2017a, 2017b; Yuttithamdarong, 2015). Although corruption is acknowledged in these analyses, it is rarely explained how these practices systematically disadvantaged smallholder farmers.

This study addresses that gap by foregrounding corruption's role in producing inequality within the scheme's implementation.

1.2 Research Question

How did corruption within the rice-pledging scheme disproportionately affect smallholder farmers compared to large-scale producers in Thailand?

1.3 Research Objectives

- To identify the specific mechanisms of corruption embedded within the rice-pledging scheme
- To assess how these corruption mechanisms created unequal outcomes for smallholder and large-scale rice farmers
- To evaluate the structural and administrative conditions that enabled or intensified these disparities

1.4 Contribution

This research addresses a critical gap in the literature by focusing on the causal relationship between corruption and inequality within agricultural policy implementation. While previous studies have evaluated the rice-pledging scheme's overall economic and political impacts, few have systematically analyzed how corruption mechanisms directly affected different groups of farmers. This study contributes to academic research by analyzing existing documents alongside government policy failures, and it also helps improve future policy by showing how poor governance has created unfair outcomes for rural farmers.

Literature review

This literature review explores existing research related to the rice-pledging scheme in Thailand with a specific focus on how corruption may have produced unequal outcomes between smallholder and large-scale farmers. It is structured into four main sections: farmer classification and group characteristics; policy intentions and impacts; documented corruption mechanisms; and the knowledge gap in existing evaluations. While much of the literature covers macroeconomic effects or broad policy failures, relatively few studies directly examine how corruption functioned as a mediating factor in the uneven distribution of program benefits. This review therefore provides the empirical and conceptual foundation for assessing the core research question: how corruption within the rice-pledging scheme disproportionately affected smallholder farmers.

2.1 Farmers

2.1.1 Farmer Categorization in Literature

Several studies categorize Thai rice farmers based on land size, irrigation access, tenancy, and socio-economic conditions. The Thailand Development Research Institute (Poapongsakorn, Sornsaruht, & Niphatpatcharin, 2014) classifies farmers by land size (e.g., less than 10 rai vs. over 50 rai), and access to irrigation, which directly influences production potential and capacity to engage with the rice-pledging scheme. Laiprakobsup (2017) uses a socio-economic framework to distinguish landlords, tenants, and landless laborers. Similarly, Tansakul (2015) organizes farmers by land ownership and income levels, establishing links between structural vulnerability and participation in subsidy programs. Buatama, Sornsaruht, and Ahadi (2015) offer additional regional insight by studying farmers in Suphanburi, Lopburi, Saraburi, and Chainat—provinces in Central Thailand—which provides a counterbalance to northeastern-focused studies.

2.1.2 Characteristics of Smallholder vs. Large-Scale Farmers

Smallholder farmers, typically operating on less than 10 rai of land, often reside in the rainfed Northeast, where limited access to water, credit, and transportation constrain productivity (Poapongsakorn et al., 2014). These farmers often operate on subsistence-level incomes and are

highly sensitive to market and policy fluctuations (Tansakul, 2015). In contrast, large-scale producers, predominantly in irrigated regions, possess more land, capital, and institutional ties. They are more likely to access state support mechanisms, store rice for price advantages, and benefit from economies of scale (Laiprakobsup, 2017; Sahapattana, 2015). Thamthanakoon (2019) further details how farmer decisions differ by group, based on variables such as vehicle ownership, access to information, and risk aversion—providing behavioral insight that complements structural classifications.

2.2 Policy and Impact

2.2.1 Policy Intentions and Outcomes

The rice-pledging scheme was designed as a populist policy to support rice farmers by purchasing paddy at above-market prices. It aimed to reduce poverty, stimulate rural economies, and stabilize incomes. However, the scheme faced harsh criticism due to budget overruns, implementation inefficiencies, and adverse effects on the rice export market (Poapongsakorn et al., 2014; Isvilanonda, 2015). Stockpile losses exceeded 85% of the total rice purchased due to poor storage and quality degradation (Office of the Auditor General, 2014). International competitiveness declined as Thai rice became overpriced and uncompetitive in global markets (Isvilanonda, 2015). Buatama et al. (2015), however, offer a contrasting view by applying Social Return on Investment (SROI) analysis and concluding that the scheme still generated a positive return ($SROI > 10$), especially among participants in Central Thailand.

2.2.2 Policy Evaluations

Evaluations vary in approach but largely conclude that the scheme was fiscally unsustainable and inequitable. Namchaidee (2017), using a policy evaluation framework, found that only 30.14% of the scheme's total budget reached farmers. Ricks and Laiprakobsup (2021) offer a partial defense, noting that the scheme fostered civic engagement among rural populations, though they acknowledge material inequalities. TDRI's large-scale field and economic model analysis emphasized that the scheme benefited wealthier, well-connected farmers, especially in irrigated regions (Poapongsakorn et al., 2014).

2.2.3 Evaluation Methods Used in Literature

Studies employed both qualitative and quantitative approaches to assess the scheme's effects. Tansakul (2015) used quantitative surveys and statistical tests (t-tests, ANOVA) to assess farmer well-being based on landholding, debt levels, and participation status. Poapongsakorn et al. (2014) combined structured farmer interviews with welfare economics models, including producer surplus calculations. Namchaidee (2017) relied on documentary and policy analysis, examining budget flows and equity indicators. Nanthasuwana (2017) and Sahapattana (2015) used case study methods and interviews with stakeholders to identify administrative and corruption-related flaws. Buatama et al. (2015) applied mixed-methods research—combining SROI calculation, content analysis, and field interviews—to assess both economic outcomes and perceptions of farmers across provinces. Meanwhile, legal documents from the Supreme Court (2017a, 2017b) and NACC (2015, 2017) provided forensic evidence of policy manipulation. These methodological variations enable comprehensive yet fragmented evaluations of how the policy functioned and failed.

2.2.4 Unequal Impacts Between Farmer Groups

Multiple studies confirm that smallholders were disproportionately disadvantaged by the rice-pledging scheme. Large-scale producers could pledge more rice, access storage and transport, and wait out payment delays, thereby maximizing benefit (Poapongsakorn et al., 2014; Sahapattana, 2015). Smallholders, constrained by lower production and financial instability, were more affected by delayed payments, often taking out loans to cover seasonal costs (Tansakul, 2015).

Nanthasuwana (2017) revealed that local implementation favored better-connected farmers, while those without social capital were often excluded or forced to pay bribes. Laiprakobsup (2017) found that tenants and landless laborers were either partially included or entirely excluded from benefits. Even among smallholders who participated, access to program quotas was limited, and payments were often delayed or reduced. Namchaidee (2017) highlighted that elite capture siphoned off much of the scheme's intended benefit, compounding inequality. Thamthanakoon (2019) offers additional insight into post-policy behavior: after the scheme ended, farmers with

greater resources shifted marketing strategies more effectively, while smallholders faced higher vulnerability to price fluctuations, demonstrating ongoing structural disadvantage.

2.3 Corruption and Unequal Access

2.3.1 Mechanisms of Corruption Identified in Literature

Corruption within the scheme manifested in multiple forms: fake G2G contracts, rice stock manipulation, unauthorized warehouse releases, bribe-based queue access, and policy capture by millers and political actors. NACC investigations (2015, 2017) and Supreme Court rulings (2017a, 2017b) revealed coordinated fraud involving Ministry of Commerce officials and private firms. Yuttithamdarong (2015) exposed legal loopholes in how non-treaty G2G contracts were exploited to facilitate illegal sales. Sahapattana (2015) and Namchaidee (2017) documented administrative corruption at the provincial level, where local officials and rice millers manipulated quotas and classification.

2.3.2 How Corruption Affected Farmer Groups Differently

Corruption disproportionately harmed smallholders, who lacked the influence and resources to navigate or exploit the system. Better-connected large-scale farmers and traders were able to participate in double pledging, reclassification of rice for higher payments, and gain early access to pledging queues (NACC, 2017; Sahapattana, 2015). Smallholders were more likely to be excluded from quota lists or asked to pay informal fees to participate (Nanthasuwan, 2017). The loss of state trust and increased financial instability among smallholders were direct consequences of these inequities. Despite being framed as the main beneficiaries of the policy, smallholders were structurally marginalized both by policy design and corrupt implementation.

2.4 Contribution and Knowledge Gap

The literature offers compelling insights into the political economy of the rice-pledging scheme, detailing its fiscal burden, policy inefficiencies, and social inequities. However, few studies systematically connect specific corrupt practices to differential impacts on farmer groups. While some works (e.g., Tansakul, 2015.; Poapongsakorn et al., 2014; Laiprakobsup, 2017) highlight

inequality in access and outcomes, they do not trace how corruption caused or worsened these disparities.

Moreover, despite some regional case studies, there is a lack of comparative research that draws from both Northeast and Central Thailand to show how geographical variation intersects with institutional corruption. Similarly, while some studies include interviews or satisfaction surveys, few incorporate rich, narrative farmer voices that illustrate the lived effects of administrative exclusion or rent-seeking behavior.

This research addresses those gaps by focusing on the causal relationship between corruption and unequal access to benefits under the rice-pledging scheme. It builds on previous work by isolating corruption mechanisms and evaluating their material consequences for different types of farmers, especially smallholders. Through this lens, the study contributes to both the academic debate on agricultural populism and the practical conversation about policy reform and anti-corruption in Thailand.

To move beyond existing literature, this study does not merely document the presence of corruption or its macro-level outcomes. Instead, it systematically compares how different types of farmers were affected by specific corrupt practices. Drawing directly from the classification frameworks and impact categories identified in previous research—such as those by Poapongsakorn et al. (2014), Tansakul (2015), and Laiprakobsup (2017)—this study develops a comparative content matrix that enables side-by-side evaluation of corruption's effects on smallholders versus large-scale producers. In doing so, it operationalizes literature insights into an empirical framework for analysis.

2.5 Conclusion

In summary, the literature provides strong evidence of how Thailand's rice-pledging scheme was implemented unevenly, often to the advantage of large-scale producers. While studies have addressed structural farmer inequalities, fiscal inefficiencies, and the presence of corruption, few have explicitly traced the causal relationship between specific corrupt practices and the differentiated experiences of smallholder versus large-scale farmers. This research seeks to fill that gap by systematically analyzing how corruption mechanisms—such as quota manipulation,

bribe-based access, and elite policy capture—operated within the scheme and contributed to inequitable outcomes. These insights will inform both the study’s methodology and its broader contribution to policy evaluation and anti-corruption discourse in agricultural governance.

Methodology

3.1 Research Design

This study adopts a qualitative research approach, using Qualitative Comparative Content Analysis (QCCA) as its core methodology. The goal of this research is to examine how corruption within the rice-pledging scheme disproportionately affected smallholder farmers compared to larger-scale producers. QCCA is well-suited for this purpose because it allows for both systematic coding and interpretation of textual data, while preserving contextual meaning. It enables the researcher to uncover not only what forms of corruption occurred, but how these mechanisms resulted in unequal outcomes for different farmer groups.

Unlike purely thematic analysis, QCCA allows structured, side-by-side comparisons across multiple dimensions—such as quota access, administrative treatment, or vulnerability to payment delays. This approach builds on existing literature that has identified farmer inequality but has not yet systematically analyzed the causal role of corruption. By applying QCCA to a range of policy evaluations, legal rulings, and academic case studies, the study goes beyond surface-level description to investigate the structural mechanisms underlying disproportionate impact.

3.2 Data Sources

The research relies exclusively on secondary data, comprising 18 selected documents including policy reports, investigative audits, court rulings, academic articles, and graduate theses. These documents were sourced from credible institutions such as the Thailand Development Research Institute (TDRI), the National Anti-Corruption Commission (NACC), the Office of the Auditor General, and Thai and international universities.

The inclusion criteria were as follows:

1. The document must explicitly discuss corruption or related administrative irregularities within the rice-pledging scheme.
2. It must contain information—either directly or inferentially—on different types of rice farmers and their experiences with the scheme.

3. It must provide sufficient descriptive or evaluative content for analytical coding, particularly regarding mechanisms of inclusion, exclusion, or benefit.

These documents offer both macro-level policy evaluations and detailed case-based narratives. The variety of source types and perspectives allowed for triangulation, increasing both the robustness and validity of the analysis.

3.3 Units of Analysis

To answer the research question—how corruption disproportionately affected smallholder farmers compared to larger-scale producers—this study employs a comparative framework with two analytically distinct farmer groups. These categories are derived from existing academic literature and policy research and are applied consistently across the selected secondary data sources.

1. Smallholder Farmers

These farmers are defined as cultivating less than 10–12.5 rai of land, typically located in rainfed or non-irrigated areas such as the Northeastern region of Thailand. They tend to have limited access to irrigation, credit, transport, and market infrastructure. Smallholders often sell rice immediately after harvest due to a lack of storage capacity and face higher levels of household debt and economic vulnerability. Several studies explicitly use this classification, including Thamthanakoon (2019), who analyzes farmers by landholding size and regional distribution, and Poapongsakorn et al. (2014), who define smallholders through producer surplus calculations and irrigation access. Other studies, such as Tansakul (2015) and Sahapattana (2015), identify smallholder groups through income instability and exposure to payment delays or exclusion from pledging lists.

2. Large-scale Producers

These farmers typically own or cultivate more than 50 rai, often located in irrigated areas such as Central Thailand. They have better access to credit, storage facilities, state quotas, and official networks, allowing them to delay sales and engage in higher-margin strategies. Laiprakobsup (2017) shows that Central-region farmers had significantly better access to the scheme, while Buatama et al. (2015) confirm that large-scale producers in irrigated areas received positive

returns under Social Return on Investment (SROI) analysis. Legal and institutional sources such as the Supreme Court verdicts (2017a, 2017b) and the NACC investigative report (2015) also imply that large-scale actors—particularly those with political or logistical advantages—were able to benefit from G2G loopholes, miller favoritism, and quota manipulation.

While not all documents explicitly label farmers as smallholders or large-scale producers, this study applies a consistent deductive classification framework based on five main indicators drawn from the literature: (1) landholding size, (2) geographic location, (3) access to irrigation and infrastructure, (4) economic behavior (e.g., ability to wait for payments or store rice), and (5) level of political or institutional connectivity. For example, studies focused on Northeastern provinces such as Nanthasuwana (2017) and *The Implementation of the Rice Pledging Scheme: A Case Study of Na Kae Sub District* Provide qualitative evidence of smallholder disadvantages despite not always using explicit labels. Conversely, policy-centric or legal documents like *Policy Corruption in Thailand's Rice Pledging Scheme* (Kornchawan, 2017) and the TDRI (2014) report allow identification of large-scale beneficiaries through their capacity to manipulate quotas or benefit from non-transparent pricing.

This classification framework enables a consistent and meaningful comparison of corruption impacts across all documents.

3.4 Analytical Framework

This study applies QCCA to examine how different forms of corruption disproportionately impacted smallholder versus large-scale farmers. The analysis followed four structured steps: (1) document coding, (2) comparative matrix construction, (3) pattern identification, and (4) interpretation of causal relationships.

Step 1: Document Coding and Theme Identification

Each document was read in full and coded manually using a combination of predefined and emergent codes. The predefined themes, based on the literature, included:

1. Types of corruption: bribery, quota favoritism, double pledging, fake G2G contracts.
2. Mechanisms of corruption: exclusion from quota lists, discretionary enforcement, misreporting by millers.

- Farmer group impacts: delayed payments, denial of participation, debt burden, market vulnerability.

In addition to these, inductive coding was used to capture new corruption-related behaviors as they emerged in the documents. Each code was tagged with the relevant farmer group, based on the indicators outlined in Section 3.3.

Step 2: Comparative Matrix Construction

Coded data were then organized into a matrix where:

- Rows represented individual documents;
- Columns represented corruption mechanisms and impact indicators;
- Cells were populated with the specific farmer group affected and type of effect.

Document	Corruption Type	Mechanism	Affected Group	Specific Impact
Poapongsakorn et al. (2014)	Quota favoritism	Local official discretion	Smallholders	Exclusion, delayed payments
Tansakul (2015)	Budget delays	Payment pipeline inefficiency	Smallholders	Loan dependency
Laiprakobsup (2017)	G2G fraud	Political channeling	Large-scale	Multi-round Pledging
Kornchawan (2017)	Stock manipulation	False warehouse reporting	Large-scale	Inflated profits
Nanthasuwan (2017)	Registry bias	Local nepotism	Smallholders	Denied Access

Step 3: Pattern Identification and Comparison

After matrix completion, patterns were identified both within and across corruption types. The most common patterns included:

- Quota manipulation** occurred in 11 out of 18 documents and was overwhelmingly linked to smallholder exclusion.

2. **Bribe-based access** was noted in 9 documents, with smallholders more often required to pay for inclusion.
3. **G2G contract exploitation** was described in 6 documents and mostly benefited large-scale producers with political connections.
4. **Delayed payments** were noted in 14 documents, but only large-scale farmers were described as being able to manage these delays via storage or loans.

Patterns were verified by cross-referencing different types of sources (e.g., academic studies vs. court rulings) for consistency.

Step 4: Interpretation and Thematic Synthesis

Finally, patterns were interpreted to explain how and why smallholders bore disproportionate burdens. The analysis shows that smallholders—already disadvantaged by limited resources—were more vulnerable to being excluded from quotas, delayed payments, or corrupt local gatekeeping. In contrast, large-scale producers were not only insulated from such impacts but often had the political or economic capital to exploit loopholes.

This analytical process allows the research to move from identifying corruption generally to demonstrating specific mechanisms of inequality, directly addressing the research question.

3.5 Supplementary Farmer Interviews

To enrich the findings from secondary data, the research also carried out a small number of semi-structured interviews in April 2025 with two rice farmers based in provinces within a 1–2 hour drive radius from Bangkok, that is Ayutthaya and Nakhon Pathom. These interviews were not designed to act as primary data but to offer qualitative anecdotes that support contextual understanding of the salient mechanisms of corruption and farmer experiences outlined above.

Both interviewees were small-scale farmers who had participated in the rice pledging scheme during its implementation period. Interviews were conducted informally at the farmers' residences or nearby fields using five consistent questions. The interview protocol was designed in Thai to ensure clarity and cultural familiarity, and later translated into English by the researcher.

Interview Questions:

1. ตั้งแต่มีโครงการจำนำข้าว คุณได้เข้าร่วมหรือไม่? เพราะอะไร?
Did you participate in the rice-pledging scheme? Why or why not?
2. ถ้าได้เข้าร่วม คุณได้รับเงินตรงเวลาหรือไม่?
If you participated, did you receive payments on time?
3. คุณเคยเจอปัญหาเรื่องสิทธิในการเข้าร่วมโครงการ เช่น โควต้าไม่พอ หรือโรงสีปฏิเสธข้าวหรือไม่?
Have you ever encountered problems related to access—such as quota limits or millers refusing your paddy?
4. คุณรู้สึกว่าการกระจายผลประโยชน์ที่คุณได้รับประโยชน์จากโครงการเท่าเกษตรกรรายใหญ่หรือไม่?
Do you feel that small-scale farmers like yourself benefited equally from the program compared to larger farmers?
5. คุณเคยได้ยินหรือพบเห็นการทุจริตที่เกี่ยวข้องกับโครงการนี้หรือไม่?
Have you heard of or directly witnessed any corruption related to the scheme?

Responses were documented as field notes and used selectively in the Findings and Comparative Analysis section to provide narrative support for themes such as quota manipulation, payment delays, and differential access to state programs. While these interviews are anecdotal, they serve as important voices that illustrate how corruption manifested at the village level and how it was perceived by affected stakeholders.

3.6 Limitations

This study is grounded on secondary sources of data, including academic research, official reports, and court rulings, rather than fieldwork or massive surveys. As much as this approach permits comparative and document-based analysis of the functioning of corruption in the rice pledging program, it does have some weaknesses. Precisely, the study does not entail systematic interviewing or mass-based empirical data collection, which precludes its findings from being generalizable.

In an attempt to partially fill this gap, two more interviews were conducted in April 2025 with farmers who were within a short distance from Bangkok. These interviews were not representative evidence but were intended to provide richness to the analysis by offering

firsthand information that illustrates how patterns of corruption identified were experienced and perceived at the grassroots level. Yet the sample is small and geographically confined, so conclusions drawn from these interviews must be used with care and interpreted more in an illustrative than a definitive manner.

Findings and Comparative Analysis

This section presents the thematic findings from the document-based comparative analysis, supported by qualitative insights from supplementary interviews with two smallholder farmers conducted in April 2025. The themes are drawn from repeated corruption patterns observed in academic literature, investigative reports, and legal documents. The analysis is structured to show how corruption affected rice farmers in systematically unequal ways, with smallholder farmers facing disproportionate barriers in accessing the scheme's intended benefits. Each theme below compares the mechanisms of corruption, the conditions under which they operated, and their differing impacts on smallholders versus larger-scale producers.

4.1 Quota Allocation and Discretion

The rice pledging scheme was made to be open to all farmers. However, in real life, joining the program depended on a quota system influenced by personal decisions and favoritism. Millers and local officials, important in running the scheme, acted like gatekeepers. They controlled who could join and how much rice was accepted. This often led to unequal access for farmers. Large farms usually got into the program easily, while smaller farms struggled with unpredictable access.

Evidence from various sources shows that quota allocations were unfair and unclear. TDRI (2014) pointed out that in some areas, farmers learned their quotas were used up only after delivering their rice to the mill. This resulted in both logistical and financial problems.

Nanthasuwan (2017), found that getting quotas often relied on personal connections, like relationships with village leaders or local officials, instead of just eligibility or how much their farm produced. Sahapattana (2015) also noted that millers often preferred producers with larger amounts or long-term relationships, and sometimes rejected rice from small farmers because of things like moisture levels or grain quality.

These institutional patterns were reflected in field observations as well. In interviews conducted with two smallholder farmers in Ayutthaya and Nakhon Pathom in April 2025, both respondents indicated that they had faced difficulties in accessing pledging quotas during certain harvest cycles. One farmer reported being denied access due to alleged quota exhaustion, despite having

paddy ready to pledge. The other shared that their paddy had been rejected by a mill for not meeting quality standards, even as neighboring farmers—perceived to have closer ties to local administrators—were accepted under similar conditions. While neither interviewee had direct evidence of favoritism, both expressed frustration at the opaque and inconsistent manner in which quota access was managed (see Appendix 8.1).

Large-scale producers were generally better equipped to manage these risks. With greater storage capacity, better transportation, and stronger relationships with millers, they could wait out quota delays or negotiate preferential access (Tansakul, 2015; Laiprakobsup, 2017). Smallholders, by contrast, often lacked these advantages and were more dependent on immediate access to millers and state loans. As a result, discretionary quota allocation emerged as a structural mechanism through which smallholder participation in the scheme was limited, despite their nominal eligibility.

In summary, quota discretion functioned not only as a site of operational corruption but also as a mechanism of exclusion. The unequal enforcement of quota access undercut the program's universalistic goals and left smallholder farmers in a structurally disadvantaged position.

4.2 Bribery and Local Gatekeeping

Corruption also affected the implementation process of the rice pledging scheme as it involved informal charges, favoritism, and obstruction by local officials or millers. Even though the systems were formally routed through the BAAC, local rice mills, and subordinate district heads, there was a great deal of informal bargaining and unregulated discretion woven into the system. Lower status farmers with no access to powerful social or political networks were more likely to confront unofficial forms of bypassed dealing, like ensuring payment of bribes or favors for the acceptance of their rice into the program (Nanthasuwan, 2017; Namchaidee, 2017).

Sahapattana (2015) and TDRI (2014) both identified systemic patterns where local millers operated as *de facto* gatekeepers, often demanding unofficial payments or rejecting smallholder paddy under vague technical pretenses. In many cases, these rejections were used to make space for better-connected or higher-volume suppliers. Kornchawan (2017) also found that in areas with higher levels of political interference, the risk of corruption increased, especially when

implementation authority was decentralized and monitoring was weak. The corruption was not always top-down; local officials often acted autonomously, exploiting their discretion for personal or political gain.

Insights from the two farmer interviews conducted in April 2025 reinforce these patterns. While neither farmer reported personally paying bribes, both noted that access to the scheme often seemed to depend on informal connections rather than formal eligibility. One farmer stated that individuals who “knew people at the subdistrict office” appeared to get faster approvals and smoother transactions. The other reported hearing from neighbors that small under-the-table payments could expedite processing or ensure quota approval. Although anecdotal, these narratives align with findings from multiple official investigations, including the NACC’s 2015 press summary, which documented instances of millers paying officials to obtain quota rights or favorable inspection results (NACC, 2015).

Significantly, the burden of bribery or favoritism was not shared equally by farmer groups. Larger producers were able to cope more easily with these informal systems. Increased power and budgetary flexibility meant they could pay informal fees or employ contacts to protect their interests (Laiprakobsup, 2017). Smallholders, however, lacked both the funds and the contacts to be able to consistently depend on these avenues. So, corruption acted as a filter and also a barrier—channeling program benefits in the hands of those who hold institutional power at the disadvantage of the remaining groups.

In short, the illegal economy of corruption and favoritism became a feature of scheme implementation at the local level. It undermined procedural justice and heightened the rising gap between smallholder and large-scale farmers—an unintended and unobserved side effect in the initial program design.

4.3 Delayed Payments and Financial Vulnerability

Delayed disbursement of payments was a widespread operational failure of the rice pledging scheme and one that disproportionately harmed smallholder farmers. Although the scheme promised prompt payment through the Bank for Agriculture and Agricultural Cooperatives (BAAC) in exchange for pledged paddy, numerous reports confirmed that significant

delays—sometimes lasting several months—were common in the implementation phase (Poapongsakorn et al., 2014; TDRI, 2014). These delays stemmed from budgetary mismanagement, backlogs in verification, and administrative inefficiencies, particularly during the later phases of the program when fiscal pressures intensified.

For smallholder farmers, timely payments were not merely a matter of convenience but of financial survival. Many operated with limited cash flow, lacked access to formal credit, and relied on immediate liquidity from crop sales to repay debts, purchase inputs for the next planting cycle, or cover household expenses (Tansakul, 2015). Delays in disbursement thus amplified their vulnerability, pushing some toward informal lenders or forcing them to sell their rice outside the scheme at lower prices. In contrast, large-scale farmers with more assets or financial reserves were generally better positioned to absorb such delays without disrupting their operations.

This discrepancy is corroborated by the April 2025 follow-up interviews. Both interviewed farmers were participants in the scheme and complained of a one to three months' delay in payment. One further noted that while payment in the initial year of participation had been quite timely, subsequent years were marked by long uncertainty, with frequent visits to the local bank necessary to inquire about progress. The second farmer reported that there wasn't any concrete information given regarding processing times and that "waiting was just something we had to live with." The results here concurred with the findings in Ineichen's (2012) study, where rural families' psychological distress and financial insecurity due to delayed payments were found.

Moreover, Delayed payments sometimes coincided with other corrupt practices. Sahapattana (2015) reported cases of local administrators or millers giving preference to pledging documents of well-connected farmers, thus fast-tracking their processing as compared to less well-connected farmers. TDRI (2014) also observed that bureaucratic flexibility in authenticating documents resulted in bottlenecks not necessarily due to workload but favoritism and lack of checks and balances.

In conclusion, the payment delay issue, while appearing to be a technical failure, was one avenue through which inequality was further entrenched. Because waiting capacity was structurally tied to wealth and access, delayed payments increased the divergence between small producers and

big producers. What appeared to be an administrative inefficiency acted as a mechanism of unequal impact—particularly when combined with other corruption-driven bottlenecks in the operation of the scheme.

4.4 Political Favoritism and Institutional Networks

Political patronage and institutional network abuse were central in shaping access to and benefits from the rice pledging scheme. While the scheme was initially imagined as a nationwide assistance program for rice farmers of all sizes, the implementation process created channels through which politically powerful actors could get preferential treatment. These individuals included local factory owners, political elites on the regional level, and influential middlemen who used their institutional connections to expand their access to quotas, influence administrative decisions, or bypass regulatory supervision (Kornchawan, 2017; Laiprakobsup, 2017).

At the national level, political capture manifested most visibly in the government-to-government (G2G) rice sales scandal. Investigations and subsequent court rulings revealed that contracts claiming to sell pledged rice to foreign governments were, in many cases, fictitious. These deals were orchestrated by a small group of politically connected businesspeople and officials, enabling massive diversion of rice stocks into private channels at below-market prices (Supreme Court of Thailand, 2017a, 2017b; Yuttithamdarong, 2015). While these cases reflected high-level corruption, their downstream effects were acutely felt by smallholder farmers, whose rice was diverted or delayed while politically favored actors profited.

At the local level, favoritism functioned through more subtle but equally impactful mechanisms. Kornchawan (2017) observed that local power holders—such as subdistrict officers or politically appointed mill owners—often created informal hierarchies of access. Farmers with kinship ties, political alignment, or longstanding business relationships with these figures could expect more consistent quota allocations, better rice grading outcomes, or earlier payment processing. Sahapattana (2015) further highlighted that these preferential arrangements were not always explicit but were understood and navigated by farmers as part of the unspoken "rules of the game."

Although the two interviewees from this study were themselves not members of these privileged networks, both indicated that they had observed or heard of such arrangements operating in their communities. One producer in Nakhon Pathom was frustrated that neighboring producers with well-documented connections to subdistrict administrators were constantly receiving quota approvals and preferential processing. The second one, based in Ayutthaya, asserted that certain operators openly favored "regulars" or high-capacity traders that they had prolonged relationships with—some of them also occupying political roles at village or district levels (see Appendix 8.1). They are in conformity with Laiprakobsup's (2017) broader analysis, in which it becomes clear how schemes of rural development in Thailand also get co-opted by clientelistic networks that perpetuate local inequalities.

For large-scale producers, political or institutional connections were more accessible due to their economic clout, social capital, or past involvement in local governance. In contrast, smallholders were typically excluded from these networks, leaving them reliant on formal processes that were inconsistently applied. As a result, political favoritism became another mechanism through which program benefits were distributed unequally—not necessarily by design, but by the embedded practices of local administration.

In conclusion, rather than acting as an impartial policy instrument, the rice pledging scheme became entrenched in pre-existing political and institutional hierarchies. This motion not only undermined policy integrity but also more forcefully excluded smallholders by denying them access to such hidden avenues of power.

4.5 Comparative Summary Matrix: Corruption Mechanisms and Unequal Impacts

This section synthesizes the findings across the four thematic areas discussed above by presenting a structured comparison of how specific corruption mechanisms within the rice pledging scheme differently affected smallholder and large-scale farmers. The table below serves as a visual-analytical tool, summarizing the mechanism, the operational form of corruption, and the distinct impacts experienced by each farmer group.

The matrix is based on a qualitative comparative content analysis of secondary documents and is supplemented by illustrative evidence from two smallholder interviews conducted in April 2025

(see Appendix 8.1). It operationalizes “disproportionate impact” by identifying differences in access, vulnerability, risk absorption, and benefit capture between farmer groups. Each corruption type is linked to conditions that shaped its severity and selectivity.

Corruption Mechanism	Operational Form	Impact on Smallholder Farmers	Impact on large-scale Farmers
Quota Discretion	Selective allocation of pledging quotas based on personal networks and local gatekeeping (TDRI, 2014; Sahapattana, 2015)	Often excluded due to weak connections; lack of quota access caused lost income opportunities and crop spoilage	More likely to receive timely quota approval; stronger negotiation power with millers
Bribery & Informal Payments	Expectation of under-the-table payments to secure quota, speed up approvals, or ensure rice acceptance (Nanthasuwan, 2017; NACC, 2015)	Unable or unwilling to pay bribes; vulnerable to rejection or delays in absence of payment; perceived system as opaque and unfair	More financially capable of paying; viewed bribery as a “cost of doing business” to maintain access
Delayed Payments	State budget constraints and administrative backlogs caused months-long delays in disbursement (Poapongsakorn et al., 2014; Tansakul, 2015)	Immediate financial distress; relied on fast liquidity to pay debts, purchase inputs, or support household	Better capacity to wait; had financial reserves, storage, or alternative income sources
Political Favoritism	Preferential treatment for politically connected farmers or “regulars” by local officials and millers (Kornchawan, 2017; Laiprakobsup, 2017)	Lacked institutional access or representation; decisions perceived as arbitrary; no recourse to appeal decisions	Often part of or allied with local networks; enjoyed consistent approval and better rice grading
G2G Scandal & High-Level Capture	Diversion of rice from scheme through fake government-to-government contracts (Supreme Court, 2017a; Yuttithamdarong, 2015)	Rice stocks withheld or delayed at the expense of smallholders; no control over sale channels	Benefited indirectly by navigating scheme through brokers or intermediaries with insider access

Table 1: Comparative Impacts of Corruption on Smallholder vs. Large-Scale Farmers

The table demonstrates how corruption in the rice pledging scheme was not a uniform phenomenon, but a multi-level structure that produced asymmetric burdens. Smallholder farmers—typically characterized by land sizes under 15 rai, low liquidity, and weak political embeddedness—encountered multiple compounding disadvantages. Their limited access to quota approvals, inability to engage in informal payments, and vulnerability to delays made them structurally disadvantaged, even when legally eligible for support.

Large-scale farmers, in contrast, were better insulated from these barriers. Their advantages included better storage and logistics, long-term relationships with millers, and—in some cases—informal ties to local administrative figures. These capacities allowed them to negotiate around corruption or even benefit from it.

Importantly, these differences are not only quantitative (i.e., more or less access), but qualitative: they reveal distinct positions within the institutional architecture of corruption. Smallholders were largely subjects of discretion; large-scale farmers, in many cases, were partners in it.

This matrix serves as an analytical foundation for the next section, which discusses how these unequal outcomes reflect deeper institutional biases and what they imply for policy reform and corruption accountability.

4.6 Thematic Synthesis: Corruption as a Mechanism of Structural Exclusion

The thematic findings presented in this section reveal that corruption within the rice pledging scheme was not a series of isolated incidents, but rather a systemic pattern embedded in institutional discretion, bureaucratic opacity, and unequal access to power. While the program was designed as a universal subsidy to support all rice farmers, its implementation created structural asymmetries that disproportionately burdened smallholder producers.

The four primary corruption mechanisms—quota discretion, bribery and gatekeeping, delayed payments, and political favoritism—functioned as overlapping systems of exclusion. Each mechanism affected farmers differently based on their social positioning, economic capacity, and embeddedness within local political networks. Smallholder farmers, who typically operated with limited land, minimal liquidity, and weak institutional ties, faced multiple layers of disadvantage. Their ability to access the program was contingent not on formal eligibility alone but on

navigating informal relationships, tolerating administrative delays, and absorbing financial risks that they were structurally ill-equipped to bear.

By contrast, large-scale farmers were generally more capable of negotiating the scheme's imperfections. Their greater capital reserves, logistical resources, and connections to local power structures enabled them to offset the effects of corruption or even benefit from them. In several cases, as shown in both documentary evidence and interview insights, these farmers could leverage informal payments, political ties, or repeated participation to secure faster processing, better grading outcomes, and more consistent quota access.

The comparative matrix in Section 4.5 brings this dynamic into relief by plotting how each form of corruption created asymmetric impacts. Importantly, these differences were not merely random; they flowed from deep-seated structural conditions that determined how corruption was encountered, resisted, or absorbed by different groups. Smallholder farmers were not only more vulnerable—they were also less represented in the institutional processes that brokered access to state resources.

Furthermore, the combined effect of these mechanisms goes beyond material exclusion. The experiences described by smallholders in interviews—fear, hopelessness, and injustice—reflect an erosion of institutional trust. When public programs are implemented in ways that favor networks and discretion over rights and transparency, they erode state legitimacy and policy developmental objectives equally. In this manner, corruption in the rice pledging scheme was not merely a governance failure; it was a mechanism of structural injustice, operating in a nominally pro-poor policy.

This synthesis prepares the ground for the next section, which will discuss the broader implications of these findings. It will also consider how the uneven effects of corruption in state programs reflect deeper institutional challenges in Thailand's agricultural governance.

Discussion

5.1 Corruption Did Not Affect All Farmers Equally

This study sought to explore how corruption within Thailand's rice pledging scheme disproportionately affected smallholder farmers compared to large-scale producers. Based on a qualitative comparative content analysis of government reports, scholarly studies, and legal rulings—enriched by two farmer interviews in April 2025—the findings indicate that corruption worked not as a general failure, but as a selective force that benefited politically connected, economically scaled, and institutionally accessed farmers.

Across the four major corruption mechanisms—quota favoritism, informal payments, payment delays, and political gatekeeping—smallholder farmers consistently faced greater exclusion and risk. These patterns are well-documented in prior research. For instance, TDRI (2014), Sahapattana (2015), and Nanthasuwan (2017) report that farmers without local connections were more likely to be denied quota access or experience unexplained mill rejections. In contrast, large-scale farmers often received preferential treatment due to long-standing relationships with millers, financial resilience, and greater logistical capacity (Laiprakobsup, 2017; Tansakul, 2015).

Since, as the comparative matrix reveals (Section 4.5), the impact of corruption varied, farmers interviewed validated experiencing delay and accusations of favoritism, consistent with the broader trend towards exclusion from institutions (Appendix 8.1). Similar testimony supports Kornchawan (2017) and Laiprakobsup (2017), who argue that informal networks, operating systematically against smallholders, regularly enable local provision of state policies.

In short, corruption in the rice pledging scheme was not simply an administrative flaw—it functioned as a mechanism of selective access that undermined the program's original redistributive goals. The following sections will examine how structural inequality and institutional discretion jointly shaped this outcome.

5.2 Structural Conditions That Shaped Vulnerability

The unequal impacts of corruption within the rice pledging scheme cannot be fully understood without accounting for the structural conditions that shaped each farmer group's capacity to navigate the system. Smallholder farmers, often cultivating fewer than 15 rai of land, faced material and institutional limitations that made them particularly vulnerable. These included a lack of storage facilities, limited liquidity, dependence on seasonal cash flow, and minimal access to informal political or administrative networks. These factors constrained their ability to wait for delayed payments, absorb losses from mill rejections, or negotiate preferential quota access.

These vulnerabilities are well-documented in previous studies. Isvilanonda (2015) and Tansakul (2015) highlight how smallholders, due to their reliance on paddy sales as a primary income source, were often unable to cope with delayed disbursements or discretionary policy enforcement. Ricks (2018) further argues that Thailand's rural institutions tend to embed power in local elites, reinforcing long-standing inequalities in state resource distribution. Consequently, farmers with limited institutional reach are more likely to experience exclusion from government support programs, particularly those vulnerable to corruption.

The interview evidence supports these findings. Both smallholder farmers interviewed in April 2025 described difficulties accessing quotas, receiving timely payments, and understanding the opaque criteria used by mills and local administrators (see Appendix 8.1). Without insider knowledge or leverage, they were left exposed to discretionary decisions that often favored larger or better-connected farmers.

In contrast, larger-scale producers were structurally advantaged. With greater capital reserves, storage space, and political access, they could tolerate delays, bypass restrictive criteria, and, in some cases, benefit from the very corruption that disadvantaged others (Laiprakobsup, 2017; Kornchawan, 2017). This divergence illustrates how corruption interacts with—and amplifies—existing structural inequalities, creating an environment where program outcomes are shaped as much by institutional position as by policy design.

Thus, the differential impact of corruption was not coincidental but embedded in the broader political economy of Thai agriculture. These structural conditions not only limited smallholder participation but also reduced their ability to challenge or adapt to exclusionary practices.

5.3 How Corruption Became a Tool for Excluding Smallholders

While corruption is often framed as a technical or ethical failure, the findings of this study suggest that, within the rice pledging scheme, corruption evolved into a mechanism through which smallholder farmers were systematically excluded from access to state benefits. The mechanisms identified—quota discretion, bribery, payment delays, and favoritism—did not merely distort policy delivery; they selectively filtered participation in ways that disadvantaged those with the fewest resources.

Quota manipulation, for example, enabled subdistrict officials and millers to favor large-scale farmers or politically influential individuals, excluding smallholders even though they were qualified (TDRI, 2014; Nanthasuwan, 2017). Bribery served the same purpose, with extralegal payments employed to obtain quota approvals or positive mill appraisals—transactions that smallholders could not afford or did not want to risk (Sahapattana, 2015). These practices did not occur in a vacuum; they were embedded in localized arrangements of power that gave frontline officials broad discretion. They had little oversight (Kornchawan, 2017; Laiprakobsup, 2017).

Delayed payments compounded the problem. Small farmers interviewed in April 2025 reported that they relied on quick liquidity following harvest, highlighting the manner in which delayed payments put them under instant cash pressure and disrupted their cropping cycle. Without formal storage facilities and credit, they had no choice but to wait or sell their paddy somewhere else at depressed prices (see Appendix 8.1). Large farmers with financial cushions or institutional linkages, though, were more capable of absorbing delays or even evading them through informal influence (Tansakul, 2015).

These dynamics collectively illustrate how corruption was not merely incidental to program delivery but operated as a set of informal rules that shaped who benefitted from the scheme. As Kornchawan (2017) observes, in environments where formal oversight is weak, informal networks often determine access to public programs. This finding reinforces the broader conclusion that corruption within the rice pledging scheme functioned as a structural gatekeeping mechanism, reinforcing pre-existing inequalities by privileging those already embedded within local institutional networks.

In essence, corruption served as a practical barrier to entry for smallholders, filtering them out through both direct and indirect means. The following section explores how this process contributed to the reproduction of rural inequality under a program originally intended to alleviate it.

5.4 Reproduction of Rural Inequality Through Policy

The findings from this study indicate that the rice pledging scheme, while intended as a redistributive policy to support all rice farmers, became a vehicle for reproducing rural inequality. Rather than mitigating structural disadvantages, the scheme's corrupt implementation deepened them. This was not only due to administrative failures, but because the program's design and execution created space for existing power asymmetries to influence outcomes.

Central to this reproduction process was the mismatch between formal program goals and informal implementation practices. The scheme had been billed as universally inclusive, yet its implementation was mediated through local-level discretion, clientelism, and weak monitoring. As documented by Kornchawan (2017) and Laiprakobsup (2017), such informal governance arrangements allowed elite farmers and politically well-connected actors to systematically benefit while structurally disadvantaged farmers were left out. In this case, corruption did not merely introduce inefficiencies but systematically diverted the benefits of the scheme away from those most in need.

For smallholder farmers, exclusion from the scheme translated into missed income opportunities, delayed payments, and declining trust in state institutions. Interviews conducted in April 2025 reflect this erosion of trust, as both respondents expressed a sense that participation in the scheme depended less on eligibility and more on relationships and unwritten rules (see Appendix 8.1). These perceptions are consistent with TDRI's (2014) conclusion that inconsistent access and lack of transparency undermined the legitimacy of the scheme among its intended beneficiaries.

In contrast, large-scale farmers were able to navigate or even leverage the informal dynamics of the program. Their embeddedness in local institutional networks, stronger financial position, and familiarity with bureaucratic procedures allowed them to benefit from a system that

disadvantaged others (Tansakul, 2015; Sahapattana, 2015). In this way, the scheme not only failed to disrupt existing inequality—it entrenched it by allocating public resources along pre-existing lines of power and influence.

This outcome highlights the irony of anti-poverty or pro-farmer policies pursued in contexts of weak governance. Where delivery mechanisms are brought under the sway of informal power dynamics, redistributive efforts by the state can, ironically, reinforce the very hierarchies being sought to be overcome. For the rice pledging scheme, this reinforcement of inequality was not a second thought—it became a central feature of how the program played out on the ground.

Overall, corruption in the rice pledging scheme was not merely a policy departure but an active inequality reproduction process. Even though the scheme was ostensibly universal, its real effects were subject to several layers of administrative discretion, informal connections, and uneven structural capacities. The combined effect was a system that unequally excluded smallholder farmers but allowed larger producers to adjust or benefit. These findings have significant policy implications for agricultural policy-making and anti-corruption governance, which will be elaborated in the following section.

Conclusion

6.1 Research Summary

This study sought to investigate how corruption in Thailand's rice pledging program disproportionately affected smallholder farmers over large-scale producers. Drawing from a qualitative comparative content analysis (QCCA) of eighteen secondary sources that included academic research, government documents, court decisions, and complementary interviews, this study examined the manner in which corrupt practices were embedded in the application of the scheme and how these created uneven effects among farmer groups.

The findings demonstrate that corruption in the rice pledging scheme was not an incidental byproduct of weak oversight but a recurring feature that systematically disadvantaged smallholder farmers. Four key corruption mechanisms were identified: discretionary quota allocation, informal payments and bribery, delayed disbursements, and political favoritism. Each of these mechanisms operated through local-level discretion and institutional opacity, reinforcing exclusionary practices and privileging actors with greater economic and political capital (TDRI, 2014; Sahapattana, 2015; Kornchawan, 2017).

Smallholder farmers, typically characterized by limited landholding, low liquidity, and minimal access to storage or credit, were disproportionately harmed by these mechanisms. They encountered more frequent barriers to quota access, experienced prolonged payment delays, and lacked the informal networks needed to negotiate with millers or local officials (Nanthasuwan, 2017; Laiprakobsup, 2017). In contrast, large-scale producers were structurally advantaged. With greater bargaining power, political connections, and the capacity to wait out bureaucratic inefficiencies, they were often able to avoid or even benefit from corrupt practices (Tansakul, 2015; Ricks, 2018).

The comparative matrix in Section 4.5 made these disparities explicit, while farmer interviews provided grounded insights into how these mechanisms were experienced in everyday agricultural life. The findings align with Kornchawan's (2017) observation that local-level discretion, when unchecked, transforms formal policy into an informal system governed by relationships and negotiation. As a result, the rice pledging scheme—though designed as a

universal price-support mechanism—failed to deliver on its redistributive intent and instead reproduced the very rural inequalities it was intended to mitigate.

6.2 Implications

6.2.1 Academic and Research Implications

This research contributes to the growing research literature that goes beyond surface treatment of corruption in favor of dealing with its structuring and distributing effects in state-led agricultural initiatives. By using a qualitative comparative content analysis (QCCA) approach, this research demonstrates the manner in which corruption mechanisms of quota discretion and informal gatekeeping function not only as implementation violations but as mechanisms of exclusion operating disproportionately against smallholder farmers.

Future research can build on this template by extending primary data collection to a larger number of provinces, including those with different political leanings, institutional strengths, and levels of market access. Fieldwork, especially qualitative interviews and participatory observation, would allow researchers to make a more nuanced assessment of what corruption tastes like in diverse contexts and how farmers adapt to or resist institutional barriers. This would not only enhance the relevance and comprehensiveness of follow-up research but also validate and strengthen the patterns identified in this research.

6.2.2 Broader Awareness and Discourse

One of the key purposes of this research is to increase knowledge among academics, practitioners, and policymakers about how corruption in agricultural subsidy programmes functions as a structural issue—not just an ethical or legal one. What the findings show is that anti-corruption policy must account for how implementation practice gets intertwined with existing rural hierarchies, and through what channels these practices shape access to public welfare.

By placing such dynamics in focus, the research seeks to further an interdisciplinary intellectual and policy dialogue which frames corruption as a systematic institutional issue, and not

misconduct by some remote individuals. Complexity thus being understood is essential in formulating fairer, cleaner, and more participatory rural development programs for the future.

6.3 Research Limitations and Future Research

6.3.1 Research Limitations

This study has been confronted with various limitations that must be noted. Firstly, the research relied primarily on secondary data in the form of academic studies, official reports, and legal reports. Although these sources facilitated a robust comparative content analysis, it was not easy to deduce the farmers' lived experiences, decision-making, and coping responses in Thailand. The lack of survey-based fieldwork limits the depth of understanding about how corruption was understood and negotiated at the local level.

Second, there were merely two more interviews with smallholder farmers, both in provinces within a 1–2 hour radius of Bangkok. These were not intended to be representative but to draw attention to themes encountered in secondary sources. The narrow geographic scope and small sample size, however, restrict the generalizability of the qualitative findings.

Third, the scope is confined to the 2011–2014 rice pledging scheme, and does not consider subsequent agricultural policies, reforms, or anti-corruption initiatives. As it stands, the study offers a backward-looking analysis of a single case and fails to reflect on how corruption patterns may have evolved in later state programs.

References

Buatama, U., Sornsaruht, P., & Ahadi, N. (2015). Social and economic return of investment of Thai public policy: A case study of rice pledging scheme for the seasons of Index Terms-Social Return On Investment (SRIO), Multiplier effect, Satisfaction, Expectation, Public Policy and Rice Pledging Scheme. *International Journal of Technical Research and Applications*, 3, 2320–8163.

https://web.archive.org/web/20180412031737id_/http://www.ijtra.com/special-issue-view/social-and-economic-return-of-investment-of-thai-public-policy-a-case-study-of-rice-pledging-scheme-for-the-seasons-of-2011-2012-and-2012-2013.pdf

Ineichen, M. (2012). A populist government intervention and its social and economic impacts [Master's thesis, ETH Zürich]. NADEL.

https://ethz.ch/content/dam/ethz/special-interest/gess/nadel-dam/teaching/mas/mas-essays/MAS_2012_Ineichen_Markus.pdf

Isvilanonda, S. (2015). เศรษฐกิจตลาดข้าว No. 40. Institute of Agricultural Economics.

Laiprakobsup, T. (2014). Populism and agricultural trade in developing countries: A case study of Thailand's rice-pledging scheme. *International Review of Public Administration*, 19(4), 380–394.

<https://www.tandfonline.com/doi/epdf/10.1080/12294659.2014.967000?needAccess=true>

Laiprakobsup, T. (2017). Inequality in rice farmers' access to a government assistance program in rural Thailand. *Asian Politics & Policy*, 9(2), 217–236.

<https://onlinelibrary.wiley.com/doi/epdf/10.1111/aspp.12336>

Kornchawan, N. (2017). Policy corruption: A case study of Thailand's rice-pledging scheme [Master's thesis, University of Tasmania]. UTAS ePrints.

https://www.researchgate.net/publication/317958192_Policy_Corruption_A_Case_Study_of_Thailand's_Rice-Pledging_Scheme

Nanthasuwan, N. (2017). The implementation of the rice-pledging scheme: A case study of Na Kae Subdistrict, Yasothon Province [Unpublished manuscript].

<https://so01.tci-thaijo.org/index.php/gjournal-ksu/article/view/88994/70029>

National Anti-Corruption Commission. (2015, January 20). แลงข่าวทุจริตโครงการรับจำนำข้าว [Press conference on rice-pledging scheme corruption].

National Anti-Corruption Commission. (2017, November 30). ี่มูลร่ำรวยผิดปกติ: วีระวุฒิ วัจนะพุกกะ [Declaration of unusual wealth: Weerawut Vacharapukka].

Office of the Auditor General. (2014). Audit report on the rice-pledging scheme, fiscal year 2013. Bangkok: OAG.

Poapongsakorn, N., Sornsarut, P., & Niphatpatcharin, S. (2014). Economic impacts of Thailand's rice pledging scheme: Fiscal burden, corruption, and distributional effects. Thailand Development Research Institute.

Ricks, J. I. (2018). Politics and the price of rice in Thailand: Public choice, institutional change, and rural subsidies. *Journal of Contemporary Asia*, 48(4), 610–629.

<https://www.tandfonline.com/doi/epdf/10.1080/00472336.2017.1419275?needAccess=true>

Ricks, J. I., & Laiprakobsup, T. (2021). Becoming citizens: Policy feedback and the transformation of the Thai rice farmer. *Journal of Rural Studies*, 82, 597–606.

<https://doi.org/10.1016/j.jrurstud.2020.10.003>

Sahapattana, P. (2015). Rice pledging scheme: A high-stakes risk for the big players. *NIDA Case Research Journal*, 7(1), 60–83.

<https://so04.tci-thaijo.org/index.php/NCRJ/article/view/44289/37035>

Supreme Court of Thailand. (2017a). Judgment in Boonsong Teriyapirom case (Black Case No. อม.25/2558).

Supreme Court of Thailand. (2017b). Judgment in Yingluck Shinawatra case (Black Case No. อม.22/2558).

Tansakul, P. (2015). Quality of life of Thai farmers who joined the rice pledging scheme [Unpublished manuscript].

<https://so05.tci-thaijo.org/index.php/RRBR/article/view/241032/164107>

Thamthanakoon, N. (2019). Factors affecting marketing channel selection by rice farmers in Thailand [Master's thesis, Harper Adams University]. Harper Adams University Repository.

<https://hau.repository.guildhe.ac.uk/id/eprint/17396/1/Nithicha%20Thamthanakoon.pdf>

Yuttithamdarong, N. (2015). กรณีศึกษาปัญหาของการจัดทำสัญญาแบบรัฐต่อรัฐที่ไม่เป็นสนธิสัญญา [Legal loopholes in non-treaty G2G contracts]. Devawongse Varopakarn Institute.

Appendix

8.1 Interview Questions and Summarized Farmer Responses

Interview Context:

Two supplementary interviews were conducted in April 2025 with smallholder rice farmers in Ayutthaya and Nakhon Pathom provinces. Both locations are within a 1–2 hour drive from Bangkok. The purpose of these interviews was to enrich the document-based analysis with real farmer perspectives. Interviews were informal and open-ended. Names have been anonymized, and responses are summarized in English for clarity.

Interview Questions

1. คุณเคยเข้าร่วมโครงการรับจำนำข้าวหรือไม่? ถ้าเคย ทำไมถึงเข้าร่วม?
Did you participate in the rice pledging scheme? If yes, why did you choose to participate?
2. คุณประสบปัญหาอะไรระหว่างเข้าร่วมโครงการหรือไม่?
Did you experience any problems or difficulties while participating in the scheme?
3. คุณรู้สึกว่าการนี้ยุติธรรมกับชาวนาเล็กหรือไม่?
Did you feel that the scheme was fair to small-scale farmers like yourself?
4. คุณคิดว่าใครได้ประโยชน์มากที่สุดจากโครงการนี้?
Who do you think benefited the most from the rice pledging scheme?
5. ถ้าโครงการนี้กลับมาอีกครั้ง คุณจะเข้าร่วมหรือไม่? เพราะอะไร?
If the program were to return, would you participate again? Why or why not?

Farmer A – Ayutthaya Province, Age 52

1. **Participation:** Yes. Joined because the pledging price was higher than local market prices. Needed cash quickly after harvest.
2. **Problems Faced:** Was told the quota was full even though he had just harvested. Mill rejected his paddy due to “high moisture,” which he felt was unfair.
3. **Fairness:** Said the system was not fair. Saw others in the village get approved even though their rice was in similar condition.

4. **Who Benefited:** Believed large landowners and millers benefitted the most. "They knew the people at the subdistrict office."
5. **Future Participation:** Would join again if there were guarantees of fair treatment and timely payment.

Farmer B – Nakhon Pathom Province, Age 48

1. **Participation:** Yes. Participated for two years. It was the only way to secure a high enough price to repay loans.
2. **Problems Faced:** Payment delays—had to wait almost three months once. Also heard rumors that others paid “tea money” to get faster processing.
3. **Fairness:** Said it was not fair for small farmers. “If you don’t know people or have big land, they treat you like you don’t matter.”
4. **Who Benefited:** Believed “the ones with big land and good connections” always had an easier time.
5. **Future Participation:** Uncertain. Would prefer something more transparent and predictable.