

**ABSTRACT**

**Title of Dissertation** : An Analysis and Synthesis of Community Business  
in Thailand  
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Community business as one of the alternative models of development has gained importance and recognition in Thailand especially since the economic crisis hit Thailand in 1997. While public agencies, NGOs and POs struggle to work with it, many community businesses have been in operation for a long time with diverse characteristics and different degrees of success.

The study on analysis and synthesis of community business in Thailand was directed towards the following objectives: 1) to understand the diversity of forms and structures of community business, 2) to understand its nature and characteristics, 3) to examine its capabilities and potentials, and 4) to identify factors which contribute to its formation and manifestation.

The research methodology using here was mainly qualitative by selecting three different case studies based on who and how they were initiated: 1) locally initiated community business: whose objectives were determined by the local villagers themselves with little or no outside involvement (the Maireang community business in Nakornsrihammaraj province in the south), 2) jointly initiated community business: whose objectives were determined by local villagers with significant involvement from outsiders (the Huasamrong community business in Lopburi in the central plain), and 3) the externally initiated community business, whose objectives were determined by outsiders (Nongwah community business in Chachoengsao in the east).

From research in three cases of community business, the dissertation found that there are similarities as well as differences among them. Maireang started out a business dealing with processing rubber latex. Its members had engaged in cooperative labor exchange before getting together in this business. Working and learning through trials and errors, the group's solidarity and cohesiveness are strong. After its own initiative and some success, external intervention in the form of assistance and support came from both state and non-state organizations, which led to its gradual expansion and diversification, both in terms of network formation and types of business engagement.

Huasamrong community business was initiated by outsiders in collaboration with the local villagers. The type of business was processed food and herbal supplement. Structure and organization of the groups are informal and small. The main objectives of working together was to enhance mutual assistance and civic participation. Although earned income was a welcomed addition to members of the group, operation of the business is not based on modern business management system and style. Villagers have not yet to see profit making as the prime objective of their business venture.

The Nongwah group did not start out as a community business. Villagers worked as hog and poultry farmers for a large company. In essence, they were like contract farmers to the company. As the group accumulated savings, skills and experience, the members began to cooperate as membership based community business owners. However, business and investment decisions and strategies are left to professional managers.

Similarities found among the cases are: 1) Necessary conditions which are crucial to the functioning of community business. They include government policy, vision, capacity, commitment and honesty of leaders, business management skills and utilization of catalysts. 2) Enhanced conditions are indigenous social capital, learning, knowledge creation, networks and linkages, and grassroots participation.

Problems associated with community business are: inefficient management of organization and business, over-reliance and dependence on leaders and outsiders which impede self-reliance in managing affairs and a tendency towards malpractices.

Recommendations have been made in accordance with those dominant features of CBOs found in the three case studies were: First, to overcome inefficiency by providing business development services, such as training, business consultations, business information, financial support, and marketing services. In addition, effectiveness could be reached through internal resource mobilization, leadership development, participation, and formulating rules and regulations. Second, to avoid subordination of the leaders and the outsiders by creating mutual linkages through participatory techniques, such as increasing internal resource mobilization, raising local people's consciousness regarding their well-being. Lastly, confronting malpractices could be made through social control, participation, simplification of procedures, transparency building through providing information and external audits.