

BOOK REVIEW

DOI: 10.1355/ae43-1f

***Bangkok Transformed: An Economic History, 1820–1950* by Porphant Ouyyanont, NUS Press, 2025**

The author, Professor Porphant Ouyyanont was an eminent economic historian who passed away unexpectedly on 12 July 2020. The book was published posthumously with the editorial assistance of Chris Baker. Together, they have ensured that Bangkok's history is not lost to time but preserved as a blueprint to understand the future. Unlike most other historical books on Thailand, this one offers an evidence-based account of how Bangkok became a regional hub between 1820 and 1950.

In Chapter 1, we observe that Bangkok played a key part in promoting Thailand's economic development due to its size and growth. The city stimulated investments in infrastructure and services. Bangkok's population grew rapidly from 50,000 people in 1822 to 404,000 people in 1954.¹ Bangkok attracted talented and skilled labour and enabled specialization in knowledge, skills and management capabilities, leading to positive externalities through knowledge spillovers.

The development of the Chinese community in Bangkok and its effect on the labour market is covered in Chapter 2. Thai Chinese accounted for the majority of Bangkok's population, at around 48 per cent. This chapter provides a clear understanding on how the influx of Chinese immigrants, driven partly by political disorder and food shortages in southeast China in the early 19th century, greatly affected Bangkok's commerce. Interestingly, this chapter also explains why Thai labourers lacked the incentive to move from the countryside to Bangkok, given the higher agricultural wages compared to the lower wages of unskilled coolie workers² in that city.

While Bangkok has all the trappings of a magnificent and important city, its growth created several problems, including fires and diseases caused by congestion and unsanitary conditions, as well as public safety issues. Chapter 3 of the book explores the role of the Ministry of the Capital (*krasuang nakhonban*), which was established in 1892 as part of the provincial government reforms to centralize government control over revenue. The Ministry was established in response to the rapid growth of Bangkok during that time. It handled city problems such as sanitation, fires and public safety. The Ministry of the Capital was abolished in 1922, and its functions were absorbed by the Ministry of the Interior due to the sheer scale of the problems created by the growing city's congestion. The Bangkok Municipality was later formed in 1937 following the change of government in 1932.

Chapter 4 of the book presents the development of Bangkok and the physical and economic changes that took place, particularly in land-based transport systems. The Chao Phraya River and the canal network remained important for Bangkok's social and economic development. However, Bangkok gradually shifted from a water-based city to a land-based one, as evidenced by the construction of roads and brick houses. This chapter also highlights the development of road construction in Bangkok, from no metalled roads before 1969 to the first metalled roads constructed in 1862 and 1864. Over 110 roads were also built in Bangkok between 1890 and 1910. In the late 1880s, Bangkok had tramways that were connected to several directions. By the 1990s, the tram was the key mode of Bangkok's public transport, and from

the 1920s onward, trams helped the city expand beyond the river and canals. However, the waterways remained important for the transport of rice and teak, which were key export goods following the signing of the Bowring Treaty between Siam and Great Britain in 1855, which led to an increase in trade from 5.6 million baht in 1850 to 10 million baht in 1868.

Chapter 5 discusses the importance of the Privy Purse Bureau (PPB) for the development of Bangkok, through its investment in land and shophouses. The PPB later transitioned into the Crown Property Bureau (CPB), which was reconstituted under the Crown Property Act of 1948, after the 1932 revolution. Apart from PPB's capital investment, it also greatly contributed to the city's primacy. Its decisions to cut roads and invest in shophouses greatly contributed to the distinctive character of Bangkok's old central districts. This chapter also highlights that, over the subsequent decades, the CPB became one of the conglomerates at the core of Thailand's expanding urban economy. It also discusses PPB's investments in Siam Commercial Bank (SCB) and the Siam Cement Company (SCC), as well as PPB's transition amid wartime financial volatility.

Linking to the discussion of the PPB's investment, Chapter 6 provides insightful historical information on the early stage of development of SCB and SCC, and how the Danes,³ as the key partner of the PPB, were involved in the establishment of SCB in 1906–1907 and of SCC in 1913.

In chapter 7, the author discusses the role of foreign trade in Bangkok's development as a port city, where goods from India, the Malay peninsula, and elsewhere were shipped to China. The canal network also enhanced Bangkok's role as the country's leading port. More interestingly, this chapter argues that Bangkok was significantly involved in foreign trade before the Bowring Treaty in 1855, and its impact was far from immediate. This chapter also analyzes foreign trade from 1870 to 1939, which showed a trade surplus (except in 1920/21 due to a failure of the rice crop). During the First World War (1914–1918), Bangkok's trade remained unstable due to fluctuations in rice exports. After the war, there was a high demand for rice, but Siam faced a poor harvest, forcing the government to ban or restrict exports to prevent local shortages. This resulted in a trade deficit in 1920/1921. Thereafter, the price of rice declined substantially due to the global depression from 1929 through the 1930s, causing the trade balance to fall to its lowest point in 1930 at 10.4 million baht. Foreign trade also brought foreign agency houses, rice mills and sawmills, shipping and banking to Bangkok, as well as improvements in transport, such as major canal construction in the central plains, railways and roads. In addition, trade also brought capital (from the British before 1914) and labour (mostly Chinese) to Bangkok. The Chinese were found in all activities related to foreign trade and the port, for instance, coolies, crews and blacksmiths. Unfortunately, large ships could not enter the Chao Phraya River due to a sandbar at its mouth until dredging operations began in the 1930s, and a new port was developed in the 1950s.

Chapter 8 explains why industrialization in Siam (later known as Thailand) was limited prior to the Second World War. This might be due to the control exerted by a new group of leaders with nationalistic ideas that included some economic nationalism. This led to the establishment of state-led industrial enterprises, which became significant centres for Thai labour, rather than Chinese labour. Despite greater trade integration in the late 19th century, there was no significant improvement in real per capita income. The supply of both labour and entrepreneurship were limited, and were largely met by Chinese immigration due to a lack of government support and a bias towards short-term investment. In addition, the government focused more on protecting the country's financial stability and preventing colonization.

This book serves as a masterclass in historical momentum, demonstrating that Thailand's modern economy was firmly established under the Chakri Dynasty. The Chakri Dynasty employed a brilliant mix of diplomacy, modernization and tactical concession to maintain Siam's (Thailand's) independence, spanning the transition from the World War I and II eras and beyond. By prioritizing rigorous trade statistics and in-depth data analysis, the author has provided an essential foundation for understanding the "how" and "why" behind Bangkok's current commercial landscape, urban evolution and the ethical

groups living there, particularly the Chinese communities in several areas of the city. The book maintains a disciplined focus on this foundational era. It is a crucial prerequisite reference for any study of the post-1950 industrial boom, making it an indispensable resource for history and economics students and scholars alike.

NOTES

1. See Table 1.1. The author pointed out that Thailand lacked sophisticated methods for counting its population. Data of this nature was collected by foreign visitors, mostly European or American diplomats, who based their findings on local statistics and personal observations.
2. See Table 2.3. Nominal wage rates of unskilled laborers in Bangkok were 1.00 baht/day in 1920 and 0.80 baht/day in 1938. In addition, their real wage rates were 1.00 baht/day in 1929 and 1.87 baht in 1938.
3. The Danish Connection provides one of the most fascinating alternative perspectives on Thai modernization. While the British and French often approached Siam with colonial aggression, the Danes—representing a small, non-threatening maritime nation—became the preferred partners for the PPB.

YOT AMORNKITVIKAI

Associate Professor (Economics)

College of Population Studies, Chulalongkorn University, Thailand.

Visid Prachuabmoh Building, Chulalongkorn University

254 Phayathai Road, Pathumwan, Bangkok 10330, Thailand

email: Yot.A@chula.ac.th
