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The Thailand Report: National Landscape, Current Challenges and Opportunities for Growth

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The Thailand Report

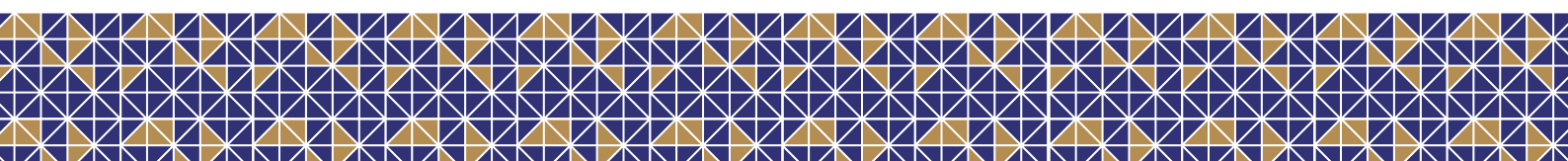
National Landscape, Current Challenges
and Opportunities for Growth

BY JOHN W. ELLINGTON
SERENE CHEN



[FOR INTERNAL CIRCULATION]

country
INSIGHTS
labs



About the Institute for Societal Leadership

The Institute for Societal Leadership (ISL) was established by Singapore Management University (SMU) in 2014. ISL aims to tangibly improve the lives of Southeast Asia's citizens by acting as a focal point for cross-sector collaboration between current leaders from government, business, civil society, academia and the media. The Institute also conducts research concerning social issues in Southeast Asia and designs its own suite of leadership training programmes, each of which seeks to foster the development of a new generation of Asian leaders dedicated to serving society.

About the Thailand Labs

The ISL research team conducted interviews in Chiang Mai on 19 January 2015 and in Bangkok between 20-21 January and 10-13 March 2015. This report was first published on 15 June 2015.

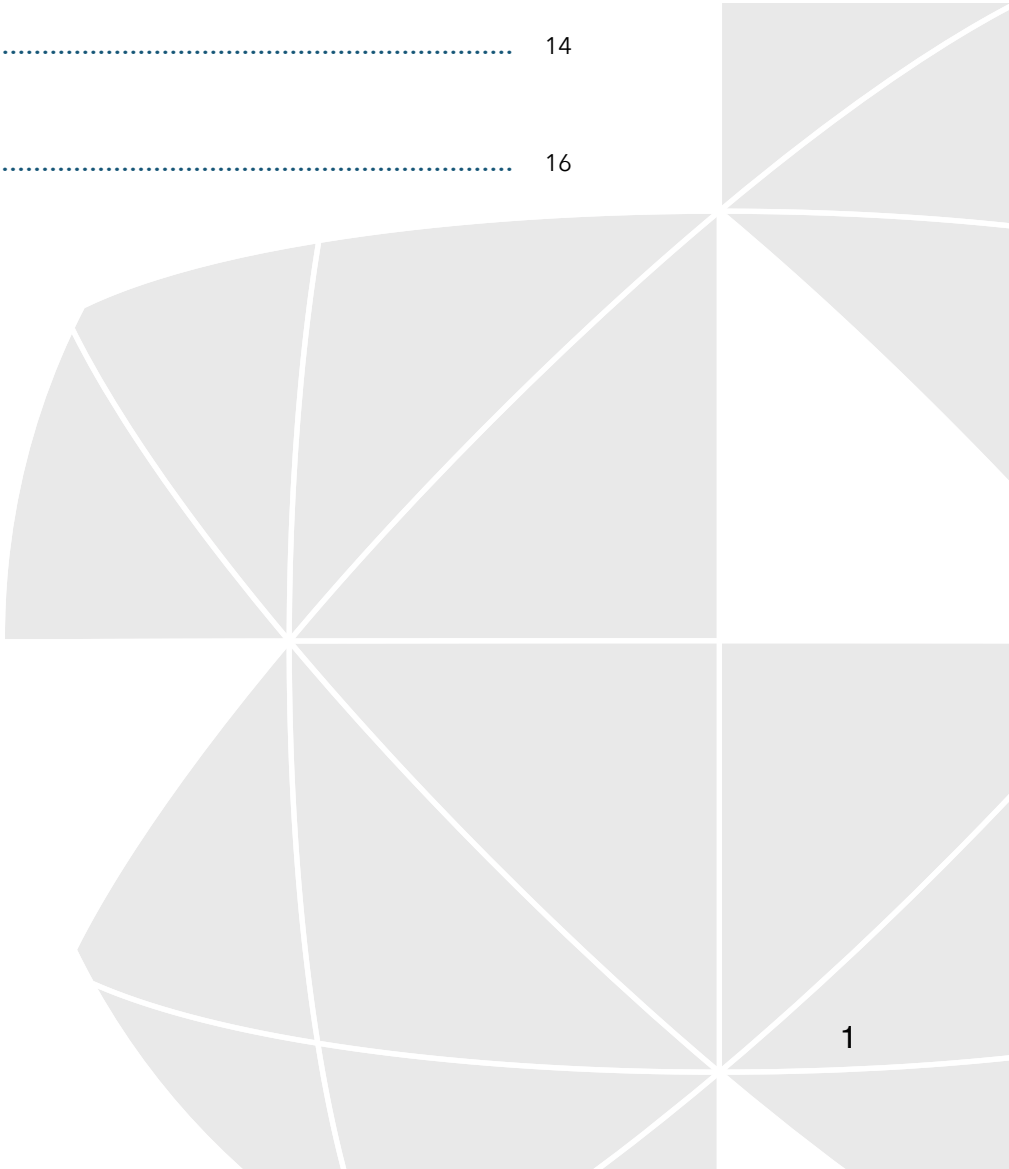
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Contents

- I. Acronyms.....* 2
- II. Acknowledgements.....* 3
- III. About the Country Insights Lab Series.....* 4
- IV. Thailand**
 - A. Historical Background..... 5
 - B. Current Challenges..... 7
 - C. Insights from the Thailand Labs..... 9
- V. List of Organisations Interviewed.....* 12
- VI. Questions for Interviewees.....** 14
- VII. References.....** 16



I. Acronyms

ASEAN	Association of Southeast Asian Nations
BRN-C	Barisan Revolusi Nasional-Koordinasi
CDC	Constitutional Drafting Committee
CIL	Country Insights Lab
CSO	Civil Society Organisation
CSR	Corporate Social Responsibility
DP	Democrat Party
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
ISL	Institute for Societal Leadership
NCPO	National Council for Peace and Order
NGO	Non-Governmental Organisation
PAD	People's Alliance for Democracy
PTP	Pheu Thai Party
PULO	Patani United Liberation Organization
SBPAC	Southern Border Provinces Administrative Centre
SROI	Social Return On Investment
TRT	Thai Rak Thai Party
UDD	National United Front of Democracy Against Dictatorship

II. Acknowledgements

This study could not have been written without the participation, support and insight of a number of people both inside and outside Thailand. These include the more than seventeen individuals interviewed as part of labs conducted in both Chiang Mai and Bangkok, as well as those who provided additional support in terms of reviewing and editing subsequent drafts of this document.

We would like to thank our colleague, Tony Lai, who travelled to Chiang Mai to lay the groundwork for Catalyst Asia's upcoming documentary on RADION International, an NGO that rehabilitates drug users among Hmong villagers living in the Golden Triangle region. The insights contained herein are the product of several brainstorming sessions held around a whiteboard in our Singapore office.

III. About the Country Insights Lab Series

The Institute for Societal Leadership conducted a series of eleven *Country Insights Labs (CILs)* in select Southeast Asian cities between June 2014 and June 2015. Each CIL aimed to uncover the critical social and environmental issues facing leaders from business, government and civil society in a given country and frame the underlying causes behind each issue within the country's context. The study identified emerging trends in Southeast Asia and has since directed further research toward interconnected social and environmental issues shared among countries in the region.

Additionally, ISL research staff investigated the day-to-day organisational challenges faced by *social impact organisations (SIOs)* in each Southeast Asian country. We broadly defined an SIO as any organisation with *the capacity to contribute to the betterment of communities*. These included, but were not limited to, philanthropic organisations, corporate foundations, non-governmental organisations (NGOs), activist groups, social enterprises and impact investors. Interviews focussed on challenges associated with funding models, human resources, tax incentives, legal frameworks and government registration processes. In total, research staff interviewed 237 organisations and 293 individuals, including government officials, business leaders, philanthropists, NGO workers, social entrepreneurs, media professionals and academics. The interviews themselves consisted of questions relating to organisational history, operations, strategic outlook, cross-sector collaboration, leadership and country context.¹

The Institute did not intend the CIL series to be exhaustive or to produce statistically significant data. On the contrary, the series was a qualitative study that employed interviews and market insights as a means of understanding an increasingly complex landscape. As one of the world's most diverse regions, Southeast Asia is home to an array of cultures, languages, religions and economic levels of development. At the cornerstone of each country study is a belief that workable solutions and partnerships depend on an awareness of how each country's unique context relates to its social issues.

The ISL research team conducted interviews in Chiang Mai on 19 January 2015 and in Bangkok between 20-21 January and 10-13 March 2015.

¹ For a list of sample questions, see section VI.

IV. Thailand

A. Historical Background

Thai migrants first began trickling into the Chao Phraya river valley from Southern China in the eleventh century. Thai chieftains established petty kingdoms in modern-day Myanmar, Thailand and Laos, initially as tributaries to more established Burmese and Khmer rulers. However, both the diminishing influence of the Khmer Empire and the Mongols' sacking of the Burmese capital Bagan in 1287 left a political vacuum in mainland Southeast Asia, which was soon filled by Thai kingdoms such as Sukhothai (1238-1463), Chiang Mai (1296-1775), Ayutthaya (1351-1767) and eventually Bangkok (f. 1

782). In the process, the up-and-coming Thai polities supplanted the Khmer Empire as the dominant power on the mainland, but they also largely absorbed cultural cues from the sophisticated Mon and Khmer peoples, including their writing systems, legal codes, art forms, political and administrative structures and the Theravada Buddhist religion.

Thailand stands apart from all other Southeast Asian countries as the only local power never colonised by Europeans in the nineteenth and early twentieth centuries. To a limited extent, this was a direct result of intra-European geopolitics. The Kingdom of Siam functioned as a neutral buffer state between French Indochina and British interests in Burma and Malaya. Nevertheless, the country's two reformist monarchs, Mongkut (r. 1851-1868) and his son Chulalongkorn (r. 1868-1910), were responsible for launching policies that ensured Siam's continued independence and political relevance. Mongkut and Chulalongkorn skilfully prevented any single foreign interest from exercising undue influence on Thai soil by arranging trade treaties with as many Western delegations as possible. They also sent Thai aristocrats abroad to attend European institutions and modernised Siam's infrastructure, military and adminis-

trative apparatus. By 1940, the kingdom possessed state-of-the-art roads, canals, railways, shipyards, hospitals, primary and secondary schools, a facility for the study of foreign languages, a military academy and two universities.²

Modernist reforms in the late nineteenth century and early twentieth centuries gave birth to a professional Bangkok-based bureaucratic and military elite that continues to exert enormous influence on Thai political, business and cultural pursuits today. In 1932, elements from both the military and bureaucracy, frustrated with an ossifying monarchy, staged a bloodless coup and penned the country's first constitution. Thai politics ever since have involved a volatile cocktail of bureaucratic elites, military strongmen, big business interests, rural politicians tied to provincial patronage systems and factions controlled by ambitious royals. Modern Thailand has experienced twelve successful coup d'états, seven failed coup attempts and eighteen constitutions. King Bhumibol Adulyadej (r. 1946-) remains the sole constant and unifying force. Although the king has few nominal powers, he has successfully intervened on several occasions to reign in the military and other factions.

The 1997 financial crisis has significantly coloured Thai politics for the last two decades. Throughout the late 1980s and early 1990s, increased access to global markets and a steady stream of cheap foreign credit fuelled annual growth rates reaching into the double-digits, but the bubble popped when market elasticity ran out, export prices plummeted and the government was forced to float the baht. By the end of 1998, thousands of Thai businesses had gone bankrupt and the economy had contracted more than 11 percent.³ The Democrat Party (DP), supported primarily by Bangkok's middle class, attempted to limit future speculation by pushing through a new constitution in 1997 with provisions for strengthened liberal institutions, but the collapse of the Thai economy at the hands of foreign creditors

² D. R. SarDesai, *Southeast Asia: Past & Present, Fifth Edition* (Boulder, Colorado: Westview Press, 2003), 139.

³ "World Development Indicators," *The World Bank*, accessed 1 June 2015, <http://data.worldbank.org/>.

Thailand By Numbers

Surface Area:

513,120 sq km

Population:

66.78 million [2012]

Population Density:

130.2 per sq km

Population of Bangkok:

8.43 million [2011]

Urban Population:

34.8% [2013]

Currency:

Thai Baht (THB)

GDP (Nominal):

US\$385.69 billion [2012]

Growth Rate:

6.4% [2012]

GDP Per Capita:

US\$5,775.20 [2012]

Unemployment:

0.7% [2012]

Tourist Arrivals Annually:

22.35 million [2012]

Mobile-Cellular Subscriptions:

120.3 per 100 inhabitants [2012]

Individuals Using Internet:

26.5% [2012]

Life Expectancy at Birth:

Females (77.7 years); Males (71.0 years)

Forested Area:

37.2% [2011]

Source: UN Data (<http://data.un.org>)

also brought Thailand's native business conglomerates into the political ring to push for protectionist policies.

Thaksin Shinawatra's Thai Rak Thai Party (TRT), initially funded by such big business money, rode to overwhelming electoral success in 2001. Thaksin was especially effective in the northern and eastern districts, attracting rural voters with promises of instituting business-friendly policies that would raise incomes in these typically poor regions. Traditionally, local politicians would win the votes of rural constituents by promising kick-backs and pork barrel, but Thaksin achieved unprecedented voter loyalty by assuring poor farmers that TRT would become their primary source of subsidies, cheap health care and low-interest government-backed loans.⁴ By 2005, his populist politics had lost him the support of the business elite, but he nonetheless rode to a victorious second term on the shoulders of a newly-built political machine that had mobilised Thailand's rural electorate at an unprecedented scale.

The Thai government's social and developmental policies for the last decade have turned on the widening political differences between Bangkok's established power brokers and the newly-awakened rural electorate. The military, one of several traditional power bases, ousted Thaksin in a 2006 coup following several high-profile scandals. Protests and counter protests staged by the largely middle-class anti-Thaksin People's Alliance for Democracy (PAD), or "yellow shirts," and the working class pro-Thaksin National United Front of Democracy Against Dictatorship (UDD), or "red shirts," have dominated international headlines ever since his removal. Demonstrations erupted in 2008 and 2010, and following that, at various junctures during the tenure of five Prime Ministers including PM Yingluck Shinawatra, Thaksin's sister, who took office from 2011 - 2014. On 20 May 2014, following seven months of anti-governments protests, the military declared martial law and established the National Council for Peace and Order (NCPO). General Prayut Chan-o-cha

⁴ Pasuk Phongpaichit and Chris Baker, *Thaksin* (Chiang Mai: Silkworm Books, 2009), 188.

assumed the position of acting Prime Minister two days later.

Both the DP and the current military administration are anxious to rewrite the constitution in order to prevent pro-Thaksin factions from dominating future polls. Following court orders dissolving it, the TRT has reconstituted itself as the People's Power Party and currently the Pheu Thai Party (PTP). Pro-Thaksin politicians, including Somchai Wongsawat and Thaksin's sister, Yingluck Shinawatra, have won every national election since 2001. To counter the Thaksin political machine, the current junta has appointed a Constitutional Drafting Committee (CDC) to create a new constitution that will restore "democracy appropriate to Thai society."⁵ Above all, there are fears among DP members that the ailing king's death will enable Crown Prince Maha Vajiralongkorn, who is close to Thaksin, to issue a pardon and return the popular politician to Bangkok from his self-imposed exile in Dubai.

As of this writing, there are still a number of unknowns in Thailand's political and economic future. Although Prime Minister Prayut Chan-o-cha lifted martial law in March 2015, he continues to wield power through Article 44 of the interim constitution and has postponed elections to September 2016. Meanwhile, Thailand's economy grew a paltry 0.7 percent in 2014 and political enemies are increasingly prosecuted under the kingdom's strict *lèse-majesté* law.⁶ Former Prime Minister Yingluck is on trial for civil and criminal charges and faces heavy backlash from a botched rice-pledging scheme launched in 2013. Although Thaksin has urged his followers to remain calm, the CDC's proposals could spark further protests originating from the "red shirt" camp.

B. Current Challenges

❖ *There are many NGOs in Thailand but few businesses concerned with CSR*. Thailand has one of Southeast Asia's most vibrant civil society spaces, but grassroots organisations have struggled to maintain political neutrality. During military rule in the 1960s and 1970s, the government viewed civil society organisations (CSOs) as potential havens for Marxist resistance and imposed measures that restricted such groups from operating.⁷ However, laxer regulations in subsequent decades led to an explosion of CSOs. By 1989, Thailand had over 12,000 local non-governmental organisations (NGOs).⁸

Thai businesses in general have less developed CSR practices than their counterparts from other parts of Asia.⁹ Thai companies have traditionally made charitable donations to religious or educational institutions, but there are few local firms practising CSR that aims to generate systemic change or solve social and environmental challenges. CSR activities are generally confined to employee volunteerism and community service, and only a few corporations have attempted to apply global-class sustainability and fair trade standards to their supply chains or industrial processes. Better CSR will require brainstorming with civil society leaders who have firsthand knowledge of social and environmental issues as well as leveraging company resources to invent novel methods for confronting such issues.

❖ *Political violence and separatist movements in the deep south*. Thailand's southernmost provinces, including Pattani, Narathiwat and Yala, have experienced intermittent separatist activity since the 1960s, but Thaksin Shinawatra's

⁵ Ibid., 25.

⁶ "World Development Indicators."

⁷ Pasuk Phongpaichit and Chris Baker, *Thaksin* (Chiang Mai: Silkworm Books, 2009), 13.

⁸ "Civil Society Briefs: Thailand," *Asian Development Bank*, accessed 15 June 2015, <http://www.adb.org/publications/civil-society-briefs-thailand>.

⁹ *Corporate Social Responsibility in Thailand* (Bangkok: Asian Institute of Technology, 2011), 4.

attempts to sideline political opponents in the region has stirred an unprecedented level of political violence since 2004. The three provinces are home to 1.8 million Muslim ethnic-Malays, who are culturally, linguistically and religiously distinct from the majority Thai population.¹⁰ As a nominally Buddhist monarchy dedicated to “king, country and religion,” the Thai polity makes no acknowledgement of cultural or religious minorities. Provincial governors are appointed by the Ministry of the Interior and are invariably Thai-speaking Buddhists. Instruction in local government schools in the deep south is also exclusively in Thai.

In an attempt to transfer power from the army to the police, Thaksin dissolved the military-dominated Southern Border Provinces Administrative Center (SBPAC) in 2004. The SBPAC had coordinated with local Islamic groups and dispensed salaries to religious and community leaders, but with their payouts cut off and no clear indication from the government that it was willing to devolve local power to Thai-Malay Muslims, militant organisations renewed separatist activity. Both the Barisan Revolusi Nasional-Koordinasi (BRN-C) and the Patani United Liberation Organization (PULO) have raided police and military outposts, detonated improvised explosive devices in civilian areas and assassinated Muslim community leaders seen to be cooperating with the authorities. Between 2004 and 2012, roughly 6,000 people died in the conflict, half of whom were civilians with no links to either the Thai government or militant groups.¹¹ Human rights violations, including the use of child soldiers and targeting of civilians, have occurred on both sides. Under the 2005 emergency decree for the region, authorities can hold suspects without court warrant for up to 30 days. Local CSOs have reported several cases of torture by the army and police.¹² In October 2004, 78 protesters at Tak Bai died of suffocation while in army custody.

Unlike other Southeast Asian conflict zones, such as Mindanao, socio-economic grievances play little role in the rhetoric of militant groups in and around the deep south. The Thai government will need to formulate a purely political solution to the ongoing violence. Local Thai-Malay civil society groups in particular can play a constructive role in articulating desires for increased autonomy and cultural recognition in a peaceful manner while preventing youth from joining violent organisations. Retired militants attending peace talks facilitated by Malaysia in Kuala Lumpur have called for active participation of local CSOs in negotiations. Since 2011, the Civil Society Council of Southernmost Thailand, a coalition of more than twenty local CSOs, has conducted surveys of southern communities and made recommendations for increased decentralisation, including local election of governors. However, in order for the Council to be successful, it will need buy-in and acknowledgment from the government.

❖ ***Lack of a comprehensive government programme to combat regional human trafficking organisations.*** The U.S. State Department’s 2014 *Trafficking in Persons Report* recently demoted Thailand to the lowest “tier three” rating. During the four consecutive years that it was on the “tier two” watch list, the Thai government consistently failed to address international concerns about Thailand’s domestic sex industry and fisheries. Thai officials were found to be complicit in the smuggling of migrants from neighbouring Laos, Myanmar and Cambodia. Men from Thailand, Myanmar and Cambodia were at times sold to Thai fishing vessels, where they were forced to work 18 to 20-hour days, threatened with deportation and beaten. As much as 17 percent of Thai fishery employees reported forced work conditions.¹³ The report also found that Thai police officers were involved in protecting and frequenting brothels, massage parlours and other venues that were trafficking women and children.

¹⁰ Duncan McCargo, *Southern Thailand: From Conflict to Negotiations?* (Sydney: Lowy Institute for International Policy, 2014), 3.

¹¹ *Thailand: The Evolving Conflict in the South* (Brussels: International Crisis Group, 2012), 4.

¹² *Ibid.*, 12.

¹³ *Trafficking in Persons Report* (Washington, D.C.: U.S. State Department, June 2014), 373.

In 2013, a series of Pulitzer prize-winning investigative reports released by Reuters revealed the involvement of members of the Royal Thai Navy and immigration officials in the sale of Rohingya migrants from Myanmar to Thai fishing captains.¹⁴ The government recently cracked down on illegal detention centres in the country's south in May 2015, but it failed to organise a concerted and compassionate response to large numbers of undocumented Myanmar and Bangladeshi migrants stranded off its shores. Migrants often cross through Thailand en route to find work in Malaysia.

❖ **Marginalised ethnic minorities and a persistent drug trade.** Once a major opium producer in the 1970s, Thailand has effectively curbed cultivation of poppies through a mixture of livelihood trainings programmes, construction of infrastructure in hill regions and crop replacement initiatives.¹⁵ However, its porous borders with Myanmar and Laos are still key transit points for heroin and methamphetamines. In remote hill tribe areas in particular, shared ethnicity with smugglers in neighbouring countries combined with a lack of local educational or economic opportunities has lured significant numbers of youth from Akha, Hmong, Htin and Yao Hill Tribes into drug trafficking.

ISL staff interviewed organisations working with ethnic Hmong living in and around Chiang Mai. The Hmong are an ethnic group from the mountainous regions of China, Vietnam, Laos and Thailand. It is estimated that there are approximately 150,000 Hmong residing in Thailand. Thai-Hmong face several societal problems. One in four youth are involved in drug consumption and/or trafficking because their remoteness of their villages allows for few other economic opportunities.¹⁶ Hmong youth do not have access to adequate

education, largely because government teachers are frequently absent.

C. Insights from the Thailand Labs

❖ **Thai civil society as well as government-sponsored development initiatives are becoming increasingly politicised in the post-Thaksin environment.**

Civil society groups have not been immune to the increasing politicisation of Thai society in the post-Thaksin era. The relatively permissive environment of the 1990s prior to the crisis had allowed for the formation of two distinct groups of CSOs, which today espouse two very different philosophies of development. The first group, made up primarily of urban activists, initially lobbied for increased rule of law, transparency and liberal institutions that provided checks against executive power. The second group consisted of grassroots organisations representing rural farmers that protested bread-and-butter issues such as access to water and falling crop prices.¹⁷ Members of the former group have tended to support DP candidates and policies, participate in anti-Thaksin "yellow shirt" protests and support an overhaul of the current constitution. The latter groups formed the basis of many pro-Thaksin "red shirt" organisations and are staunch supporters of PTP rural development programmes.

Rural activism and support for government subsidy programmes largely stems from Thailand's vastly unequal distribution of wealth. Thailand's poor are concentrated in provinces in the north and east, which also double as "red shirt" strongholds. Average incomes in these regions are up to 60 percent less than commensurate salaries in the capital.¹⁸ In a Keynesian-style bid to stimulate

¹⁴ Jason Szep and Andrew R. C. Marshall, "Special Report: Thailand secretly supplies Myanmar refugees to trafficking rings," *Reuters*, 4 December 2013.

¹⁵ James Windle, "Drugs and Drug Policy in Thailand," *Improving Global Drug Policy: Comparative Perspectives and UNGASS 2016* (Washington, D.C.: Brookings Institute, 2015), 8.

¹⁶ Interview with RADION International, Chiang Mai, 19 January 2015.

¹⁷ *Ibid.*, 18-19.

¹⁸ *A Coup Ordained? Thailand's Prospects for Stability*, 6-7.

rural growth after his election in 2001, Thaksin established government funds that provided microcredit to farmers and launched a sweeping infrastructure overhaul in the countryside. His government programmes also subsumed many of the functions of the latter group of CSOs. “Red shirt” activism post-Thaksin has largely consisted of securing government subsidies and cash stimulus in lieu of development programmes funded by donors. Although they remain popular in the countryside, some of these programmes have gone terribly wrong. Former Prime Minister Yingluck currently faces criminal charges for a controversial rice subsidy scheme that bought rice from farmers at above market rates. Government losses were estimated at THB 600 billion (US \$18 billion).¹⁹

In place of large-scale fiscal stimulation and government subsidies, the DP and the royal family have favoured small-scale development programmes that promote sustainability, self-sufficiency and livelihood training for rural communities. After the 1997 crisis, King Bhumibol began to espouse a philosophy of “sufficiency economy” (*settakit po piang*) that emphasised traditional piety and moderation. Rural initiatives created by the Royal Projects Foundation and the Mae Fah Luang Foundation have tended towards teaching rural communities sustainable agricultural methods, crafts and (most recently) social enterprise. The DP government of Abhisit Vejjajiva also established a Thai Social Enterprise Office to provide funding and training to social businesses in 2010. However, it is not clear if these small-scale programmes, which have typically favoured moralising over economic performance, can meet the aspirations of rural farmers. Few farmers graduating from Royal Projects programmes have adopted their techniques, and the above initiatives are largely the purview of the Bangkok-based middle class.²⁰

❖ ***Young middle-class Thais are increasingly drawn to careers in the social sector, but few have***

a concrete grasp of the needs and aspirations of their nation’s poor.

In recent years, higher standards of living and changing social norms have made it increasingly popular for young Thais to pursue riskier careers at CSOs, social enterprises or impact investment firms. According to one interviewee, current tertiary students and young professionals are looking for purpose above pay. In 2014, Thammasat University tapped into this demand when it established a “Global Studies and Social Entrepreneurship” degree. Students enrolled in the programme learn human-centred design principles, problem recognition, design thinking, business planning and financial management.

According to a professor interviewed, one of the chief challenges the programme faces is the severe cultural disconnect between urban students and the rural poor they aim to assist. Students in the programme are invariably privileged children of the middle-class or political elites. As discussed above, social enterprise and sustainability initiatives that patronise rural farmers can backfire and fail to achieve the key objective of raising standards of living in remote areas or among marginalised groups. In spite of well-developed problem solving skills and business acumen, middle-class urban development professionals face a high risk of misinterpreting the needs of rural residents.

❖ ***Social enterprises face significant challenges in finding investors because they are seen as too high risk, even by impact investment funds.***

Impact investors in particular have been notably wary of using their money to finance social enterprises without the assurance of low-risk returns. Several organisations interviewed reported consultations with various impact investment funds, only to be turned down because the fund deemed their business too high risk. Some of these organisations had graduated from incubator and accelerator programmes that were supposed to have primed them for investment.

¹⁹ James Hookway, “Former Thai Leader Yingluck Shinawatra Charged in Rice-Subsidy Case,” *The Wall Street Journal*, 19 February 2015.

²⁰ Amalia Rossi, “Turning Red Rural Landscapes Yellow? Sufficiency Economy and Royal Projects in the Hills of Nan Province, Northern Thailand,” *ASEAS - Austrian Journal of South-East Asian Studies* 5.2 (2012), 281.

Where impact investors have decided to put money into organisations, they have primarily employed debt vehicles that minimise risk. Most impact investment investors have aimed to fund organisations with US\$50,000-500,000 packages. However, most startups are only looking for US \$20,000-50,000.

It should also be noted that several social enterprises interviewed found the social impact assessments used by impact investors to measure social return on investment (SROI) of limited use. To date, no firm has developed a rigorous and scientific system of conducting SROI measurements. Social entrepreneurs interviewed remarked that SROI ratings simply do not attract socially-conscious investors as promised.

Like potential investors, consumers typically do not concern themselves with whether the social enterprise delivers on the social cause it was set up for. They purchase products or services from the social enterprise because of the perceived value they get from what is being sold. As such, a social enterprise is in fact competing in the same marketplace as regular businesses. This differentiates Thailand from other Southeast Asian economies, such as the Philippines, where socially-conscious consumption has become a significant trend.

❖ *Lack of business management skills and clarity on social impact is stifling growth in the social sector.*

For-profit investors currently have a hard time understanding the potential of the social enterprises they are keen on supporting. This is largely caused by the fact that many social enterprises do

not have proper book-keeping practices and lack the know-how to appropriately value their organisations. Founders of social enterprises tend to prioritise the social aspects of their work, often neglecting the business management aspect that is actually necessary to grow the organisation.

The social enterprises interviewed agreed that in order to grow, they would need to improve their business management skills—they could not run the organisation on passion alone. However, they added that they were not able to spare the time and cash to attend courses. One social entrepreneur remarked that they were fortunate to have been assigned a mentor by a Japanese-funded capacity building initiative. The assigned mentor provided advice for an extended period of two years.

The double absence of effective business management practices and financial accountability could well be the reason why many social enterprises fail to scale after the start-up phase, when the patience and goodwill from supporters like donors, foundations and angel investors wears out.

V. List of Organisations Interviewed

Ashoka Thailand. Bangkok, 13 March 2015.

Changefusion. Singapore, 24 April 2015.

Design for Social Innovation + Leadership. Bangkok, 11 March 2015.

Dusit Thani Hotel. Bangkok, 20 January 2015.

G-Lab, Social Innovation Lab. Bangkok, 12 March 2015.

Lemon Farm. Bangkok, 11 March 2015.

Local Alike. Bangkok, 11 March 2015.

RADION International. Chiang Mai, 19 January 2015.

Salforest. Bangkok, 11 March 2015.

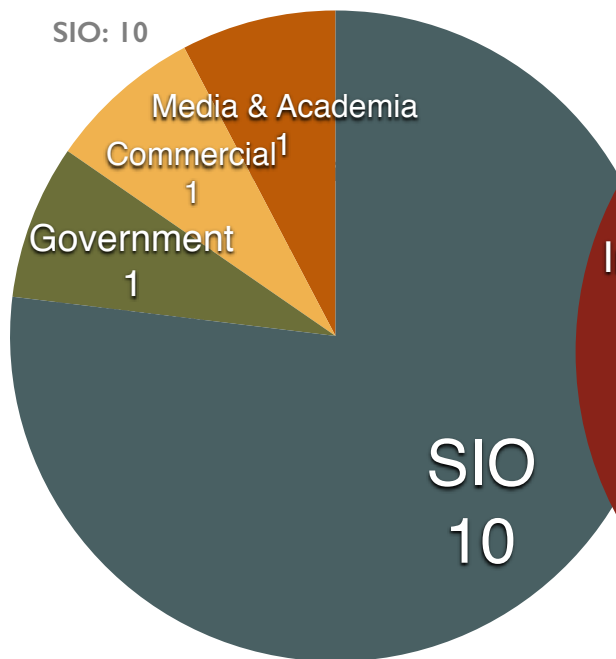
Thai Biomass. Bangkok, 11 March 2015.

Thai Social Enterprise Office. Bangkok, 21 January & 13 March 2015.

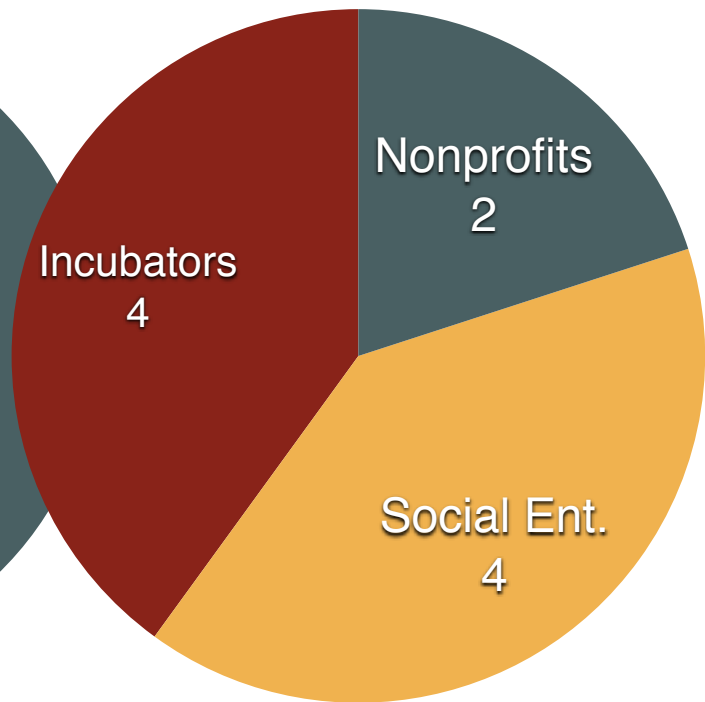
Thai Young Philanthropist Network. Bangkok, 12 March 2015.

Thammasat University, School of Global Studies. Bangkok, 11 March 2015.

ORGANISATIONS BY SECTOR



SIO SUB-SECTORS



VI. Questions for Interviewees

Organisational History

- 1) How and why was your organisation established? Is there a founding story?
- 2) For international organisations - Why did your organisation decide to enter Thailand?

Operations

- 3) On what projects are you currently working? What would success look like one year from now? Five years from now?
- 4) How successful were your past programmes? What is your organisation doing differently from when it first began operations in Thailand?

- 5) Do you foresee any upcoming difficulties?
- 6) What does your organisation need to make your programmes more effective?

Strategies

- 7) What are your organisation's goals for the next 3-5 years? How do you plan to meet those goals?
- 8) What factors might jeopardise the success of your overall strategy?

Collaboration

- 9) Were there any difficulties or pitfalls in past collaborations? Have any difficulties surfaced in your current collaborations?
- 10) Have you collaborated with organisations outside your sector? How could such relationships be improved or facilitated?
- 11) Is there any individual or organisation with whom you would like to collaborate but have been unable to do so?

Human Resources

- 12) Do you generally source staff locally or from overseas? Have you had any difficulties finding skilled local staff?
- 13) Which professional skills, if any, do local staff currently lack? What do local staff need to succeed in today's workplace?
- 14) How would you evaluate local educational institutions in preparing future employees? Are there private or foreign institutions attempting to fill any gaps?

Leadership

- 15) What does effective leadership—in business, government or civil society—look like to you?
- 16) What skills and resources do Thai leaders need to better serve their society?
- 17) The Institute broadly defines *societal leadership* as “the practice of creating sustainable value and impact for the betterment of society within one's sphere of influence.” Are there any remarkable individuals in Thailand whom you would consider a *societal leader*?

Sustainability & CSR

- 18) Does your organisation have any sustainability guidelines? How did you determine your current guidelines?
- 19) Does your organisation engage in any Corporate Social Responsibility (CSR) initiatives? Have you been able to measure the impact of your organisation's CSR programmes?

Funding (for civic-sector organisations)

- 20) Roughly speaking, how is your organisation currently funded?
- 21) How financially self-sustaining is your organisation at the moment? Do you have any plans to lower dependence on outside funding in the future?

Context

- 22) How does working in Thailand differ from working in other Southeast Asian countries? What does Thailand have in common with the rest of the region?
- 23) How do minorities (ethnic, religious, or otherwise) fit into the landscape? Do minorities actively collaborate with the status quo?
- 24) Outside of your own organisation's scope, what are the key problem areas facing Thailand?
- 25) How does Thailand differ from five years ago? How do you imagine it will change in the next five years?

VII. References

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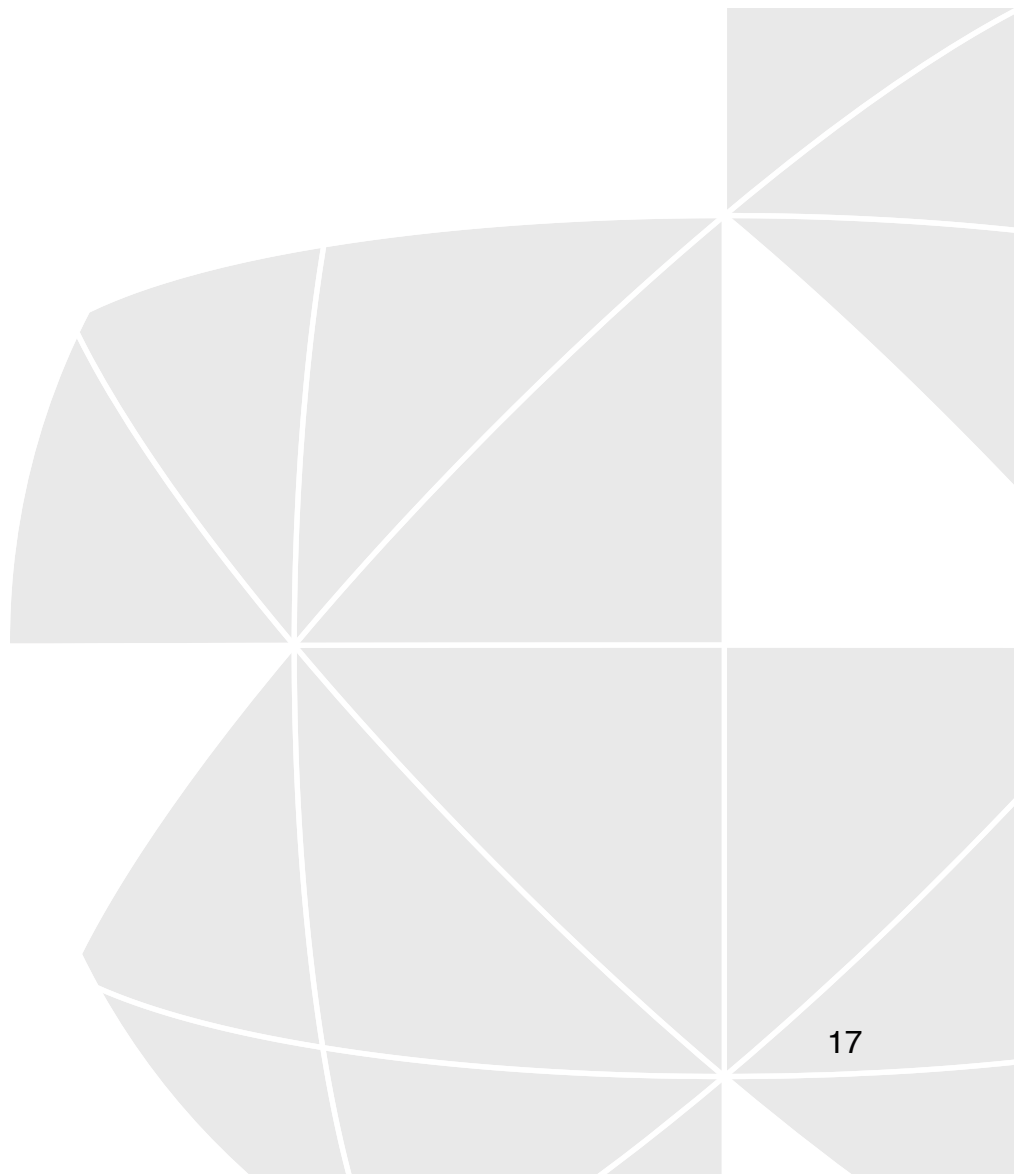
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