

# Beyond static inequality

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# *Valorisation Addendum*

In compliance with article 22.5 of the “Regulations for obtaining the doctoral degree at Maastricht University” adopted by the Board of Deans, dated 1 September 2018, this addendum discusses the valorisation opportunities of this thesis with regard to the social and economic relevance of the thesis, the potential target audiences to whom the research results might be of interest and the innovativeness of the thesis in comparison with existing literature.

Reduction of inequality has been declared as the 10<sup>th</sup> Sustainable Development Goal (SDGs) that the United Nations, along with governments, has set for 2030. This thesis is relevant to this ongoing global policy agenda by expanding the understanding on economic mobility. The study of economic mobility traces dynamic improvements of individuals/households and indicates the level of inclusiveness and the degree to which equal opportunities exist in the society. This information cannot be explored by mainstream static inequality indices. Given that mobility is the complementary perspective to inequality, a better insight into mobility is a valuable piece of knowledge for the design of policies to reduce inequality.

More specifically, Target 10.4 under the SDGs calls for the adoption of social protection policies to achieve greater equality. Empirical evidence found in this thesis suggests that the implementation of social protection programs alone does not necessarily remove binding constraints for individuals/households to get ahead. Program design and implementation matter. The thesis substantiates that the effectiveness of the programs must be improved. Moreover, in the fight against inequality, social protection policies should be regarded as an integral part of the wider system of social and economic support seeking to promote sustainable upward mobility especially among people from disadvantaged backgrounds.

Chapters 3, 4 and 5 evaluate the effectiveness of three different policies in Thailand, including vocational training, microcredit and social pensions. They provide recommendations that feed into the Thai policy discourse and may be of interest for policy makers, international organizations and responsible government agencies in improving the quality of the aforementioned programs. For example, Chapter 3 suggests more customized training programs that take into account personal circumstances of participants and the rapid changes in the demand for labor. Chapter 4 proposes more flexible loan contracts that are conducive to productive activities, a complementary social transfer for the poor and the structural reform of the credit market system to improve development outcomes of

borrowers. In Chapter 5, it is suggested that a higher benefit amount and additional non-monetary services might be useful to improve elderly's welfare and foster upward intergenerational mobility.

The results presented in this thesis are original as most of the analyses is based on panel household survey data (Panel-SES) which has never been used in former economic mobility and impact evaluation literature (Chapter 2, 3 and 4). This novel data set is analyzed through several econometric methods suitable for the respective analysis. Although Chapter 5 makes use of the long-established household survey (SES), the spillover effect of the Old Age Allowance program in Thailand has never been explored in previous literature.

The main target of the thesis is policy makers in Thailand as well as in other developing countries. Moreover, the thesis might be useful for a wider audience including scholars and readers who are interested in the issues of socioeconomic inequality, mobility and social protection but have no grounding in the subject. With regard to the dissemination of the results, the main findings of this thesis have been disseminated at several seminars and international conferences. In particular, the main results presented in Chapter 3 have been presented at the Asian Development Bank Institute and Asian Growth Research Institute Workshop on Public and Private Investment in Human Capital and Intergenerational Transfers in Asia which was held in Kitakyushu, 2017 and the IZA World Labor Conference in Berlin, 2018. The key findings from Chapter 4 have been shared and discussed at the Asian and Australasian Society of Labour Economics or AASLE in Seoul, 2018. The evidence found in Chapter 5 has been presented at the Nordic Conference on Development Economics in Copenhagen, 2019 and the 34<sup>th</sup> Annual Congress of the European Economic Association in Manchester, 2019. In addition, the results obtained in Chapter 3 have already been published as a UNU-MERIT working paper. The findings from Chapter 3, 4 and 5 are also aimed to be published in peer-reviewed journals. Furthermore, some of the key evidence reported in this thesis have been shared or will be shared with the National Economic and Social Development Board (NESDB) which is the national planning agency providing recommendations on social, economic and other development issues to the prime minister and cabinet of Thailand.