

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 BACKGROUND**

The Tourism industry brings a lot of income to Thailand and it is an important part of the overall Thai economy. Tourism generated 487,100 million baht of income or an increase of 32.59 percent in 2006 (Tourism Authority of Thailand, 2006). Phuket, one of the most beautiful and enchanting spots in the world, has been promoted in order to attract tourists from around the world. The government would like Phuket to be the center of world maritime tourism. In addition, Phuket, itself, has implemented a strong vision being “The Center of World Maritime Tourism, as it has a good quality of life, and unique culture.” to expand its potential in carrying out the Phuket Tourism Development Roadmap Strategy to Phuket, the Andaman area and Thailand (สำนักงานคณะกรรมการการพัฒนาเศรษฐกิจและสังคมแห่งชาติ, 2550).

Phuket has many well-known tourist attractions and two valuable resources which are natural attractions, as well as cultural attractions and traditional buildings. In terms of natural attractions, there are many stunning white sand beaches, surrounded by many small peaceful bays and islands with warm water and plentiful coral reefs. On the other hand, the cultural attractions and traditional buildings are the Heroine Monument of Thepkasattree and Srisoonthorn Princess, Shino-Portuguese Buildings, historical temples such as Luang Pho Chaim Temple or Chalong Temple, and the renowned traditional Vegetarian Festival (ปัญญา สรีนาค, 2546). All these attractions pull tourists to Phuket, the Pearl of Andaman and make Phuket a target destination for travel, holidays, work, study, and overseas residences. While tourism has grown continuously, investment in hotel business, property and real estate is also increasing in order to meet the needs of tourists as well as Thai and foreign investors. Many businessmen and entrepreneurs have invested in businesses such as hotels, residential real estate, condominiums, serviced apartments, rooms for rent, huge offices with full facilities, sport centers, shopping centers, and restaurants and bars.

Weerachai Tantiwattanawanlop (วีระชัย ตันติวัฒน์วัลลพ, 2551), the head of the Phuket Office of Business Development, studied the registration in establishing a juristic person company to invest in businesses in Phuket from January to December 2007. There were 1,394 companies from investors who notarized both company establishments and partnerships. The total authorized capital was 3,408,965,100 baht. Increasingly, there were, in Phuket, a total of 13,637 companies and partnerships with 10,152 business companies, 34,681 limited partnerships, and 17 ordinary partnerships. Weerachai (2551) also states that the reason for the registration requirements in Phuket is because Phuket is an attractive and interesting destination for both Thais and foreign investors. In addition, those investors were attracted by the quick return in Phuket. The business with the most registrations is real estate followed by tourism, building contractor businesses, land allocation, and safety and security businesses. He emphasizes that not less than 70% is co-investment between Thai people and foreigners with Thai investors holding 51% of shares and foreigners holding 49% of shares. The majority of foreign investors are interested in real estate investment and tourism, and they come from every part of the world especially England, German, China, Korea, and Italy.

According to the real estate business, which is continuously expanding, many business and tourism activities support investors in and buyers of real estate, and the tourists in the area. As prosperity comes to the local community, there will be both expected and unexpected changes affecting the society and the residents in the area, such as environmental impact, as well as a financial, cultural, and social impact. Obviously, when people from another area or another country immigrate to other areas, there will be assimilation of races, religions, and culture in the community.

Traditionally, Phuket has had people from many different countries, and religions, such as Buddhism, Christianity, Islam, and etc. In 2006, there were 203,356 Buddhists, 2,936 Christians, 80,251 Muslims, and 959 for other religions and beliefs (Phuket Office of Religion, 2006, p.8, cited in สำนักงานคณะกรรมการพัฒนาเศรษฐกิจและสังคมแห่งชาติ, 2550. แนวทางการพัฒนาขีดความสามารถในการแข่งขันของการท่องเที่ยวจังหวัดภูเก็ตต่ออย่างยั่งยืน พ.ศ. 2550-2554.). The Table 1 shows the population of each religion.

*Table 1. Religions of Phuket, 2006*

No.	District	Buddhist (Person)				Religious place		
		Buddhism	Christian	Islam	Other	Temple	Church	Mosque
1	Muang	136,290	2,201	38,887	833	20	3	14
2	Kathu	30,717	545	12,036	126	3	-	6
3	Talang	36,349	190	29,328	-	16	1	30
	<b>Total</b>	<b>203,356</b>	<b>2,936</b>	<b>80,251</b>	<b>959</b>	<b>39</b>	<b>4</b>	<b>50</b>

Source: Phuket Office of Religion, 2006, p.8, cited in สำนักงานคณะกรรมการพัฒนาเศรษฐกิจและสังคมแห่งชาติ (2550). *แนวทางการพัฒนาขีดความสามารถในการแข่งขันของการท่องเที่ยวจังหวัดภูเก็ตอย่างยั่งยืน พ.ศ. 2550-2554.*

From the data above, Islam also plays quite an important role of Phuket society and the main traditional area where Muslim people settle is Bangtao Village, Cherngtalay sub-district, Amphur Talang (กุศล เอี่ยมอรุณ, 2543). While the expansion of real estate business is vigorously developing in the area and people are gaining more money from various kinds of businesses which has been created following the real estate investment, Bangtao community has seen a blending of western culture, Thai culture, and Islamic culture. In Bangtao, both Thai investors and foreigners or international investors have decided to invest in businesses, especially in the tourism and hospitality field; therefore, property and real estate has become a big business. Some foreigners have bought land to construct huge hotels and properties, and others have bought properties as overseas residences.

The Bangtao area consists of many famous hotels and properties such as Laguna Integrated Resorts and Hotels, Best Western Hotel Group and other worldwide property investment companies such as Knight Frank Chartered (Thailand) Co.,Ltd. and CB Richard Ellis Co.,Ltd. Certainly the growth of real estate investment will encourage other tourism activities such as tour operation and travel agencies as well as increase entertainment businesses such as pubs, bars and restaurants.

Because Bangtao is a traditional area of Muslim people who have strict Islamic beliefs, this research focused on the attitudes of Bangtao Thai-Muslim people towards the expansion of real estate business in Bangtao area. Moreover, it examined whether or not Islamic beliefs, such as praying five times a day, forbidding the

drinking of alcohol, dressing in Islamic style and interacting affected attitudes about real estate investment.

A conflict might occur even though real estate businesses bring increased income to local people and provide job opportunities in the community. The expansion of the real estate business will also produce problems and difficulties in meeting the needs of both the existing and new population. For example, new housing areas may not have adequate infrastructure – roads, sewers, utilities, and fire and police protection. Older areas may experience increased traffic, and an increased burden on social services, as well as require higher taxes to help pay for new infrastructure. Therefore, this study will help to reveal the attitudes of Thai-Muslim people in the area; we might also receive useful suggestions for further development in real estate investment and the local tourism industry, as well as finding a way to maintain a peaceful relationship between local residents and investors.

## **1.2 STATEMENT OF THE PROBLEM**

This study aimed to answer the following questions:

1.2.1 What are the attitudes of Bangtao Thai-Muslim people towards the expansion of real estate business in Bangtao area, Phuket?

1.2.2 How does the expansion of real estate business in the area affect the Islamic culture in terms of behavior patterns such as the inconvenience of praying five times a day, the prohibition of drinking alcohol, female Muslims style of dress, and the Muslim teenagers' tendency to participate in nightlife?

## **1.3 OBJECTIVES OF THE STUDY**

The objectives of this study were as follows:

### **1.3.1 Main Objective**

To study the attitudes of Bangtao Thai-Muslim people towards the expansion of real estate business in their community.

### **1.3.2 Sub-Objective**

- To find whether or not the expansion of real estate business in the area affects the Islamic culture, in terms of behavior patterns such as the inconvenience of

praying five times a day, the prohibition of drinking alcohol, female Muslims style of dress, and the Muslim teenagers' tendency to participate in nightlife.

#### 1.4 DEFINITION OF TERMS

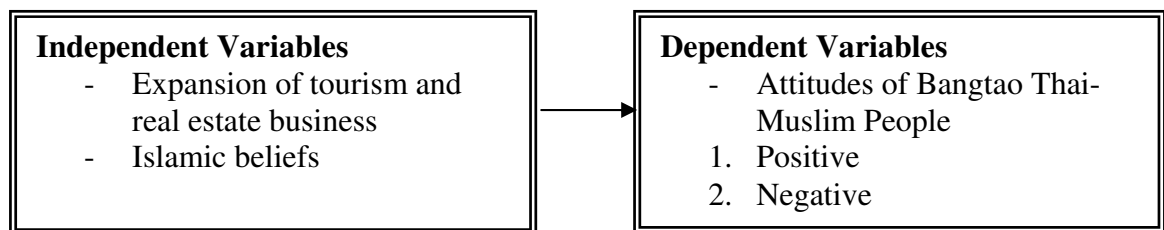
Definitions of terms in this study are as follows:

##### 1.4.1 Independent Variables

1. Expansion of real estate business
2. Islamic beliefs

##### 1.4.2 Dependent Variables

Attitudes of Bangtao Thai-Muslim people: positive and negative



*Table 2. Independent Variables and Dependent Variable*

<b>Independent Variable</b>			
<b>Variable</b>	<b>Conceptual Definition</b>	<b>Operational Definition</b>	<b>Indicator</b>
Expansion	The act or instance of expanding	The act or instance of expanding real estate investment	The amount of real estate investment in Bangtao community, Phuket
Real estate	Property consisting in houses and land	Real estate property constructed in Bangtao area focused on three kinds as follows: hotels and resorts, residential properties, and shopping plazas.	All hotels and resorts, residential properties and shopping plazas constructed in the Bangtao area.

Islamic beliefs	The pillar of cultural practices stemming from Allah via the Holy Qur'an and the Holy Prophet Muhammad via the Hadith	The cultural practices in terms of behaviors such as the praying five times a day, the prohibition against drinking alcohol or going to pubs and bars	Choose only the cultural practices in terms of behavior pattern; e.g. the inconvenience of praying five times a day, the prohibition of drinking alcohol, female Muslims style of dress, and a Muslim teenagers' tendency to participate in nightlife.
-----------------	---	---	--

<b>Dependent Variables</b>			
<b>Variable</b>	<b>Conceptual Definition</b>	<b>Operational Definition</b>	<b>Indicator</b>
Attitude	The way a person thinks or feels about a particular attitude object	The degree of positive or negative feeling towards the expansion of real estate business	Likert scale: Strongly agree, Agree, Neutral, Disagree, Strongly disagree
Muslim people	One who professes Islam, and which literally means "one who submits to the Will of the One God-Allah"	Thai-Muslim People who live in Bangtao Community, Phuket	Thai-Muslim people in Bangtao, aged 15 years old and over.

## **1.5 SCOPE OF THE STUDY**

This study investigated the attitudes of Bangtao Thai-Muslim people towards the expansion of real estate business and focused only on Thai-Muslim people whose age was 15 years and over living in the Bangtao area.

One hundred twenty Bangtao Thai-Muslim people were purposively selected as the subjects of the research. A questionnaire with closed-ended questions was the instrument of this study. It consisted of three parts: demographic information, attitudes towards the expansion of real estate business, and suggestions from the respondents. A 5-point Likert Scale was used in the questionnaire in order to measure the attitudes.

The questionnaire was distributed to Bangtao Thai-Muslim people from January 13-19, 2009. The collected data was analyzed by using the Statistical Package for Social Sciences (SPSS) program version number 14 to find out the attitudes of Bangtao Thai-Muslim people, both positive and negative.

## **1.6 SIGNIFICANCE OF THE STUDY**

The findings will help investors in the real estate business to be aware of Muslim people's attitudes and norms. Moreover, it will enhance the mutual long-term relationships between the Muslim community and the businessmen or owners of real estate investments. In addition, the findings will help reduce the conflict between the different religions and encourage sympathy between different religions and cultures. Hopefully, local residents and investors will work together in order to improve the economic and financial status of the community.

## **1.7 ORGANIZATION OF THE STUDY**

The study of the attitudes of Bangtao Thai-Muslim people towards the expansion of real estate business in Bangtao area, Phuket is divided into five chapters.

Chapter one introduces the background of the study, statement of the problem, objectives of the study, variables and definitions, scope of the study, significance of the study, and the organization of the study.

Chapter two reviews the literature covering the concept and theories of attitudes, the concept of real estate investment, Thai-Muslim beliefs, social change, as well as other relevant previous studies.

Chapter three describes the research methodology including the subjects of the study, materials used, and the procedures used to collect and analyze the data.

Chapter four shows the results of the study and data analysis

Chapter five summarizes the study which includes a discussion of the findings and recommendations for further research.