Significance of the Regional One-Product Policy

-How to use the OVOP/OTOP movements-

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Foreword

The policy with the concept of OVOP, One Village One Product, was initiated by the Oita Prefecture Government in Japan for regional vitalization through the production of excellent regional products. Its method was followed by the Thai national government as OTOP, One Tambon One Product, for regional development. Now various kinds of OVOP/OTOP movements, which may be called ‘regional one-product policies’, are seen worldwide, mainly in Asia and additionally in Africa and South America. After over 30 years of experience of the OVOP/OTOP movement and policy since OVOP formally started in Japan in 1979, it is time that the utilization of OVOP/OTOP as the regional one-product policy should be reexamined for the future implementation of advanced policies. The purpose of this book is to present a new vision based on clarifying the significance of the past and ongoing OVOP/OTOP movements and policies.

What are the core characteristics of OVOP/OTOP policies? This is the basic question of this book. Its features can be seen in the OVOP movement in Oita Prefecture as the simple method of producing regional products linked with complex ideas for regional vitalization. The simple method of the OVOP movement is just to produce excellent regional products. The complex ideas of OVOP are a variety of principles that are useful to solve local problems, both in developed and developing countries. No one believes that one product can save one village by solving local problems but nevertheless the symbol of OVOP is attractive. This attraction makes it easy for policy makers and local people to use the OVOP symbol and freely understand the significance of OVOP. Therefore, in order to identify the utility of the OVOP/OTOP policy beyond its symbolic usage it is necessary that the significance of the regional one-product policy through the OVOP/OTOP symbol is clearly discussed and clarified.

The significance and difficulty of the OVOP/OTOP movement are described in Chapters one to four. The implementation of the OVOP/OTOP policy when considering future development is discussed in Chapters five to nine. Chapters ten to fourteen report on OVOP/OTOP activities for clarifying its functions. Additionally Chapter 14 as the concluding part of this book presents an approach to evaluate the effects of the OVOP policy regarding how to use the OVOP/OTOP movements.

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Introducing

Japanese mountainous rural areas have been suffering from de-population and aging society. The Japanese ‘One Village One Product’ (OVOP) movement is spreading throughout Asia including Thailand, China, and Cambodia. In developing countries, there are urgent needs to reduce poverty and wage gaps by revitalizing regional economy. Japanese OVOP movement, which was originated in Oita prefecture, provides an important model of success in regional development policy. As part of the Aid for Trade initiative, the Japanese government initiated the OVOP Campaign. In addition, the government is expanding assistance to Africa. However, critics argue that the sustainability of the movement is heavily dependent on government intervention. Therefore, the movement declines in proportion to the reduction of the government interventions.

Significance of the Study

This study will contribute to the awareness and knowledge of innovation management. Aside from the academic staffs, the local government administrators and rural cottage industrial workers will be benefited from this study as it can help them improve and create new policies to find better ways to cater to the needs of their local community.

There is an urgent need for case studies of good practice in innovation, of what are the issues and challenges facing innovation and innovators, to develop partnerships to share and network this information with decision-takers, policy-makers, and to build human and institutional innovation capacity through education and training. In order to achieve this there is a particular need to get innovation onto the ‘Development Agenda’, into the development process and to promote cooperation between developed and developing countries. (OECD-UNESCO 2009)
The findings of this study can also serve as a useful guide to new local to local cooperation. It can also raise more awareness among the foreign private companies on the stability of the local economy and encourage their investment to the rural economy.

Definitions of the Innovation
Traditional definitions of the Innovation

Before starting the argument of the innovation for one-product policy, we have to define our definition of the innovation. An intense competition for global economic advantage is under way. The race will be won by nations with innovation-based economies and economic policies. For economists, innovation is an essence to understand the dynamics of the nations’ economy. In “Capital”, Karl Heinrich Marx had suggested that the main way for capitalist firms to keep competitive was to increase productivity by introducing new and more efficient machinery. Firms that succeeded in introducing new technology would see their competitive position improved. Joseph Schumpeter essentially adopted this argument. For him, this technological competition was the true nature of capitalist competition, in contrast to the “price competition” envisaged in traditional economics. Schumpeter also departed from Marx by making an attempt to develop a theory of innovation. And he added a definition of innovation (or “development” as he initially phrased it) as “new combinations” of new or existing knowledge, resources, equipment and so on (Schumpeter 1934). He also emphasized the importance of innovation in large firms, and pointed to historically oriented, qualitative research (case studies) as the way forward for research in this area (Schumpeter 1947, 1949).

Christensen suggests that successful companies can put too much emphasis on customers' current needs, and fail to adopt new technology or business models that will meet customers' unstated or future needs; he argues that such companies will fall behind. Christensen calls this "disruptive innovation" (Christensen 2011). In other words, the term is used in business and technology literature to describe innovations that improve a product or service in ways that the market does not expect, typically first by designing for a different set of consumers in the new market and later by lowering prices in the existing market. In contrast to the disruptive innovation, a sustaining innovation does not create new markets or value networks but rather only evolves existing ones with better value, allowing the firms within to compete against each other's sustaining improvements.
Definitions of the Innovation for the One-product Policy

Traditional arguments of the innovation were mainly technical issues. However, we can observe many non-technical innovations such as new networks of the community groups and marketing channels. When Dr. Morihiko Hiramatsu was elected as the governor of Oita Prefecture in 1979, the main objective of “OVOP” movement was to procure both “GNP Society” and “GNS Society”. (Hiramatsu 1990) The idea of Gross National Satisfaction (GNS), or Gross National Happiness (GNH) are the new trend of the society. “Most people agree that societies should foster the happiness of their citizens. The U.S. Founding Fathers recognized the inalienable right to the pursuit of happiness. British philosophers talked about the greatest good for the greatest number. Bhutan has famously adopted the goal of Gross National Happiness (GNH) rather than Gross National Product (GNP). China champions a harmonious society.” (Sachs 2012) Our focus of the study is local economics, cottage industries and life of the local people. Therefore, we would like to define our definition on the innovations for the one-product policy as all the creation of “value adds” to the local economy and way of life. And the Innovation can be classified by the role of the innovator; Leader is a good catalyst and has to encourage members to be creative. And the leader needs longer perspectives to the innovation. On the other hand, entrepreneur is an activist.

Creativity of the OVOP movement

Theoretical discussions on OVOP’s Creativity and Innovative value

Former governor of Oita Prefecture, Dr. Morihiko Hiramatsu, initiated the OVOP movement in 1979. “As early as in 1980, Dr. Hiramatsu visited Tokyo meat wholesale market and advertised local beef in front of the middlemen. No local governor has ever visited the market to promote the sales of local products before.” (Adachi, 2005) OVOP requires people to take up a product or industry distinctive to their region and cultivate it into a nationally,
or even globally, accepted one. The impetus for the OVOP movement in Oita was threefold (Kurokawa et al, 2008):

(i) "Think Globally, Act Locally": With our distinct local flavours and cultures, we create product, which can be marketed throughout Japan and the rest of the world.

(ii) "Independence / Creativity": It is up to the people who live in the local areas to decide which products they wish to produce.

(iii) "Human Resources Development": The ultimate goal is to foster visionary local leaders with creativity as well as challenging spirit.

In this regional development approach, the government is a moderator of the movement. Subsequently, OVOP movement was introduced to many Asian countries. But those were slightly different from the Oita’s OVOP. It is an endogenous and innovative movement by the local people. According to the Ramon Magsaysay Award, the OVOP movement described as follows. “How to revitalize Oita? Solving this problem became Hiramatsu's passion. Certain regions, he knew, had made a name for themselves by producing signature products—tangerines, pottery, shiitake mushrooms. Why not encourage every community to devote itself to a single product in which it could truly excel? This concept became the basis of Hiramatsu's innovative development plan: One village, one product.” (The Ramon Magsaysay Award for Government Service, 1995) It accepts subsidy cuts (or, it does not rely on subsidies), this fits together with the belief of the Washington Consensus. The OVOP movement is fundamentally a community-based movement that does not rely on public funds, so “subsidy-dependent undertakings must be avoided although technical and sales assistance should be actively provided.” (Hiramatsu, 2007)

The innovative idea can be read in its second principle, “Self-reliance and Creativity.” and the third principle, “Human Resource Development”. This indicates that the focus of regional assistance has shifted from construction of roads and buildings to development of human resources, with an underlying attitude of creativity.

Role of the governments

Government assistance for innovation

The Oita local government was quite active to promote villagers’ innovation. The government requested “Self-reliance”, but has been offered so many supports for innovation. One of the good examples is the Bamboo craft training school in Beppu city, Oita prefecture. The training center is a prefectural training center to promote bamboo crafts including some
innovations such as design, usage and new products. And the center has incubation craft rooms for local entrepreneurs. The bamboo can be used as a new material as well. In addition, there are many industrial research center such as Oita Industrial Research Institute. They can provide technical assistances to examine the innovations.

OVOP’s Creativity and Overseas Development Assistance

The role of the government is much more focused when the OVOP movement is discussed in the context of development assistance. In particular, when a donor country proposes introduction of an OVOP scheme, recipient countries tend to expect various benefits such as: governments’ active sales promotion and marketing support, especially for exports; Qualification of products by governments; provision of technical guidance, training programs and information needed to develop products that reserve qualification; Opportunities to participate in experience exchange events and trade fairs hosted by governments for promoting the OVOP movement; and microfinance services to assist commercialization efforts.

In addition, in host countries of Japanese volunteer groups such as the Japan Overseas Cooperation Volunteers and Senior Overseas Volunteers, there may be expectations for technical guidance by volunteers (on vegetable cultivation, food processing, etc.).

Structures for quality control in Japan include (a) governmental inspections (by designated agencies) and (b) regulations under international standards such as ISO 9001. Voluntary endeavors for quality control at the corporate level include (a) promotion of QC activities typified by the 5S’s or Kaizen that aim to improve individual employee’s ability to control quality, and (b) establishment of in-house auditing and monitoring systems designed to enhance organizational management capacity.

As an indirect measure for quality control, “brand agriculture” is rapidly becoming popular in recent years. This means enriching the value of agricultural products to enhance regional development with a broadened concept of quality control that includes controlling information about the origins of ingredients, characteristics and regionalism of products, whereas conventional measures are usually limited to hygienic control and process management.

Brand agriculture increased its visibility in Japan after the Revised Trademark Law went into force in April 2006, which enabled prompt registration of a collective trademark that
contains the place name and product name. Because of a chain of scandals involving contamination and mislabeling of foods in 2007, reinforcement of quality control by “strengthening the role of governments and oversight of citizens” (Stiglitz, 2005) is required more than ever in Japan.

**OTOP’s Creativity and Structural Support**

In Japan, technical assistance such as industrial research center was a main function of the government. However, in Thailand, their uniqueness is a structural support to the community by combining various government agencies. The following is a list of the most important subcommittees under the OTOP National Administrative Committee and their functions (The Office of Small and Medium Enterprises Promotion, Ministry of Industry 2008).

(i) Management subcommittee

➢ Executes and coordinates plans and strategies agreed upon by the OTOP National Administrative Committee
➢ Coordinates with concerned authorities in relation to operations planning and budgeting of the set plans and strategies Develops an OTOP database and creates information systems with parties involved in the OTOP project
➢ Provides monitoring and evaluation

(ii) Marketing subcommittee

➢ Lays down marketing policies, action plans, and marketing directions
➢ Identifies distribution channels and considers appropriate locations for the setting up of domestic and international distribution outlets
➢ Protects OTOP products’ intellectual property rights

To promote the creativity, the Thai government established many web sites for OTOP products. The intellectual property rights are the essence of the promotion of the creativity. However, it is not easy and we cannot fully control faked products. The full use of the web sites to demonstrate the uniqueness of the OTOP products has been successful. Because of that, everybody easily understands which was true.

And the registration system of Thai OTOP is an important system to promote training programs. First of all, rural cottage industry must be registered. Members of OTOP sub-committee persuade leaders to register the group as an OTOP producer. For instance, in 2005, it was only 886 producers in the Khon Kaen province. But it is increasing year by year. In 2006, they had additional 354 registrations and it was totally 1,240. The merit of the registration is such as free training and free technical advice from the government related agencies. This encourages the participation to the trainings.
Leadership and Innovation

We have to understand the nature of the innovation. In the OVOP movement, Dr. Hiramatsu indicated the role of the leader by introducing former governor of Oita city, Mr. Ueda. He tried to use the wild monkey in Takasaki Mountain near Oita to invite more visitors to the city in 1950. But, the city assembly at that time strongly opposed to his plan. This was a risky method, but it was quite successful and even now the monkeys attract many visitors to the city. (Hiramatsu 1990) Patterson identified the essence of the innovation by the interviews survey, “A range of key leadership characteristics and behaviors were confirmed as promoting innovation, including confidence, courage, motivation, curiosity, openness to ideas, an open style of communication, flexibility, encouragement of risk-taking, and being optimistic about the future. One of the most critical characteristics of leaders is their ability to encourage risk-taking.” (Patterson 2009) What we need to do is to build an environment conducive to innovation. We must remove barriers and obstacles that don't let local innovators innovate. Next section, we describe some good example of the innovations.

Case studies of OVOP in Japan
Revival of the Traditional foods

Products: Yoshino Tori-meshi (Chicken rice ball), Oita city, Oita prefecture

This rice ball business was started by the OVOP group in 1988. The local ladies thought that the traditional chicken was good, but the modern younger generation followed western foods such as hamburger and spaghetti. The traditional foods were going to be disappeared without any supporters. Accordingly, they established a conservation committee for the traditional chicken rice ball. Thanks to the OVOP movement, the traditional chicken rice ball had a good reputation among visitors and local people as well. Without their fresh look back to the traditional foods, they were unable to start their business.

Traditional production methods

Products: Homemade winner without any artificial additives, Takeda city, Oita prefecture.

This OVOP group, called Pal club-Kuju has a long history. Actually, the group started their production before the OVOP movement. At that time, industrialization of the food industry was a fashion and traditional production methods were out of the sights of the consumers. Against this trend, the group produced winners without introducing mass production system. Thanks to the awareness rising of the people for the artificial additives, their products got many customers.


Story of the products

Products: Common mackerel, and horse mackerel (Seki-aji and Seki-saba)

Oita Prefecture is renowned for common mackerel, and horse mackerel. "Seki Aji" and "Seki Saba" horse mackerel and common mackerel, respectively, are caught by single-hook fishing in the waters of the Bungo Channel, where the waters of the Pacific Ocean and the Inland Sea converge dynamically. Seki Aji and Seki Saba are widely renowned for their premium standard and high quality. Fish raised in the Bungo Channel can be sold for high prices because of their activeness for the strong flow of the tide. But no one knows how they were different from others. And the fishermen explained the story of their mackerel. This is due to their marketing strategy to provide the story of the products. The appearance of the fish has no uniqueness, but just adding the story of the products, it can be sold for higher prices.

Traditional foods with small innovation

Azemichi group, Hita city, Oita prefecture

Products: Karintou (snack fried sugar-coated dough)

Innovative activities: They started their Karintou business by learning how to make Karintou, how to start up business, and how to manage the business. But they gradually added new flavors to their Karintou and become very famous for the variety of the tastes. This was a small change, but was a modernization of the traditional foods. They produce seven flavors such as soybean, mugwort (Yomogi), purple potato, milk, pumpkin, sesame, and sweet potato.

And the uniqueness was their willingness to their technical transfer to the neighbor OVOP groups. Similar OVOP groups followed their small innovation by adding other flavors. Finally, all the OVOP producing similar products were well benefited by adding variation to their products. At present, they are successful in gaining several major customers and developing a number of sales channels. They opened their own shop, where OVOP products are sold. The shop can work not only as a channel of sales, but also as a center for OVOP groups in the area.

Seven tastes and groups, photo by Kiyoto Kurokawa in July 2008
**Traditional foods by adding health values**

Products: "Dangojiru" (healthy traditional local noodle with a variety of vegetables)

Dangojiru, Oita prefectural traditional dumpling soup is recommended for health conscious customers, because, not like in most other dish, it is a meat free diet. It tastes plain, but as the soup stock is made from scratch. This food was very popular about 40 to 50 years ago when they were poor and had only limited rice crops. According to the web page of Ministry of Agriculture and fishery, Japan, these foods were widely accepted in all the Kyushu islands. However, it became one of Oita’s typical local foods. Especially, the OVOP group explained the health value clearly. This was a small innovation, but was quite successful.

**Revival of interests in old-fashioned things**

The old shop street of SHOWA-no-MACHI in Bungo Takada city, Oita prefecture

The street was quite active during Show era (1926 to 1989), but became very quiet because of the de-population and aging society. The city tried to revive the street by recollecting their good memories of their happy active Showa days. Fortunately, they retained some old fashioned shops and residents. They redesigned the street as it was in Showa era. Every shop they find it there has its own story. Why they can preserve the image of Showa era? It was a irony of the town. Since they lost their economic vitalization, they were unable to renew their buildings. That why they had Showa atmospheres in their town.

(Source: Bungo Takada city, Oita  Retrieved from http://www.showanomachi.com/sansaku/map_print1.pdf on 19 October 2012)
Case studies of OTOP in Thailand

New material for traditional crafts

Products: Glass traditional Thai boat: These products are mainly sold to the luxurious hotels in Bangkok as a decoration at the hall or restaurant of the hotel. The leader of this OTOP group started this business in Bangkok, but he realized that this can be produced even in rural area. In the initial stage, he used local glass for Thai boat making. However, it was not suitable since the glass became dark quickly. Finally, he has introduced high quality glass from Japan.

Local insects for ornament

Products: Ornament made by Metallic Wood Boring Beetle.

This is an ornament making group at Poophan district, Sakon Nakohn, Northwest Thailand. The village is located on the hilltop area and has some unique insects including this shining “Metallic wood boring beetle”. It was not easy to use these insects to the ornament. Since these insects had a bad smell and it was very difficult to remove it. That is why nobody tried to produce ornament from the insect before. We understood that their creativity demonstrated in making money from anything.

Traditional foods with small innovations

Products: Sweet Sticky Candy (Kalamae) OTOP group

There are many similar goods, but the each flavor is completely different like Japanese Karinto, fried dough cookies. The management of the group is completely under the “kinship”. The secrets of the flavor are family treasure; no one outside family can inherit it. They are always trying to produce new flavor of Kalamae and trying to improve their labeling value as well.
Traditional production method with story of the products

Products: Fish sausage OTOP group

This group in Khon Kaen province got a 5 star grade and became a very famous OTOP group in Thailand. The uniqueness is the difference of the material of the fish sausage. And comparing mass production sausages, this one is a hand made with traditional leaves. And the fish used for the sausage is natural local fishes, not the cultivated mass production fish. The rainfall water is believed to be the best water because of the surrounding forests. Accordingly the taste of the fish sausage is completely different from the mass production one. And after getting OTOP 5 stars, they had many visitors and other awards as well. We saw so many awards and visitors photos. Finally, she prepared a guide to demonstrate how to make a good fish sausage with photos, and became a good trainer for OTOP. There are many government related agencies for the cottage industry in rural area. According to the fish sausage producer, Ministry of Agriculture and Ministry of Industry both offered packaging design for their products. However, they are independently working within their roles. There was confusion about how to get training program. No government agency knows all the available resources for the entrepreneurs. For women especially, the Non-Formal Education Center has an office in all districts. The Skills Development Center also offers various training courses in response to market labor demand. Someone should organize these functions to be fully utilized by the local entrepreneurs. OTOP is trying to coordinate them and the role of local university will increase more.

Conclusions and Policy Recommendations

Difference and similarity of the OVOP/OTOP innovation promotion

The small innovations among OVOP/OTOP groups can be widely observed. These innovations were coming from the local initiatives, and mind sets for the entrepreneur. From observations and interviews, we have identified some difference and similarity of the OVOP/OTOP movement. The common characteristics of the innovative activities are adding small value, trial and never ending innovative activities. And the role of the leaders is the essential to their daily activities.
In Japan, we can observe full use of the local traditions for innovations. These were not the new products, but they brought back new values to their products. The local government also provided technical assistance to the industrial innovations as well. And the role of the leadership was clearly recognized as a key factor of the innovation.

In Thailand, we investigated especially five star winners of OTOP product championship including fish sausage, peanuts cookie and textile producer’s group. According to them, there are some prominent progresses in cottage industries with OTOP movement. That was an integration of the government assistances.

**Conclusions and Policy Recommendations**

The small innovations among OVOP/OTOP groups brought new values to the local society. These innovations revitalize the aging society in Japan and created local employment opportunities in Thailand. The economic impact could be small, but it brought new value of the society and new mind-sets.

To promote this innovative mind-set, the local government must promote leadership trainings, technical assistances and shoring of the success stories of the innovation. Thai OTOP is well established for the information sharing and the international OVOP/OTOP seminar, which was started from Thailand in 2003, is a good chance to promote these innovative activities world-wide.

**Endnote**


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Chapter 2

Sustainable Local Development on Grassroots Economy through the OVOP/OTOP Approach in Thailand

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Introduction

Some part of this article applies from the research project entitled “A Study on One village One Product Project (OVOP) in Japan and Thailand as an Alternative of Community Development in Indonesia” which was inspired by Professor Dr. Hiroshi Murayama from Ritsumeikan University who gave us the opportunities to attain an “International OVOP Policy Association (IOPA)” Conference held at Zhejiang University in China (Claymone, 2007). Results from participating in the present article in that conference, allows our researcher team to bring issues to write a research proposal named above. Finally, this research proposal was granted by Office of Research Administration, Thammasat University. Some part of this paper, the effectiveness of policies of One Tambon One Product (OTOP) project in Thailand section, adjusted from the research written in Thai language mentioned above.

Background of One Tambon One Product (OTOP) in Thailand

Thailand has played a certain level of social and economic progress and integrated into the global economy through modernization since 1960s from the time when the first National Economics Development Plan (1961-1965) began. Being an agriculture-based economy, agricultural development in Thailand, was a strategy in the progress of rural development during the 1960s and 1970s. Then, it was followed by a shift in the mid-1980s away from agriculture to manufacturing and services sectors. There were problems in agricultural/rural sector in those periods. Unequal distribution of income and growth among urban and rural communities drove into poverty, and rural development was given top priority since 1970. Earlier policies on agricultural or rural development emphasized areas with a high concen-
tation of resource allocation and development potential. It was because agriculture was the mainstay of the majority of the Thai population, and development effort was focus mainly on economic growth.

Only from the Fifth Development Plan (1982-1986) that social dimension was officially addressed and integrated into the Plan. Thus, “National Economic Development Plan” was changed to be “National Economic and Social Development Plan”. The government identified rural development as a primary sector in which to target poverty. In the Sixth Plan (1987-1991), the poverty reduction policy addressed income distribution and the development in the rural areas. In the Seventh Plan, the poverty issue was incorporated in the policy by enhancing the quality of life such as medical care program for the poor and etc. On the contrary, amid the 1997 crisis, the agricultural and rural sector has demonstrated its innate strength of Thai society to respond to the situation in term of increased production and in its ability to absorb high levels of reverse rural-urban migration. The rural sector was the shock-absorber that welcomed millions people from the big cities who, having lost their jobs and choosing to go back to their home town and their families. Even though big business in the urban areas had to close down, the rural sector survived due to its richness in natural resources as well as its social capital deeply rooted in the Thai culture. In addition, the rural sector was able to absorb the influx of great number of jobless people. Many of them turned to activities that their families practiced in everyday life, and perhaps injecting a little more creativity into them. For example, some tried producing bottled fruit juice of snacks from local and indigenous fruits. Some turned to handicrafts such as basketry, weaving and making gift items from silk and cotton. Other helped their families with farming chores. Knowledge in cooking, handicrafts and agriculture was so common in Thai life. The crisis began in the first year of the implementation of the Eighth National Social and Economic Development Plan (1997-2001). Thus, there was a need to revise the plan in order to deal with the national crisis. It was focused to citizen participation and was a major step toward the mobilization of people from all walks of life to play more active role in the process of national development (Tinnaluck, 2005)

At the same time that the government was trying to solve the problems in business and financial sectors, the rural sector was also given more importance. The government began to realize the more potential of the rural sector in absorbing jobless people from the big cities. Various projects were initiated to generate jobs and incomes in the rural sector. For example, the Social Investment Fund (SIF) was a four-year project (1998-2002) funded by a 4.8 billion U.S. dollar loan from the World Bank. The Village Revolving Fund was a national scheme for a one million baht lending fund to each of around seventy-two thousand villages across Thailand. And the famous government’s One Tambon (sub-district), One Product (OTOP)
initiative is the major scheme to promote community or grassroots economy. This OTOP idea was borrowed from Oita- a Japanese village that creates unique products for the village as tourists’ attraction in order to generate better income among villagers, but adapted to the Thai context at national scale.

The OTOP (One Tambon One Product) Development Policy was initiated by the Royal Thai Government (RTG) in 2000, under the leadership of Dr. Thaksin Shinawatra, the Prime Minister of Thailand at that time. The Tambon is an administrative unit in Thailand roughly equivalent to a district. ‘One Tambon One Product’ (OTOP) is Thailand’s version of OVOP. The brain behind it was ex-prime minister Thaksin, a telecommunication business, who visited Oita with his senior officials several occasions to get first hand understanding of the revolutionary changes, and these visits led to coordinated government adoption and adaptation of OVOP to the specific circumstances of Thailand. The legacy of centralised administration in Thailand arising out centuries of absolute monarchism made a centralized approach to OVOP the natural choice. Although OTOP (like OVOP) has adopted a bottom-up implementation modality that hinges on government-community-private sector partnership, and is based on the same three principles (i.e. Think Globally, Act Locally; Independence and Creativity; and Fostering Human Resources), it is formulated and implemented by the Thai central government, with strict guidelines for product development and marketing. OTOP (like OVOP) is not promoted as the only or even main development strategy for Thailand; rather it is part of the Thailand’s dual track development policy of “fostering the nation’s competitiveness, while stimulating domestic consumption and empowerment of grassroots communities” (Fujioka, n.d.). OTOP is directed and coordinated from the top by the National OTOP Administrative Committee (NOAC), with sub-committees comprising officials from line ministries at national, provincial and district levels. OTOP activities are based on an annual project master plan, which is funded directly from the national budget. The budget for OTOP is managed by NOAC and is used to fund activities in the OTOP annual project master plan.

The rural labor population is maximum in Thailand, so develop the rural economic for social stability of Thailand is very important. In these measures, OTOP (One Tambon One Product) exercise was referring to successfully promote experience of Japan OVOP movement. It encourages villagers to use local community resources, wisdom and heritage to create local specific commodities. The government promoted the OTOP project plan by allocating 100 million baht to 45,000 villages to encourage the independent development of advantage products each country. To improve the quality of product design and design talent, the government established the Thailand Creative Design Center to manage industry professionals, product design, improve matters in 2005. By inviting worldwide well-known designers to guide the product design, create local specialty product based the traditional culture.
In market development, in addition to set retail shops within domestic shopping malls and department stores, set up an independent OTOP shop at specific location to sell local specialties. And develop internet trading platform for domestic and foreign tourist visitors to actively expanding sales of products. By through holding the annual exhibition for the OTOP, not only display and sell their annual innovative products, but also invite domestic and foreign buyers, importers, manufacturers, traders, distributors, wholesalers, traders, department stores coming to visit so that create tourism revenue of Thailand. The Thailand government has selected the best local products to participate international trade show in the world (Routray, 2007).

The OVOP (One Village One Product) concept

The OVOP (One Village One Product) concept is a unique approach to local development which was the brain of the Japanese former Governor of Oita prefecture, Hiramatsu, who used his previous experience and exposure in the Japanese Ministry of Economy, Trade and Industry (METI) to aim for a solution to Oita’s serious rural economic decline. This approach has been very successful in the Japanese prefecture of Oita and has attracted and continues to attract wide international appeal, particularly in developing countries, because of its potential to reverse local decay and decline. The countries that have embraced OVOP include Thailand, Vietnam, Korea, China, Cambodia, Philippines, Laos, and Indonesia in South East Asia (Oita International Exchange Promotion Committee, 2006).

The essence of OVOP lies in value addition to local products to generate higher incomes for local communities, as well as in transforming local environments to make them attractive to local residents and tourists. In that regard it runs in line with the new thrust towards local economic development and the value addition being promoted through Programme. OVOP is a distinctive approach to rural community development in which latent local community creativity and potential is triggered, through effective local leadership and human resources development, and directed at community revitalisation through development of unique products that have strong market appeal. Its overall aim is to develop and consolidate local self-organising capability for sustainable local development and poverty reduction.

There are the three principles as follows: (i) self-reliance and creativity (ii) human resources development, and (iii) thinking locally but acting globally. Local people take the lead, independent of external prompting and largely on their own creativity and self-reliance, to make unique products from local resources for their own good and to capture markets external to their locality. In the process they develop their expertise through production of competitive products, their livelihoods improve due to enhanced incomes, and their communities develop closer bonds at the same time. The OVOP rural community development concept has been implemented in different ways where it has been introduced, depending on
the overall objectives and the unique circumstances of each country. As a result, it was widely adopted by many local governments of Japan (Igusa, n.d.) and spread to the rest of the world.

The Concept of Rural Economic Development Launching in Thailand

The concept of rural economic growth is the base of local and regional development and it builds regional economy to be national economy. It builds from bottom to top and parallel with one another which is the capital system that builds from top to bottom. Finally it will become a new system which a lot of peoples living with it. Concept of One Town One Product is the guidance to support and promote local self-reliance and make more money by local product in each village. To create product and market for local product is self-reliance which is the key concept in order to make quality of life. The community needs to enhance the quality of local product with local features into global standards to develop and expand domestic market to global market. It is base on local knowledge and application of technology and cooperation of local people themselves. This concept requires that the village should have one product in which one type of local materials and resources in order to reduce migration to the big city. This activity is regarded as an economic community. It is consistent with the concept of sufficiency economy of His Majesty King Bhumibol Adulyadej of Thailand. This economic activity, One Tambol One Product is a tool that encourages the learning process of the community and continued economic development. A development strategy relies on the development of the village as a unit (unit of development) as well as preliminary and subject to the district. One approach is to create prosperity for the community to enhance the well-being of their communities for the better. The production or management of local resources available to a quality product features and selling points, and in accordance with the local culture so widely known throughout the country and around the world is a major basic principle. There are 3 basic principles as the following items:

1) Local to global (local yet global) products and services that use traditional knowledge and culture to be accepted internationally.

2) Self-reliance and creative thinking (Self-reliance-creativity) dream come true with the One Tambon One Product. It is essential to build the capacity of community residents.

3) The Human Resource Development (HR) to nurture the mind, and spirit of challenge and creativity. Do not focus on the financial support (subsidy) to the local because it will destroy the ability of self-reliance. The government only provides technical support to communities to improve product quality as well as assisting in advertising in the local market will help to enhance the value of product readily. In marketing,
to increase sales it is necessary to establish one product (one Product Corporation) to provide a channel of distribution to various markets.

These are the three main reasons:

1) World Class quality Standard. There is the continuous development in line with the culture and specific features as the domestic and global market.

2) There is a famous one unique idea in the invention and product development in order to get the best with respect to revive the local culture, according to the unique character of the village or district to be recognized.

3) Human resource development and technological improvements. To educate people with a vision to become an expert knowledge and professional.

The process of "One Tambon One Product" is the following steps:

Step 1: District community, Corporate responsibility, Community / Local authorities are in the process of community participation in the public arena in order to select the best products of the district in accordance with local knowledge, and local materials in their own community.

Step 2: Community District / Sub District, Organization responsible for district / sub-district is primarily responsible for the outstanding products in various district of the district / sub-district by an integrated plan with their own budget to provide support.

Step 3: Communities in the province, a provincial organization is primarily responsible for the outstanding products in various districts of the province by an integration plan with their own budget to provide support.

Steps 4 and 5: The global community has a responsibility to set policy and strategic plan for the "One Tambon One Product". The global community has a responsibility to set policy and strategic plan for the "One Tambon One Product" and defines standardization for selecting the best product accounts of the district for the Council of Ministers to support the implementation of a strategic policy and planning.

This process is not guided by the government, but to think and act from the bottom up by the public participation that is the people involved. Government is just waiting to be driven to the report of each districts/ villages which are a different way in implementation.

**The Role of Government in OTOP Promotion**

One Tambon One Product project represents the marriage of modern marketing principles and applies them together to make the product more widely known. It is known that this happened during the Thaksin government and when the Democrat Party became the government. The project is not much more supported as it should be. And later, when Miss
Yingluk Shinawatra was appointed as Prime Minister. One Tambon One Product project is to get interested again. The emergence of this project was concluded by the government. The budget has been distributed to community for based projects to happen. During the implementation of the program in all villages, Thaksin government has supported the event as a place to promote OTOP products are well known in the community more broadly. But what happened next is that every community is not entirely successful. There are some communities that do not profit as well as it should get. Or some area that founded this project, finally It was a business just for one family. Nowadays, the government has to pay attention to the OTOP project again and was assigned to the agency to oversee on it. The lead agency is the Ministry of Interior. The strategy for the promotion and development of OTOP is composed of two main strategies.

1) Strategies to promote the production and standardization. There are three ways to perform the procedure.

- The target product: Using the small and medium businesses that want to offer their product and product names are registered with the government division and then, a selection of OTOP products of interest and market opportunities.

- To promote the development of products by developing a network of knowledge: with an emphasis on promoting the use of traditional knowledge and technologies in the production and youth development with conservation include heritage and local knowledge together.

- Enhance the group in each community, with emphasis on management in integration. While enhancing competitiveness management, production, marketing and capital management. This approach is to establish a center for promote economic integration of community.

2) Promote strategies to optimize product management. The implementation of a three processes.

- To promote knowledge data bank by building of wisdom data warehouse or OTOP product.

- To create a network of production and marketing by developing a network to strengthen OTOP, such as the Association of OTOP operators to collaborate in promoting the OTOP products retailer and wholesaler.

- To promote the marketing channel by development of logistics OTOP products, establish OTOP product data center systems, built OTOP website, Founding of OTOP Villages Development programmers for tourism, founding of OTOP market center and OTOP regional fair include night market as well.
Meanwhile, the Ministry of the Interior use of television, "Interior CHANNEL" which opened in April 2010. This channel founded for promote OTOP product to the public. There are another measure is to support and push for OTOP products quality and brands that are widely known both at home and abroad. It is the Ministry of Commerce to reach out to help. It was assigned by the agencies which involve in this mission and under Ministry of Commerce to concern the expanding of domestic and international market. It’s consisted of the department of permanent secretary of the ministry, the department of business development and the department of export promotion. In addition, Department of Commerce also has a policy to promote and support small and medium enterprises (SME), by training to educate entrepreneurs in many provinces under the strategy of bringing local products to the international community together with the Local to Global. There are many strategies that the government is trying to adjust to the OTOP products are known and more famous as a project “Faak thoot Pai Khai”. It means ambassador’s work as a seller for promote OTOP product to make more widely known around the world, Or the cooperation between the Tourism Authority of Thailand and State Railway of Thailand. This project will promote OTOP products via rail that the train drives through each village. It will stop at each OTOP station for a short time for the tourist to buy OTOP products. All the above is the current government guidelines. In order to create sustainability for the One Tambon One Product project, it is essential to make community strengthen. Since, it is the base of social sustainable development in the future.

Conclusion

As for Thailand, there have been many government projects which are the development at the grass roots level. One of them is OTOP Project which is the base of local and regional development. It builds from bottom to top parallel with top to bottom. The project aims at promoting local products to be sold not only in the local area but also to the worldwide market. Most of the products are the highly valuable Thai traditional products which have been the local wisdom and cultural heritage. The products owners are Thai rural people. Most of them produce the products during the free time of their main job. Since, this group of people is not professional in doing business or even a traditional commerce. The project discontinues for a while and just gets support again in the current government. Although this project is to achieve sustainable development, finally the result of the development depends on the political situation in Thailand.
References


Introduction

The Treaty of Westphalia in giving recognition to these kinds of Sovereignty is no longer theoretically or empirically serviceable in the face of Globalization of trans-boundary and “nontraditional security” problems such as economic security, food security, energy security, and political security. Since the end of cold war period, trans-boundary and nontraditional security challenges have become the source of growing concern around the world. Dr. Mely Caballero-Anthony defined Nontraditional security as follows:

"Nontraditional security could suggest that if comprehensive security is the expanded notion of security beyond military security, then Nontraditional security can be viewed as a subset of comprehensive security that characteristically requires nonmilitary responses to address a number of emerging security threats. Nontraditional security can also be considered as a broader umbrella that covers issues of human security, since its security referent extends beyond the state to include individuals and societies" (Caballero-Anthony, 2008: 140).

Thailand is also affected by the nontraditional threats, especially the new form of problematic threats which is solvable without relying on other states. Examples of problems are that of domestic political security, food security and economic security. The problem of such securities can be mitigated or solved if Thailand begins to accumulate and transfer security to a community. Community’s culture is an important ground for Thai society. It tides to the principle of Buddhism, kindness, self-dependence and self-sufficient which are essential for the philosophy of sufficient economy. In addition, there are land and rich natural resources in villages in rural area around Thailand.

The concept of OVOP emphasizes on improving the livelihood of people in the community by producing or managing resources, which are available locally, in such a way that they turn into qualified intangible goods with their own uniqueness. Important objectives of the OVOP’s philosophy are Local Yet Global, Self-Reliance Creativity and Human Resource Development. The concept of OVOP goes hand in hand with the path that
will build security within Thai community. That in turn will help resisting the threat arising from the new form of security problem.

Beside, due to these characteristics found in local community security in Thailand, if they can be actually made successful it can truly lead to successful human resource developed as well as stronger local communities and accumulated community security. As nontraditional security key thinker called “security begin at home” (Othman, 2009: 1044). This will eventually solve the problem of dependency of local communities on the government and insecure of neo-liberalization, leading to the self-reliance and sufficiency among local communities as well as a country as a whole.

This paper focus on to finding the consistent and limit on Thai community identity and OVOP concept, and also will analyse expose and dissolve the discourse which subjugated and displacement (Chareonsin-o-lan, 2011: 20) and find a suitable way of Thailand’s community security.

**Thailand and nontraditional security problems**

In today’s world, the traditional security problems are mostly in the form of force accumulation for protective purposes, while the nontraditional security problems are become more severe and widely threatening. With the various and inflexible stereotypes that make it difficult to stay on guard and be protective, on top of the fact that the results from the nontraditional threats cannot be solved merely by relying on the security department, there needs to be cooperation among various sectors to solve and manage such problems. In the case of Thailand, the nontraditional threats that may have some effect on the country may be divided into two types i.e. 1) inter-state threats that require cooperation from other states to solve the issues and 2) threats that state can solve the issue itself without cooperation from other states. The examples of the first inter-state threats that require cooperation from other states include the effect of upper Mekong River dams on countries in the lower Mekong areas, the impact of wildfire-caused smog in Indonesia on Malaysia, Singapore, and the south of Thailand, and et cetera. For the threats that require no dependency on other states, the problems need to be solved in the proper way. Such threats include domestic political instability problems, food security problems, and economic instability problems, which second kind of threat, can be analyzed as follows:
1) Domestic Political Instability Problems

The prolonged political conflicts in Thailand have been rooted from the general public’s lack of democratic literacy. Thai people have misunderstood democracy for election discourse without realizing that the election is indeed merely the process of choosing the public representatives. However, for the real democracy to happen, all individuals must conform to the democratic ways of life i.e. enjoying freedom without violating others’ rights, acknowledging one’s own rights and duties on the society and country, and keeping in mind that the majority still have to respect the minority opinions in the legal state, which results in the deliberate democracy.

Moreover, other important problems are vote buying and the implementation of populist policies which most Thai are still benighted that the vote buyers would take all kinds of advantage after becoming the public representatives. While the sources of funding of populist policies implemented after the election are taxes or foreign loans, the political party’s discourse usually conceive people that these populist policies are funded by the party’s own assets. That is to say, the political instability in Thailand has been caused by the fact that it is “the democratic state that has undeveloped human capital”, together with the poverty problems that prevent citizens to have real democratic literacy, and problems that the citizens have become the disciples of plutocracy instead of the democracy due to the incorrect definition and weak analysis, which have led to endless political conflicts.

2) Food Security Problems

Thanpuying Dr. Suthawan Sathirathai and Dr. Priyanut Piboolsravut said:

“In the past, Thailand strictly followed the mainstream development path generically recommended by major development agencies, starting from export-oriented model based on agricultural products and followed by manufacturing products through industrialization. Farmers also switched from practicing traditional agriculture, which is a mixture of different variety of crops to commercial agriculture, which focuses on monoculture.” (Sathirathai and Piboolsravut, 2004: 3).

Thailand is no longer predominantly agrarian society because of a rapidly industrializing and service-based economy. Primary resource sectors such as forestry, mining and fishery have lost their status as leading growth sectors and major foreign exchange earners. Even agriculture, which made Thailand one of the few major food-exporting countries in the developing world, has lost its predominance and glamour as a source of income growth and export earnings (Panayotou and Phantumvanit, 1991: 6). It can be said that Thailand has lost its food security because of discourse of capitalist economic development.
One of food security threats resulted from the contract farming, the unfair agreement between the entrepreneur and the ignorant farmer. Under the contract farming, the entrepreneur will sponsor seeds and insecticide in form of monoculture farming loans, while the farmer will be committed to sell agricultural products only to the entrepreneur. In the case of excess supply, the entrepreneur may decline to purchase the products, causing debts to the farmer. In other words, the entrepreneur has created a condition that the farmer has to continually rely on them and that only profits, not domestic consumption, have become the main factor for export of agricultural goods, (Tassanakunlapan, 2011). creating the food security problems for an agricultural nation like Thailand. Such problems have reflected the vulnerabilities of both farmers and communities that over rely on external factors. When farmers cannot count on the government; they will turn to the entrepreneurs, contributing to community instability and food security problems in Thailand.

3) Economic Instability Problems

The development of Thailand towards economic liberalization has resulted in the direction of economic development that supports capitalism. Under the discourse of growth and modernization; as a result of the improvement in infrastructure in response to investment in industries, the reduction of barriers to investment from abroad, and the removal of certain control measures on production, logistics, and currency in order to prepare the country to absorb capital flows from the First World, Thailand has actually only benefited from waste technology and cheap labors while the First World has been taking advantage of the Thai economic surplus. In other words, the strategies for national development and economic policy at that time were the launch of the all types of liberalization by using the concept of Neo-liberalism to dominate Thai economy until the economic crisis in 1997. After the crisis, the Thai have unprecedentedly lost ownership of their properties to foreigners, strengthening the economic stability of the First World while completely deteriorating Thai economic stability (Puntarigvivat, 2001: (15)-(18) ).

Furthermore, the threats of Neo-liberalism have dominated the Third World’s society and cultures by broadcasting the First World’s cultures through the globalization so that the Third World can gradually absorb such cultures. Consequently, the Third World will adopt and follow western traditions and be oblivious of one’s own cultures. Eventually, the inferior country will be socially and culturally colonized in consequence of the devaluation of agricultural culture, the focus on modernization and industrialization, or the derogation of sufficiency savings whereas promoting capitalist consumption.
Although such a nontraditional threat has always been a threat to Thailand, most Thais do not aware of such danger. In the other words, there is no frightening threat in Thai society. This is different from the economic crisis during 1997 when economic threats severely affected Thailand. Many sectors were aware of threats arising from depending economically on the first world countries, as guided by the Neo-liberalism. The concept of sufficiency economy and community’s culture has been widely put forward across Thailand at that time. However, after we had gone through that time of suffering, we are back living in the world of Neo-liberalism with no realization of our horrendous experience. Thus, the writer has observed and gives importance to the human’s common fear of threats affecting security and way of life. Such common fear will be a positive drive for Thais to realize the importance of revising, seeking, accumulating and transferring the new form of security that is suitable for Thailand.

**OVOP concept and its consistency for community security in Thailand**

According to Thailand’s vulnerability analysis on the three threats stated above, although Thailand has abundant natural resources when compared to the number of population. (Nartsupha, 1991: 199), the problems have significantly arisen from human capital, economic dependency, and ideological loss to the First World. Thailand has the spatial advantage of being the agricultural society with Buddhism, which concentrates on logics and whose philosophies include the moderate practice and self-sufficiency, as the national religion. However, it is a pity that Thai policymakers have not been aware of such threats and have not perceived the advantages of the country, as well as not acknowledging that the origins of the country’s stability problems have stemmed from these new threats in Thailand. All three threats can be efficiently solved if ones start from passing on security to the community by way of searching for new methods and constructing new philosophy to create the real strength to the community. Thus, the three principles of OVOP can be a consistent alternative for solving the weakness and instability problems in Thailand by applying OVOP philosophy on community security and focusing on local community, self-dependency, and human capital development. This is consistent with Buddhism’s guideline, the concept of sufficiency economy and the foundation of community’s culture which are the ground of Thai society. An excerpt from the King Bhumibol’s speech, which partially concerns the sufficiency economy’s philosophy, is as follows:

“Having enough to live on and to live for means self-sufficiency. If everybody has enough to live on and to live for, that is good. And if the whole nation reaches that status, that is
even better... Formerly, Thailand had enough to live on and to live for...Self-Sufficiency, in English, means that whatever we produce, we have enough for our own use. We do not have to borrow from other people. We can rely on ourselves; as people say, we can stand on our own legs. But self-sufficiency carries a broader meaning. It means having enough and being satisfied with the situation. If people are satisfied with their needs, they will be less greedy. With less greed, they will cause less trouble to other people...If any country values this idea - the idea of doing just to have enough, which means being satisfied at a moderate level, being honest and not being greedy, its people will be happy...Being self-sufficiency does not restrict people from having a lot, or possessing luxurious items, but it implies that one must not take advantage of others. Everything must be within limits. Saying what necessary, acting just as needed is and working adequately. Therefore, self-sufficiency here means within proper bounds and reasons” (Sachayansrisakul, 2009: 11).

A community of Thai villages is regarded as a ground for Thai society. Unlike Europe, whose characteristic is individualistic (Na Pombhejara and Nartsupha, 1999: 145), that employs a system of entitlement, the historical development of Thai community is communal, not individualism. Thai society has not undergone the feudal system, but that of Asiatic where community is preserved as a part of the feudal system. Land is abundant resource in rural Thai village community. This has always made reproduction possible rural areas (Nartsupha, 1991: 199).

In addition, the traditional characteristic of Thai society and culture are concerned with freedom, kindness, state-dislike; while at the same time Thai community is based on kindness, brotherhood, sharing, helping and depending on one another, sticking to the principle of Buddhism and living together as a small community which can be called “Ban” (home) or “Mooban” (village). Therefore, society and culture of rural Thais are anarchism which differ from that of China and India. Their system is centralized with strict hierarchy. Various tribes living in Thailand and North East Asia such as Lua, Lawa, Palong, Kamu, Kachin, Mang and other mountainous tribes also exchange and trade with Tai and other tribes living on plain. Tai is used as a medium language. Thus, these tribes have two cultures which are their own culture and Tai culture. Within the boundary of Thailand, even today there are various networks of exchange between villages. The exchange rate in these markets depends on exchangers’ personal relationship and objectives. It aims for more sufficiency economy, not profits. The people there call it “exchange for food”. As such, market is not driven by the law of capitalism. This means Thai society has special characteristic with local community as a core institution. It has been confronted with various systems for decades. The clutch of a village’s economy, society and culture remains and stands as a characteristic of Thai community (Nartsupha, 2001: 53-55).
The prominent characteristic of Thai community as such is in line with the concept of OVOP whose characteristic is Bottom-up. This begins with internal start-up and process within the community with the help of existing local knowledge and culture. Having considered this, it is noticed that the OVOP’s guideline to develop knowledge and culture in the Local Yet Global way can significantly spur security to the Thai society. This is because the concept of sufficiency economy, the concept of local culture or joint-plantation agriculture according to the new theory Agriculture concept (NTA), which is also regarded as a new sustainable agricultural model towards self-reliance for the rural household. (Sathirathai and Piboolsravut 2004: 10-11) This ideology and put emphasis on production for life so that a community can sustain itself. The production’s surplus will be sold to generate income for the society. There is not clear guideline as how to produce goods from a community’s excess supply produced according to the concept of internal security-building in a Thai community. If Thai community adopts the concept of OVOP for producing tangible product and processing a community’s excess supply by adapting local knowledge with technology, build unique characteristic of local goods, develop form of goods, as well as create stories on labels explaining good’s origin to increase its value, the government will provide technological and marketing support. Such guideline will satisfactorily build up wealth and security to Thai local community.

Regarding intangible product, under the concept of OVOP which improves the community’s potential for tourism, Thai community can be developed as a Argo-tourism. Likewise, other community with valuable ancient remains and culture can be developed as a historic and cultural tourists’ destination. Besides, the OVOP’s concept of Local Yet Global can be used as a ground to gather community’s ideology or political ideology or sufficiency ideology into ideology and discourse in order to resist the new capitalism and liberalism while aware of the threats to concur the world arising from such ideology.

From Japan OVOP concept, local people take the lead, independent of external prompting and largely on their own creativity and self-reliance, to make unique products from local resources for their own good and to capture markets external to their locality. In the process they develop their expertise through production of competitive products, their livelihoods improve due to enhanced incomes, and their communities develop closer bonds at the same time. The OVOP rural community development concept has been implemented in different ways where it has been introduced, depending on the over all objectives and the unique circumstances of each country. As a result, it was widely adopted by many local governments of Japan and spread to the rest of the world.

The concept of OVOP that supports the uniqueness and pride of local wisdom and culture and makes them internationally accepted is the important foundation to localize goods and
community cultural under the notions of moderate practice and sufficiency. As the Buddha saying goes, “human demand is like the ocean; it will never be full no matter how much soil is filled; hence, human should start limiting his own demand”. This principle conflicts with the concept of free economy, which focuses on searching for the limited resources to fulfill human’s unlimited needs. Therefore, Thailand needs to promote the sufficiency economy as a discourse in order to encourage the accumulation of community security that can be developed into the national ideology against capitalism or liberalism. Another way to put it is using the community to declare war against globalization by demolishing the discourse stating that “sufficiency economy is merely farming” but instead showing that sufficiency economy is indeed “the limitation of human aspiration that exceeds one’s ability to obtain”. In fact, the sufficiency economy can be applied to all businesses from local companies to multinational companies. Moreover, the philosophy of sufficiency economy should be spread out to be the universal principle that will encourage the world security in the next century when people are aware of threats from capitalism and Neo-liberalism. Such threats can be divided into two levels i.e. 1) the local community level and 2) the national and international level. As for the first level, the community needs to be alert to and understand threats from capitalism such as threats from contract farming that may deteriorate community security by causing farmers to go bankrupt. The second level reflects the philosophy of capitalism that focuses on seizing the inferior’s and world resources to satisfy human’s unlimited demand as seen from the economic crisis around the world. The global environmental crisis is also another result of capitalist consumption culture.

OVOP’s Self-Reliance and Creativity is also in line with the concept of sufficiency economy and community’s culture. With sufficiency and self-reliance as well as traditional Thai community proceeds a characteristic of anarchism which does not need to rely on state, has a natural network among various tribes in Thailand and North East Asia. The community village is connected both economically and culturally. Assorted communities have cultures that relentlessly help one another. Exchange in rural area in the past or in some area at present is based on the concept of sufficiency and helping one another, rather than profits. (Nartsupha, 2001: 26).

Apart from OVOP’s dependency, if the community can develop itself such that it can be self-dependent, there will be no need to rely on the entrepreneur and capitalism. Equal exchange is merely a myth that never exists; however, the inequality between capitalist and farmer, as well as the inequality between the Third World and the First World, is real. Under the sufficiency philosophy that starts to pass on and build up community security with the idea that “money is merely a myth but food is real” the new theory regarding water management for dry season has been employed, together with undertaking joint plantation to
support household consumption. The excess products will be processed into the community’s OVOP products. At the same time, there will be cooperatives and community banks, allowing the community to be dependent without worrying about threats from food security and global economic uncertainty, in addition to allowing the community to be detached from the wealth of politician and populist policies.

Moreover, the concept of OVOP aims at promoting human resources consistent with the core problematic threat arising from various nontraditional security. This can be seen from the economic threats happened in 1997 in Thailand. Thinkers, professionals such as prof. Luck Siwaluck, prof. Saneh Chamrik and prof. Pravet Vasee were all of a view that the economic crisis took place because we developed wealth rather than society. Thus, the heart of a reform may not be the banking system, stock market or financial system, but rather be schools, temples, families and communities (Phongpaichit, 1998: 72).

The problem of Thailand’s insecurity toward the nontraditional threats is extensively a result of human resource problem. Unlike OVOP, the OTOP policy, whose concept comes from OVOP, emphasizes on production of goods, not human resource development. Therefore, if Thai community wants to upsurge human resources security, it may begin with the OVOP’s concept which aims at developing or creating local leaders. Oita, for example, has made Toyo Kuni Development School (Phitchayapisut, 2008) aware of the nontraditional threats and thoroughly understands the concept of sufficiency economy and community’s culture, as well as OVOP. This is so that such knowledge can further be used for self-development and community development.

The principles and logics of Buddhism will be taught together with the sufficiency philosophy because the good reasoning will generate the intelligence and the sufficiency will control the mind. These will allow people to be able to diagnose what is good and acknowledge threats of capitalism, encourage community security, and teach the public to understand real democracy. In this regard, human resource development will create the local bureaucracy which can see through all kinds of security threats and may have impact on the community or the nation in the future.

It can be seen Thai community is based on strong community’s culture. The Buddhism culture adheres to sufficiency and kindness to help one another in the community, as well as abundant resources. The concept of OVOP is consistent and is an integral part to build up and accumulate security in a community. This is an important ground for coping with the nontraditional threats which the writer has described above. That is, the concept of sufficiency economy, the concept of community’s culture and the concept of OVOP, which are consistent with the wealth building, transferring and accumulating within a community, will be difficult to happen with the lack of fear and awareness of threats arising from political insecurity, good
insecurity and economic insecurity. These will be a brutal threat in the next decade just like the economic crisis in 1997 that harshly bruised Thailand.

**The limitations of OVOP concept when adapting to OTOP policy in Thailand**

The limitations of OVOP concept when adapting to OTOP policy in Thailand is that it aims at pursuing OTOP policy under the government’s leadership by limiting the burdens of OTOP policy by the government. This is done by overlooking the importance of community security building and human resource development. This has been originated from the populism policy responded to the economic problem in late 1990s of political sector.

After the Great economic crisis 1997 Thailand came to realize that having to account the nation’s stability and wealth on foreign investment and exchange markets could not be sustainable and rational. Consequently, the ability of Thailand to disengage from such the dependency would have to adhere to the principles of sufficiency as well as surveying and developing natural resources located in each region throughout the nation. In doing so, it would lead to sustainable wealth creation and development fundamentally built from each region’s true strengths and economic advantages. This ideology then was into action by the Thai Rak Thai party-led government under Prime Minister Taksin Shinawatra, of which his party had successfully won the national election and could solely form a government without needing to have other coalition parties. Thereby, this had shifted the power pole in Thai political system which led to PM Taksin’s new campaign called “New Thought, New Action” (Kid Mai Tam Mai in Thai). This campaign procreated a number of significantly famous populism projects designed to manifest substantial results and one of the most outstanding populism projects during PM Taksin which has still been in practice is the One Tambon One Product (OTOP) project. It was firstly initiated in 2001 with the idea originally came from Japan’s One Village One Product project that was developed based on the goal of having local communities sustainably developed so that they could be self-reliant (Jaiborisudhi, 2011: 14-15).

It could be said that the OTOP project of Thailand was mainly set off by the government in terms of both related policies and procedures. Moreover, as already mentioned, the project was initiated based on the populism ideology embedded in the Thai Rak Thai party. It could be seen that the party’s regional and community development plan was driven by its goal to win the next national election. Thereby, the OTOP project is characterized as a top-down system, differentiating it from the Japanese OVOP that had the bottom-up system characteristic. This is because Thailand’s OTOP project was mainly initiated by the government, whereas; Japan’s OVOP project was firstly set off and proceeded within the communities
themselves. This had led to many questions asked by development study experts of whether or not the OTOP project could sustainably and thoroughly develop communities as promised and of its permanency. Theoretically, in order to have successful sustainable development for communities, it should be initiated and preceded from the communities themselves since they would be the best to know their comparative advantages in terms of resources and thereby their strengths, rather than by the government.

Both Thai OTOP and Japanese OVOP projects were initiated mainly based on 3 principles namely 1) Local Yet Global 2) Self-reliance and Creativity and 3) Human Resource Development. The following are an analysis of whether or not the OTOP project of Thailand has been operated incoherent with such the principles as that of the OVOP project of Japan.

1) Local yet global

Almost OTOP projects are still lacking in a cosmopolitan characteristic to a great extent. There are a number of reasons stopping OTOP products from going global. Firstly, the problem of OTOP products’ identity and local uniqueness that cannot yet be recognized worldwide due to the limitation culture adopted among the products’ producers. Therefore, many products are very similar to others. Secondly, the quality of products, a problem of which is caused by the mass production characteristics of most OTOP products which production details are not as emphasized as that of hand made products.

2) Self-reliance and creativity

Since the OTOP project was initiated by the government, which is different from the OVOP project of Japan that was originally initiated by local communities, almost OTOP projects are produced in response to the government’s demands. Consequently, this has created the problem of imitation culture of OTOP products, the main problem preventing local communities to think and design their creatively. On the whole, it can be said that the government’s authority that overrules general public’s authority has made the latter group become the whole system’s bearers. This, hence, implicitly forces the general public to consistently rely on the government’s policy and directions which has prevented them from being able to be self-reliant.

3) Human resource development

Japan’s OVOP project has knowledge exchange programs between the project’s participants as well as site visits in order to learn local wisdom from other regions. On the other hand, Thailand’s OTOP project has the government’s authority trying to push the participated local communities to produce as a response to the markets’ demands. Therefore, it can be said that the OTOP project aims to create products more than developing human resources.
It can be said that the essential limitation of OVOP concept when transforming into OTOP is limitation of citizen’s and community’s role guided by the government which emphasizes on implementing policy “top-down”, not “bottom-up”. Like the concept of OVOP, this is in line with the concept of sufficiency economy and community’s culture. In the other words, OTOP policy is not as consistent with the security accumulation within a community as the concept of OVOP.

From above, Characteristics of OTOP project is a Top-Down policy unlike OVOP policy which is Bottom-Up. Moreover, there is a weak point in OVOP concept that adapted to the Thai community enterprise. It’s a government with power over people. This power is based on the transformation policy of the campaign as a concrete political parties that initiated the OTOP. The goal of this project is to acquire the voice in the election next time. The OTOP project is counted as a populist (Claymone and Jaiborisudhi, 2011: 55).

Besides, the OTOP policy is a policy which the government creates limitations by placing high importance on goods. As a result, it becomes a discourse influencing majority Thais to perceived that OTOP is only a policy supporting goods production in a community. When Thais speak of OTOP, they only think of goods and do not view it as human resource development, community’s self-reliance and development and security accumulation within a community. OTOP promotes goods production from community’s surplus and fulfills Thai security accumulation based on the concept of sufficiency economy and community’s culture. However, the development OTOP goods still lacks of products’ uniqueness and creativity of each community. This can only happen when human resource in a community has been developed to some extent. Therefore, partly employing OVOP’s concept as OTOP policy is like employing good strategy partially. As a result, community’s problem is not as fruitfully solved as it should have been.

Thus, if one shall pursue the OTOP policy consistent with the security accumulation within a community according to the concept of sufficiency economy and the concept of community’s culture of Thai local community, he must dismantle the discourse that OTOP is only goods and install a new discourse that places as much value on OTOP as that of OVOP. The three elements emphasizes on building up security for human resources. This is to build and accumulate security within a community.
Conclusion

The nontraditional threats especially the one that can be solved without relying on other states such as the problem of internal political security, the problem of food security and the problem of economic security. Such security problems can be mitigated or solved if Thailand seriously begins to accumulate and transfer security to community under the concept of community’s culture which is an important ground for the Thai society. This can be done by sticking to the principle of Buddhism, kindness, self-dependence and sufficiency; or of which are essential for the philosophy of sufficiency economy. Together with the fact that Thai local community has land and rich natural resources. Therefore, the concept of OVOP under the three philosophies, which are Local Yet Global, Self-Reliance Creativity, Human Resource Development, is consistent and is an integrated part for building and accumulating security in a community. This is an important ground for coping with the nontraditional threats in Thailand. Although Thailand pursues OTOP policy which comes from OVOP, but OTOP processes a characteristic of limiting participation from citizens and community as guided by the government. In addition, as the government emphasizes on the importance and value of goods, OTOP is a policy which limits security building within a community. This eventually turns into a discourse that influences majority Thais to perceived OTOP only as a policy to support production of goods in a community. If OTOP is to be employed in such a way in line with security accumulation within a community, according to the concept of sufficiency economy and the concept of community’s culture existing in Thai local community, a discourse that OVOP is just goods must be eliminated. On the other hand, a discourse that places value on OTOP must be pursued based on the three philosophies of OVOP whose objective is to promote human resource security as well as to build and accumulate security within a community.

However, in order to build, transfer and accumulate security within a community according to the concept of sufficiency economy, the concept of community’s culture and the concept of OVOP, it is important to have positive drive arising from fear and awareness of threats caused by the nontraditional threat. Such threat may be severe in the next decade. It may be like the economic crisis in 1997 that had made Thailand confronted with insecurity in various aspects and harshly bruised the country.
References


Chapter 4

Locality and Dynamics in OVOP Promotion

Oita’s Experience for Regional Development in Developing Countries

Kazuhisa MATSUI

Introduction

There are many developing countries that now learn Japanese experiences on regional development, especially on One Village One Product (OVOP) Movement in Oita Prefecture, the Kyushu Island, Japan, supported by Japan International Cooperation Agency (JICA), Asia Productivity Organization (APO), and other organizations. The name of OVOP is easy to attract them.

Then, some serious misunderstanding often happens. For example, someone regards OVOP as strategy to limit to only one product in one village to prepare enough quantity of a product to realize the scale merit. At the result, village people are forced to plant only one specific vegetable that is decided by government without planting other vegetables.

It is a little bit difficult for training participants from developing countries to correctly understand what OVOP means in a short training course. Why does it happen? Perhaps there are two reasons. First, most of training participants are central government officials who have little reality of field in regional development. It is difficult for them to imagine a concrete village or community. Second, because of little reality, they tend to concern how to produce qualified product for regional development. At last, ‘one product’ is more emphasized than ‘one village’.

In OVOP, the figure or how many products is not important. One village five products, one village 100 products, or three village one product are available. What is important is whether or not the product reflects local values coming from local pride based on its originality and specialty. OVOP will not be continued and realized by the people without it.

We discuss about dynamism of OVOP promotion in the context of regional development in this chapter. First, we examine meaning of OVOP Movement in original from Oita Prefecture. In this part, we emphasize that OVOP was not a main tool of regional development policy but was introduced to change bad image of Oita with encouraging backward villages that had no expectation to attract large-scale investment as in its seashore area.
Second, we focus on two approaches of regional development: ‘local product production’ and ‘local community development’. We argue that two approaches can be separated if we too much concentrate on production with lower-cost materials/inputs that can come from outside. It is important to pay attention to unmovable resources (materials or human resources) for regional and local community development.

Third, the sustainability of OVOP promotion is guaranteed by network of local community leaders. Exchange of their experiences and ideas will create new ideas and activities among them. Oita prefectural government prepared such opportunities through Toyo-no-Kuni Zukuri Juku, an evening seminar course for mutually learning among them.

Fourth, we mention the role of outsider to promote OVOP Movement. Qualified outsiders (or insiders who come back from outside) as catalysts play very important roles to make dynamism of regional and local community development, to learn other experiences and to disseminate the lesson to other developing countries.

And fifth, we pick up three roles of Oita prefectural government to manage regional development with sustainable healthy competition among local governments, to do technical support to local specific products, and to make various human networks among local community leaders.

Finally, in conclusion part, we notice some implications and suggestions for developing countries in application of OVOP Movement to their regional development without diminishing its dynamism.

Meaning of OVOP Movement in Oita

OVOP Movement by Dr. Hiramatsu

One Village One Product (OVOP) Movement is a kind of local revitalization movement started in 1979 at Oita Prefecture, Japan. The main goal is to create and increase ‘local value’ through specific and representative products and activities with something unique that can raise the local pride, based on local people’s initiatives. The content and quality of these products must be improved and its local value should be accepted nationally and internationally with recognition of them.

The term ‘OVOP’ was proposed by Dr. Morihiko Hiramatsu, the governor of Oita Prefecture in 1979-2003. OVOP Movement started in all villages/towns in Oita prefecture in 1980. Before it, egoism and a lack of cooperative spirit were characteristic of the temperament of Oita peoples. Those might be developed in feudal times, when the prefecture was divided into small, independent domains, according to geographical conditions. Most of villages/towns in Oita were busy to find fault of other villages/towns and had little motivation to do...
something new by them. They had always expected assistance from outside, especially from government, without making their own efforts to improve their poor conditions. Dr. Hiramatsu was almost at a loss to face such reality in the field at that time.

However, there were a few successful revitalization movements as in Oyama town and Yufuin town, which were the lesson learnt by Dr. Hiramatsu to put forward the idea of OVOP Movement to improve the image of Oita.

Oyama town, located in mountainous and low-fertile area, was famous to switch its rice production to more profitable commodities as plums and chestnuts to overcome its long-time poverty, against national rice self-sufficient policy. Yufuin town also protested against developers of golf course and recreation facilities in 1970s coming from Tokyo and Osaka, and tried to keep its environment-friendly tourism based on its qualified hot spring. These two towns became good examples for Dr. Hiramatsu to inspire his regional development concept as OVOP Movement.

After starting of OVOP Movement in Oita, although with different name, similar revitalization efforts had been implemented in other provinces for survival purpose under depopulation in rural area and overpopulation in city area. Also, this was reflected from serious environment problem (as air / water pollution and its disease) against economic growth oriented policy by central government of Japan in 1970-1980s.

**OVOP Movement to Encourage Backward Villages/Towns**

What is the meaning of OVOP Movement in the context of regional development? In fact, OVOP Movement was just one of the development policy tools in Oita Prefecture. Oita also applied classic tools as attracting large scale investment of heavy and high-tech industry of big company as Canon Corp., Toshiba Corp., and Showa Denko K. K. in Oita-Beppu seashore area where was named as the Oita New Industrial City by central government.

On other hand, there were many small villages/towns that could not expect such large-scale investment attraction but faced severe backwardness as depopulation problem. Dr. Hiramatsu did not want to disregard such villages/towns and tried to encourage them to continue their revitalization efforts. OVOP Movement was introduced at first mainly for those backward villages/towns.

In this sense, the main essence of OVOP Movement in Oita should be put in ‘local community development’ and not in only ‘local product production’. However, in most applications of OVOP in developing countries, training participants are usually more interested in the production aspect rather than local community development. Local community development needs locality that should be reflected in its specific products or activities. However, it is very difficult for local community to maintain locality as a source of energy for the development under current globalization drive.
In developing countries, people usually tend to believe that what comes from outside is better than what exists inside. At last, they do not want to see local resources but expect products or assistance coming from outside, because they want to accelerate the speed of the development process to overcome the backwardness as soon as possible.

On the other hand, in original, OVOP Movement in Oita was not a tool to accelerate development drive but a tool to encourage local community development efforts with emphasis on its locality. OVOP is not a magic hand to solve problems of regional development.

### Local Product Production vs. Local Community Development

#### Separation of Product Production from Local Community

Is the production development always coexisting with local community development? Local community development usually starts from the production of some local specific products. However, with too much concentration on the process of the production, the activity is often separated from the local community.

Local product production usually starts for survival or revitalization of the local community. In the first stage of the production, the community utilizes its local resources existed there. Because of the limitation of the supply amount of local resources as the materials, the production volume may usually be small scale. With increase of demands for the product, the community must look for the materials from outside.

Then, local product production faces to severe competition with similar product produced by other local community, and needs cost-reduction. To cut the cost, the production needs lower-cost materials and cheaper laborers. Is the local resource still competitive in terms of cost? If the cost is relatively higher, the production tends to utilize lower-cost materials from outside. Or, the production site can be moved to other area to get lower-cost materials and cheaper laborers.

As the result, local product production starts to be separated from the local community. The production place is as like as accidentally put at the local community but using materials from outside without any relation to the community. After the producers move to other area, there is no longer local product production there. It means that the earnings from the local product production activity outflows to other areas and does not come into the local community any more. At last, local product production, separated from the local community, cannot take a role to push the local community development.

Indeed, there are several OVOP products in Oita Prefecture that were originally made from the local resources before, but currently made in other places in Japan or even in China.
It is very difficult for local community people to still take pride in such local product that has no longer concrete relationship with them.

**How to Keep Locality in Local Product Production?**

Local product production is not always able to make promise to realize local development without keeping connection with unmovable locality. What is the strategy to promote local product production with keeping locality?

There are two direction of the strategy. First, the production more concentrates on the quality improvement with still using local resources, without concentration on volume expansion of local product production. In other word, unit value of local product should be increased. And second, even though the material is coming from outside to expand the production volume, strong locality should be inserted in the local product with additional activity for contribution to local culture promotion.

What is the most important is to promote local product production with utilizing the local specific resources that does not exist elsewhere. For example, in Japan, silver dinnerware in Tsubame-Sanjo, Niigata prefecture, or Japanese swords in Mino-Seki, Gifu prefecture, has been still famous since more than 100 years, because these skilled craftsmen are unmovable. Most of traditional Japanese local handicrafts had been maintained in this way and could not separate from the local community.

Also, there is another way to advertise the local community itself to outside through the local product production. Oyama town in Oita Prefecture becomes famous by continuous production of new local product production as cherries, chestnuts, *enoki* mushrooms and other more than 120 products. Oyama town set up its own antenna shop *Konohana Garten* and the farmer’s restaurant (mainly local foods in which materials and cooks come from Oyama town) in outside cities from Oita Prefecture as Fukuoka city in Fukuoka prefecture to connect directly between the production activity and the consumer’s market with promoting locality of Oyama town. This system is followed by other regions and now extended to many places in Japan.

In the Ajimu-Imori valley in Oita Prefecture, the production of various unique local products as *tofu* (Japanese bean curd), made from domestic organic soybeans, is embedded in its all area with relation to daily life of the local community.

In general, government tends to pursue making products whose quality can be accepted by world market in relation to strengthening international competitiveness. The farer the distance of government is from local community, especially in central government, the lower is the concern about relationship between production and its locality. In Japan, the basic stance of regional development policy had been put on the relocation of industry at national level since 1950s.
How do we understand the relationship between local community development and the industrial promotion with concentration on local product production? This is a basic question. In other words, what is the industrial promotion for local community? We should more attention to “local community development through the industrial promotion” rather than “the industrial promotion located in local community”. To realize “local community development through the industrial promotion”, the key is how strong its locality is.

Network of Local Community Leaders for Sustainability

Local Community Leader

Although main theme of local community development is usually to awaken some activities for its revitalization, it is also important to think how to continue the activities sustainably. Participants for OVOP training program from developing countries often tend to concern on technique to awaken some activities. The key to make dynamic continuation of the effort from the awakening stage is the steady effort of human resource development in local community.

Local revitalization is very difficult to be planned in advance and always passed trial and error process. During the process, there may be many success and failure cases. What is important is whether or not people can learn the lesson from such cases and utilize it to the next step.

In OVOP Movement in Oita, there were many cases in which a strong local community leader, as Mr. Yahata in Oyama town (located in mountainous area and very poor rice production), was at the front and leads the trial and error process in local revitalization. Under very severe condition, people had no choice except following to the leader Mr. Yahata to change their unlucky destiny in local community. We could not deny the existence of those strong local community leaders necessary to shift from awakening to continuation. Even though those leaders took strong role to local revitalization, there was little trace that they wanted to be politically powerful to control all of local community affairs for their own political interests.

Mr. Yahata, who was the town head and the head of agricultural cooperatives there, had sent several young farmers and local government officials to overseas since early 1970s and tried to get feedback what they learned abroad to the development strategy of Oyama town. Oyama Agricultural Cooperatives financed the cost under 1 USD = 360 JPY. New stimuli through them from overseas had been continuously given to local community and created some dynamism of transformation from awakening to continuation in its local revitalization.

The influence was not limited in Oyama town, but was extended to other local community leaders in neighbors as Yufuin town. After hearing the story from local community leaders of
Oyama town, several local community leaders in Yufuin also went to Baden-Baden, a small spa town in Germany to learn environment-friendly hot-spring management, with borrowing the fund from local banks and agricultural cooperatives, to look for different development strategy from neighboring Beppu, a famous hot-spring city with night life and the entertainment activities.

**Seminar and Study Meeting for Networking**

Oita prefectural government prepared many kinds of exchange seminar and study meeting for local community leaders, held in the name of OVOP Movement. Especially, *Toyo-no-Kuni Zukuri Juku*, founded by Oita prefectural government, had played a very important role to make the strong network among local community leaders in Oita Prefecture.

The Juku was an evening seminar course to learn about local community development strategy and exchange various experiences among participants of local community leaders, and was held once a month in several local towns in Oita. The graduates had been organized in their alumni association. Governor of Oita Prefecture, Dr. Hiramatsu, often attended the Juku to give a lecture and directly discuss about OVOP Movement with local community leaders.

It made a chain of various stimuli to be extended to local community leaders in all villages/towns in Oita. In addition, the network is extended to local community leaders in outside Oita and this network has nowadays become one of the core networks of local community leaders in Japan. At the result, this kind of network among local community leaders has always been revitalized to create sustainable process of human resource development in local community development. This human resource development makes a contribution to prepare the environment to make them always think the next step of local community development, not just stopping at the awakening stage. This process may continuously give encouragement and incitement to local community leaders to make and maintain the healthy competition atmosphere among them with new innovative ideas. On the other hand, Oita prefectural government has set up several research institutes and conducted many kinds of training courses on local specific products as bamboo handicrafts to support the necessary technical improvement.

What is important is to utilize local community leaders with connecting them in various networking to enhance their feeling of healthy competition among them. Government supports the technical improvement needs coming from the real world of local community development. Without this local development management, it is very difficult to transform from ‘awakening’ to ‘continuation’ and also to guarantee the sustainability of dynamic local revitalization. In this regard, local development management conducted by Oita prefectural government in the name of OVOP Movement is worth to be learnt by developing countries.
Insiders, Outsiders and Catalysts

Other than local people, qualified outsiders (or insiders who come back from outside) as catalysts play very important role to make dynamism of local community development, to learn other experiences and to disseminate the lesson to other developing countries.

In an ordinary world seen by local people, it is very difficult for them to search for hidden local values from local resources to realize local revitalization. However, there are many cases to revive the local values once an outsider ask or tell a word to local peoples. Ordinary scenery for local people can be changed to very beautiful and interesting one for outsiders. The important point is how outsiders communicate with insiders. Outsiders should not decide or suggest which local resource is useful in the local community. In OVOP Movement in Oita, for local self-reliance, Oita prefectural government requested local people to decide what local pride products were. The local pride does not always mean its economic values, but is the foundation for local self-reliance. Outsiders just can assist local people to look for the local pride.

Insiders, who stayed outside for a long time and came back to their local community, can do the role of outsiders. There are many examples of such ‘outsiders’. For example, Mr. Kentaro Nakaya, one of leaders of environment-friendly hot-spring management in Yufuin, was a movie assistant director in Tokyo and came back to Yufuin to accede his family-managed famous hotel. Dr. Morihiko Hiramatsu was also a high-ranking government official of Ministry of International Trade and Industry (MITI, now METI) in Tokyo before came back to Oita as a governor to initiate OVOP Movement. Young people in Oyama who went abroad to learn other agriculture management may be regarded as such ‘outsiders’. The manager of Yufuin Tourism Promotion Office has been recruited from non-Yufuin person since more than 30 years ago.

In fact, OVOP Movement in Oita had been revitalized by many kinds of outsiders and ‘outsiders’. Such dynamism at last has guaranteed the sustainability of OVOP Movement.

Role of Government

Role of Oita Prefectural Government in OVOP Movement

In OVOP Movement in Oita, there are three roles of Oita prefectural government. The first is the regional development management with sustainable healthy competition among local governments of villages/towns. Oita prefectural government had given encouragement to all villages/towns to look for at least one local specific product with its local pride and to improve its quality to be accepted by national and (if possible) international market. In this
process, the key is the locality and Oita prefectural government had requested them to create ‘only one’ product rather than ‘number one’ product, because the value of the product become higher if the locality is higher. The local pride increases the value of local community. It has been realized through an atmosphere of healthy competition of locality and quality of local specific products among villages/towns.

The second is the supplementary support to these local specific products. Oita prefectural government set up several research institutes for them to support the technical improvement to higher quality connected to higher local value. Also, Oita prefectural government promoted these local specific products to outer market as Tokyo and Osaka, with top sales by governor Dr. Hiramatsu. He always brought many Oita’s specific products when he went to outside Oita as Tokyo and Osaka, and introduced them to high-ranking officials. He utilized the nighttime to go to Ginza, the most prestige place in Tokyo, to introduce the local barley shochu (distilled spirit) with juice of kabosu (Oita’s specific local lime) to bar owners where many high-ranking officials came. The shochu became famous by mouth-to-mouth advertising by them. Government did not make any intervention on the selection of local specific goods by villages/towns, but gave necessary support to promote them and connect to the market.

The third is making various human networks among local community leaders not only in Oita, but also in other areas. The Juku was established by prefectural initiatives for exchange of experiences and sharing of information on local community development in Oita. Even though some of local community leaders were very critical to prefectural government policy and governor Dr. Hiramatsu, prefectural government accepted and utilized them to enhance the dynamism of the network for sustainable OVOP Movement. These various human networks are now extended to local community leaders in other areas of Japan and extended to overseas.

**OVOP Movement, not Project**

In most developing countries, OVOP-type approach has been tried to apply as a national project by central government. Project in general has the limited term and is usually evaluated by strict criteria and numerical targets.

On the other hand, OVOP is a ‘movement’, not a ‘scheme’ or a ‘project’. Governor Dr. Hiramatsu said that the prefectural government would help those who help themselves. OVOP Movement was not going to be a government-led development initiative based on grants of public funds, but instead would be fuelled by the ideas and self-motivated efforts by community peoples. Oita prefectural government would provide support for these efforts if necessary. There is no specific OVOP related budget for specific activities in Oita prefectural
government. Local governments as villages/towns used their ordinary budget and subsidies allocated to activities in OVOP Movement. In relation to the main objectives of OVOP Movement, it is very difficult to evaluate whether OVOP Movement in Oita was succeeded or failed, for example only from the economic aspect as per capita income or the agricultural production performance.

According to my observation, most of OVOP-type national projects in many developing countries tend to focus more on the local product production. It may be gradually far from the locality and separate from the local community development. Rather, it often emphasizes on production and export of products to international market, without concerning to who the producer is and where the product is produced, and without survey and research about required qualification and market preference that can be different from domestic market\(^\text{12}\). In case of ‘a project’ with its time constraint, it is also difficult to guarantee the sustainability and dynamism for the local community development in the long term.

**Concluding Remarks**

In original, OVOP Movement in Oita started to improve Oita’s bad image with giving stimulus and encouragement to villages/towns that were almost at a loss with their backwardness to develop themselves. With OVOP Movement, villages/towns had been expected to decrease their dependency on outer assistance and in turn to change mind-set to be more self-reliant for their local community development. In this sense, the locality owned by each local community is essential and key factor to local revitalization under OVOP Movement in Oita.

The locality, with unmovable local resource there, is very important for local community to connect ‘local product production’ and ‘local community development’. However, there are many cases for OVOP training participants to more concern to the production aspect than the role of locality on local community development. As mentioned above, the local product production does not always promote the local community development because of searching for lower materials and cost efficiency. Sometimes local product production tends to depend on outside materials if the cost is lower. We should try to make a system to continue the income circulation inside of the local community to increase its local pride and local value.

The dynamism of OVOP Movement in Oita had been guaranteed by many kinds of human networks among local community leaders inside and outside Oita. Those networks had been created partially by some facilitation of the Oita prefectural government with various exchange seminars and mutual learning opportunities, for example, through the Toyo-no-Kuni Zukuri Juku set up by the government. Even though not a few local community leaders in Oita are very critical to the Oita prefectural government and stance of governor...
Dr. Hiramatsu, they had not been omitted from OVOP Movement but played very important roles to vitalize their local communities with healthy competition on creative and innovative ideas and practices among them. The Oita prefectural government facilitated it effectively.

For developing countries that want to apply OVOP Movement in Oita, it is important to remember the basic objectives to encourage the self-reliance of local community with focusing on the locality and local pride through continuous improvement of the local specific products. The main actor should be local people there.

After more than 30 years since OVOP Movement started, currently in Japan, central government has strongly conducted the merger of local governments (especially villages/towns) to tackle serious problem of local public finance because the ratio of unproductive aged people is increasing more but is little financial source of local government to supply public service as primary health care for aged Japanese especially in depopulated areas. This merger of villages/towns may be inevitable under current situation of aging Japan in the name of “selection and concentration”. Not only villages/towns but also agricultural cooperatives there are merged more to maintain its function. At the result, the locality in local community has become weaker.

In Oita Prefecture where OVOP Movement was started, many villages/towns had been disappeared and merged to city, currently existed only one village and three towns in 2006 from 47 villages/towns in 2000. Famous villages/towns in OVOP Movement as Oyama, Yufuin, and Ajimu are now administratively disappeared and merged to bigger city, with finish of OVOP Movement in 2003 instructed by the new governor Mr. Hirose (former high-ranking government official from METI) who was elected after retirement of Dr. Hiramatsu, an initiator of OVOP Movement.

Local communities, not only in developing countries but also in Japan, are currently facing almost the same situation with weakening their localities and local identities under the strong drive of globalization. OVOP Movement in Oita should not be regarded as a past example in Japan for lessons only to developing countries, but as materials for learning together among local communities in both Japan and developing countries about what local community development is based on the initiative of local people. OVOP Movement in Oita certainly has many important implications on it.
Endnote

1 Dr. Morihiko Hiramatsu [1924- ] was a former high-ranking official to promote industrial policy (especially on setting up of computer industry in Japan) in Ministry of International Trade and Industry (MITI) of central government, and came back to his hometown, Oita. Before elected as governor, he had worked as vice governor (1975-1979).

2 After OVOP Movement started, there were many alike local revitalization movement conducted by prefectural government in 1970-1980s. However, most of them had not been continued because some of them were project-based and change of governor introduced new policy.

3 New Industrial City was set as a core city for regional industrial development (mainly as a location of heavy industry) based on Law No. 117 in 1962 by Japan’s central government. 14 cities including Oita were selected from 55 candidates. This status was abolished in 2001.

4 For example, honey products in Oyama town is now partially made by farmer’s association in China, under contract base. The number of this kind of products will increase under economic globalization.

5 According to Mr. Yahata, former mayor of Oyama town, he wanted to change the image of agriculture from hard work with small earning to light work of 3 holidays a week with higher earning by introducing enoki mushroom plant, without worrying about weather.

6 In addition to its products, they had been attracting tourists to farmer’s inn (minshuku in Japanese) with family-like hospitality, local specific foods, and farming experience with farmers. Many tourists became repeaters to Ajimu-Imori valley and got title of honorable villagers.

7 Mr. Yahata directly taught cost accounting to farmers every week to create independent farmers, which became the base to realize many competitive products and overcome the serious poverty condition before. Oyama town now realizes “one village 120 products”.

8 Oyama town used the catch copy as “Let’s go to Hawaii with planting cherry and chestnuts” to increase the motivation of local people to change their mind from rice oriented agriculture. At last, the share of passport holders to total population in Oyama town became the highest in Japan.

9 Toyo-no-Kuni is another name of Oita and the original meaning is the rich country. Juku originally means preparatory school in Japanese.

10 The Juku was usually held at local town’s community center. There was alumni organization of the Juku graduates with its strong unity.
At last, the Oita brand of high quality locally produced goods did become established at national level thanks to the success of products such as barley shochu, kuruma prawns, seki-aji and seki-saba mackerel, whole dried sardines, Sun Queen oranges, bungo beef, and Beppu bamboo crafts.

In some cases, local government officials want to export local products because they are less competitive in domestic market.

References
Introduction

One Tambon One Product (OTOP) program has been implemented in Thailand since 2001. The policy of this program aims to solve the problems of local economy and improve regional development. This idea was inspired by Japan’s OVOP: One Village One Product. Until today, OTOP movement still continues under the support of the Thai Government as we can see especially from the annual OTOP fair and regional OTOP fair. However, OTOP is not the only way to solve the local economic problems and other regional problems; not all Tambon or sub-districts in Thailand are implementing this plan. This is because the style or system of OTOP is not suitable for some areas. That is why now there are many Non-OTOP movements being launched by the local people in the local areas themselves as for the true characteristics or conditions of the specific areas.

This research argues that the system of OTOP is not suitable for all Tambons or sub-districts. In order to prove this argument, this research is conducted on the two case studies of the Non-OTOP movement in Thailand. The objectives of this research are (1) to study the movements and system of the OTOP program, (2) to clarify the differences between the OTOP movement and Non-OTOP movement, (3) to identify the roles of local leaders in supporting the Non-OTOP movement. This research consists of two case studies (1) the Non-OTOP movement in a local community; Ban Jum Rung Community in Klang District, Rayong Province and (2) the Non-OTOP movement in a local government; Klang Sub-district Municipality, Rayong Province. This research is conducted using an empirical method. The primary data retrieved from interviewing key persons, such as local government officers and community leaders is studied. The secondary data retrieved from the OTOP policy, national plan, journal, textbooks, websites, reports and plan and policy of the local government is also used. Eventually, this research will prove that there are other options to develop the regions instead of using the OTOP movement only.

This research is divided into five parts including (1) the introduction which explains the objectives, methodologies and case studies, (2) the OTOP movement in Thailand with the
details about the system and process of OTOP designed by the Government, (3) the case studies of the Non-OTOP movement in Thailand which explain the system and process to develop the local products by local initiators, (4) discussion of the differences between the OTOP and Non-OTOP movements in Thailand pointing out the different aspects from an empirical data and (5) conclusion.

**OTOP Movement in Thailand**

In the year 2001, One Tambon One Product (OTOP) movement was started in Thailand as stated in the Declaration of the policy by Former Prime Minister Thaksin Shinawatra (2001-2006). OTOP became the brand for products from Tambons (sub-districts) [1]. It aimed to promote the unique products made by the local communities who utilized local skills and craftsmanship and made use of available raw materials from natural resources. Under the OTOP initiative, each of the over 7,000 Tambons (sub-districts) of Thailand was encouraged to use its own cultural and economic potential to create their specialty products. Then the local government would select the best product for each category from each Tambon to be the OTOP product. The Thai National OTOP Committee and its sub-committees, as well as the private sector, would provide the local governments or Tambons with a comprehensive assistance package to work on this.

The primary objective of the Thai OTOP scheme is to promote cottage industries as well as Small and Medium-sized Enterprises (SMEs), and in turn, to create a sustainable employment opportunity and help generate income for people in the rural areas of Thailand. Its goal is to encourage people in the communities to use their folk skills in manufacturing products while the Government and private sector is rendering assistance on developing the products and looking for the markets for their products. This will result in more jobs and income and will help strengthen the communities [2]. This is how the Government can empower rural people with more economic potential to alleviate rural poverty via promoting the artisanal entrepreneurship. Other important purposes of Thai OTOP are as follow; [3]

1. To construct a comprehensive database system to store necessary information from every Tambon in Thailand
2. To promote local Thai products from every Tambon and to facilitate the buy-and-sell procedure
3. To bring internet technology to the villages leading to the Tambon’s Internet Project
4. To encourage and promote tourism in Thailand at a Tambon level so that more income will be distributed to rural people.
5. To help the rural people exchange information, ideas, and to improve the communication method for several Tambons.
Differences between OTOP movement and Non-OTOP movement

From the Declaration of the Government, the One Tambon One Product is said to be a mechanism aimed to empower each local village with the capacity to develop one unique major product of its own that presents a prominent characteristic and uniqueness of their local area. The Government of Thailand is fully confident that the One Tambon One Product project will result in the prosperity of the local areas and enable local people to raise their standard of living through OTOP by focusing on the production method to transform local resources to be the value-added products in a sustainable manner. The main support behind the One Tambon One Product Project is the community empowerment. It will help form an economic pillar, as well as an important criterion to evaluate other relevant projects and associated plans and strategies. The community empowerment for the development of a unique product, however, can be created by the help of the Government who can give an effective support to build up the process for the encouragement, facilitation mechanisms and logistics in order to ensure that the local people will be able to participate in developing their community in all dimensions. The local people, irrespective of their former associations, groups or careers, would be encouraged and supported to form a strong organization in their community in which the members work together in a perfect harmony for common goals and mutual benefits that include the goal to develop the products of higher quality and other benefits for the public [4]. The Thai government provides each community with an assistance regarding to the product development and opportunities to market their products in the global arena. The implementation of this program is also the way to preserve traditional skills and ancient Thai heritage which have been passed down through generations. The examples of OTOP products include handicrafts, agricultural products, food, beverages, gems, jewelry, textile, garments etc. The major OTOP trade fairs are held twice annually in Bangkok and at other permanent OTOP outlets.

OTOP is developed from the strategy of One Village One Product (OVOP) movement in Japan. OVOP movement was initiated in Oita Prefecture by former Governor Hiramatsu. It aimed to develop the rural economy by encouraging the villagers to take part in the activities that are community-oriented using local resources and wisdoms. Compared to Oita, the Thai government plays a rather different role in the OTOP movement. In Oita prefecture, the local government plays a catalytic role; in Thailand, it is the central government that plays the main role [5]. For example, A one-million-baht Village and Community Fund were established in each Muban (village) nationwide to serve as a revolving loan facility for long-term local investments to generate income in the rural areas at a community level. The central Government has a big role on for the Thai OTOP movement as well, especially for the approach of Community-Based Enterprises (CBEs). CBEs have become a foundation for the OTOP scheme in 2001 when the government adapted the concept of OVOP to CBEs and later to Small and Medium-sized Enterprises (SMEs).
The OTOP movement is performed by the central Government (Community Development Department or CDD, Ministry of Industry, Ministry of Commerce, Ministry of Agriculture and Cooperatives and Ministry of Public Health). There is also ‘The National One Tambon One Product Committee’ to work on the policy, strategy, master plan and standard control and to select the OTOP products of quality. The first step of the OTOP process is to register the participants in the registration system launched and managed by CDD. Actually, there are many groups for women or occupational groups in Thailand already. OTOP, therefore, can be a new brand for these groups and be used to bring a new system to promote their local products. Over 22,762 villages nationwide have participated in this program with 37,840 OTOP producers and over 1.3 million members and employees, especially housewives and the elderly, who want to increase their household income [6]. The next step of the process is grading the quality of the registered products (80,000 products) in order to select the best OTOP products to sell in the global market. To support this process, in 2003, the National OTOP Committee by the Minister of Finance (chairman) has launched a campaign to select the best-quality OTOP products called “OTOP Product Champion (OPC)” or Star System. Four main winning categories for OPC are (1) being exportable and having the brand equity, (2) being continuous and consistent, (3) having standardization and quality to earn the customer’s satisfaction and (4) the interesting story of the product. The third step of the process is to create the marketing opportunity by holding an OTOP fair. Also according to the Government’s policy, the National OTOP Committee needs to assign CDD to organize the OTOP Mid-Year Fair and OTOP City Fair twice a year. These are the details of the role of the Thai Government on the OTOP movement. More than 10 years of the OTOP movement in Thailand, the Thai Government has been continuing its supportive role for this as shown in Table 1 below.
Table 1: Evolution of the OTOP movement in Thailand

<table>
<thead>
<tr>
<th>Year</th>
<th>Movement</th>
<th>Ministerial integration</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>In a meeting on April 30, 2001, Former Prime Minister Thaksin Shinawatra declared a policy of One Tambon One Product at Government house and ordered the program to be managed by Community Development Department (CDD), Ministry of Interior. Governor of Oita prefecture, Japan, also participated</td>
<td>Ministerial integration</td>
</tr>
<tr>
<td></td>
<td>“The National One Tambon One Product committee 2001” was legislated. Deputy Prime Minister was the chairman of the committee. The committee tasks were to issue the policy, strategy, master plan, standard control and select a product of quality to be an OTOP product.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>There was a rearrangement of the management system of the OTOP movement. The system was upgraded to be a “Ministerial Integration” leading many governmental divisions to work together to issue the strategy and plan for OTOP, support the network of entrepreneurs, help increase the productivity and support the export market.</td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td>Searching for the excellent products from the registered products (80,000 products)</td>
<td>Searching for products</td>
</tr>
<tr>
<td></td>
<td>The National One Tambon One Product Committee led by the Minister of Finance (chairman) launched a campaign called “OTOP Product Champion: OPC” in order to sell the products in the global market (Star System)</td>
<td>To grade the OTOP products and promote the OTOP program</td>
</tr>
<tr>
<td>2003</td>
<td>The National One Tambon One Product Committee created the policy to promote OTOP by assigning the Community Development Department, Ministry of Interior, to organize OTOP Midyear and OTOP City twice a year</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>The National One Tambon One Product Committee created a policy that emphasized on “the quality of product and standard for productivity” - Smart OTOP and OTOP premium</td>
<td>Quality and Standard</td>
</tr>
<tr>
<td>Year</td>
<td>Movement</td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>----------</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>More policy and strategy created to promote the marketing – improving the products for the global market “Local Links - Global Reaches” with the emphasis on exporting the products. Promoting OTOP CITY to sell 3-5 star products and promoting premium products to display in the global exhibitions, promoting a training program about the OTOP products.</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>Policy declaration by Former Prime Minister Surayud Julanon to the National Legislative Assembly in November 2006 on the economic matter, emphasizing on grass root economy and promoting the community’s product (OTOP) continually. Deputy Prime Minister became the Chairman of Subcommittee of Local Community Product Management (for OTOP). In search of the provincial Star OTOP and Advance Smart OTOP</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>Searching for the products of quality which had potential in the market. Developing the Knowledge Base OTOP: KBO network in the communities: 75 networks, in order to improve the standard quality of the products in hope to distribute the products domestically and overseas. Community Development Department, Ministry of Interior, operated the OTOP village project in order to promote tourism and promote OTOP village champion (OVC) program. OTOP selecting OVC, KBO</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>The Government held a meeting to discuss about workshops to support the grassroots economy Entrepreneur promotion Focusing on the marketing campaign and the improvement of the management and business plan for grassroots people who wanted to become the professional business owners</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>Community Development Department launched the OTOP Entrepreneur Conference in order to increase the number of the channels for selling OTOP products Promoting Young OTOP Camp: YOC Emphasizing sustainable development, integration and community strengthening</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>Continuing to hold OTOP Midyear fair Sustainable OTOP National OTOP Administrative Committee approved the budget for OTOP to increase the possibility of the marketing channel and capacity to sell products created from the local wisdom</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>OTOP Delivery and OTOP Mobile to the Factory program created Marketing</td>
<td></td>
</tr>
</tbody>
</table>

Source: Compiled by author [7]
Case studies of the Non-OTOP movement in Thailand

The Non-OTOP movement means the movement of the villagers who create the new development and management for their local products differently from the normal process and system of OTOP that has a Star or grading system initiated by the central Government. This part explains the Non-OTOP movement using the two case studies in Rayong Province, Thailand. This is the new approach to develop the local products which is different from the normal OTOP movement. It reveals the possibility for the endogenous development of the local products especially by the role of the local initiators.

Case study of the Non-OTOP movement in a local community

The local community or village (Muban) is the smallest local administration in Thailand [1]. Ban Jum Rung Community which is brought to be the case study here is located in Neon kho sub-district, Klang district, Rayong Province, Thailand. It is a small rural community with approximately 136 households (550 people; 2010). It is the local community where local residents have been creating a very good relationship with each other for a long time as relatives and neighbors. It is one of the communities that can effectively practice and apply the Sufficiency Economy Philosophy which is His Majesty the King’s initiative philosophy that was also adopted in the Ninth National Economic and Social Development Plan.

Ban Jum Rung has a prominent characteristic of “a model of sufficiency community”. Department of Community Development, Ministry of Interior, has evaluated Ban Jum Jung Community as the community with the best practice of Sufficiency Economy in Rayong Province in 2006 as seen from 27 indicators1 that were suggested by Sufficiency Economy Philosophy Promotion Board, Community Development Department, Ministry of Interior and that proved the village to be the sufficiency community. The style of Ban Jum Rung’s Sufficiency Economy is mainly about the way of thinking and doing through the sufficient way of life as seen from many activities in the community. At present, Ban Jum Rung Community is welcoming more visitors from many other communities and organizations who visit the village to learn about the useful philosophy from their development experience. They have created many programs that reflect the philosophy such as the management program to process local resources to be the community’s products, the development program of the Rural University as a learning center to develop the community, the tourism program that promotes the building of homestays and restaurants, the agricultural management program,

1 Indicator for Sufficiency Village Evaluation has 27 indicators dividing into 4 groups which are; (1) Social and Mind (2) Economic (3) Learning and (4) Natural Resource and Environment. (Sufficiency Economy Philosophy Promotion Board, Community Development Department, Ministry of Interior, 2006)
and the garbage bank program. All activities and movements are based on the concept of self-reliance which is the fundamental idea of Sufficiency Economy Philosophy.

The reason why the movement of Ban Jum Rung Community can be considered the Non-OTOP movement is because their way of thinking drives the development of the community especially the management of their natural resource to create the local products. They have stopped depending on the outside world only and focus on the ideas of self-reliance, happiness-based development, harmonizing and balancing, and then start to earn back the lost capital and resources. The activities created by Ban Jung Rung Community can be sorted into four categories that are also the four influential factors: (1) human, (2) soil, (3) water, and (4) forest. All activities are carried through by groups of the local residents.

The local products of Ban Jum Rung Community are agricultural products (seasonal products) processed traditionally. The working system of the community is a household system combining the traditional production process that makes use of the local resources and wisdoms. Farmers in Ban Jum Rung still lack of technological knowledge for packaging, business and marketing. Their working style still reflects the traditional method of agriculture which is a pesticide-free or organic agriculture. Ban Jum Rung Community uses a different way of working from the normal OTOP movement. The community focuses on creating the product to reflect the value of the product itself by (1) keeping the rural lifestyle and traditional way of agricultural process, (2) protecting the environment and natural resource (human, soil, water and forest), (3) maintaining the household system. They believe in their way of doing and their products which come from the good origin of the local wisdom. However, this approach is unqualified from the OTOP standard because of some reasons such as the lack of export capability or quality. Therefore, Ban Jum Rung Community defines their products as ‘Classical OTOP’ products.

The origin of Classical OTOP actually comes from an effort to solve the problems that the local farmers of Ban Jum Rung Community formerly had such as (1) the low product standard that forced agriculturist to use pesticide and (2) the low price of the products and the exploitation by the middle man. This was a normal cycle that the farmers usually confronted and failed to overcome. Therefore, some local initiators wanted to create something to improve the situation and solve the problems. People in Ban Jum Rung Community who were against this cycle and OTOP campaign started to create a product in different way. The principles of Ban Jum Rung ‘Classical OTOP’ are (1) the idea that customers are friends, (2) the face-to-face interaction between producers and customers in order to understand the origin of the products and the traditional way of work of Ban Jum Rung, (3) the focus on the origin of the products rather than the external evaluation or criticism on the quality of the products, (4) being environmentally friendly during the production process by protecting four natural resources; human, soil, water, and forest.
The difference between Ban Jum Rung’s Classical OTOP and normal OTOP in terms of marketing is about making a link between the market and the production process. The Community wants to bring the customers closer to the community (the origin of the products). The main strategy to create such link is to promote the tourist activities that allow the tourists learn about the community’s way of life. To do so, the tourists are encouraged to stay with the villagers in a homestay, learn about the agricultural lifestyle of the community and experience local food, etc. The Community works together with many organizations that support their approach such as the Tourism Authority of Thailand, the Thai Health Promotion Foundation which supports the idea of producing healthy food without using pesticide and the Community Organization Development Institution (CODI) which supports the effort to strengthen the community. These organizations are helpful because they can help guarantee the quality of the activities and promote the learning activities in the community. Another strategy is the use of media and effective communication through websites and television in order to show the villagers’ way of life and learning methods and to encourage people to visit the community. Ban Jum Rung has become well-known by word of mouth from people who have visited and learned from the community. In the past ten years, many tour companies have put the trip to Ban Jum Rung Community in their program. This is another way to bring the customers to the origin of the products. This marketing approach helps the villagers keep and sell the products within the area. The customers can get fresh products from the origin. Vendors can keep the products fresh. This also helps reduce the transportation cost. Moreover, customers can learn about the Community’s way of living that reflects the philosophy of Sufficiency Economy.

The differences between Ban Jum Rung’s Classical OTOP and normal OTOP in terms of fund and investment are:

(1) The fact that the capital or startup fund for Classical OTOP is gathered from group members themselves. Ban Jum Rung Community has 44 group activities; all have their own funds which are gathered from the members without any support from the Government.

(2) The fact that the source of the funds is the ‘Mutual funds of Ban Jum Rung Community Organization Network’ that provide money whenever the community needs the finance support. The money in the mutual funds is also gathered from the members of the community or raised from the group activities that are held to develop the community.

(3) The fact that they use the financial service of ‘Bank of Neon Kho Sub-district Community Network [8]’ which is operated by the network in the Community. The members of the community can get the financial service in the area. The benefit from the bank is returned to the community members. To conclude, this financial movement of the community shows the community’s self-reliance in terms of money. They can find their own financial support without external help. This is different from the normal OTOP.
Another difference between Ban Jum Rung’s Classical OTOP and normal OTOP is about the human resource development that is initiated locally; ‘changing from within’, through the role of the innovative people in the community. These can be leaders or members, etc. One example of the persons who initiate the change or so called the Change Initiator is Mr. Somreang Deenan who initiated the idea of ‘Classical OTOP’ of Ban Jum Rung Community. It is a process of learning by doing or learning from mistakes in the old chemical agriculture. People in Ban Jum Rung realized in the negative effect of the pesticide use. They learned from experiences. Failure is taken as a lesson to be used for the human development in Ban Jum Rung Community. The movement of Classical OTOP also shows the failure of the governmental policy in supporting the normal OTOP which cannot really solve any rural problem.

The Non-OTOP movement in a local community like Ban Jum Rung Community reveals how the local community can find its own approach to make a living beyond the mismatched approach of the governmental top-down policy. The movement of the community is based on the self-reliant approach with the role of the local initiators as the team leaders.

Case study of the Non-OTOP movement in the local government

The local government administration in Thailand can be divided into four types which are (1) Provincial Administrative Organizations (PAOs), (2) Municipalities (consisting of city municipalities, town municipalities and sub-district municipalities), (3) Tambon Administrative Organization (TAOs) and (4) Special Administrative Entities (Bangkok and Pattaya) [9]. Klang Sub-district Municipality, our case study here, is one of 1,900 sub-district municipalities in Thailand. It is in the urban area of Klang district, Rayong province. As of 2010, the city has an estimated population of 17,306 persons (9,683 households) in the total area of 14.5 km². The Municipality consists of 13 communities.

The characteristic of the Municipality is outstanding in terms of its organizational management system which is different from that of the normal local government under a typical Thai bureaucratic system. Our case study of Klang Sub-district Municipality can be taken as an example of a local organization that has the change in the working system; that is to say, it has less characteristic of a typical bureaucratic system in Thailand. The Mayor found the new possibility to work more effectively while there is still some limitation from of the said bureaucratic system. Therefore the characteristic of the organizational management system in Klang Sub-district Municipality does not completely belong to the typical Thai bureaucratic system but belongs to a different way of working in the organization.

Its own outstanding characteristic of the organizational management system is the reason why Klang Sub-district Municipality does not implement the normal OTOP policy. The change in the working system is also influenced by the prominent and different personal character and
Differences between OTOP movement and Non-OTOP movement

way of thinking of the Mayor that are revealed through his project implementation. Klang Sub-district Municipality has been trying to change the way of the organizational management system because the Mayor does not have much faith in the old-styled hierarchical system. This is because he noticed its weakness and limitation once he first started to work in the system. He does not trust in the top-down and hierarchical system of the central Government. Therefore the feature of the organizational management system in Klang Sub-district Municipality can be explained by looking at the way of thinking of the Mayor about the organizational management system of the local government and the leadership role of the Mayor. His role as a leader and the organizational management system in Klang Sub-district Municipality are on the same track as seen through the initiative and implementation of many projects. In other words, the way of thinking (ideality) of the Mayor can be seen through the Municipality’s management system (reality).

The mayor stated that the local product should be really initiated from the local people themselves: the bottom-up process. The system of OTOP created by the central Government pushes the local people to produce the products that lack the local spirit and does not concern about the true identity of the local. It does not care much about the local condition and this can actually affect the identity and quality of the products. The Mayor has considered the true characteristic and condition of Klang sub-district and found that OTOP is not suitable for the Community. Klang Sub-district consists of 13 communities which have the characteristic of the urban community or that of the commercial district as well. They have no characteristic suitable for the OTOP movement. To explain, they do have not enough resource for production.

*Klang Rice* is the product of Klang district which is not originated from the OTOP policy. The production of Klang Rice comes with the purpose to protect the green areas in the community. It is part of the strategy to make use of the green lands in a safe way and to help the local land owners in Klang Sub-district Municipality. Klang Rice is not aimed to be the OTOP product but it is the local product that is the outcome from an effort to protect the rice fields for Klang people. At the beginning, the Mayor was the one who expressed the concern over the land in Klang district and the use of it. The geographical feature of the land was suitable to be used as the rice field because it was in the lower area. That is why people here have been growing rice on this land from generation to generation. Therefore, it was assumed that they should promote or produce something that was related to their root and history. Klang Rice is actually the produce from the whole Klang District with 15 sub-districts not only from Klang Sub-district Municipality. They all have the same agricultural root. From the survey earlier, Rayong Province had the remaining rice fields combined of less than two percent of the whole province [10]. Rayong Province had to buy rice from other provinces for their people. The Mayor was concerned about food security and the cost of transportation for
food. He questioned why we needed to spend money on gasoline and produced more carbon dioxide in the area while we had our own rice fields that we did not make use of.

The Mayor has initiated and promoted the campaign for rice farming in order to: (1) save the rice fields in the district (2) save the historical agricultural root of the Klang District and (3) reduce the cost of food transportation. The producers are the farmers in Klang District themselves. The role of Klang Sub-district Municipality is to distribute the products. To explain, they buy rice from Klang district areas only. They have ‘Klang Rice funds’ to manage and process the produce. The funds belong to the members (individually or as a whole community) in Klang District. It is managed by Klang Sub-district Municipality who works like a non-profit organization, not local administration. The purposes of the funds are (1) to start off the fund for the Klang Rice movement, (2) build a sense of belonging to the Klang people for the Klang Rice product and (3) group people and manage the system effectively for the Klang Rice movement.

This is how to use the economic strategy as a mechanism to protect the green lands or rice fields in Klang Sub-district Municipality. By doing this, the land owners and farmers can get the benefit from their own rice products and the Municipality can protect the green areas and maintain the historic root of the Municipality. The success of the Klang Rice movement can be indicated by (1) the dividend of the Klang Rice fund which is 12% (in the first year of the operation of the movement), (2) the increasing amount of rice as seen on the paddy fields and rice mills, (3) more number of farmers who come back to work on the Klang fields and (4) more income and a better life of farmers.

The Non-OTOP movement in the local government as seen from the movement of Klang Sub-district Municipality shows how the local government can work independently and does not have to stick to the unsuitable top-down policy from the central Government. The movement of the Municipality as explained above is not totally based on the typical bureaucratic system but mainly on the cooperation and mixed system towards the role of the executives and team leaders such as the Mayor and Vice Mayor in the Municipality itself.

Discussion

This part will explain and discuss about what make the OTOP and Non-OTOP movements different by analyzing the specific case studies. It will focus on the role of the local leaders in making such differences. The role of the local leaders can be seen from the management system of an organization; that is to say, the role of the leaders and the management system are complementary. The leaders specify the direction or way for the management in the organization. Their leadership involves in developing the vision and mission of the organiza-
Differences between OTOP movement and Non-OTOP movement

On the one hand, OTOP is a public policy of which system and characteristics are designed by the central Government. However, this system which is designed using the notion of top-down process might become a mismatch with the local characteristics and conditions. The OTOP system was created by the higher governmental leaders who focused mainly on the outcome such as the number of product champions, the income from the sold products in OTOP fairs, the number of exported products, etc. The outcomes as mentioned do not guarantee the community’s development in all dimensions. The OTOP system has looked over an important process in between; the local initiative process which can help strengthen the local community directly. The OTOP policy does not cope with the root problems of the community. It only emphasizes the quality of the product and income without understanding the condition of the local producers. Therefore, OTOP can be only one part of the dimension for the development in the regional areas. In other words, not all of Tambon areas can implement the OTOP policy.

The management system of the normal OTOP movement is standard-oriented process. The system of OTOP is a grading system initiated by the central Government. The OTOP product champion or Star System is being used as a mechanism for evaluating the local products in order to export such products to an international level. This system classifies the capacity of the producers into two main groups: local community and Small and Medium enterprises (SME). This system is taking into account these two different groups which actually have very different characters and abilities.

On the other hand, the management system of Non-OTOP movement is basically related to the role of local leaders. When the normal OTOP movement does not match the characteristics of the local areas, the new system is needed in order to find an appropriate way of working for each rural area. The two aforementioned case studies show how the local leaders design their way of the management and system. The case study of Ban Jum Rung Community shows the management system style of household and neighborhood system. Moreover, they also rely on a network and collaboration with other sectors such as governmental, academic, private sectors and NGOs. The management system of the Non-OTOP movement in the local government; as in the case study of Klang Sub-district Municipality, is a mixed system which combines the characteristics of the Thai bureaucratic system with other systems that focus more on the benefits of the locality and that can support the Municipality to have a more
flexible workflow and working style, such as cooperative system and fund group, etc. This research concludes the differences between the normal OTOP and Non-OTOP movement as shown in Table 5.2 as below.

Table 5.2: Differences between OTOP and Non-OTOP Movement

<table>
<thead>
<tr>
<th>Issues</th>
<th>Normal OTOP</th>
<th>Classical OTOP</th>
<th>Klang Rice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management system</td>
<td>Hierarchical/Top-down</td>
<td>Self-reliance</td>
<td>Mixed system</td>
</tr>
<tr>
<td>Evaluation</td>
<td>Star system/OPC</td>
<td>Trust</td>
<td>Brand loyalty</td>
</tr>
<tr>
<td>Emphasis</td>
<td>Quality</td>
<td>Value</td>
<td>Value</td>
</tr>
<tr>
<td>Process</td>
<td>Manufacturing</td>
<td>Household</td>
<td>Traditional farming</td>
</tr>
<tr>
<td>Sale</td>
<td>Export</td>
<td>Locality</td>
<td>Locality</td>
</tr>
<tr>
<td>Package</td>
<td>Packaging</td>
<td>Non-packaging</td>
<td>Non-packaging</td>
</tr>
<tr>
<td>Goal</td>
<td>Economic development</td>
<td>Rural development</td>
<td>Green area protection</td>
</tr>
<tr>
<td>Organization</td>
<td>Business/ enterprise</td>
<td>United community</td>
<td>Fund group</td>
</tr>
<tr>
<td>Main actor</td>
<td>National government</td>
<td>Local community</td>
<td>Local government</td>
</tr>
</tbody>
</table>

Source: concluded by the author from the interviews, August, 2012

Both Classical OTOP of Ban Jum Rung community and the case of Klang Rice product reveal the alternative way to develop the local product outside the normal OTOP policy. Moreover, they reveal how the local people can contribute to the community to promote the self-reliance in the regional areas. The most important factor which makes this difference is the ‘role of the local leaders’. This part discusses about the role of the local leaders who contribute to the Non-OTOP movement in order to clarify and emphasize the necessity of the local initiative movement.

Role of the local leaders

This part of the research divides the local leaders who contribute to the Non-OTOP movement into two groups: (1) **Frontier Leader**, the leader whose role is to inspire people to initiate the change to the community by using and embedding the leader’s prominent character and (2) **Change Initiator**, the leader or group leader or innovative person whose role is to initiate and create the change by using lessons or experiences that he has learned.

(1) The role of the Frontier Leaders

The role of the frontier leaders as seen in Ban Jum Rung Community that adopts the Non-OTOP movement can be exemplified by the role of Mr. Chartchai Laungcharoen (Leader of Network of Ban Jum Rung Community Organization). His permanent position
is the ‘president of Neon Kho Sub-district community organization council’. However, in this community, he takes the role of coordinator of Network of Ban Jum Rung Community Organization. The reason why the role of Mr. Chartchai can be defined as that of a Frontier Leader is because he leads the community towards the development by embedding himself in the united Community (the movement of the community where people stick or gather together to work for the development of the community and to maintain the traditional way of life of the community). He can naturally control and show the direction for the Community by using an effective verbal communication in each monthly meeting. The united Community can ask him any question to clarify any doubt. The Community can actually have the role in helping him define the framework or scope for the decision making. In the case of Ban Jum Rung product movement, at the beginning he did not inspire people to solely sell products. He actually started the idea of the united Community just to solve the problem of the price of the agricultural product; making it more controllable. He managed and coordinated the tasks to help all members realize in the importance of increase the productivity in a traditional way. At present, his role is also to track the activities in the shops of the Community in a monthly meeting. Additionally, he sometimes tests the quality of the products and investigates the behaviors of the sellers, etc.

Ban Jum Rung’s Frontier Leader also designs and sets up the system of united Community. Then, the Leader has embedded himself in the Community correspondingly, too. The role of the Frontier Leader contributing to the Non-OTOP movement in Ban Jum Rung Community can soundly inspire the change to the Community’s productivity by embedding his character and intention into the Community. Even though the movement of the united procession was designed or initiated by the individual leader (Frontier Leader), it was launched through many group activities (such as the agricultural product processing group, etc). The fact that the Leader has embedded himself in the Community is a soft approach of the leader to change and initiate the new movement or new direction to the Community such as this example of the Classical OTOP in Ban Jum Rung Community.

Also, the Frontier Leader in a local government like a Mayor strongly inserts his character into the organizational management system. This can be exemplified by the role of Mr. Somchai Charinchareon (Mayor of Klang Sub-district Municipality) for the Non-OTOP movement. Normally, the Mayor only has an executive role. But in this case, it is a bit different. Mr. Somchai Charinchareon has been the Mayor since 2001. The long period of position has been helping him to embed his individual character into the organizational management system deeply. The reason why the role of Mr. Somchai is defined as the role of the Frontier Leader is because his role has an influence on the Municipality’s management system that has changed from the pure bureaucratic system to the mixed system. He is strongly against
the Thai typical bureaucratic system and this is revealed through the implementation of many innovative projects in Klang Sub-district Municipality. He has declared his way of thinking to his followers. He can work with some of followers who support his way of thinking. At the same time, he can also put some pressure on some government officers who have surrendered to the limitation of the Thai bureaucratic system in order for them to change. These government officers can find the new system designed by the Mayor an obstacle to their work routine and that it can lead to more or additional work. But for the mayor, he thinks that the Thai bureaucratic system and government officers who cannot respond to his system are the obstacle to working more effectively. However, as the Frontier Leader, he can cooperate with other organizations and these people; in order to work under the limitation, too.

The role of the Frontier Leader as seen in the movement of Klang Sub-district Municipality is the role of the individual leader who is against the Thai bureaucratic system. The Leader prefers to set up the new solution to work more efficiently and ignore the complicated process of the bureaucratic system. The Frontier Leader contributing to the Non-OTOP movement in Klang Sub-district Municipality also strongly insists that this new solution to solve the problem should be used on the environmental issue, too. He promotes the new idea of the rice field protection and the campaign for selling Klang Rice products. Regarding this, the movement of Klang Rice fund is also completely designed and managed by the Mayor and his followers.

The fact that the Mayor insists to insert his way of thinking into the implementation of the projects is a strong approach of a leader who wants to change and develop the new movement or solution to solve the problems of the community as seen from the Klang Rice movement in Klang District. In other words, the role of the Frontier Leader and the role of the executive in a governmental office in this case are rather similar.

In conclusion, the role of the Frontier Leader obviously contributes to the Non-OTOP movement. Importantly, this is because the Non-OTOP movement is not something common or well-known. Thus the strong support and promotion from the local governmental sector is important. The Frontier Leader plays a key role in pushing such new alternative approach either by embedding the character of the leader little by little to the team or by insisting to insert his way of thinking to the organization.

The role of the Change Initiators

The role of the Change Initiators as in the case of Ban Jum Rung Community that pursues the Non-OTOP movement in their local community can be exemplified by the role of Mr. Somreang Deenan (Head of Ban Jum Rung Community Learning Center). He initiated the idea of ‘Classical OTOP’ which promotes the traditional agriculture and productivity. The
reason why the role of Mr. Somreang is defined as the role of the Change Initiator is because he initiated the change by using his experience that he has learned from the past failure in the implementation of the normal OTOP. He did not initiate the change because of the influence of his own character. The movement of the Classical OTOP is the change he introduced from his own creativity, experience and practice. The lessons from his experiences made him realize in the importance of the traditional agriculture. Therefore, he initiated a new way to solve the problems and encouraged the community to realize in the usefulness of this approach. At the beginning, he learned and practiced along with united Community movement. He was the first person in the Community who introduced a new way of working to create the Classical OTOP. The role of Mr. Somreang is the initiation of the change without a pressure from outside but with mutual experiences and practices of this united Community. Mr. Somreang does not dominate the community at all. He just introduces his viewpoint for problem solving. The united Community can comply with his idea easily because they are solving the same issues; they have the same experiences and problems. The Change Initiator’s role as seen from the movement of Ban Jum Rung is the role of the individual who brings in an alternative way or new change to the community. The Change Initiators such as Mr. Somreang have a similar role of a creative staff or designer. Their role contributing to the Non-OTOP movement in Ban Jum Rung Community is in harmony with the community’s features. Regarding this role, Mr. Somreang has become the founder of Classical OTOP. At the same time, the united Community movement makes the Community act as the manager of the project and the movement of agricultural product processing group makes the group act as the producer.

Creating a new idea and then suggesting this idea to community is a democratic way of working in the local community. This is how Mr. Somreang works. He temporarily relinquishes his official position as a powerful leader to the level of peer who suggests the new idea of the Classical OTOP as an alternative way of work to the Community then let the Community judge whether it is worth trying. However, sometimes the Change Initiators also need support from others, too. For example, the Frontier Leaders can help them initiate a new creative approach. As in the case of Ban Jum Rung, Mr. Chartchai who has the role of a Frontier Leader for the Community supports the role of Mr. Somreang who is the Change Initiator for the Classical OTOP implementation. Moreover, the Ban Jum Rung Community also supports both of them. Eventually, the Classical OTOP in Ban Jum Rung has become successful both in terms of the management system and profit.

When being compared to the role of the leader in Ban Jum Rung community, the role of the Change Initiator in the case of Klang Sub-district Municipality that has also adopted the Non-OTOP movement is still ambiguous. Mr. Somchai Charinchareon as a Mayor actually
takes the role of the Frontier Leader and the Change Initiator at the same time. The Mayor entirely manages the whole process of the Klang Rice movement. Moreover, he is initiating the motto ‘Klang People eat Klang Rice’. He has initiated many activities for the Klang Rice movement and the organizing of these activities seems to be limited within the executive team only. His co-workers (at the executive level) such as the Vice Mayor also share some roles of the Mayor, too.

Mr. Thongchai Jirawiwatwanit, Vice Mayor of Klang Sub-district Municipality stated that Municipality’s Executive initiated the Klang Rice idea and encouraged the villagers to participate. He mentioned that ‘people will not have to participate if the policy is not clear’. Therefore, the Municipality’s Executive declared the Klang Rice movement and tried to communicate this to the people through many media channels and events. The understanding of the villagers about the Executive’s policy, program and project is very important. The Executive group always passes the information to the people through different channels of the local media such as radio, news broadcasting tower, internet, etc. A group of leaders of Klang Sub-district Municipality are the leaders who have the same vision and way of thinking. These leaders designed their own scope for their duties: processing of policy and planning, designing the direction of implementation, sharing the information with staff in the organization for the mutual understanding and then communicating with the community. The leaders are planners, policy makers and workers, too. The team leaders of Klang Sub-district Municipality use 3C principle in the implementation of the policy. They take the role of the executive in order to formulate the policy and take the role of a worker when implementing the said policy. They do not try to dominate the community but encourage and persuade the villagers by using media and discussion. The movement and management system of Klang Sub-District Municipality is a side-by-side operation and does not resort to the command of the leaders only; the leaders work together side by side with the members of the Community.

From the viewpoint of Vice Mayor, the local leaders in Klang Sub-district Municipality can be considered as a group of the Change Initiators who have a strong idea and clear vision. However, in order to implement the vision, this group of Change Initiators should also take the role of a Frontier Leader, too. Mr. Somchai, as a Mayor, has driven the Klang

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2 3C principle of leader in Klang sub-district municipality are (1) Communication through local media, internet, mobile messages, events, etc. It is a channel for information dissemination. (2) Community by link community and administration in policy, program and project implementation and (3) Cooperation not divide government and citizen, not relationship between provider and receiver.
Rice movement even though it is not the project under the system of the Thai bureaucracy. He is the Change Initiator who creates an additional movement for the local administration. Regarding this role, Mr. Somchai has independently initiated the local system to work under some existing limitation in the bureaucracy. He takes role of the Change Initiator to create the new solutions and takes role of the Frontier Leader to drive the solution.

In conclusion, both two roles (Frontier Leaders and Change Initiators) are significant in contributing to the Non-OTOP movement in different situations (local community and local government). The mutual characteristic from these two case studies is an endogenous role of the local leaders. This research proves that this endogenous character is the main reason why the system of OTOP is not suitable for all Tambons or sub-districts.

Conclusion

This chapter discusses the differences between the OTOP movement and Non-OTOP movement in Thailand. The evidences from the two case studies of the Non-OTOP movement show that OTOP is not suitable for all sub-districts in Thailand. Moreover, it reveals other ways to develop the local products with a consideration of local characteristics. The Non-OTOP movement reveals a diversity of a local movement which cannot be controlled by the same or general standard of the national Government. The Non-OTOP movement is contributed by the role of the local leaders both in the local community and local government. The local leader is a key factor that can make the Non-OTOP movements different from the normal one.

In this research, the role of the local leaders is divided into two roles: the role of the Frontier Leader (a person who contributes the change in an organization by using his personal character) and the role of the Change Initiator (a person or group of person who create the change from their experiences and lessons from the learning processes). The roles of the Frontier Leader and Change Initiator are identified as an endogenous attempt of the local leaders. These two roles of the local leaders are contributed for the self-reliance and regional development.

This research shows that the top-down policy is an obstacle for the implementation process for any project. The standard made by the central Government are depreciating the local diversity; especially the various uniqueness of the local characteristics. We should not use the same strategy to develop the local product in all areas but each different development approach should come from the local initiatives; being contributed by the local people; especially with the support from the local leaders.
Endnote

1. In Thailand, local government administrative structures can be divided into four levels: 76 provinces, 878 districts, 7,255 sub-district (called ‘tambon’ in Thai) and 74,956 villages. Each of Thailand's 76 provinces is subdivided into 'amphoes' or districts, which again consist of ‘tambons' or sub-districts and villages. (Source: Department of provincial Administration, December, 2011)


8. Ban Jum Rung is one of nine villages in Neon kho sub-district. Moreover, Ban Jum Rung is a center of Neon Kho sub-district community Organization Council.

9. Thailand have 76 Provincial Administrative organizations (PAOs), 2,082 Municipalities; consist of 27 city municipalities, 155 town municipalities and 1,900 sub-district municipalities, 5,693 Tambon administrative organization (TAOs) and two special administrative entities (Bangkok and Pattaya) (Source: Department of provincial Administration, December, 2011)

10. Mr. Somchai Charinchareon, Mayor of Klang Sub-district Municipality, Rayong Province, Thailand, Interviewed 7 September 2012

11. Mr. Thongchai Jirawiwatwanit, Vice Mayor of Klang Sub-district Municipality, Rayong Province, Thailand, Interviewed 7 September 2012
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Somchai Chariyacharean. Mayor of Klang sub-district municipality, Rayong Province, Thailand. Interviewed February 17, 2012
Somchai Chariyacharean. Mayor of Klang sub-district municipality, Rayong Province, Thailand. Interviewed September 7, 2012
Somreang Deenan. Head of Ban Jum Rung community learning center, Ban Jum Rung Community, Rayong Province, Thailand. Interviewed September 6, 2012
Suwan Ruksakit. Farmer in Klang Sub-district Municipality, Rayong Province, Thailand. Interviewed 7 September 2012
Introduction

If some policies are stable and others are not, what kind of implementation makes one policy more stable than others? That is the basic question of this paper. It can be assumed that if a government’s program to promote a policy is implemented consistently, such a policy would be more stable; the stability of a policy is likely to be influenced by the way its program is implemented by the administrative bureaucracy that promotes the policy. This paper is an attempt to validate this hypothesis. More concretely, this paper verifies the instability of the One Village One Product (hereafter called OVOP) movement of Oita Prefecture, Japan, which collapsed abruptly after the government changed, and compares it with the One Tambon One Product (hereafter called OTOP) movement in Thailand. The comparison shows that Japan’s OVOP policy, whose program was implemented by a bureaucracy with an Operation-oriented Type behavior pattern, had an unstable quality; while Thailand’s OTOP policy, whose program was implemented by a bureaucracy with an Execution-oriented Type behavior pattern, had a stable quality.

The first section below presents an analytical framework and method with which to investigate how bureaucratic behavior patterns resulted in the termination of the policy in Japan and the continuation of the policy in Thailand. Based on this framework, the second section shows how regime changes affected the development of the OVOP program in Japan and the OTOP program in Thailand. The third section clarifies that the behavior pattern of the bureaucracy in implementing the OVOP policy program was an Operation-oriented Type, in which the secretarial system initiated and stressed ‘how to’ implement the program before a program system was sufficiently established. On the other hand, the behavior pattern of the bureaucracy in the implementation of the OTOP policy was an Execution-oriented Type, in which the chief cabinet system took the initiative and laid stress on ‘what to do’ to implement the program when a program system was firmly established. Thus, the paper intends to show that one of the reasons for the difference between the present state of OVOP and that of OTOP lies in the difference in the ways in which the administrations implemented
the programs. These findings provide insights regarding how to promote future regional activation programs that can take advantage of local resources in Japan and Thailand.

**Analytical Framework**

Compared to the number of studies that focus on how policies are determined and why they continue, little research has been carried out into how and why policies are terminated. Here, the continuation or termination of a policy will be investigated with a focus on the behavior patterns of the bureaucracy, the principal entity of policy implementation.

How is a policy terminated? Traditional studies of policy termination tend to consider the abolition of the organization that implemented a certain policy as the termination of the policy. However, Deleon (1987) points out that the abolition of organizations is rather rare, and that policy termination is a more complicated activity. In addition, Frantz (1995) thinks that it is possible to find certain patterns or regularities in policy termination. Then, how can we explain the reason why one policy was terminated through a political change caused by a regime shift, while another almost identical policy continued even after a similar political change? It is easy to understand that policies may change fundamentally and programs that have been implemented may be terminated under a newly elected administrative head; however, even in such cases, some factors seem to exist that affect the difficulty of terminating existing programs. This paper compares and analyzes the OVOP policy in Japan and the OTOP policy in Thailand to investigate factors underlying the stability of policies.

Table 1 shows the analytical framework that demonstrates how one of the factors, that is, the behavior pattern of the bureaucracy in implementing a program, influences the continuation or termination of policies. The development of Japan’s OVOP policy ended due to a regime change, while the Thai OTOP policy continued after a regime change, even though these policies were almost identical. We can see differences in the behavior patterns of the bureaucracy as the background to these phenomena. It is possible to verify that the implementation of the OVOP policy in Japan was promoted through an Operation-oriented Type behavior pattern of the bureaucracy which puts stress on ‘how to’ implement the program. It can be assumed that the promotion of the program by such a behavior pattern of the bureaucracy made it difficult to establish a system for the program; thus, the OVOP policy became an unstable one and was terminated when the regime changed. On the other hand, the implementation of the OTOP policy in Thailand was promoted through an Execution-oriented Type behavior pattern of the bureaucracy which puts stress on ‘what to do’ for the implementation of the program. It is suggested that the promotion of the program by such a behavior pattern of the bureaucracy made it possible to establish the program system; thus, the OTOP policy became a stable one and succeeded even after a regime change.
Table 1  Bureaucracy behavior patterns in program implementation and the fate of OVOP/OTOP policies.

| Unstable quality of OVOP policy and its termination in Japan | Verification of program termination (Table 2) | Verification of operation oriented type of bureaucracy behavior which aimed at "how to do" and did not build a program system (Tables 3, 4 and 5) |
| Stable quality of OTOP policy and its continuation in Thailand | Verification of program continuation (Figure 1) | Verification of execution oriented type of bureaucracy behavior which aimed at "what to do" and built a program system (Figure 3, Table 6) |

Source: Author.

Policy Continuation and Policy Termination with a Regime Change

Regime Change and Its Effects on OVOP Policy in Japan

How did the OVOP policy in Japan change after a regime change?

This section describes the overall picture of the OVOP policy in Oita, Japan, from its beginning to its end after a regime change, outlining how the bureaucracy developed a program for the OVOP policy.
Table 2: Overall picture of the implementation of the OVOP program.

<table>
<thead>
<tr>
<th>Regime</th>
<th>Term of office</th>
<th>Year</th>
<th>Background of OVOP implementation</th>
<th>Contents of OVOP program</th>
<th>Promotion of OVOP policy in other programs</th>
<th>Stage</th>
</tr>
</thead>
<tbody>
<tr>
<td>First</td>
<td>(1979—1983)</td>
<td>1979</td>
<td>Governor Hinamatsu declared OVOP</td>
<td>none</td>
<td>none</td>
<td>Policy beginning</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1981</td>
<td>*Oita Prefecture code for OVOP promotion fund</td>
<td>none</td>
<td>none</td>
<td></td>
</tr>
<tr>
<td>Fourth</td>
<td>(1991—1995)</td>
<td>1999</td>
<td>*Oita Prefecture code for OVOP promotion fund</td>
<td>Same as in the fourth term</td>
<td><em>Promotion of tourism and advertising&lt;br&gt;</em>&quot;Realization of OVOP&quot;</td>
<td>Policy curtailment</td>
</tr>
<tr>
<td>Fifth</td>
<td>(1995—1999)</td>
<td>1999</td>
<td>*Oita Prefecture code for OVOP promotion fund</td>
<td>Same as in the fourth term</td>
<td><em>Promotion of tourism and advertising&lt;br&gt;</em>&quot;Realization of OVOP&quot;</td>
<td></td>
</tr>
<tr>
<td>Sixth</td>
<td>(1999—2003)</td>
<td>2000</td>
<td>*Office of OVOP promotion was established</td>
<td>Same as in the fourth term</td>
<td>*One village one culture</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2001</td>
<td>*Oita Prefecture code for OVOP promotion and International exchange promoting fund was abolished</td>
<td>Same as in the fourth term</td>
<td>*One village one culture</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2003</td>
<td>*Disbandment of office of OVOP promotion</td>
<td>Same as in the fourth term</td>
<td>*One village one culture</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2005</td>
<td>*Abolition of Oita International exchange foundation</td>
<td>Same as in the fourth term</td>
<td>*One village one culture</td>
<td></td>
</tr>
</tbody>
</table>

Table 2 summarizes the contents of the program for the OVOP policy developed by the bureaucracy. This shows how the bureaucracy developed the program, dividing policy implementation into the following stages: beginning, establishment, expansion, curtailment and termination of the policy. In addition, it reveals the overall picture of the change of the OVOP program that was caused by a regime change.

After the Governor at the time declared the policy in 1979, the OVOP administrative program started in 1983. It was at the beginning of the second term of the Hiramatsu administration. Although there was some substantive local promotion of the OVOP program, no administrative program for OVOP had been developed until then. After the policy declaration, however, the bureaucracy developed program support for self-help efforts in local areas, support for improvement of techniques, support for market development, and support for human resources. It is assumed that these four programs were established as concrete content for the OVOP movement and that they continued until the programs were aborted under the Hirose administration. After that, the bureaucracy added the promotion of OVOP Local Diplomacy to the established programs for OVOP and made connections with other programs as well. However, although these OVOP programs were established and then continued for a long time, they disappeared without trace soon after the regime change.

Regime Change and Its Effects on OTOP Policy in Thailand

How did the OTOP policy in Thailand change after a regime change?

This section shows the overall picture of the development of the OTOP policy, which resembles the OVOP policy in Japan, through political changes until the present, and points out that the continuous implementation of the OTOP program is based on the promotion of the OTOP Fair project.

Figure 1 shows how Thai regime changes influenced the OTOP program. The OTOP policy began under the Thaksin administration, and has continued through different regime changes even until now, although there was a period when the administration tried to avoid using the name OTOP. The changes also reflect conditions regarding the OTOP Fair project, which was promoted as an OTOP program project. The number of OTOP Fairs per year has varied, but the Fair has not been abolished due to any regime change, and the OTOP policy has been continuously promoted by the bureaucracy. Sales figures as a result of the OTOP policy decreased in 2009, but have increased annually since then, providing further proof that the OTOP policy has been continuously implemented in spite of regime changes.
Figure 1  Overall picture of the implementation of the OTOP program and political changes.

Verification of different behavior patterns of the bureaucracy in policy implementation

Behavior pattern of the bureaucracy in the development of the program that ended up in policy termination (OVOP in Japan)

Why was the OVOP policy started?

The OVOP policy was advanced for regional development under the strong leadership of Governor Hiramatsu. Governor Hiramatsu actively toured the whole prefecture and observed how residents were struggling for local revitalization. At the same time, he also felt a ‘lazy’ atmosphere in the prefecture, with some people trying to avoid troublesome projects and having a negative attitude, with mere words without real actions. Governor Hiramatsu thought that the people of Oita needed to change their consciousness from a negative attitude to an optimistic one in order to develop their region through the OVOP movement. He thought that local revitalization required a system to support self-motivated people, not those who were led by the administration. That is why Governor Hiramatsu devised the OVOP policy which started with his declarations in a Liaison Meeting with Town Mayors on November 26th, 1979, and in a Liaison Meeting with City Mayors on December 4th, 1979. In addition, Hiramatsu announced the enforcement of the OVOP policy in the Oita Prefectural Assembly. Interestingly, Governor Hiramatsu did not set up a department to be in charge of the OVOP policy because he thought that it should be promoted by individual regions themselves.

How was the OVOP policy promoted?

Generally speaking, once the implementation of a policy is announced, a department in charge of implementation will be appointed. However, the implementation of the OVOP policy was different from common policy implementation. Immediately after Governor Hiramatsu declared the implementation of the OVOP movement policy, municipalities in Oita Prefecture actively made an effort to implement it. In reaction to such efforts, the prefecture commended those who were actively involved with OVOP policy in each municipality. At that time, Representative Biguchi asked the Governor to establish a department that would be responsible for the development of the OVOP policy. In response to this, Governor Hiramatsu clearly declared the way to promote and carry out the program for OVOP: that no department would be established to implement the OVOP program and no budget would be provided to promote it. In order to attain the goal of the policy, which was for each region to revitalize its own community, Governor Hiramatsu avoided the use of a hierarchical structure of bureaucratic departments, which was the usual rational behavior of policy implementation. In other words, by removing rational structures, Governor Hiramatsu created an environment...
where every department of the bureaucracy could be involved in the implementation of the OVOP policy. Explicitly directed by the governor to implement the policy without a department in charge, Table 3 shows how the bureaucracy developed the OVOP policy. The bureaucracy promoted the policy by adding the contents of the OVOP policy to existing projects. The Agricultural Department tried to develop the OVOP policy using this method, by opening up a ‘One Village One Product Hall’ in the existing Agricultural Fair, so that the OVOP policy in various regions could be demonstrated at the Fair. The Commerce, Industry and Labor Department addressed the OVOP policy within a tourism framework, and the Forestry and Fisheries Department associated the OVOP policy with ‘shitake’ mushroom cultivation support and existing promotion plans. This means that several departments were involved in the implementation of the OVOP policy.

**Table 3**: Actions taken by the bureaucracy around the start of the OVOP policy.

<table>
<thead>
<tr>
<th>Related divisions</th>
<th>Bureaucracy actions to implement OVOP program</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Division of Agriculture</td>
<td>Setting up booth for “One village one product” at the Agriculture Festival held on 17th Oct. 1980</td>
<td>Oita Prefecture, One village one product movement: A record of 20 years, 2001. p.30</td>
</tr>
<tr>
<td>Division of Commerce and Industry</td>
<td>OVOP related exhibition at the First Food Culture Fair at a cattle ranch on 23rd Nov. 1980</td>
<td>Oita Prefecture, One village one product movement: A record of 20 years, 2001. pp 30-33</td>
</tr>
<tr>
<td>Forestry and Marine Division</td>
<td>“We will promote regional revitalization using shitake mushrooms ··· in relation to OVOP”</td>
<td>Oita Prefecture, Congressional Documents, 27th Feb. - 28th Mar. 1981. p.21 (response from general manager of forestry and marine division)</td>
</tr>
</tbody>
</table>

*Source*: Summarized by the author based on Oita Prefecture, One village one product movement: A record of 20 years, 2001 and Oita Prefecture, Congressional Documents, from 27th February to 28th March, 1981.
What kind of behavior pattern did the bureaucracy adopt in order to develop the OVOP program?

As described above, the bureaucracy began to promote the OVOP program by adding OVOP contents to existing projects. Table 4 summarizes what the bureaucracy did in order to develop the OVOP program. These actions included: a local specialties development and promotion project; an OVOP promotion project; OVOP enhancement funds; and, a local specialties development and training program project. However, these projects were not implemented under any independently provided OVOP development program. There was no system for program implementation of any concrete efforts toward the realization of the OVOP policy in this period. The bureaucracy developed programs for the OVOP movement by superimposing the contents of existing programs and projects on contents related to OVOP, and thus tailored the projects of the OVOP program. Here, by basically concentrating on ‘how to’ implement a program, the bureaucracy tried to position its behavior as creating a program involved in the Comprehensive Plan, which can be called the operational guidelines of the bureaucracy.

Table 4: Position of programs in the Administrative Plan and actions related to program implementation.

<table>
<thead>
<tr>
<th>Use of the framework of existing programs and projects</th>
<th>Details of the Project</th>
<th>Project Name</th>
<th>Year</th>
<th>Name of General Plan</th>
<th>Relation to OVOP program in plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>o</td>
<td>Subsidy of necessary costs for discovery, research and development trial sales of regional special products</td>
<td>Project for promotion of regional special products</td>
<td>1978</td>
<td>Oita Prefecture General Plan</td>
<td>○</td>
</tr>
<tr>
<td>o</td>
<td>OVOP promotion committee implements projects, honors and trains people working on OVOP</td>
<td>OVOP movement promotion project</td>
<td>1980</td>
<td>Oita Prefecture General Plan - primary promotion plan</td>
<td>○</td>
</tr>
<tr>
<td>o</td>
<td>Subsidy in order to develop specialty products</td>
<td>OVOP enhancement funds</td>
<td>1981</td>
<td></td>
<td>○</td>
</tr>
<tr>
<td>o</td>
<td>Subsidy for costs to foster development of regional specialty crops and increase their consumption</td>
<td>Local specialties development and training project</td>
<td>1983</td>
<td>Oita Prefecture General Plan</td>
<td>○</td>
</tr>
<tr>
<td>o</td>
<td></td>
<td></td>
<td>1990</td>
<td>21st Oita Prefecture General Plan</td>
<td>○</td>
</tr>
<tr>
<td>o</td>
<td></td>
<td></td>
<td>1999</td>
<td>Oita New Century Creation Plan</td>
<td>○</td>
</tr>
<tr>
<td>o</td>
<td></td>
<td></td>
<td>2005</td>
<td>Oita Prefecture Long-range Plan</td>
<td>○</td>
</tr>
<tr>
<td>o</td>
<td></td>
<td></td>
<td>2011</td>
<td>Oita Prefecture Long-range Plan (revised version)</td>
<td>○</td>
</tr>
</tbody>
</table>

The bureaucracy promoted programs and constructed a system for these programs by associating them with the planned administration. Table 5 summarizes how the contents of the system for OVOP programs changed. In the Comprehensive Plan of 1983, the contents of the projects shown in Table 4 were the main contents of programs. In later Comprehensive Plans, the contents of programs were expanded. Thus, although the contents of programs were developed, the development was only through the bureaucratic addition of the contents of OVOP programs to other programs. As a result, the system of OVOP programs constructed by the bureaucracy was basically a guideline created in association with the planning administration; therefore, it did not define ‘what’ to do, but focused on ‘how’ to do it. It was difficult for such a system to become a stable one.

Table 5: Change of contents and characteristics of systems built for the implementation of the OVOP program.

<table>
<thead>
<tr>
<th>General Plan</th>
<th>Year</th>
<th>Contents of OVOP program system</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oita Prefecture general plan</td>
<td>1983</td>
<td>Promotion of honoring and training people working on OVOP, improvement of processing skill, improvement of distribution and expanding consumption</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Promotion of honoring and training people working on OVOP, improvement of processing skill, improvement of distribution and expanding consumption, human resources</td>
</tr>
<tr>
<td>21st Oita Prefecture general plan</td>
<td>1990</td>
<td>Promoting spread and enlightenment for OVOP, fulfilling OVOP support system, improvement of processing skills, establishment of Oita brand and promoting local exchange, human resources, promotion of variety of intercommunion opportunities through OVOP, creation of regional life culture, promoting regional multiple industrialization</td>
</tr>
<tr>
<td>Oita new century creation plan</td>
<td>1999</td>
<td></td>
</tr>
</tbody>
</table>

Source: Summarized by the author based on Oita Prefecture General Plans above.

Behavior pattern of the bureaucracy in the development of the program that allowed the policy to continue (OTOP in Thailand)

Why was the OTOP policy started?

The 1997 Asian financial crisis aggravated the problem of an urban and rural gap in Thailand. According to Kaewanotham (2008) the Thai economy had been developing steadily through the investment of foreign capital after the mid-1980s. However, foreign capital was invested only in urban areas and in certain kinds of industries. As a result, this caused depopulation in rural areas and the aggravation of the urban and rural gap. When the Asian financial crisis occurred in Thailand in 1997, Thailand entered into a long recession. The economic crash spread in rural areas and poverty surfaced as a significant problem.
Thaksin Shinawatra, who had made a large fortune from various business ventures, used this wealth to form the Thai La Party. According to Fujioka (2006: 155) Thai people had high expectations for Thaksin’s economic policy skills, which formed the background for the landslide victory of his party and Thaksin’s election as prime minister in the general election in 2001. After becoming prime minister, Thaksin initiated a regional revitalization policy, mainly for rural areas. Takei (2007) and Watunyu (2010) point out that Thaksin had a political reason for this policy; that is, to win over supporters in rural areas, who account for 80% of Thailand’s population. The OTOP policy was the government’s feature policy to promote regional revitalization. According to Nagai (2003: 303), the Thaksin administration started the OTOP policy in reaction to criticism of the Chuan regime’s neglect towards rural areas and the socially weak. The implementation of the OTOP policy was a performance by Thaksin to realize his campaign promise of ‘grass-root policies’.

**How was the OTOP policy promoted?**

The Thaksin administration executed the OTOP policy under the guidance of the prime minister in order to promote OTOP as a symbol of the Thaksin regime. The implementation of OTOP was promoted under the master plan of the Office of the Prime Minister, centering on the ‘Community Development Section’ of the Ministry of Public Management in cooperation with the Ministries of Commerce, Agriculture, Education and TAT (Tourism Authority of Thailand). The central government wanted the OTOP policy to achieve quick results and gave it full support. In order to support OTOP policy implementation, a department to preside over the OTOP policy was established in the central government. The system of OTOP policy implementation is shown in Figure 2.
Figure 2: The system of OTOP implementation in Thailand.

The OTOP policy was organized hierarchically: the National OTOP Committee was at the top followed by the Office for OTOP Promotion controlled by the Office of the Prime Minister; following that were the Provincial OTOP Committee, the District OTOP Committee and the Tambon Administrative Organization. The National OTOP Steering Committee under the direct control of the Office of the Prime Minister was at the center of a multi-layered support system consisting of both public and private organizations. This system was established in order to overview various support activities organized by government bodies for the benefit of producers. The roles of the National OTOP Committee were: to decide on policies, strategies and master plans in order to efficiently coordinate projects and budgets of related ministries and government offices; to set standards to choose OTOP products; to make the list of OTOP products; and, to advise the cabinet. In other words, one of the characteristics of OTOP is policy implementation based on top-down decision making centering on the line of Chief Cabinet departments.

What kind of behavior pattern did the bureaucracy adopt in order to develop the OTOP program?

While the OTOP policy was started centering on Chief Cabinet departments, how did the bureaucracy develop the OTOP program? We can see the answer to this question from the ‘Roadmap’ of the bureaucracy’s development of the OTOP program summarized in Figure 3.
**Figure 3:** OTOP Roadmap from 2002 to 2011.

*Source:* Summarized by the author based on internal documents from the Office of Small and Medium Enterprises Promotion and presented by the Head of the Community Development Office of Khon Kaen Province, in a JICA Third-Country Training of OVOP held at Khon Kaen University, on December 12, 2011.
Table 6: Contents of the movements to formulate an implementation system for the OTOP program by the bureaucracy.

<table>
<thead>
<tr>
<th>Regime change</th>
<th>Year</th>
<th>Movement to formulate implementing program system by bureaucracy</th>
<th>Khon Kaen province</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2001</td>
<td>Creation of administrative mechanism integrating all government sectors to promote OTOP</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>OTOP Project strategy action plans for project implementation by National OTOP Committee</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td><strong>OPC (OTOP Product Champion) Implementation</strong> First OTOP National Fair</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2004</td>
<td><strong>Establishment of OTOP registration</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2005</td>
<td>Smart OTOP, OTOP Premium</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2006</td>
<td>Provincial Star OTOP /OPV (OTOP Village Champion)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2007</td>
<td>KBO (Knowledge Based OTOP)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2008</td>
<td>OPV (OTOP Village for Tourism) and KBO (Knowledge Based OTOP)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2009</td>
<td>OTOP registration OPC (Operation of Product Classification) OTOP KBO Contest Young OTOP Camp Launch of First OTOP Regional Fair</td>
<td>Addition of classification of OVOP products to the category of product quality in OPC</td>
</tr>
<tr>
<td></td>
<td>2010</td>
<td>OPC OTOP OPV KBO Contest 2010 OTOP Fair at Regional Level OTOP Fair at National Level OTOP City 2010</td>
<td>Addition of classifications based on market potential development and quality of products in world market and contribution to community's accumulated knowledge CDD (Community Development Department) formulated OTOP program 2010. By making a database of all OTOP information, CDD creates various OTOP networks</td>
</tr>
<tr>
<td></td>
<td>2011</td>
<td>OTOP with proactive strategy / OTOP delivery / OTOP Mobile to the Factory / Focus on local community youth development in raising awareness of local increase effectiveness of OTOP network at a national level</td>
<td></td>
</tr>
</tbody>
</table>

Source: Summarized by the author based on internal documents from the Office of Small and Medium Enterprises Promotion, presented by the Head of the Community Development Office of Khon Kaen Province in a JICA Third-Country Training of OVOP held at Khon Kaen University, on December 12, 2011; and from http://www.otoptoday.com/about/otop-ten-year (accessed on March 22, 2012).
This shows how a bureaucratic organization was formed for the implementation of the OTOP policy in 2002, and how the contents of the program were developed. Of particular interest is the OTOP Product Champion. According to the Ministry of Economy, Trade and Industry this was a major annual event to select high quality OTOP products and classify them according to their market potential so as to promote them commercially. This was the foundation of a systematic program constructed at the onset of the OTOP policy. With this foundation, the OTOP program was developed, taking the steps shown on the Roadmap.

Table 6 analyzes the development of the OTOP program by the bureaucracy in more detail. After the declaration of the OTOP policy by the Thaksin administration, the central government bureaucracy formulated strategies and execution plans for the implementation of the OTOP program. At the center of the development of the program were the OPC system and the OTOP registration system. The OPC system classifies and ranks OTOP products based on their quality. The OTOP Fair was held based on the OPC system. Other projects, such as competitions and camps, were promoted after the Fair, establishing a system of programs centering on the implementation of the OPC system and OTOP registration system. This exemplifies a system of ‘what’ to do followed by ‘how’ to do it, with the behavior pattern of an Execution-oriented Type.

The bureaucracy of Thai local governments deepened the central government’s structure of systems to implement programs, aiming to improve the quality of products by adding a grading star system to make the OPC system more concrete and by making an OTOP information database based on the OTOP registration system. Building on these various movements, the central government bureaucracy aimed at furthering the international development of the OTOP program.

In this way, the bureaucracy took action centering on ‘what to do’ for the implementation of the OTOP program, creating content and constructing a stable program system. As a result, it can be assumed that the bureaucracy was able to continue implementing OTOP programs as administrative programs, in spite of some political changes. Thus, the behavior pattern of the bureaucracy in implementing the OTOP program in Thailand was clearly an Execution-oriented Type, which seeks rationality in system structure in order to pursue what to do.
Conclusion

This paper has argued that the behavior patterns of a bureaucracy in the implementation of a program can make a policy stable or unstable, and can become a part of the background of policy termination or policy continuation. In analyzing Oita Prefecture’s termination of the OVOP policy, and the continuation of the OTOP policy that developed nationwide in Thailand, this paper has pointed out that a bureaucracy’s different behavior patterns in the implementation of a program could be a factor to determine the nature of policy. It has shown how the OTOP policy, supported by the bureaucracy with an Execution-oriented Type of behavior pattern, aimed at ‘what’ to implement and the creation of a stable program system allowed the policy to continue in spite of political changes. On the other hand, the OVOP policy, supported by the bureaucracy with an Operation-oriented Type of behavior pattern, aimed at ‘how’ to implement the program, but could not construct a program system and as a result the system’s brittle and fragile nature led to policy termination after a political change. In other words, it can be suggested that even similar policies could have different destinies according to the behavior patterns of the bureaucracy that implements a program. However, this does not mean that a stable policy is superior to an unstable policy with an insufficient system structure for the implementation of a program; for a hard-to-change policy is not necessarily a good one. The framework of program implementation created by a bureaucracy with a certain behavior pattern can be solid or fragile, and either type has both good and bad points. The importance of the findings here is that differences in behavior patterns of a bureaucracy in implementing a program can affect the contents of the program to be implemented, the contents of the policy it realizes, and the contents of concrete projects to be conducted for implementing the program. Such behavior patterns of an administrative bureaucracy, that is, the ways of implementing a program, are factors that should be noted in considering the possibility of the nationwide development of OVOP in Japan and OTOP’s individual development in various regions in Thailand.
Endnote

1. For an analysis of policy maintenance and policy succession, see Hogwood and Peters (1982). In addition to the analysis of this paper based on the behavior pattern of the bureaucracy, a comparison and contrast between OVOP’s termination and OTOP’s continuation should be further investigated.

2. See Son (2012: 143 _ 155) on the verification of bureaucratic behavior in the OVOP program from its beginning to its termination.

3. See Son (2010: 49 _ 57) on the verification of the starting point of the OVOP policy.


6. Mr. Pison Pratarnchawano, Deputy of the Community Development Division of the Deputy Director-General, said that due to the regime change there was some influence on OTOP fairs, such as the amount of budget for the fairs, but that they kept promoting the fairs as a part of the responsibilities of the CDD. (Interview, February 21, 2012).


10. See Son (2010) for a more detailed discussion.

11. Interview with Mrs. Pensupa Sirisawat, chief of the Community Development Office of Khon Kaen Province, held on December 12, 2011.

References


___________. (2011). Qualitative change of a policy as a turning point toward local-oriented policy development: The case of OTOP in Rayong Province and Rayong Municipality,


Introduction

Thailand’s One Tambon One Product (OTOP) project, which has its idea originated from Japan’s One Village One Product (OVOP) project, was initiated in 2001 under the administration of Thaksin Shinawatra government. The OVOP fundamental was firstly brought to Thailand with the main objective being to enhance the nation’s grass root level economic development, aiming to help Thai people to become self-reliant and have their potential developed as the project’s principle achievements. As the result, the OTOP project’s idea has been employed to help improve the quality of life of disabled people in Thailand as they are treated as part of the nation’s capable human resources whose deserve social acceptance and respect, not as people in need of assistance and sympathy from the society, being categorized under the “Charity Base” principle. However, whether or not the OTOP project has successfully manifested its principle achievements is still in question. Consequently, this report aims to provide an answer to such the question based on the assessment of a case study that had disabled people participating in the OTOP project, with the hope that it can help develop the project to sustainably enhance and improve the quality of living of disabled people in Thailand effectively.

Current situation of disabled people in Thailand

“Disabled people are the poorest among the poor” (Kittham, 2010: online) is the saying that has been famously stated as disabled people usually lack opportunities in most aspects of life including education, employment, medical care access, social participation as well as information access which are the basic rights everyone should have as a citizen of a country. Moreover, there is also another expression half-jokingly said among disabled people themselves that “Men are from Mars, women are from Venus, so which planet did disabled people come from?” (Chai14, 2010: online) due to unusual attentions disabled people regularly receive wherever they appear.
Despite the enactment of the Rehabilitation for Disabled Persons Act, B.E. 2534 and the Promotion and Development of Disabled Persons’ Life Quality Act B.E. 2550 in order to specially protect the right, freedom and honor of disabled people. Besides, there is a National Plan for Disabled People’s Improvement in Quality of Life (No.3) (B.E.2550-2554) which is a strategic plan under the Promotion and Development of Disabled Persons’ Life Quality Act B.E. 2550. Such law resulted in the increases in awareness, adjustment of attitudes and norms of how disabled people should be treated as well as working principle, shifting away from aiding philosophy towards social equality, quite a number of disabled people in Thailand are still suffering from hardships as both the society’s acknowledgement and compliance with disabled people related legislations are still at the minimum level. The general public’s negative attitudes toward disabled people can still be widely felt while disabled people’s human right violation being witnessed regularly. For example, disabled people are usually assigned to work with phone operating related tasks and paid lower compensation compared to those with no disability in workplaces, which is considered as a violation of their employment and fair compensation rights. Moreover, quite a large number of disabled people have been given the limitation to reside in shelters or welfare centers which is a violation of their freedom, as they should have such the freedom to live in the society as everyone else. Usually, disabled people are victims of societies’ prejudice rather than of their disabilities, as the public’s attitudes toward them are typically negative. Societies’ prejudice and stereotype of disabled people as sympathetic and pitiful people who have sins and retributions and lack of the ability to help and improve themselves, leads to the social norm believing that they need assistance from the societies. As a result, this has made the majority of disabled people feel inferior and disadvantaged due to their disabilities, leading to quite a number of suicides reported being committed by disabled people. This is a violation of the honor of being human of disabled people, as reflected in Arpanee Mitthong’s expression “it is distressing that the majority of the Thais see disabled people as the nation’s burdens, it is the image and perception that have long been planted in everyone’s conscious, they are not seen to have the abilities to improve themselves as those without disabilities” (Thai Disabled Development Foundation, 2012: online).

By and large, as disabled people were born with some imperfections either of their bodies, mind, or intelligence, making them unable to adequately perform or do certain things accordance to their ages, genders and surrounding environments, cultures and societies. Given these natures of disabled people, it is not arguable that they will encounter numerous challenges and difficulties in their daily lives as well as in social participations. Therefore, it seldom cannot be denied that disabled people do need supports and assistance in order to sustain their daily-life routines and participate in societies at their abilities and capabilities
The Role of Folk Wisdom Oriented OTOP in Creating Human Value and Dignity of Disabilities in Thailand

as reflected in Saovaluck Thongkuay's statement that “every single disabled person does not want sympathy, but supports and opportunities” (Kittham and Riewpaiboon, 2008: 7) or “my (the author) the current living condition is not too bad and I am happy, usually, given certain circumstances. There is only one thing that is always on my mind which is we (disabled people) have to be self reliant, we are not unskilled people but the question is will they be given the opportunity to prove themselves?” (Pakamas, 2009: online). These statements coincide with the meaning of life given by a group of blind people saying that “life, to us, is a constant battle with physical limitations and other obstacles with the ultimate goal being able to improve and develop ourselves so that we can give back to the society and people” (Tunsakul, 2009).

According to the survey conducted in 2007 by the National Statistics Office, it was found that there were approximately 1.9 million disabled people in Thailand with 230,000 of them being were aged between 15-30 years old, while the total number of disabled people aged 15 years and over was 1.8 million people. The number of unemployed disabled people was at the high number of 1.2 million, equivalence of 67 percent of the total number of disabled people included in the survey (Kittham, 2010: online). The ratio of disabled people to the total population in Thailand has been on the rise, moving up from 1.8 percent in 1991 to 2.0 in 2007, meaning in every 100 Thai citizens, there are 2 disabled people. Moreover, it was also found that the population structures in Thailand have manifested radical changes as the birth rate is slowing, while the life expectancy increasing, thereby, resulting in the rapid society transformation toward an aging society, placing Thailand at higher risk of having a larger proportion of disabled people as elderly people are more prone to having disabilities than younger people (National Statistical Office, 2010: online). However, the rising number of disabled people in Thailand is less likely to be limited only among elderly group of people as long as the way of living of people of all age groups still have the tendency to be exposed to risks arisen from terrorism, occupational hazard or accidence caused by other people’s negligence, extending the possibility to have more new disabled people in the country. Therefore, disabled people may no longer be a small group of citizens of which development investment can be overlooked. The government, thus, needs to have adequate preventative and remedial measures and policies designed to deal with such the problem of rising number of disabled people in the nation so that their quality of life can be substantially improved and maintained, in order to reduce and mitigate the ongoing problems among disabled people as heard in the expressions of “disabled people are the poorest among the poor” and “Men are from Mars, women are from Venus, so which planet did disabled people come from?”
Preceding measures regarding disabled people paradigm

Thailand has changed its attitude toward disabled people from charity-based society to right-based society, which is a new approach applied to present work relating to disabled people. This is because the word ‘charity’ leads to an understanding that a person may give at his voluntary and affordability which will not result in a good quality of life and sustainable (The Redemptorist Foundation for People with Disabilities, 2010: 47). Besides, it also makes the society believes that disabled people are burden for their family. Thus, they are brought up with little caring. Therefore, only few disabled people can overcome the obstacle of discrimination and the lack of opportunity in such a way that they play important role in a society (Thai Disabled Development Foundation, 2009: online). The present right-based society is an approach that views disabled people as a valuable resource with potential for the country’s development, just like other population groups. This is based on the human right concept where no one may infringe other people’s right. That is, everyone has his own dignity, right, freedom and social participation and shall be endowed equivalently as guaranteed by law.

The attitude’s alteration toward disabled people as described above is a result of the change in the social context both at the global and national level. This partially determines operational process and mechanism of Thai government and private’s sector relating to disabled people. Thus, there is a change for the improvement of disabled people’s quality of life in all aspects by enacting for example the Promotion and Development of Disabled Persons’ Life Quality Act B.E. 2550 and a National Plan for Disabled People’s Improvement in Quality of Life (No.3) (B.E.2550-2554). This reveals that Thailand places high importance for disabled people. This leads to an a adaptation in a working process that would go hand in hand with the Act and the National Plan which focus on a protection of right, an access to various social welfares, a promotion and support for an improvement of disabled people’s quality of life as well as their fair and equitable participation in the society under the obstacle-less environment. This would change other people’s view toward disabled people from “burden’ to those with social power” (Chuengsatiansup and Suksuth, 2008: 6). Formerly, the “charity” approach views disabled people only as “receivers” but “development” will make disable people both as “receivers” and “givers” at the same time (Thai Disabled Development Foundation, 2006: online).
The Role of Folk Wisdom Oriented OTOP in Creating Human Value and
Dignity of Disabilities in Thailand

OTOP’s operational concept towards disabled people’s quality of living improvement in Thailand

OTOP and disabled people’s quality of living improvement: Economic aspect

Thailand’s OTOP project, originated in 2001, receives its concept and principles from Japan’s OVOP under the 3 main principles of Local to Global, Self-reliance and Creativity and Human Resource Development with the objectives being to improve the standing of living of people residing in local communities through production, service, protection, natural resource and environment preservation, Thai wisdom protection, tourism, cultures, traditions, local wisdom expansion and knowledge sharing and exchange in order to produce unique, good quality, and distinctive selling point local products coinciding with each community’s local tradition, which can be sold both domestically and internationally. The project values people’s participation and initiatives in which it is operated from bottom to the top with public participation in every single procedure with the minimal interference from the government whose main roles in the project are to provide the needed supports and assistance in order to push forward the project in the right direction, thereby, sustainably achieving the 3 main aforementioned principles.

How can the OTOP project’s initiative play an important role in disabled people’s lives? The study conducted by Leuangsomnapa, Promproh, and Khanwiset (2011, 106-107) can provide an answer to such the question. It was found that the most common problem and need of people with impaired vision and with physical disabilities which needs the most support is employment recruitment. Moreover, the study found that one of the 2 main factors that can significantly help indicate the quality of life of disabled people are income and public participation. As a result, this has provided an answer to the question of how OTOP project is the important jigsaw to disabled people’s quality of life improvement, as the project aims to create employment, leading further to reliable source of income. As most people would agree that one of the factors signifying a person’s worthiness, dignity and honor most apparently is a decent job, providing honest earnings which can be used to support himself and his family to live comfortably, a basic fundamental of life every man desires (Kimsuksri, 2007: 4). By having employment and income, this can tremendously positively impact disabled people’s attitudes and self respect as reflected by the statement made by one working disabled person saying “I have the total and permanent disability as based on the physical meaning of my body, however, in my mind I am not disabled in any ways. I am working because I love working and I love the work and it helps me feel like I can still do something and not feel like I am...
permanently and totally disabled” (Limnontakul, 2012: online). coinciding with the research conducted by Kalayanee Phumchusi (2002) stating that being able to work and have a job is very important as it helps the person to feel worthy, proud and equal and not as a burden to the society. If disabled people are to be given the opportunity to improve their abilities or receive training, they will be able to do as well as those without disabilities, thereby, in term of economic aspect with emphasis on income generated through employment, the initiative of OTOP project has already succeeded.

**OTOP and disabled people’s quality of living improvement:**

**Social aspect**

The economic aspect of the OTOP project cannot be considered alone. The project’s negative and positive impacts on disabled people also need to be importantly assessed in order to see whether or not the project has achieved what it was aimed for originally by taking into account of the project’s social aspect. In essence, this aspect will focus on disabled people’s increases power and the ability to be self reliant through the project’s participation. As it could be seen that one of the main factors influencing the success of Japan’s OVOP project was the emphasis on human resource development and self-reliance among the members, bringing the project’s success story as the best practice for its kind and it is now being adopted worldwide.

Power enhancement is an important conceptual component of community-based activities, aiming to improve and increase capabilities and potentials of each member through the awareness, development and utilization of power such as wisdom, intelligence, soul and thought. Being able to have their power enhanced, individuals will have the strength to face with life related decision making, be themselves and improve their surrounding environment to benefit themselves and others. Principally, the idea of power enhancement is exercised in order to give people, who feel hopeless, zoned out, abused and taken advantage of, the sense of the ability to have control over situations. It is the transformation process from weakness to strength and self-reliance, in such a way that power and strength can be developed from within individuals and groups. Consequently, disabled people need to be supported to have their power enhanced in order to give them the sense of hope and self-respect, thereby reducing the sense of social and family burden. The enhancement can be done through various channels including self-improvement focusing on personal care, employment, self-acceptance and belief as well as group foundation to protect, preserve and promote general human rights.

As for the self-reliance, it is a concept of which importance has been given to disabled people as those who are self-reliant and able to live in the society freely. By and large, this concept aims to reduce disabled people’s reliance on government and public’ supports in economic, social, technological, material, and spiritual aspects, in such a way that they are
able to make decisions on matters regarding their own lives and choose the way of life they desire, with the same limitations as those without disabilities such as social norms and natural events. Moreover, under this concept, disabled people should have the same rights and opportunities to explore how to live their lives, to success or fail as well as to learn from other people’s mistakes just like those without disabilities. As a result, these can help disabled people achieve the sense of worthiness, honor and dignity. Self-reliance will solve problems of poverty, of being taken advantages, and of being manipulated. It is already accepted that depending or relying too much on external assistance will not make anyone out of poverty, of being taken advantages, and of being manipulated until one is freedom-less (Wiboonpanich, 1993: 10). However, self-reliance herein is not the same as solitude and isolation from societies and also does not mean that disabled people can do everything by themselves without other people’s help and supports, but it is the ability to be able to rely on themselves together with interaction and participation with other people in societies, bringing about self-confidence and the sense of worthiness created among disabled people. Consequently, the more disabled people are self-reliant, the more sustainable and secured the nation’s development can be.

By and large, the concepts of Power enhancement and self-reliance are concepts that help disabled people have good and strong mindset, ready to face problems and obstacles, ready to adapt themselves to society and environment and can happily live in the society together with ordinary people. They also help disabled people to improve their potential to help themselves, family, community and society. This will show their family, community and society that disabled people are not burden. This is in line with the OTOP’s and OVOP’s objectives which place importance on development of society’s member in such a way that they are empowered to help themselves.

**OTOP project and impacts on disabled people in Thailand**

When analyzing the OTOP project’s operation since its initiation with the government’s supporting role, it is found that the project has been criticized for the its execution being established based on populism’s foundation and the lack of commitment and seriousness towards the project’s members. It is a project which came about because of the pressure and policy stimulation from the government (Kanasawat, 2010: online) as Pongpit (2005, online) has stated that “the OTOP project’s main problems are its separate development principles, activities that are initiated and led by financial incentives, not wisdom, the development that is not community-base with life being set as an initiator and happiness being set as the project's end goal, therefore Thailand’s OTOP project is just like a plant in a pot which will only grow if nurtured”. As a result, it deems that Thailand’s OTOP project described with such characteristics has not been able to help its members to become self-reliant and to develop
and improve their skills and capabilities, conflicting with the project’s original principles established by Japan’s OVOP project which is the local community’s economy administration and management model accepted and adopted by many nations worldwide. Additionally, the project’s operating process needs to be revised and adjusted to coincide with the project’s benefits for sustainable development assessment, which found that although the project’s overall benefits were high, in terms of quality of life development and local community’s strength development, however, it needs to be adjusted to respond to social considerations as well. The assessment reported that the project’s has more impacts on economic consideration compared to that of social consideration as the economic consideration is the project’s main development goal. Therefore, the project should pay more importance towards the social aspect of development (Phajee, 2006:).

In terms of product production and services of OTOP project’s members, the most commonly criticized and talked about drawbacks which need improvement are that the products and services are not appealing, product delivery and services still lack quality control and punctuality, the interference of market mechanism by middlemen who gain most of the project’s benefits instead of the project’s members and, at the same time, the government, whose role is to provide supports and assistance, still lacks integrative coordination among government agencies which results in task redundancy, causing confusion and division among local communities. Moreover, the government’s role to provide supports and assistance in the project has not yet been witnessed to cover all local communities participating in the project, as they seem to be assisting only strong communities.

Challenges facing OTOP in improving disabled persons’ quality of life in Thailand

Persons with disabilities are challenged everyday with the lack of social opportunities, as well as attitudinal and physical barriers erected by society, thus they require much more willpower and encouragement to live than normal people. OTOP plays a part in empowering the disabled and helps them to eventually become self-reliant. People with disabilities that previously seen as having restricted social roles and limited access to resources and opportunities, are now seen as more active participants in social activities, and beneficiaries of public services. Damrongchai Phusuwan, the Executive Director of the Association of the Physically Handicapped of Thailand, the publicist of the project “Local OTOP products by persons with disabilities”- who is also paraplegic as a result of an accident- as well as one of the members of a successful OTOP group producing products from coconut shell, under the name of "Ang Thong Kala Thai", has discussed the importance of OTOP to disabled people in terms of income and self esteem: "OTOP is important to us in these two aspects,
The Role of Folk Wisdom Oriented OTOP in Creating Human Value and Dignity of Disabilities in Thailand

Income is one of the essential aspects, however, there are more to it. The ability to develop OTOP products, also enhance our human dignity as well as self-esteem. For example, I used to be just a guy with disability, nobody knew me, the governor did not know who I was, but once I became the Executive Director of the Association of the Physically Handicapped of Thailand, a lot more people started to recognize me. Additionally, when I became the expert speaker and lecturer teaching people occupational training, many organizations have begun to support people like me, it has lifted our self-value." Piyarat Saksombun, who have had polio and have now become an owner of a herbal shampoo and soap business, said, "OTOP has lifted us to the next level. We were formerly unknown, but when we took part in OTOP, people started to know who we are. We have become well-known among many public and private organizations in the province, even the Governor knows us. It can be said that OTOP has empowered us, and makes us become widely recognized by the community."

Being a member of OTOP also shapes the role of disabled persons, by turning them to entrepreneurs, and local experts. They also feel empowered because they are able to make a decision on matters concerning their family and community. Moreover, they have become more independent, and are not overshadowed by family’s and society’s thoughts or beliefs. The disabled do not often have this kind of freedom and it is not easy for them to live independently (Punyavannasiri, 2008: 3). Damrongchai Phusuwan said "[OTOP] has generated a career path and a source of income for the persons with disabilities, which in turn, induce other things to follow. When they can earn a living, their dignity has also increased. Previously, the disabled were forbidden by their family to make or sell products because the family did not believe that the products made by the handicapped could be sold in the market. Thus the disabled were often discouraged to buy raw materials or necessary equipments to create products. They were told that it was a waste of time because nobody was going to buy them. Therefore, their only source of income came from their own family. They often had no self-respect and no voice in the family. Moreover, most disabled persons lived in working-class families, whose members earned a little higher than one hundred baht a day, or some might earn 300 baht minimum wage set by the Ministry of Labour. In addition, most people in other provinces earned less than 300 baht a day and they had to use this very little amount of money to support the disabled in their family as well. However, once the disabled started to make money by selling OTOP products, they can now earn 200 - 300 baht per person per day. Their family began to give them support and their self-esteem was boosted. Some disabled persons can now earn up to ten thousand baht a month as a result of the assistance on marketing by various Handicapped Associations. The disabled persons’ quality of life, as well as dignity has enormously improved. They now have a voice because they have a career and income which their family can rely on. Nobody would tease them or call them
names because they now have money”. Piyarat Saksombun added that “now when people ask what I do, I can proudly tell them that I am an owner of a business, I am able to earn a living and take care of myself, and since I am not married, single, I do not have to look after other people, and nobody has to look after me, that should be ok, right?”

It can be seen that if persons with disabilities are given the opportunity to participate in social activities and empowered through various activities, they can become self-reliant and make a positive contribution to the community and society just like normal people. The more they are accepted by the society, the better and stronger they have become. They are able to face various challenges and difficulties and to adapt to changing society and environment. The ability to live normally in a society with other people can also eliminate negative thoughts toward handicapped people. This is consistent with the study by Pimolvichayakit (1996) which argued that the more social networks and the more self-respect disabled persons had, the better they could adjust themselves to the society.

**OTOP as the next step to empower persons with disabilities in Thailand**

OTOP was initially criticized as a political tool, however, looking beyond this criticism, OTOP has, in fact, provided positive impacts on persons with disabilities in terms of improved quality of life and empowerment. The Thai government must try to eliminate the challenges and barriers that obstruct the achievement of successful and sustainable OTOP project. Regarding this, the government has initiated a project called “OTOP plus” which is an attempt to solve the aforementioned challenges and increase the competitiveness of OTOP members. Various measures have been established including; the increase in product distribution channels through department stores, TV direct and direct sale; the research and development of product to increase business opportunity and add value to the products; product development by improving quality and style to match consumer tastes and preferences; the registration of intellectual property; business matching to reduce competition among similar products; and the use of machinery in the quantitative production process in order to deliver products on time. The government also provides loans and counseling to help members expanding their businesses. Moreover, since there are many government agencies from various ministries involved in the OTOP activities, the integration of these relevant government agencies is indispensable. However, if the government also stresses the importance of social factors, the quality of life of OTOP disabled people will be sustainably improved.

Despite the challenges and obstacles facing OTOP that hinder disabled people from achieving success as OTOP members, they still wish OTOP projects to continue to exist due to the positive social impact on them. This impact may not be quantitatively evaluated or
measured the same way as the economic impact, because it is in the form of empowerment and a sense of self-reliant, which in turn, leads to a better quality of life, higher self-value and dignity. Damrongchai Phusuwan said "OTOP should continue to exist since it benefits the people and the community. At least it helps creating a vibrant community, generating enthusiasm, and giving disabled people the opportunities to participate in social activities.” Araesoh Wamaedisa, a handicapped volunteer with physical disabilities, added that "[OTOP project] is good because it improves the development of disabled persons. It makes them happy as they can work and earn their living.”

However, the existence of OTOP, as an important mechanism in the sustainable development of disabled persons’ quality of life, is not easy. There were issues concerning the lack of export knowledge and the failure of products’ quality control. Moreover, OTOP products made by disabled persons often face discrimination both by the government officials and members of other OTOP groups. Supawan Choeisiri, who had polio, said, "We want to participate in the OTOP fair, but we would like to be treated equally and fairly, because the products made by the disabled do not have lower quality. Recently, the event “OTOP: Thai Local Wisdom” was held and there was a space allocation for OTOP products by people with disabilities. However, it seems as though they organized it because they could not resist the grievance by the disabled, it demeaned our products. However, if this problem is solved, I think OTOP is still very promising." Piyarat Saksombun complained that "general public or normal sellers do not support us. They accused the government of giving the persons with disabilities special privileges so we can take up normal people’s places and jobs. Why can’t they be generous to us? Having a job will assist the disabled to help themselves, so they do not need to rely on other people. Normal people are capable of doing other things that people with physical impairment are incapable of. In fact, the products made by the disabled are extremely popular, if they get to be exhibited at the front row, they are selling like hot cakes and some products are even sold-out.”

One important observation that needs close attention is that the numbers of disabled persons who own OTOP products have remained relatively low. Most disabled persons are employees, who have lost their traditional intellect to the capitalist groups. Damrongchai Phusuwan said "People with disabilities have the skills but they do not own the product. The capitalist entrepreneurs own the product copyright, they then invest in production equipments and find the appropriate markets to sell their products. They are the sole recipient of the profit. Once the product becomes well-known, they would try to force down the production price, and the disabled are ended up earning less because they do not get paid for their local intellect. If the disabled do not produce for the entrepreneurs, they will hire someone else to do the job since they already know all the process and procedures."
Furthermore, the crucial policy barriers that people with disabilities call for an urgent revision, is the government's policy to raise the status of OTOP products to manufacturing type. This led to a legislation that enforces the building and place of production in which the process of obtaining the permits is very complicated. Disabled people believe that this policy is not only problematic, but it also draws OTOP away from its initial goals and principle. "What can the disabled do? What can you do to earn a million of baht? If you can just earn a living without begging for other people’s money, or relying on your parents or siblings, it should be OK, right? But this legislation gives us no other choice. Not many people with disabilities have that kind of potential, some normal people are even poorer than us. We just want be self-sufficient, or able to take care of ourselves." Supawan Choeisiri added “People with disabilities are forced to let capitalist entrepreneurs invest on their behalf, they then take their local knowledge or wisdom and hire someone else, so it seems like the disabled are taken over by them."

The original model of OTOP, Oita Prefecture, has passed the difficult times and emerged from the recession. Hiramatsu Morihiko, the initiator of the OVOP project and the Governor of Oita Prefecture during that period said that the OVOP has become successful because: 1) local people realize their own potential and the raw materials available in their locality 2) the realization of local resources 3) there is a continuation of policy 4) they know how to add value to products 5) there are safe selling channels and 6) the development of human resource. It is seen that both public and private sector, namely, the local people, groups, associations, cooperatives, companies and non-profit organizations, have played a key role in the success of the OVOP. There are four important factors contributing to this achievement, namely, the development of human resources, the development of effective production process, efficient financial and budgetary plan, as well as good marketing. Furthermore, the local government of Oita Prefecture plays a significant role in human resource development because it is believed that human development is the most important strategy in restoring production process. While local government plays a role in providing technical support on product development, social sector has a role involving production, production equipments, finance and budget. The central government provides funding to the local, which is different from the local government that will only provide technical support. The social sector, on the other hand, will provide loans, funding, and assistance on marketing. Both government and private sector play a role in providing selling channels, setting up stores and companies to sell the products to the community (Pitchayapisut, 2008: 9-10).

The author believes that if the government seeks to pursue the successful strategies of the OVOP, and take into account the disabled persons’ point of views when promoting disabled OTOP products in Thailand, the numbers of people with disabilities who successfully
participate in the OTOP will increase. This will, in turn, lead to a better and more sustainable quality of life, as well as higher human dignity. In addition, the achievement of the disabled reflects the success of a community, society and nation as a whole because it means that the world of the disabled is not always depressing, instead, it is the world of diversity that people with or without disabilities have their own values. Viriya Namsiripongpan said that "disability only reflects human diversity, like a forest with different kinds of plants. It does not mean that there are only beautiful flowers in the forest, some plants or flowers may look different, and most people may think that they are worthless but in fact, everything has its own value. They may have ecological values or special properties only that human have not discovered them yet (Tunsakul, 2009).

**Conclusion**

Thailand’s project of One Tambon One Product, or OTOP, originates from Japan’s OVOP. It is another project that has been employed for the improvement of Thai disabled people’s quality of life. By accepting and respecting disabled people’s right, just like that of ordinary people, that they are potential resources for the society and country’s development. The role of disabled people has been changed from “receivers” to both “givers and receivers”, from “burden” to “power”. However, many disabled people in Thailand are lack of access to such role because their rights are infringed by people in the society. Their human’s dignify has been lessened comparing to ordinary people. Thailand has law specially protecting disabled people or a national plan for improvement of disabled people’s quality of life which would protect, support and develop disabled people’s role to “power of the society”. The fact that the government promotes and supports disabled people to be members of OTOP reflects acceptance of disabled people’s fair and equitable participation in OTOP activities in the same way as other groups of OTOP members.

Thus, OTOP plays a partial role in assisting disabled people to increase their potential and self reliance. This is in line with the Promotion and Development of Disabled Persons’ Life Quality Act B.E. 2550, the National Plan for Disabled People’s Improvement in Quality of Life (No. 3) and the philosophy of OTOP project which aims at building and developing human resource as well as self reliance. Besides, the management of goods and services couple with OTOP’s members’ succeed surely improve their quality of life and strength. This has a positive linkage to their family, community, society and the country. However, various factors contribute to the failure of majority members, both from the government who acts like a supporter and from the members themselves whose role is to produce goods and services to the market. As for the disabled OTOP members who may not be very successful in economic
term, OTOP reveals that these members are now empowered and self-reliance. This results in a better quality of life and the realization of human’s dignity, just like successful members. However, for a greater number of successful OTOP participating members and sustainable improvement of disabled people’s quality of life, the government should mitigate the obstacles of OTOP and should place importance on the social factor no lesser than the economic factor.

References


Yucharoensak, S. (2012, November 1). Interview. OTOP entrepreneur (Thai pickled fish), Phichit.
Chapter 8

The Continuity between the Thaksin Government’s and the Yingluck Government’s Foreign Policies on One Tambon One Product (OTOP)

Introduction

After that the One Village One Product (OVOP) movement has been adopted in many Asian countries. OVOP has had a great influence on other countries’ policies towards regional development, particularly in Asia and Africa. In case of Thailand, OVOP was adopted by the Thaksin government and renamed as One Tambon One Product (OTOP) in 2001 in order to reduce poverty at the local level. Thailand was one of the first countries to adopt OVOP approach when the Thai government under Prime Minister Thaksin launched the OTOP (One Tambon One Product) Development Policy in 2001. In fact, One Tambon One Product (OTOP) policy is a part of “dual track policy” which consists of two types of economic measures; namely support for export competitiveness and revitalization of the local economy. Thailand has successfully implemented the OTOP policy as a tool for revitalization of the local economy and a better quality of life while the government put emphasis on export promotion and international trade. Furthermore, OTOP was applied as a part of Thailand’s foreign policy in order to support for export competitiveness and expansion of the OTOP products in international market.

This paper investigates how the OTOP policy has developed and changed in the international context, focusing on the Thaksin’s and Yingluck’s foreign policy on OTOP. As we know that two periods have different circumstances surrounding foreign affairs that have an effect on OTOP project. The objectives of this study is to investigate how important Thailand’s OTOP is in the international context and to explore the change/ the continuity between the Thaksin government’s and the Yingluck’s government’s foreign policies on OTOP and to explore the challenges and the direction of OTOP in the context of foreign affairs. Moreover, the paper also focuses on the Yingluck government's policy on OTOP which aims to expand OTOP markets in ASEAN. The purpose of this study are to find out how Thailand
implements foreign policy on OTOP as a strategy of improvement of export competitiveness in each period – the Thaksin/ Yinkluck government and to explore the challenges and the direction of Thailand’s OTOP in the future.

However, the research methodology for this paper is based on primary sources as well as secondary sources such as articles, books and so on. As for primary sources, the observation of OTOP Fair 2012 was conducted on 23 February 2012 and in-depth interviews were conducted during 20-21 February 2012.

Overview: Thailand’s OTOP in the international context

One Tamban One Product (OTOP) was first initiated by the Thaksin government (2001-2005) and the OTOP policy was formulated through consultation with JICA and JETRO, and the visit of Prime Minister Thaksin to Oita Prefecture (Fujioka, 2006: 156). Both Thai policy and Japanese actors were likely interested in economic development in rural area when formulation the policy (Yamazaki, 2010: 28). Since then, OTOP policy has been formed since 2002 and focused on different development strategies in parallel with various government-led marketing activities (RCAPS, 2011: 11). The government has outlined 10 years development road map from 2002-2011. (See Table 1)

Table 1: OTOP 10 Years Road Map

<table>
<thead>
<tr>
<th>Year</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>In Search of OTOP Products</td>
</tr>
<tr>
<td>2003</td>
<td>OTOP Product Champion (OPC)</td>
</tr>
<tr>
<td>2004</td>
<td>Standard Champion</td>
</tr>
<tr>
<td>2005</td>
<td>OTOP Market Promotion</td>
</tr>
<tr>
<td>2006</td>
<td>In Search for Excellent OTOP and OTOP Village Champion (OPC)</td>
</tr>
<tr>
<td>2007</td>
<td>Knowledge-Based OTOP (KBO)</td>
</tr>
<tr>
<td>2008</td>
<td>Entrepreneur Promotion</td>
</tr>
<tr>
<td>2009</td>
<td>OTOP Tourism Village</td>
</tr>
<tr>
<td>2010</td>
<td>OTOP Network Promotion</td>
</tr>
<tr>
<td>2011</td>
<td>OTOP value creation for creative economy</td>
</tr>
</tbody>
</table>

Source: Community Development Department (CDD), Ministry of Interior
The Continuity between the Thaksin Government’s and the Yingluck Government’s
Foreign Policies on One Tambon One Product (OTOP)

Since 2003 the Thaksin government supported export-oriented OTOP policy so marketing
promotion related activities was focused on. For this reason, the government holds OTOP
exhibitions, fairs and roadshows which are set up both in Thailand and other countries. To
boost up OTOP program, Thaksin government sought external assistance from Japan in
order to widely disseminate OTOP products in global market. Since then, Thailand received
Japanese assistance from the Japan External Trade Organization (JETRO) to support
Thailand’s OTOP. In this regard, JETRO launched a one-year program in 2002 to assist
in developing OTOP products and promoting in the Japanese market. Thai OTOP was
promoted through the Japan External Trade Organization’s website for the purpose of
marketing internationally so as Thai OTOP has a number of partner-links in the internet.
The target products included textiles, wooden products, baskets, ceramics and mulberry
paper. In addition, JETRO coordinated with the OTOP Committee, Department of Export
Promotion and other related organizations in Thailand and Japan. Furthermore, other Japanese
government agencies, for example Ministry of Economy Trade and Industry (METI) and the
Japan Overseas Development Corporation (JODC), supported Thai OTOP by organizing
training programs in Japan and providing business opportunities such as exhibitions, trade
fairs and business matching.

Moreover, the Thai government received official development assistance (ODA) from
Japanese government ministries and agencies. For example, Japan Bank for International
Cooperation (JBIC) made ODA loan commitments for the establishment of the “Industrial
Village Development Project to Promote Tourism” in 20 villages across the nation. It is an
exceptional case that JBIC which usually provides Yen loans for infrastructure supports
financial assistance for rural development; making the new direction of Japan-Thailand
cooperation. Furthermore, and the Japan International Cooperation Agency (JICA) also
provided technical assistance, including the promotion of the scheme’s products in the
Japanese market and the dispatch of design experts. For example, JICA has provided 30
million Yen (approximately 1 million Baht) to organize three-year training program (2012-
2015) for 60 Thai participants in Surin Province, whose OTOP products are based on
organic farming silk production, in order to upgrade OTOP’s quality of OTOP products to the
international level. This training program aims to enhance community capacity and rural
development in Thailand. Consequently, OTOP is the project that called for a shift from
financial support directly to the infrastructure development to support for “human resource
development” that enhances grassroots’ capability.
OTOP implementation during the first five years mainly focused on export-oriented marketing strategies, in 2007 OTOP producers were provided training programs in business management and entrepreneurship development. In the same year, Knowledge-Based OTOP (KBO) was initiated in order to enhance idea, technical and scientific and managerial skills in OTOP activities. However, the major shortcoming was the OTOP project’s efforts in enhancing producers’ capability in self-reliance and creativity. The survey indicates that entrepreneurs mainly depended on their own experience and self-learning (see Table 2).

Table 2: Entrepreneurial learning experience

<table>
<thead>
<tr>
<th>Learning source</th>
<th>Level</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>Not applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>highest</td>
<td>high</td>
<td>moderate</td>
<td>low</td>
<td>lowest</td>
<td></td>
</tr>
<tr>
<td>Learn from own experience</td>
<td>18 (56.3)</td>
<td>9 (28.1)</td>
<td>1 (3.1)</td>
<td>1 (3.1)</td>
<td>2 (6.3)</td>
<td>1 (3.1)</td>
</tr>
<tr>
<td>Learn from business mentor</td>
<td>2 (6.3)</td>
<td>13 (40.6)</td>
<td>1 (3.1)</td>
<td>6 (18.8)</td>
<td>1 (3.1)</td>
<td>4 (12.5)</td>
</tr>
<tr>
<td>Training and guidance by support programmes</td>
<td>2 (6.3)</td>
<td>8 (25.0)</td>
<td>6 (18.8)</td>
<td>3 (9.4)</td>
<td>7 (21.9)</td>
<td>6 (18.8)</td>
</tr>
<tr>
<td>Learn from customers’ feedbacks</td>
<td>9 (28.1)</td>
<td>11 (34.4)</td>
<td>1 (3.1)</td>
<td>4 (12.5)</td>
<td>2 (6.3)</td>
<td>5 (15.6)</td>
</tr>
<tr>
<td>Learn from suppliers’ feedbacks</td>
<td>3 (9.4)</td>
<td>1 (3.1)</td>
<td>5 (15.6)</td>
<td>3 (9.4)</td>
<td>9 (28.1)</td>
<td>11 (34.4)</td>
</tr>
<tr>
<td>Other avenues (describe)</td>
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<td>0 (0.0)</td>
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</tr>
</tbody>
</table>

Note: data in parenthesis are percentage

*Source:* RCAPS, 2011.

However, OTOP policy has been implemented for developing human resources in developing countries. The knowledge of Thailand’s OTOP has been transferred to other countries through Thailand International Cooperation Agency (TICA) which cooperates with Japan International Cooperation Agency (JICA) under South-South cooperation. These two agencies started OTOP training courses in 2009. These training courses have been held to support Africa’s OVOP movement with an aim of alleviation of poverty through economic growth at the community/village level. At present, Thailand and Japan have been active Development Partnership for promoting triangular cooperation under the schemes of Third Country Training Programme (See appendix).

As mention above, OTOP policy, in the same time, has been implemented as foreign policy since Thailand has become “an Emerging Donor” announced in 2003 due to its economic growth. Then, Thailand, through TICA, has played more active role in promoting development cooperation among other developing countries beyond its neighbor and its own
region (MOFA of Thailand, 2012). With regard to foreign policy on OTOP, Thailand’s leading role in international community has been clearly seen under the leadership of Thaksin Shinawatra. The next sections will be discussed in detail.

**Thailand’s foreign policy on OTOP under the Thaksin government**

Thaksin’s desire for leadership in the region pushed the Thai government to launch Forward Engagement initiative making Thailand’s foreign policy proactive about regional cooperation. According to Pongphisoot Busbarat, he pointed out that Thailand’s foreign policy during this period can be conceptualized that Thai policy elites view mainland Southeast Asia as Thailand’s pivotal sphere of influence and are enthusiastic about playing Thailand’s leading role in this area (Busbarat, 2012: 140-141). However, since Thailand’s foreign affairs strategies was facing with 4 administrative limitations, namely; work, personnel, budget and legal constraints which obstructed the role of Thailand at the international stage (MOFA of Thailand, 2001), Thaksin, therefore, required the Ministry of Foreign Affairs to reform its overseas government offices’ administration in order to enhance the competitiveness of Thailand in international community. On foreign policy, Thaksin said that “Thailand requires a progressive foreign policy that firmly supports its domestic counterpart (MOFA of Thailand, 2003). Then, he even threatened to decommission poor-performing ambassadors who fail to open markets for Thai products abroad (The Nation, 2007). In this regard, the Thaksin government suggested the Ministry to come up with an initiative called chief executive officers (CEOs) Ambassadors who could act as leading thinkers in response to rapidly changing world context. As Thaksin stated:

“Ambassador CEOs must take a proactive role. They must come up with an integrated strategy for Thailand towards their assigned country and officials from all ministries have to work as a team (The Nation, 2007).”

With regard to Ambassador CEO, his concept is based on his personnel life – running business and having its own firms. Furthermore, the officials should work together as a team instead of sticking with the outdated hierarchical system (Youngsaksathaporn, 10). The government launched an experimental pilot project in the CEO working style in six embassies; Washington, Brussels, Vientiane, Tokyo, Beijing and New Delhi. Focusing on OTOP promotion, the Thai government aimed to expand OTOP in overseas markets, therefore, the Thaksin government required ambassadors and official abroad to change their diplomatic agenda and working style in order to promote OTOP products under the government’s OTOP scheme. Thaksin mentioned that Thai ambassadors would help with the OTOP sales in other countries. In his opinion, Ambassadors CEOs are expected to take a proactive role in finding new foreign markets Thai products.
Thaksin’s innovative idea regarding Ambassador CEOs pushed Thai diplomats to have responsibility for sales and marketing of OTOP products. For example, Sakthip Kraireuk, the Thai ambassador to the United States, stated that the new style of working required him to organize festivals and roadshows to make Thailand and its products better known (The Nation, 2007). Meanwhile, Ambassador to Beijing Don Pramudwinai stated that he organized a food fair and invited Chinese media and the public to join so as to promote Thai foods (Ibid). Therefore, Thai Ambassadors played roles and responsibilities of diplomats as well as leaders of “Team Thailand” at the same time which is in line with the government policy on OTOP. However, according to Pavin Chachavalpongpun, while CEO Ambassadors gained more power but the role of the Foreign Ministry in the formulation of foreign policy diminished (Chachavalpongpun, 2012).

After Thaksin’s downfall in 2006 due to a military coup, Thailand has had no tangible foreign policy because of political constraint. The Samak Sundaravej and Somchai Wongsawat governments were short-lived. And the Abhisit Vejjajiva government tended to have a wait-and-see attitude towards foreign aid policy (Soderberg, 2011: 49). As a result, Thailand’s leading role has been declined in international community. For OTOP policy, it was not placed as the government’s top priorities. Nevertheless, the OTOP industry has been promoted again since the Puea Thai Party became the leading party to set up the new government under Yingluck, Thaksin’s sister, administration.

Thailand’s foreign policy on OTOP under the Yingluck government

In the period of the Yingluck government, OTOP has been placed an important again because the government aimed to help OTOP producers who were affected by the massive flood in 2011. A survey conducted by the Community Development Department shows that the flooding affected more than 1,200 groups of OTOP entrepreneurs in 62 provinces, causing almost 243 million baht in damage. Therefore, the government arranged the OTOP Fair to help OTOP entrepreneurs gain more income, that meant to help stimulate local economies. On the one hand, the Ying government still places an importance on the export of OTOP products as same as her brother, Thaksin, did. It is said that Thaksin is the person who suggested the Yingluck government revived the One Tambon One Product project.

To follow her brother’s development strategy relating OTOP, Prime minister Yingluck visited One Village One Product project in Kumamoto City on 22 April 2012 in order to learn how to adapt its development to improve and promote the local Thai wisdom as well as support Thai SME businesses (NNT, 2012). Nevertheless, the Yingluck government still focuses on marketing. When Prime Minister Yingluck gave a speech in Prime Minister Yingluck Government Meets the People Program on 7 July 2012, Yingluck repeated
OTOP is one of policies that the government has been working on to expand the working markets (NBT, 2012). Also, The Yingluck government aims to boost OTOP products in the international market, add value to community products and promote the identity of Thai products, especially in the ASEAN market, which will become a single community in 2015. PM Yingluck assigned all governors to improve local agricultural products and OTOP in their respective areas for long-term development in order to prepare for the ASEAN Community in the next three years.

To add value to OTOP products, the OTOP National Committee set guidelines for the development of the OTOP project by launching a new project “OTOP Plus” in order to upgrade the standards of Thai community products under the OTOP program. Among 33,000 registered OTOP producers, there are more than 800 OTOP producers are expected to be assisted by this project in their quest for market expansion (National News Bureau of Thailand, 2012). In addition, the government held OTOP Midyear 2012 event which was planned to help Thai OTOP producers and entrepreneurs get ready for a liberal Southeast Asian community in the near future (Thai Financial Post, 2012).

In order to achieve that purpose, Prime Minister Yingluck Shinawatra asked Thai ambassadors to promote the One Tambon One Product (OTOP) goods to other countries. On the occasion of the annual ambassadors and consuls general meeting, Yingluck assigned Thai ambassadors to act as intermediaries for international traders and Thai producers in order to promote the Thai OTOP products in international market (Thai Financial post, 2012). Meanwhile, Foreign Minister Surapong Tovichakchaikul said the idea for ambassadors to help sell Thai products is a new marketing dimension. Currently being piloted by six embassies/Thai Consulates-General in cooperation with the Ministry of Interior. There are also plans to open more passport offices in the provinces, and continue the ‘One Ambassador Three Products’ project and the “Ambassadors’ OTOP to the World Marketing” project (MOFA of Thailand, 2012). It seems the Yingluck government has been going one more step farther than Thaksin has done.

Discussion

Thailand’s foreign policy on OTOP has been implementing towards export-oriented strategy both in the period of the Thaksin and Yingluck government. In the Thaksin period, the Thai government initiated Forward Engagement Policy which shaped its relations with Thailand’s neighboring countries and other countries. In this regard, he invented regional cooperative frameworks such as the Asia Cooperation Dialogue and the Ayeyawady-chao Phraya-Mekong Economic Cooperation Strategy. These cooperative frameworks were
implemented as a tool for enhancing Thailand’s leading role in international community. In this regard, Thaksin nominated Dr. Surakiart Sathirathai as Thailand’s candidate for United Nations Secretary-General. To be elected, two-thirds of Member States need to support the candidacy for the Secretary General to be appointed. For this reason, the Thaksin government actively provided assistance to African countries in 2005, which was dubbed the “Year of Africa”, in order to gain votes from African countries. After that, the Thai government allocated 16,872,000 Baht for 14 African countries in 2005, increasing 100 times when comparing with the amount of 163,000 Baht provided for 4 African countries in 2002. In 2006, the Thai government provided 3,1549,000 Baht for 29 countries. In this context, Thailand took a step forward to become an emerging donor at inter-regional level with the support of the Japan government through triangular cooperation. Focusing on OTOP program, after the fall of Thaksin, Thailand’s development assistance to Africa still continues.

In fact, the OTOP policy was firstly initiated in order to revive local economy but the Thaksin government aimed to support the export of OTOP products for national economic growth. This strategy was called for the changing role of Thai ambassadors – to act as Ambassador CEOs. In this context, Thai ambassador should act as OTOP presenter who tried to sell OTOP products in other countries. In contrast to the Yingluck government’s policy, the support of OTOP products aims to help OTOP producers who were affected by the massive flood in 2011 as well as to enable Thai products to compete in ASEAN market. In addition, in the Yingluck period, the Thai government puts an emphasis on the export to ASEAN countries because OTOP products have good potential for expansion in ASEAN countries, which would be the market of 600 million people in ASEAN. The Yingluck government has specified Thai ambassadors’ mission under One Ambassador Three Products’ project and the “Ambassadors’ OTOP to the World Marketing” project. These are the jobs that challenge Thai ambassadors in the next coming year.

Furthermore, the projects show there are many similarity between the Thaksin government’s and the Yinluck government’s OTOP policies. Therefore, it is no doubt that foreign policy on OTOP must be the legacy from Thaksin. However, the Yingluck government seems to be a lack of motivation in playing a leading role in the region, in contrast to the Thaksin government’s eagerness to become the leadership. This can be explained that in the Yingluck period, the Thai government needs to restore diplomatic ties with Cambodia after both countries had border conflict over territorial dispute near the Preah Vihear temple since 2008. Therefore, the first priority for Thailand’s foreign policy is to normalize Thailand-Cambodia relations and to build friendship and partnerships with ASEAN members before playing its leading role in the region.
As mentioned above, Thailand’s foreign policy on OTOP puts emphasis too much on export but ignores the problems that OTOP will be affected by the establishment of the ASEAN Economic Community (AEC) in 2015. That is because products with lower cost or quality could be imported into Thailand as substitutes for local products of higher quality or of lower quality. Therefore, OTOP products should be upgraded to the primary good manufacturing practice (GMP) standards. According to the Secretary-General of the Food and Drug Administration Mr. Pipat Yingseree, there are currently about 400 entrepreneurs of 20,000 OTOP producers across the country have so far received these certificates after they attended training and developed their products up to the standards (The Government Public Relations Department, 2012). This might lead Thailand lose its competitiveness at home if Thailand is not able to provide technical support in order to develop OTOP products up to the standards. In this context, Thailand’s foreign policy on OTOP needs to be reconsider the possibility that the strategy should be change its direction towards human resource development as same as the original OVOP’s principles. Otherwise, Thailand’s OTOP that is only used as a tool for Thailand’s marketing channel without human resources development could fail in the ASEAN market.

Acknowledgements

The author would like to express my deepest thanks to Professor Murayama Hiroshi, Graduate School of Policy Science, Ritsumeikan University for his comments and advices. Also, I would like to thank all interviewees at Office of Product Value Promotion Department of International Trade Promotion, and Bureau of Commercial Provincial Office of the Permanent Secretary, Ministry of Commerce as well as Strategic and Policy Planning Bureau, the Office of Small and Medium Enterprise Promotion, Ministry of Industry. Last but not least, special thanks to go to the proofreader for corrections that significantly improved the paper.
Endnote
1. Please see more detail at OTOP Website: www.Thai-otop-city.com
2. Based on this UNDP definition, the JICA’s Task force on South-South Cooperation endeavored to clarify the concept even further and defined “South-South Cooperation” as: Mutual cooperation aimed at fostering self-sustaining development, involving deepening relations among developing countries while conduct technical and economic cooperation
3. Third country group training is conducted by bringing together personnel engaged in the subject field from neighboring developing countries, whereas individual training is given primarily to the counterparts of JICA’s technical cooperation projects or expert dispatch implemented in other developing countries.
4. GMP is a component of quality assurance at the processing level to warrant that products are consistently produced and controlled to meet the quality standards appropriate to their intended use.

References
The Continuity between the Thaksin Government's and the Yingluck Government's
Foreign Policies on One Tambon One Product (OTOP)


Appendix

Table 3: Third Country Training by Fiscal Year (no. of countries, courses, participants)

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<td>20</td>
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</tr>
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**Table 4:** Third Country Training by Region

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OVOP Paradigm in the Self-Reliance Development Framework

Chaweewan DENPAIBOON

Introduction

The implementation of One Village and One Product or OV-OP in Ban Jum Rung (BJR) community, Thailand, is an unique example of ‘Bottom-up’ development process. This phenomenon discloses local initiative, community learning which initiate and empower community when coping with community economic development dilemmas. OV-OP is a paradigm that aims to point out the significant and characteristic of each local community on self-sufficiency economy. The main idea of OV-OP is based on endogenous development or self-reliable without regional or national development policy (Adachi, 2003). OVOP can be described in 3 main principles as follow; 1) Self-Reliance and Creativity. This means that for the sustainability of the people to compete in the global society, the people need to continuously flourish their own unique value with their creative spirit 2) Human Resource Development through OVOP movement, community leaders, qualified human resources and networks are created for sustainable community development 3) Local Yet Global: think globally, act locally the concept emphasizes the need of the people to recognize the locally available resources in their community and develop them into marketable products by adding values to them.

BJR has adopted an OV-OP approach which addresses challenges facing local communities in exploitation of locally available resources and endeavors to mobilize local communities for commercial utilization of locally available resources more than marketing arrangements for value-added products in the regional markets. The community create their brand entitled “Ban Jum Rung Brand” and become well known by the time.

In the beginning of adapting One Village (OV) and One Product (OP), gross income per capita of Ban Jum Rung community was on the lowest rank based on provincial statistic. Moreover, this community has encountered out-migration and limited number of new generation to develop their community. Nowadays, with a very well implemented, the community has initiated more than 40 projects, receives more than 1000 visitors per days and launched many activities such as local resource management with community products, a community development learning center, home-stay, restaurant, agriculture management, etc (Chaweewan, 2012). Various achievements have realized during the implement of OV-OP programme, the
community is called as best practice on self sufficiency community and awarded a trophy from Royal Highness Princess Maha Chakri Sirindhorn as a best practice community of Sufficiency Economy Philosophy in year 2006 (Chaweewan, 2011). It can be seen that BJR community and OV-OP paradigm demonstrate development process on sufficiency economy and community enterprising, support value addition of locally produced product without middleman, facilitate transfer of skills and knowledge to other organizations, enhance income generation opportunities and wealth creation for local communities and create employment in the areas. However, BJR model will not access the tastes of consumers product in the country and around the world, but that is unique to the community, based on the development process incorporation a driven solutions within the community, in the context of the values of the people, besides the local people in the community to develop products by their own needs, it is called its context of OP.

**Conceptual Frameworks of OV-OP**

The study reviews literature and explore from research study to establish the conceptual framework, the study lesson learnt from BJR’s action, they started from a simple ways, talking on a casual style. Working without no plan. Start by doing, and then slightly adjusted from mistaken. Sometimes mistake, and sometimes be success. Finally, people in the community said to “This is a real plan” The focus of the process. Than planned. Community has led to success in community building philosophy, creating value, creating a community enterprise, creating a roadmap for the people in the community without being able to explain in the context of the community, the community that is sustainable and tangible, natural resources, human resources available in the following model was used to explain the concept of sustainable development. And to assess the ability of the people in the community. Learning process and the development of community-based primary economic sufficiency. The ability of the community capacity consists of people in the community, the community organization and networking in general and external ownership and the commitment to each other in the overall capacity of the community to have access to local resources for the process of economic, social and environmental development. The activities of the community in both formal and informal. Common ownership of resources. The community has resulted the creation of social capital through the process such as activities of the community in one village (OV). Moreover, the ability of people and communities in the aftermath of the community work together to build knowledge based on experience of real-world experience as a result of the operation that the seminar of experiences reveals community development in the real world.(see Figure1)
**Methodology**

This participatory action research method consists of 4 public participation approaches; 1) in-depth interviews with the local community about general characteristics and community survey with the residents in the study area, 2) preparing community forum and public participation to promote community learning process and reflect community knowledge from different point of views, 3) community’s vision seminar to brainstorming their view point on the future development of their community in the next 10 years and, 4) establishing community policy seminar to collect and evaluate relevant secondary data and on the other hand comparing descriptive analysis of community enterprise and OVOP of BJR community.

**Result of study**

*The origin and development of the Ban Jum Rung community*

BJR Community is located in Rayong Province; eastern part of Thailand. This community is one of the best practices in sufficiency Economy philosophy and rural community development. This community is agricultural base which is driven by local residents. There are several groups of visitors from various organizations visit and learn
from Ban Jum Rung’s self-reliance and sufficiency economy philosophy. Although, it is a small local community with approximately 157 households (571 people; 2004) but it has agglomerated for more than 200 years and has a good relationship between each residents like relativehood (see Figure 2)

**Figure 2:** Location Map of Ban Jung Rung Community

![Location Map of Ban Jung Rung Community](image)

*Source: survey*

Nowadays, the major of the people are engaging in agriculture, by 52 percent are farmers (examples are rubber, durian, orchard, and vegetable garden as well as livestock farming such as snapping turtle). Many households have applied the sufficiency economy concept for instance, mixed agricultural by planting a variety of plants in the same cultivated area- this method may prevent disease that may occurs quickly from one type of harvest and also slows soil deterioration. We also found out that 14 percents of the residents are agro-products seller such as durian, fish sauce and shrimp paste and 7 percents in the community trading and gardening, 16 percents in general contracting such as fishing and rubber plantation, 4 percents in teaching, and 7 percents as office employees (see Figure 3).

Figure 4 shows that there are more than 10 learning centers in BJR which are initiated by residents such as garbage saving bank, community shops, rubber products group, feeding snapping turtle, mixed farming, shrimp paste group and processing fruits, and so on.
Overall, even though the income of people has not increased that much but most of the people are satisfied with the social and environmental improvement, particularly in the strong community relationship which resulted in their participation on sustainable community development. All these factors make the people live happily in the community which leads to the trust in the concept of sufficiency economy (see Figure 5).
Potential to resolve problems and secure livelihood in the community can be considered as one of the key factors in building trust and practicing under the sufficiency economy concept; more than 60 percent of people think that environmental problems such as community’s health is greatly reduced. However, about 40 percent of them continue to have problems in occupational health which may be occurred before. In the context of financial security, most people save increasingly in different levels for their own future spending. Consequently, it can be said that the risk and insecurity reduction of people' lives is an important ground that affect people’s believe and trust to follow the concept of sufficiency economy.

**Figure 6:** Perception of Residents on Life Security

*Source: Questionnaire Survey, December 2010*
**OV-OP and its Context of Ban Jum Rung**

- **One Village (OV)**

In this section, we will review the OPOV framework development in BJR community. OVOP project was started with a lot of mistakes in the beginning which are not fully exploited due to lack of appropriate planning and compromise by local communities. Project planning, team building, product value added and community enterprises have been initiated and developed until BJR is success in developing their own community and being independent. The projects that qualify for benefiting from OVOP programme include, projects utilizing local resources, those owned by Co-operatives, projects that are geared toward value addition and transfer of skills and knowledge and those whose products have potential in both local and regional markets.

This development illustrates sustainable development framework and can be use to evaluate capacity of BJR community. Community capacity consists of residents, community’s leader, and relevant organizations who contribute to the empowerment of the community through creation of local resource, enhancement of community environment and socio-economic development. A number of projects in BJR that benefit from the implementation of OVOP and sustainable development strategy include agricultural products processing; eco-tourism and home stay; local vendors for tourists. This One Village (OV) contains knowledge creation and sharing to the community and formulates real experiences through learning by doing workshop. It generates value–added community in One Product (OP) (see figure 7)

**Figure 7: The Tree of Community Movement**
One Product and Learning Center in Ban Jum Rung Community

It can be describe activities that residents practice every day has become a cultural identity of Ban Jum Rung. The residents know their role in creating product to the community (One Product) which is not just valued product but also community product in the meaning of sustainable development. This process attracts tourists and visitors who eager to obtain their transferring local knowledge and generate income and employment opportunities to local community. Moreover, community’ environment context is also part of this development process. (See Figure 8 and see Figure 9)

Workshop

The primary workshop of the community when given by the guest speakers is presenting the process of community development following sufficiency economy philosophy and self-reliance. This knowledge comes from tacit knowledge and by practical movement from residents in the community. The community does not only focus on economy but also conserving their traditions and learning experiences of the elders in the community. Self-agricultural farming (Field Study) has many interested visitors who interested in learning the process of self-reliance in agriculture, productivity and traditional fisheries. The community is proud of their power to be able to negotiate with the middlemen which is also interesting. They formed the co-operative group to buy and sell rubber which is one of the main occupations and main income in this community apart from selling seasonal fruits.

Small and Micro Community Enterprise

Sufficiency economy is one of the principle philosophies that this community pursues after economic crisis. The community also learnt the practices such as acting and trusting from Umaji Village in Japan which they point out that money is not the indicator for development but happiness instead. BJR community starts to also follow organic agriculture and green market, traditional OTOP (one tumbon one product) without harming environment such as not using pesticide in planting.

Food Service

Food service is also taken part in supporting workshop which happens in the community. Guests are served with food service for every meals, breakfast, lunch and dinner which catered by housewives group. This also increases income for this group of housewives.

Home stay

In eco-tourism, the community has provided home stay system for guests or visitors so that they can learn how to live like local and be close to real nature and traditional way of living. Besides, tourists will absorb culture and conserve tradition norm which harmonize with this contemporary life.
Figure 8: One Product Process in Ban Jum Rung

Figure 9: Activities of One Product (OP)
Conclusion

This research analyzes a problem-based approach, as well as focuses on empirical knowledge of BJR community by using framework of One Village and One Product (OV-OP) which is also widely adopted in Japan and in other Asian countries. The concept is similar to the model of One Tumbon One product or OTOP in Thailand. Therefore, this research is derived from qualitative analysis on community enterprises and comparative study on empirical knowledge of BJR community. According to various malfunctions of capitalism and community development situations that BJR community has encountered, a sufficiency economy philosophy has been introduced and implemented for self-reliance development in 2003. It is one of the best practice development frameworks for this community. We found out that OV-OP paradigm does not only create community product’s uniqueness but also paying attention on human resource development which aims to create new model on community development at different levels of policy implementation. Moreover, the OV-OP framework reveals the ‘Bottom-up’ development process which local community is an initiator meanwhile government, regional government, and local government are supporters. This study addresses constructivist learning and knowledge transferring on OVOP plays significant function in the sustainability of BJR.

Endnote

Umaji Village Agriculture Cooperative. http://www.yuzu.or.jp (Japanese Version only)

References


The Background to Understanding One Tambon One Product in Thailand

Puntita TANWATTANA and Warangkana KORKIE TPITAK

One Tambon One product policy

Thailand’s OTOP project was launched in 2001. After the 1997 economic crisis, HM the King announced the Theory of Economic Self-Sufficiency to focus on a more resilient and sustainable economy. The farmers and fishermen are encouraged and guided to use their free time from seasonal work to increase their income by using their traditional skills to produce and market crafts. Applying local knowledge and skills handed down from generation to generation, the products and handicrafts are hand-made, using locally available materials and resources to manufacture goods that are, or are to be competitive in local and export markets. These specialty products are based on the originality, culture and tradition – cultural heritage of each rural locality. Termed ‘community products’, these exhibit elements of the uniqueness that each community has created and preserved for a long time.

The One Tambon One Product is thus a mechanism aimed to empower the local villages with the capacity to develop one unique major product of their own that also possesses strong characteristics attributed to each of the local areas. The government of Thailand is fully confident that the One Tambon One Product Project would facilitate prosperity to the local areas and enable the local people to raise their standards of living, mindful of the production methods that is taken into account in transforming local resources to value-added products in sustainable manner.

The main thrust behind the One Tambon One Product Project is therefore Community empowerment. It forms the pillar, as well as an important criterion for evaluating the relevance of the project and its associated plans and strategies. Community empowerment through unique product development, however, requires that we have in place an effective supporting process such as the provision of encouragement, facilitation mechanisms and logistical supports by the government in order to ensure that the local people can meaningfully participate in all dimensions of their community development. Local people, irrespective of their associations, groups or careers, would be encouraged and supported to form strong community organizations, with members working together in perfect harmony for common goals and mutual benefits, as well as for the greater good of the community and the general public.
However, the use of the term "product" must also be understood beyond the narrow concept of tangible goods. Product in this sense has to be viewed as a dynamic process that includes services, value-added products, environmental protection, traditional knowledge, tourism, cultures, exchanges of experiences and learning. OTOP project should be implemented with the ultimate goal under the successful development of the highest-quality local "products" that are unique, easily recognized and that have the potential to be commercially successful in the local, national, sub-regional and regional, as well as international markets.

The Thai OTOP program is nationwide in scope, covering nearly 7,000 sub-districts in Thailand. It offers a comprehensive assistance package through a convergence of services from Thai National OTOP Committee and its sub-committees to each of the local governments at various levels, and the private sector as well. Their assistance ranges from skills and entrepreneurial training to product design, quality improvement, appropriate technologies as well as distribution and marketing. Through OTOP scheme, local chief executives of each province and municipality are responsible for taking the lead in identifying, developing, and promoting a specific product or service which has a competitive advantage. The OTOP scheme supports local SMEs, community-based cooperatives and household-based cottage industries to manufacture, offer, and market distinctive products or services through the use of indigenous raw materials and local skills and talents.

Policy Rationale

- Employment and Income Creation for local community and people.
- Strengthening the capacity of the local community to be self-reliance in areas of local development.
- Promoting traditional knowledge, local resources and manpower utilization.
- Promoting human resource and human capability development.
- Encouraging creativity and innovations of the local community, especially in developing local products in accordance with traditional ways of living and cultures.

Objectives

- To contribute to the identification of local natural and cultural resources that have a potential for the economic revitalization of regions. To be a factor in the promotion of culturally value-added products;
- To encourage value addition, with unique regional features, in local primary commodities;
To encourage the making of products that are traditionally village-specific and to promote self-respect in villages and regions;

To contribute to making regional brands competitive in the global market;

To be a factor in the promotion of good leadership (a crucial factor for success);

To contribute to the promotion of rural entrepreneurial development and networking.

The Office of the Prime Minister’s regulations concerning the One Tambon One Product National Board B.E. 2544 states five objectives: (1) to create jobs and income for communities; (2) to strengthen the communities to be self-dependent; (3) to promote Thai wisdom; (4) to promote human resource development and (5) to promote the communities’ creativity in developing products which are in harmony with local culture and way of life (Source: OTOP 5 Star Website, n.d.). The objectives of the policy behind the project are to bring about the economic empowerment of rural populations and to alleviate rural poverty by promoting artisanal entrepreneurship.

OTOP aimed for a ripple effect through supporting products which utilized local resources so that the producers of raw materials, especially in the farming sector, would benefit (The Prime Minister's Office, 2009). It also aimed for the conservation of natural resources and the environment and the preservation of indigenous knowledge, culture and the customs of each local area (Sombatpanich, 2004), as well as promoting self-reliance and creativity and the utilization of indigenous knowledge (CDD, 2011).

**Goals**

- Enhancing the capacity of the local community in producing high quality-products that are suitable for marketing at the local, national, and international levels.
- Generating better standard of living and higher income for the peoples in local villages.
- Enabling the local villages to become self-reliance.

**Vision**

The vision is: “To make rural craft industries another valuable contributor to the economy of Thailand, in contrast with the past, when most of the economic growth of the country was generated by large businesses”.

The process of attainment of the vision will “Promote socio-economic growth and rural poverty reduction through the sustainable development of craft production in rural areas, embodying local resources, traditional values, cultural heritage and home-grown skills and expertise”.

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Strategies
- Utilizing traditional knowledge, local labor and resources in the production of local products with strong and distinctive local attributes.
- Focusing on products that do not produce undesirable externalities to the environment and natural resources.
- Promoting local and regional economic development.
- Establishing strong network of professional associations.
- Emphasizing close cooperation and collaboration between central government agencies and local governing bodies in the production process, as well as on the expansion of national and international market bases through retail and internet systems.

Principle
The development of OTOP products is based on the following principles:
- The application of local knowledge, traditions and skills to produce crafts with characteristics specific to the locality, and traditional agricultural food and non-food products. These will preserve the Thai heritage, and are designed to accord with today’s lifestyles. They may conform to international standards and will be globally competitive;
- The development of a sense of self-reliance in rural crafters, based on initiative, creativity, productivity and decision-making at the local level;
- The continuous development of human resources at all levels of the production-marketing chain;
- The development of product standards and product quality;
- Continuous innovation.

Master Plan
In pursuing the above objectives, the government intends to establish the following strategic plans to address several strategic areas and topical issues such as,
- Promoting the involvement of civil society
- Upgrading production processes through research and development
- Adding Value to goods and products
- Marketing promotion
- Internet Networking
- Financial resources and foreign relations support
- Promoting tourism, culture and ancient sites
- Public relations campaigning
- Follow-up and Assessment of outcomes
Government policy

The OTOP project is supported by a comprehensive government policy. The response to the project given by the rural communities and other private sector agents in its first four years of operation (2001-2005) has been impressive in terms of income generation from sales, market expansion and entrepreneurial activity in the rural areas. Thailand’s One Tambon One Product (OTOP) policy is one of the important policies that former Prime Minister Thaksin Shinawatra employed in 2001. He learned about it when he visited Oita prefecture, Japan. On the occasion of the meeting on April 30, 2001 Ex-Prime Minister Thaksin Shinawatra declared a policy of One Village One Product at Government house, organized by Community Development Department, Ministry of Interior. Governor of Oita prefecture, Japan was participated. The OTOP project was established by following the model of the One Village One Product (OVOP) campaign of Oita Prefecture in Japan, although with its own modifications and adaptations. The principal rationale of OTOP was to create market linkages for locally produced products, through upgrading product quality and linking products to domestic as well as international markets, while also addressing the major bottlenecks of access to market for many rural enterprises (Rattanakamchuwong, 2005).

The fundamental point of Thai OTOP scheme is that the production must be based on local resources and indigenous technologies. Thaksin administration thus helped develop production in the rural areas and strengthen community economies by linking the process of agricultural production with the OTOP project. The Thai government has instigated the development of the “One Tambon/One Product Project.” Its guiding principle is that local strengths should be fully made use of and fully developed for stimulating growth in local economies. Firstly, in order to accomplish this goal, people in local communities have to generate additional income by utilizing local resources. Secondly, such communities should develop indigenous intellectual resources conducive to the creation of new value added products and services that can satisfy both local and global market requirements. Finally, the government should support new management techniques making use of technological advances such as the Internet in marketing these new local products.

The government supports this development through marketing and distribution assistance locally and internationally. The purpose of the “One Tambon/One Product” Project is to develop the local community and give local people the opportunity to have a better life by using and managing the local community and its resources. With the development of the scheme, villages can develop successful small and medium-sized enterprises (SME). Such SMEs may be able to develop core competencies that enable them to compete both domestically and internationally.
The role of the central government in the program was mainly to provide loans and technological support for these projects, and to promote OTOP events through various fairs and exhibitions. In each Tambon that participated in the OTOP program, at least one group of representatives must be created. Each group would come up with its own product. These groups shared certain characteristics: each group member had to be willing to use local knowledge and skills to produce products. The groups varied in size, but each consisted of a Chairperson, Vice Chairperson, Treasurer, Secretary, and members of Public Relations, Production, and Marketing Committee.

In 2006, policy declaration of Ex-Prime Minister Surayud Julanon to the National Legislative Assembly in November 2006, related to economics was emphasized on grass root economic and promote community product (OTOP) continually. Subcommittee of Local community product management (OTOP) has deputy Prime Minister be a chairman. In 2008, Ex-Prime Minister Apisit Vejjajiva improves management and business plan to become the professional business owner.

**OTOP committee**

OTOP projects are administered and led by the central government. The National OTOP Administrative Committee, which was set up within the Prime Minister’s Office, has formulated overall policies under the leadership of the Prime Minister, and the provincial and district OVOP committees have implemented the policies. In other words, when OTOP project was initiated, the National OTOP committee was appointed. In 2001, regulation of the Prime Minister's Office in “The National One Village One Product committee 2001” was legislated. Deputy Prime Minister is a chairman of the committee. The committee tasks are formulation of policy, strategy, master plan, standard control and select a quality product.

The committee consists of office of the Prime Minister, Ministry of finance, Ministry of interior (Community Development Department), Ministry of Agriculture and Cooperatives, Ministry of Industry, Ministry of Public Health, Ministry of Foreign Affairs, Tourism Authority of Thailand (TAT), Ministry of Education, Ministry of Science, Technology and Environment, Board of Investment, etc. It is agency integration. The administrative structure of OTOP has three levels are National OTOP committee, provincial OTOP sub-committee and district OTOP sub-committee. The national OTOP committee combine with 5 sub-committees are administrative sub-committee, production promotion sub-committee, marketing promotion sub-committee, product quality development and standard sub-committee and Regional OTOP sub-committee (provincial sub-committee and district sub-committee).

In an attempt to further develop the products and boost income of the communities on a sustainable basis, the Committee has appointed several sub-committees which would be
The Background to Understanding One Tambon One Product in Thailand

responsible for assisting the communities by helping them in administration. Government officials from several agencies including Interior, Industry, Agriculture and Cooperatives, and Commerce ministries are now involved in these sub-committees. There is a provincial OTOP Sub-committee in each province that manages the OTOP system at the regional level.

**Figure 1:** Structure OTOP committee

Source: Community Development Department, Ministry of Interior

Plans are being made by the government-run Committee on OTOP to select outstanding products, boost sales and have named them as model for goods in the future. With a strong determination for strengthening the OTOP, the Committee has set guidelines to select the so-called champions of products, the most outstanding product from each province and at the national level. These guidelines include the strength of brand which has potential for export, regular production with standards of quality, quality standards which can create customer satisfaction and products which have a history. The committee classified OTOPs into six categories. They are fresh and processed foods, alcoholic and non alcoholic beverages, clothing and garments, artifacts and souvenirs, ornamental products and herbal products. After the completion of separating the goods into categories, the sub-committees will give stars
ranging from one to five. The results, then, will be forwarded to a judging sub-committee where a contest would be held to select the champion of products based on the market demand. The products are divided into four categories. They are Grade A which comprise goods that can be exported straight away, Grade B for goods that have strong potential, gain recognition in the country and can be developed to international standards with the support of the government, Grade C for goods that can be developed into Grade B through improvement and correcting weaknesses through support given by the government, and Grade D for goods that have low potential and need two measures to improve them. The first measure calls for development which could enable them to move into the Grade C class with support offered by the government and an evaluation must be undertaken from time to time while the second level is for merchandise that is impossible for development and cannot move up to the Grade C class due to extreme poor quality and the government may have to stop production and promote a new product instead.

Management system of OTOP policy

OTOP management is highly centralized, top-down structure of governmental management. Rearrange a management system of OTOP movement as a “Ministerial Integration” gathering a government division in strategy and plan making, support network of entrepreneur, support productivity, support export market.

Management system to obtain an OTOP registration is products selected by village hearing committees which are first reported to Tambon Administrative Organizations. Then, the lists of the products are reviewed at the district and provincial levels before they reach the national OTOP office. Despite this formal registration procedure, often district and provincial officers directly contact producer groups for OTOP registration, or process the registration without the consent of producers to increase the number of OTOP registered products. In order to search excellent OTOP, a product for registration was selected by Tambon Administrative Organizations. Therefore, a total of 85,173 products have been registered under different categories registered in 2010. (See Table 1)
Table 1: OTOP Product Registration Year 2010

<table>
<thead>
<tr>
<th>Categories</th>
<th>Number of Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Food</td>
<td>20,330</td>
</tr>
<tr>
<td>2. Beverage</td>
<td>3,073</td>
</tr>
<tr>
<td>3. Fabrics and Dressing Wear</td>
<td>21,386</td>
</tr>
<tr>
<td>4. Furnishing, Decoration and Souvenir</td>
<td>31,334</td>
</tr>
<tr>
<td>5. Herbal products</td>
<td>9,050</td>
</tr>
<tr>
<td>Total</td>
<td>85,173</td>
</tr>
</tbody>
</table>


Figure 2: OTOP Roadmap

Source: Ministry of Commerce, Thailand.
The elaboration of standards and the development of product quality are two of the key components of the OTOP project. A national committee meets annually to set criteria and rating scores for product assessment. Representatives of the Ministry of Industry, the Ministry of Commerce and the Ministry of Public Health are members of this Committee. The Ministry of Industry has assigned to the Thai Standards Institute (TISI) the development of standards for the community products, and their certification in accordance with those standards. The TISI has assigned 35 engineers to the different services and the evaluation of OTOP products. These cover four areas: standards development; certification based on the standards; assistance to producers; and public relations. Moreover, the National OTOP committee by Minister of Finance (chairman) launched campaign “OTOP Product Champion” in order to reach global market. Policy and strategy for Promote marketing – improve product for global market “Local Links - Global Reaches” and emphasize on export. Furthermore, the National OTOP committee by Community Development Department promote OTOP CITY to sale 3-5 star product and promote premium product to show in global exhibition, promote training program in OTOP product.

Additionally, the Department of Industrial Promotion (DIP) of the Ministry of Industry promotes and facilitates the OTOP project through the provision of assistance and support in the following areas: (1) development of community organizations, to transform cottage industries into potential small enterprises; (2) access to modern technology; (3) product design; (4) assistance for quality improvement and certification; (5) enterprise management techniques; (6) improvements in competitiveness and the establishment of links with local and export markets; (7) financial support (Village Revolving fund, micro credit facilities (with interest rates of 2-6 %) and moratorium scheme for farmers; (8) fairs and exhibitions to provide market access; and (9) awards for quality benchmarking.

Information management of OTOP is regarding as the database ‘www.thaitambon.com’ contains general information from every Tambon in Thailand, provides information relating to the OTOP project, and can be used to facilitate buy-sale procedures, e-commerce and help rural communities to exchange information and ideas.

**OTOP products**

Approximately 37,000 OTOP products were created and categorized into 14 groups: agricultural products, food, cosmetic and health care products, garments and fabrics, furniture, toys and games, household appliance, jewelry, leather and sport products, gifts and crafts, stationery, services products and cultural centers. Almost 60 percent of OTOP products were gift and craft items, while 22 percent was food products. The following table is a list of the types of community products that had been certified in February, 2004.
Table 2: Selected Certified Community Products and Producers

<table>
<thead>
<tr>
<th>Product group</th>
<th>Description of selected types</th>
<th>Number of Certified Producers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Food</strong></td>
<td>Desserts (29) fruit wine (64) chilli paste (6) Satho (35) coconut sugar (5), dried fish (3) curry puff (1), salted eggs (3) mulberry tea (2), herbal wine (53), preserved fruit (9) and others (34).</td>
<td>244</td>
</tr>
<tr>
<td><strong>Handicrafts</strong></td>
<td>Rush products (6) Coconut shell products (14) broom (11), Benchrong wares (5) rock mortar (3) marble handicraft (2), rattan wicker products (10) gourd sponge products (1) Palmyra palm products (6) silver products (6) water hyacinth handicrafts (8) bamboo wicker products (8) wood artefacts (9) Krachut products (10) Yan Liphao wicker products (5) leather engraving (1). Others (3)</td>
<td>108</td>
</tr>
<tr>
<td><strong>Artificial flowers</strong></td>
<td>Natural material (13) synthetic material (9)</td>
<td>22</td>
</tr>
<tr>
<td><strong>Paper</strong></td>
<td>Pineapple paper (2) Mulberry paper products (1)</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: Thai Standards Institute, “Standards of Community Products, Quality Development: from Local Intelligence to the International Level” cited in UNIDO.

The photographs below illustrate the variety of community products. In the first group of photographs, three of the products have been selected as product champions during contests run by the project in 2003 and 2004.
Figure 3: OTOP Product Champion 2003

Source: UNIDO

Figure 4: OTOP Product Champion 2004

Source: UNIDO
The selection process, without doubt, covers every facet starting from production development to sales which focus on creating customer satisfaction. Goods which are selected are divided into six categories which include food – fresh and processed; beverages which are both alcoholic and non-alcoholic including tea, fruit juice, herbal drinks and powdered ginger; clothes and garments which are made of both natural fiber and natural fiber mixed with synthetic fiber, ornamental products including scarfs, hats, bags and necklaces; decorative products and furniture which include household furniture, handicrafts and artificial flowers; arts and souvenir articles that reflect the intelligence of the rural people and culture; and herbal products which are non-food-and-medicines and are made from natural ingredients which are made into cosmetics, herbal shampoo, aroma oil etc. (Department of Industrial Promotion of Thailand, 2003).

Projects in One Tambon One product policy

OTOP Product champion (OPC)

The Thai OTOP uses quality assurance criteria and separates those that meet the criteria, which are called OTOP Product Champion (OPC), from the other OTOP registered products. Campaign competition was organized each year by the Community Development Department of the Ministry of the Interior. The evaluation principles of OPC were considered from both supply and demand sides – with the supply side mainly examining the potential for ripple effect locally and the demand side examining marketability issues.
Table 3: Evaluation principles of OPC

<table>
<thead>
<tr>
<th>Supply side</th>
<th>Demand side</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Provincial identity (unique and outstanding product and its presentation of the identity of the province);</td>
<td>• Production (production capacity, continuity of production, period of business operation exceeding three years, unique and outstanding provincial product and knowledge transformation to other local people and the next generation);</td>
</tr>
<tr>
<td>• Local wisdom and resources (use of indigenous knowledge and local wisdom, ratio of local raw materials and labour from the province in which the group is located);</td>
<td>• Quality and standards (safe raw materials for the consumers, environmentally friendly production process, avoidance of the destruction of the scarce resources or violation of any standards or law, acquisition of required standards and no official complaints from customers);</td>
</tr>
<tr>
<td>• Marketability (satisfaction of customers, creation of occupations and income for people in the province, stable and secure domestic and/or international markets and recognition as the souvenir of the province); and</td>
<td>• Marketing (systematic production and marketing management, clear distribution channels, application of marketing plan, market expansion and sales volume and revenue from products);</td>
</tr>
<tr>
<td>• Value creation (transformation and diversification of the products and design development).</td>
<td>• Product design (appearance and testing of products, quality and elegance of products, practicality of products and avoiding imitation of other products and violation of the copyright law); and</td>
</tr>
<tr>
<td></td>
<td>• Social responsibility and cultural preservation (preservation of local culture and norms and avoidance of the destruction of the local culture as well as Thai culture).</td>
</tr>
</tbody>
</table>

Source: Community Development Department, Ministry of Interior (2006).

Furthermore, OPC products are ranked given three to five stars based on exportability, consistency in production volume and quality, and uniqueness. The Government gives priority to OPC products over others in the provision of technical training, invitation to trade fairs and facilitation in building partnerships between producers. The National OTOP committee has a set of criteria to assess the star ranking of for OTOPs. The ranking of level of star is from 1 star to 5 stars. The more stars, the higher the ranking according to the ranking
criteria used by the Committee. The criteria to rank the level of star is a) 5 star level received over 90 marks; b) 4 star level 80-89 points; c) 3 star level 70-79 points; d) 2 stars level 50-69 points; e) 1 star level below 50 points (See Table 4).

Table 4: OTOP Quality

<table>
<thead>
<tr>
<th>5 stars</th>
<th>90 points and above</th>
<th>Good quality, exportable</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 stars</td>
<td>80-89 points</td>
<td>Fairly good quality, nationally recognized, exportable upon improvement</td>
</tr>
<tr>
<td>3 stars</td>
<td>70-79 points</td>
<td>Average quality, able to attain 4 stars upon improvement</td>
</tr>
<tr>
<td>2 stars</td>
<td>50-69 points</td>
<td>Able to attain 3 stars, periodically assessed</td>
</tr>
<tr>
<td>1 star</td>
<td>Below 50 points</td>
<td>Product is unable to attain 2 stars due to its many weaknesses and difficulties for development</td>
</tr>
</tbody>
</table>


Based on these criteria, the products were given one to five stars, with five stars signifying export quality. Depending on the number of stars that the product received, producers received different types of assistance from the government. Only those who received five stars were promoted by the government for export and those that obtained four or more stars could participate in the national OTOP fairs, while the lower starred products could only participate in provincial or district fairs. Government supported the cost of these fairs and the cost of presentation booths, which was the major part of the marketing cost for many OTOP groups.
Firstly year in 2003, number of entrepreneur candidate is 16,808 products; pass a selection in Amphur level (district) 15,507 products; pass a selection in provincial level 8,640 products; pass a selection in regional level or Bangkok 6,932 products which can divide by 3 Star product 3,723 products, 4 Star product 2,583 products and 5 Star product 626 products.

Secondly year in 2004, (budget from The National One Village One Product committee 131,815,056.47 baht); number of entrepreneur candidate is 26,517 products; pass a selection in National level 26,497 products; 1 Star product 2,505 products; 2 Star product 15,974 products; 3 Star product 5,149 products; 4 Star product 2,296 products; 5 Star product 573 products.

In 2005, approximately 8,000 products passed the inspection for quality and received three to five stars, whereas 30,000 products received one to two stars. In October 2005, Permanent Secretary of the Ministry of Commerce, Mr. Karun Kittisataporn, announced that the export value of OTOP goods reached US$1 billion (around 40 billion Thai baht) (Bangkok Post, 9 October 2005).
Thirdly year in 2006, (budget from The National One Village One Product committee 24,422,718.34 baht); a number of entrepreneurial candidates is 17,814 products; number of unqualified product 2,484 products; pass a selection in National level 14,570 products; 1 Star product 847 products; 2 Star product 4,253 products; 3 Star product 4,880 products; 4 Star product 3,778 products; 5 Star product 812 products.

In 2008, there is registration of producer 31,789 and selected be the beat OTOP of Thailand (1-5 starts) 11,534 products.

In 2010, the product are qualified 11,534 products consist of; 1 Star 838 products, 2 Star 3,477 products, 3 Star 3,429 products, 4 Star 3,000 products and 5 Star 790 products (www.thaitambon.com).

**Village Development Fund (VDF)**

The Thai government identified that many OTOP producers still faced the difficulty in running their business due to the lack of financial resources, and shifted its policy to providing financial support to OTOP producers directly and indirectly. A Village Development Fund (VDF) was established in each village as a revolving fund that facilitated long-term local investments and income creation in rural areas at community levels. Even though this was not exclusively intended for OTOP groups, many groups utilized this as their principal source of capital. The People's Bank Program and the Bank for Small-and Medium-Sized Enterprises (SME Bank) were subsequently introduced for the same purpose.

The OTOP credit project was introduced by the SME Bank specifically to targeted the financing of OTOP groups for expansion and improvement of the enterprises involved, improvement of production techniques and the marketing and distribution channels of the OTOP products, creation of value-added OTOP products through product development, and other business operation activities of OTOP enterprises.

After Thaksin Shinawatra and Thai Rak Thai won a second term in 2005, support for community-based agro-processing continued, and new credit sources were added to accelerate local economic development through the establishment of a Small Medium Large Government Budget (SML), which, again, did not target OTOP groups specifically but was used as a credit source by many groups. Some OTOP groups obtained financial support from the Tambon Administration Organization, the Community Development Department (CDD) and other government agencies.

A one-million-baht Village and Community Fund was established nationwide in each Mubaan (village group) to serve as a revolving loan facility for the long-term local investments and income creation in rural areas at community levels.
**OTOP village champion (OVC)**

The scheme also helped to reduce the outmigration rate of the labor force in all regions except the Northeast. Outmigration was a problem in Thailand’s rural areas as people left their hometowns and abandoned their work to seek better opportunities in big cities, such as Bangkok, Chiang Mai, and Phuket. However, increased outmigration was a problem because cities did not have a sufficient number of jobs to support migrants. After the OTOP scheme was put in place, around 60 percent of respondents who lived in Tambon saw a lower rate of outmigration; at the same time these people believed that the OTOP program helped bringing back people who migrated previously.

The government’s goal of increasing the utilization of local materials for products was also a success. Up to 66 percent of products were local knowledge products, of which 60 percent utilized local materials. Due to the increase in the utilization of local materials, Thai citizens were able to sell more local products and thus increased their income. Once the product became well-known, visitors tended to visit that Tambon due to a desire to buy the product. Concomitantly, there was a 2.1 percent increase in the utilization of local materials for products from 74.4 to 76.5 percent.

In 2006, select an excellent OTOP by emphasize on unique product to be a selling point. Launch “Provincial Star OTOP project (PSO)” got 187 products. Launch “OTOP Village Champion” got 80 villages for tourism. In 2007, Community development department, Ministry of Interior operated OTOT village project in order to promote tourism. Namely, the objective is that link OTOP product with local identity such as culture, traditional, lifestyle, tourism place and survives. Additionally, enhancing community participation in order to build community empowerment and promote the quality of tourism in village. Since 2007, there is 26 OTOP tourism village or OTOP village champion (OVC).

The Thawai Village in the Chang Mai province has become the principal and most successful OTOP Village in the country. This has been obtained through government support for such as assistance to improve technology, technical advice for production, enterprise management and product marketing. Support has also been given for production and marketing infrastructure and for the management of the increasing number of tourists that visit the village. In the first semester of 2004, the village received 66 million baht from the sale of crafts, an increase of 35% with respect to 2003. Thawai Village has several of the characteristics of a Creative Cluster as described in Chapter One of this document.

**OTOP fair**

Government Policy through The National One Village One Product committee assigns to community Development department, Ministry of Interior to organize OTOP Midyear
and OTOP City twice a year. The Community Development Department was the main unit in charge of marketing and advertising for OTOP products. Many fairs were organized nationally and internationally to sell products to companies and individuals. OTOP producers could participate in these fairs without having to pay a rental fee to the government. OTOP products were also sold at gas stations, shopping malls, and online. Programs such as OTOP City, the biggest OTOP exhibition hosted in Bangkok, Thailand, were created to help expand markets and sales for OTOP products. OTOP city was organized in 2003 and the exhibition continues to be held annually.

Through marketing and exhibitions, OTOP products were able to increase sales from 6.35 million Baht to 7.82 million Baht (an increase of 23.1 percent). NESDB reported that 85 percent of groups that received government’s assistance for marketing were able to raise their income. Revenue from the sale of OTOP products raised rapidly from 200 million Baht (US $6,060,606) in 2001 to 19,027 million Baht ($57,657,558) in 2002, helping to expand labor markets and increasing demand for local products. In 2005, the government stated that it expected the sales to increase to 50,000 million Baht ($1,515,151,520).

This project is to identify distribution channels for the OTOP products to all regions within the country, to transfer marketing knowledge to the OTOP manufacturers and to establish these within identified markets. Examples of activities under this project are: (1) the OTOP Exhibitions held in different provinces such as the ones organized during February - August 2003 in: Buriram, Udon Thani, Khon Kaen, Kam Phaeng Phet, Chiangrai, Krabi, Yala, Ratchaburi and Rayong; (2) local Product Contests and Marketing, Business Management and Product Design Workshops - These events are held at regional level in different provinces. The products selected to compete are those with local/provincial market potentials.

**Budget and income of One Tambon One product movement**

The Bureau of Budget directly allocated an annual budget for OTOP to related agencies in 2001-2002. However, this financing system shifted to SMEs promotion funds in order to support OTOP projects in 2003 (OSMEP, 2008: 21). Both allocated budget and actually-used budget decreased rapidly after the peak of 2004. In 2008, the actually-used budget accounted for a mere 46.6 million Baht, 3.6% of 2004 (See Figure 6)
Furthermore, the budget management is decentralized and is assigned to each province. Forty percent of the budget is distributed equally among the provinces; a further 40% is specifically assigned, based on the relative participation of the different provinces in OTOP, and the remaining 20% of the budget is taken from the provinces’ tax revenue. The total budget for the second year of the OTOP project was 10,000 million baht, equivalent to US$250 million.

The financial components of the OTOP project include:

- The Village and Urban Revolving Fund: a one million-baht revolving fund assigned to each village that is used to provide loans to the crafters. The Committee for Loans administers the Fund;
- Micro credit facilities and a debt moratorium scheme for small farmers;
- The People’s Bank, established to reduce the dependence of the self-employed on illegal money-lending markets.

Micro credit facilities provide access to working capital, this being the basic requirement of the communities. The loans help to satisfy genuine needs, and the interest rate is between 2 and 6%. The repayment is almost 90%.
Fiscal year 2003 (Oct 2002-July 2003) total amount of OTOP sale prize is 25,949,599,321 baht or 129.75% of estimate income in year 2003. Some part of the budget year 2004 (1,500 million baht) was use for strategic plan formulation and enhance a productivity standard, promote marketing, advertisement, develop community enterprise and capacity building of project management.

From 2005 on, the Small and Medium Enterprise Development Bank of Thailand (SME) had provided approximately 5 billion Baht ($151,515,152) for the OTOP program for both short-term and long-term loans up to five years. Loans ranged from 50,000 Baht ($1,515.20) to 1,000,000 Baht ($30,303.03), according to the number of stars given to products. 3-star products received loans of no more than 500,000 Baht ($15,151.50), 4-star products received 750,000 Baht ($22,727.30), while 5-star products received the maximum loan of 1,000,000 Baht ($30,303.03). In 2009, budget 97,185,080.10 THB from Community development department (Annual budget Act 2009).

Table 5: OTOP Sales Year

<table>
<thead>
<tr>
<th>Period (FY)</th>
<th>Target</th>
<th>Actual Sale</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>10,000 million</td>
<td>16,714 million</td>
</tr>
<tr>
<td>2003</td>
<td>20,000 million</td>
<td>33,276 million</td>
</tr>
<tr>
<td>2004</td>
<td>40,000 million</td>
<td>46,362 million</td>
</tr>
<tr>
<td>2005</td>
<td>46,000 million</td>
<td>55,447 million</td>
</tr>
<tr>
<td>Domestic Sale</td>
<td>85.97%</td>
<td>115,789 million</td>
</tr>
<tr>
<td>International Sale</td>
<td>14.03%</td>
<td>18,885 million</td>
</tr>
</tbody>
</table>

Source: Ministry of Commerce, Thailand.

Positive and Negative impact of OTOP movement

Positive impact of OTOP

Generally, Thaksin administration reached fruitful achievement in its OTOP campaign. For instance, in terms of OTOP product annual sales, the year 2002 reached 10 billion Baht, followed by a two times in 2003. According to the Department of Community Development under the Interior Ministry, sales of OTOP products totaled 19.58 billion baht, (below the government's target originally aimed at 20 billion Baht) in the first half of the 2004 fiscal year (October 2003-March 2004). The total OTOP sale for the whole fiscal 2004 was projected to increase to 40 billion baht from 33 billion in fiscal year 2003. OTOP products sale trend continued to increase in each year till 2008. In 2009, the amount of sales slightly decreased.
The sales figure again increased in 2010 which accounts 68,484 million Baht equivalents to 2,283 million USD (See Figure 7).

**Figure 7:** The sales trend of OTOP products

![Trend of OTOP Product Sales](image)


As to export value, the OTOP export goods earned over US$900 million in 2004, up 14% from the previous year. Meanwhile, Thaksin Administration continued the drive to promote the OTOP sales with an aim at 35 billion Baht and export value at US$ 1 billion in the fiscal 2005 (TNA, 2005). However, in 2004, there were 29,000 productive communities, a substantial increase from 16,000 villages in 2003. It was estimated that the number of OTOP communities would be 37,000 villages by the end of 2005.

The Ministry of Agriculture reported that in 2001, each OTOP group was able to create by selling its products additional revenue of 208,456 Baht ($6,316.85), which worked out to an average of 7,277 Baht ($220.50) per person. Most households received 213,420 Baht ($6,467.30) per year before joining the program, however, after joining the program, households had an average income of 244,452 Baht ($7,407.70), a 14.5 percent increase.

Conclusively, the successful performance of Thai OTOP campaign attracted wide interest both at home and abroad. For instance, the 2003 APEC Ministerial Meeting held in Chiang Mai, all the Ministers from the APEC member countries recognized that “Thailand's OTOP promotion is a good model and a new approach in rural development that could have application in developing an entrepreneurial society, especially in rural areas.” The APEC
leaders have made no secret of their close attention to the structure and function of OTOP, and are watching its ongoing implementation carefully. In fact, local products from communities under the OTOP program do not only mean the product itself but also include the thinking process, services, natural and environmental conservation, lifestyles, tourism, folk-wisdom, culture and tradition and all things regarding the valuable resources of that community. At the author’s interview with the owner of Benjarong Ceramics Plant, a 5-star OTOP producer in Samut Sakorn Province, the manager expressed his opinion on the implication of OTOP movement: First, income increased; second, ideas refreshed. The OTOP movement brought about a brand-new idea to the local population of commercial economy instead of the tradition self-sufficient agricultural economy.

**Negative impact of OTOP**

The negative impacts included a rise of household debt, a lack of production of quality products (which prevented nationwide sales), and a general lack of innovation in the commodities, which led to the problem of oversupply of homogeneous products. The OTOP program chapter is organized accordingly: description of the program, followed by impacts of the program on Thai citizens and the impacts on the economy. Despite the successes of the program in increasing income, generating employment, tightening community ties, increasing the number of work days, increasing utilization of local material, and lowering outmigration rate, the negative effects outweighed the positive (Tangpianpant, 2010: 76). Many OTOP groups lacked entrepreneurial skills. Dr. Seri Phongphit, professor of community development studies, argues that many groups had to abandon their projects because group members lacked the entrepreneurial skills they needed to manage their businesses. The government’s main focus in the program is to help people with marketing, as the financial representative stated, “you just go and get your product labeled as an OTOP product, and the government promotes it and you get free advertising (Janchitfah, 2005).”

The government spent 1.5 billion Baht ($45.5 million) in 2004 for advertising and marketing for the OTOP program by utilizing taxpayers’ money. Money that the government utilized, however, did not meet the expectations to increase household income and reduce debt, as the poor still had the same quality of life (Janchitfah, 2005). Dr. Narong Petchprasert, an economist from Chulalongkorn University who helped design the OTOP program, stated that “The policy does not benefit the public in general. When the OTOP operators can sell products at 10 Baht, it means that the taxpayers have already paid two Baht for the advertisement, but the benefit has gone to the private sector. The worst thing is that villagers are still earning at the same level as they used to (Janchitfah, 2005).”
Conclusion

This paper has surveyed the background of Thailand’s OTOP program which aims to develop rural economics and to alleviate rural poverty. Although, the OTOP was initiated and implemented actively under the support of the Thaksin government, the OTOP policy has been modified and changed its focal points from time to time. Due to the top down structure of governmental management, the central government played a key role in providing funds and awards, conducting OTOP product championship for brand-making and so on. In addition, the OTOP Village Champion was also introduced in 2006 in order to promote the local tourism industry in Thai rural village. Moreover, the government tried a lot to promote OTOP project by organizing OTOP City Fair OTOP Midyear Fair and so on in order to boost the domestic demand. In this context, the OTOP project can not only increase, but also enhance the quality of life at grassroot level since the project has made a large contribution to local economy by creating new occupation and employment opportunities.

However, negative consequences of OTOP policy which put emphasis too much on selling products led to household debt, a lack quality products and innovation in the commodities. Therefore, the top priority of the Thai government’s OTOP policy should aim to support for training and improving entrepreneurial skills in order to sustain the OTOP products that are based on local wisdom to create products’ uniqueness and to build competitiveness in Thailand’s agriculture. In other words, the focal issue should be paid attention to local human resources development. The future development strategy could be a basis for promoting rural economic growth, improving the livelihoods of people and contributing to poverty reduction at regional development.

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Effectiveness of Third Country Training through Utilizing Thai OTOP Model for African OVOP

Expansion of African OVOP with OVOP/OTOP model

Background

OVOP program in Africa aims to promote the empowerment of local communities by making effective use of local resources and developing commercial products in such a way as to link them to distribution channels and markets. It has significant potential for the development of African rural villages.

The Japanese Government provides support to the One Village One Product program as part of the Development initiative which was proposed by TICAD IV in May, 2008. It deals with the program as an assistance measure developed out of Japan's and Asia's experience, from the perspective of “Community activation through economic growth.” Japanese government clearly mentioned the promotion of trade by assisting product development and export promotion in Africa, by further promoting OVOP initiative. In addition, the new concept, “Glocal” (global and local) community development through the OVOP was also included. (Yokohama Action Plan 2008)

Current situation

The OVOP movement is a good solution to reduce the economic gap between urban and rural area. (Kurokawa 2008) One of the clear characteristics of the African manufacturing sector is resource-based (RB) manufactures. In terms of exports, Africa also has a strong dependence on RB manufactures. In particular, the share of RB manufactures in total manufacturing exports was 52 per cent in 2000 and 49 per cent in 2008. Africa’s high dependence on RB manufactures contrasts with the situation in Latin America, East Asia and the Pacific, where the shares of RB in total manufacturing exports were 34 and 13 per cent respectively in 2008. (UNCTAD 2011)

Different countries are at different stages of implementing of the OVOP program in Africa. And the possibility of the RB manufacturing is different. The following countries are
implementing or have just started implementing OVOP; Kenya, Uganda, Malawi, Ethiopia, Senegal, Nigeria, Mozambique, Madagascar, Rwanda, Zambia and Namibia. Apart from Malawi which started in 2003, the rest of the countries have been implementing OVOP for a period of less than five years. Each country has its own structures where the program is being implemented in various government ministries such as agriculture, trade, industry, local government, rural development among others.

Common challenges of African OVOP

Outreach system

To reduce the economic gap between urban and rural area, we need outreach system. We have identified three points of common challenges of the African OVOP. Firstly, the governments can provide only limited financial support because of the lack of the budget. Secondly, we cannot see any clear governance structures from the national level to the local levels. Lastly, the capacities in the government implementing institutions and agencies are limited.

Concerning to the business supporting system, we identified lack of know-how for collaboration between good business service providers and OVOP groups. In Japan, the main focus of the OVOP is revitalization of the local economy. The main issue was depopulation. However, in Thailand, the main target of the OTOP is to reduce the gap between urban and rural area. Accordingly, they requested skills for marketing, sales promotion, packaging and procurement by introducing OTOP to Africa. This is why we planned to hold OVOP seminar in Thailand.

1st Asia-African cooperation OVOP seminar in Thailand

The first Asian Africa OVOP seminar held in Thailand from 12th to 16th December, 2011, was a follow up to the first African regional OVOP seminar, which took place in Nairobi Kenya from 8th – to 11th November, 2010. The five day seminar was organized by the faculty and staff of the Research Development Institute (RDI) of Khon Kaen University of Thailand. It drew participants from the four countries, Kenya, Uganda, Ethiopia and Malawi, in the region that are currently at various stages of implementing OVOP.

The Thai OVOP model known as “One Tambon One Product” (OTOP) was designed by the government in 2001 as a local entrepreneurship stimulus program, which supports uniquely made products that have market appeal. Villages are encouraged to select products, to improve their quality and have them branded as a “starred OTOP product” for local and international promotion.
The seminar aimed at providing participants with the opportunity to learn from Thai’s experience of the philosophy and implementation subsystem of the OVOP scheme through lecturers, discussions and field study tours. This would enable the participants to design and implement activities in line with the philosophy of the OVOP movement in their own countries. After having lectures and field trips, these four countries had group discussions. The following chart indicates the results of the discussions;

**Group Discussion 1: The role of OVOP/OTOP for community activation and implementation in home country**

*Criteria for setting up OVOP model groups based on discussions*

<table>
<thead>
<tr>
<th>Item</th>
<th>Category</th>
<th>Main Criteria</th>
</tr>
</thead>
</table>
| 1    | Systems  | Emphasis on self-reliance  
Based on good leadership  
Good accounting, record keeping and management practices  
Confirmation to the needs of the society |
| 2    | Products | Use of local resources in making products  
(organic means of production)  
Intellectual property rights for the products  
Confirm to standardization and quality certification by relevant authorities  
Value addition using local knowledge and technology  
Capacity to diversify to other products |
| 3    | Marketing| Products with potential for marketing in the regional and international markets  
The products should be branded for identification  
Products to be market driven and meet customers satisfaction |
| 4    | Group dynamics | Groups should be gender balanced in membership  
Group activities should be environmental friendly  
Emphasis on human resource development in groups |

(Prepared by Mr. Kenji Aizono in December 2011)
Group Discussion 2: Analysis of current country situation in each OVOP program.

<table>
<thead>
<tr>
<th>Item</th>
<th>Level</th>
<th>Strengths</th>
<th>Weakness</th>
</tr>
</thead>
</table>
| 1    | Policy level   | Anchoring of OVOP in the National Medium Term Policy for Vision 2030 (K)  
Mainstreaming OVOP in the Ministry’s performance contract (K)  
Strong government policy for OVOP (E)  
Existence of export communities and model groups (E.)  
Strong policy in place to support OVOP (U)  
Draft SME policy in place (U)  
Strong political will for OVOP (M)  
Strong National policies for OVOP (M) | Low OVOP awareness by government leadership (K.)  
Poor institutional linkages (K)  
Products characterized by low and local standards (E)  
Absence of District Level Committees (U)  
Inadequate funding by the authorities (All)  
Delays in decision making (M) |
| 2    | Implementation level | Strong OVOP secretariat in place (K)  
Work plans and trained DIDOs (K)  
National Technical Committee (U)  
Technical support from Donors (U)  
Full time OVOP secretariat (M)  
Committees at District level (M) | Resource constraints (human and capital) (K)  
Systems not well established (K)  
Low technology (E)  
Weak research initiatives (E)  
Limited support from Donors (U)  
Bureaucratic reporting system (M)  
Dual reporting for District Officers (M) |
| 3    | Community level | Strong Cooperative movement (K)  
Abundance of local resources (K)  
Strong community commitment and development committees (E, U & M)  
Devolution of resources to the rural areas (M) | Limited product diversification (K)  
Misunderstanding of the OVOP concept (K)  
Weak governance structures within groups (K)  
Low participation by women  
High dependency levels at community (M & E)  
High levels of illiteracy (M & E)  
Poor infrastructure (U) |

Note: (K-Kenya, U-Uganda, M-Malawi and E-Ethiopia)  
(Prepared by Mr. Kenji Aizono in December 2011)
We identified the role of African OVOP through group discussions. Firstly, strengthening of the OVOP implementation systems at all levels was still needed. This is why they still need international cooperation toward the OVOP.

And for the training program, they requested rapid improvement of OVOP awareness at all levels. The government organization such as OVOP secretariat should be well functioned to deliver the services. In related to the OVOP secretariat, the services of the local OVOP committees were discussed. Some participants also pointed out the dependence syndrome of the community. The discussions were quite significant for all the participants since they can compare the situations with local community in Thailand.

**Conclusion and Policy Implications**

*For Powerful African OVOP*

Third country training through utilizing Thai OTOP model for advanced African OVOP countries was quite successful. However, before that, it was very important to understand the original concepts and philosophy related to the development of local communities through the One Village One Product program implemented in Oita Prefecture in Japan.

➢ OVOP in Oita was meant to be a complementary strategy to other interventions, but with special focus on promoting economic and social well-being of rural communities through communities’ leadership action.

➢ In terms of administrative structure, OVOP in Oita is not overseen by any national body. Initially it was coordinated by a small section in the Oita prefectural government.

➢ OVOP in Oita depends a great deal on partnership between government, communities, NGOs and the private companies.

Unlike the Oita OVOP, the Thai ‘One Tambon One Product’ (OTOP) model was formulated and implemented by the Thai central government, with tidy guidelines for product development and marketing.

➢ OTOP is directed and coordinated from the top by the National OTOP Administrative Committee (NOAC) with sub committees comprising of officials from national line ministries

➢ The budget for OTOP is managed by NOAC and is used to fund activities in the OTOP annual project master plan, but not to provide financial support to producer groups.

OVOP implementing countries such as Malawi and Kenya are required to look at some of the good best practices, especially from the Thai OTOP model, in order to craft systems that are most appropriate to their national priorities.
Policy Implications

The third country training provides participants with an opportunity to compare and contrast the Oita OVOP and the Thai OTOP and come up with a program and systems that will tackle common challenges that African OVOP groups are facing.

One more important point is to understand the concept of “Sufficiency Economy”. This is a Thai original concept. After the economic crisis in 1997, His majesty’s development concept led to the national development policy based on sufficiency economy. Sufficiency economy points the way for recovery that will lead to a more resilient and sustainable economy. It is an approach for strengthening economic foundation starting from households to communities. African participants would learn this strong concept through third country training as well.

Thai OTOP is a kind of treasure box for African countries, therefore to provide the opportunities to learn “WHAT is OTOP” to African OVOP countries is really necessary.
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Endnote
The views expressed in this paper are entirely those of the author and do not necessarily represent the views of Japan International Cooperation Agency (JICA).

References
Current Analysis

Actually, One Village One Product Program as known its abbreviation as “OVOP” is recognized widely in the world as a “movement” with the concept of Local Resource Utilization, Endogenous Local Economic Development, Creation of Value-chain Mechanism as well as Value Additional Activities, since it was prevailed. In Japan, a unique approach called Chisan-Chishou (grow locally, consume locally) has been quite popular recently. This approach has revealed the value of the local cultural aspects of the food industry and, accordingly, this perspective could provide new ideas to the adding value process. (Kurokawa 2010) However, the methodology of how to use the concepts still remains unclear for the practitioners who are interested in and engaged to manage it in governments or institutions. The OVOP movement can be a conceptualized movement and the governments or institutions need to formulate their own model or methodology adopting the three famous principles like “Local yet Global”, “Self reliance Creativity” and “Human Resource Development”. (Hiramatsu 1990) But the common OVOP methodology has not been well developed. This is not the disadvantage but seems a kind of advantage because the government could adapt the method to suitable for their own culture, tradition and political issues, then this is the reason why OVOP movement was widely expanded with its flexibility.

Definition of OVOP as a Local Branding Mechanism

According to the United Nations Industrial Development Organization (UNIDO), the OVOP project provides employment and additional income to rural communities that possess a wealth of traditional skills and creativity, which they can draw on to produce crafts that are readily accepted by the national and export markets. (UNIDO 2005). Based on the status of OVOP mentioned above, governments and institutions need to formulate their methodology with own adaptation of the concept. In my experience to work as JICA Expert in OVOP Program in several countries in Africa as well as Central America, OVOP is also recognized as
a methodology of local branding strategy to let practitioners convinced clearly of its concept, meanwhile Oita Prefecture, the origin of OVOP has not mentioned the branding strategy. In many cases of the issues arising in the developing countries where want to apply the OVOP movements, they face the lack of commercialization and sales of their products in the market nationally and internationally, due to the shortage of certification of quality which most of the market require. Most of the developing countries also face the aspect which they do not have the adequate organization which can qualify the quality of the products, then, those governments want to engage the OVOP movement to a mechanism of qualification and certification of quality of the products to enable to promote with its brand image. Therefore, the OVOP movement is expanded worldwide being recognized as a local branding mechanism.

In the original case of OVOP in Oita prefecture, Japan, the prefectural government and governor have not considered the aspects of the certification of quality of products or service to promote them, because they were able to leave the qualification to the other particular governmental institutions and regulations such as Japan Agricultural Standard (JAS), Japan Industrial Standard (JIS), Standard for foods and additives. In other words, Oita OVOP left their qualification of the products to the market itself. On the contrary, most of the overseas OVOP movements make use of the OVOP as the means of qualification of the products and the local brand originality to create more value additions. With such different aspects for OVOP, those movements and their governments are supposed to elaborate the mechanism for certification and standard of quality of products and services.

However, they would face the other issues such as how to certify the quality and the responsible institutions. In most cases, there are no adequate internal institutions in the governments and even if there is, they need to formulate new regulations and criteria to adopt the OVOP concepts.
Case studies of Malawi and Guatemala

Once the government engages the OVOP movement as the mechanism of local branding strategy with certification and standardization, they should analyze how to implement it and define with which institutions to be responsible. Referring to the case of Malawi OVOP, the secretariat of OVOP Program under the Ministry of Industry and Trade takes the task of qualification within the secretariat as of now due to the lack of institutions in the whole country, while the Ministry of Economy in Guatemala is taking the process to entrust the certification with other institutions out of the ministry because they know their lack of capacity to certify the product but allow each local government to create own local brand with their logo mark and to establish the criteria and regulations for the qualification by the local government. It is not sure which system is appropriate for the qualification because it’s totally depending on the social circumstance and political situation, but it is necessary to monitor and analyze the efficiency and effectiveness of those two types.

Structural Design of Guatemala OVOP
ONPAKU: Complementary Model for OVOP Movement

Once the OVOP Program commences as a local economic development program, those practitioners usually would face the other issues in terms of commercialization of certified OVOP products and services because in the concepts of OVOP there is no explanation for the commercialization or marketing strategy clearly. Referring to the theory of “Value Chain” by Prof. Michael Eugene Porter (Porter 1985), we can understand that the OVOP Movement should cover the compositions from “Procurements of Raw Materials”, “Production” to “Logistics”. But it does not cover “Marketing” and “Sales” clearly. Due to the lack of this aspect, OVOP practitioners usually would struggle with marketing and sales issues. For those who are engaged to only OVOP production concept, they would produce their products based on “Production oriented strategy” while successful producers always do as “Market oriented one”.

Based on this aspect, ONPAKU model was developed by some entrepreneurs like hotel owners in Beppu City in Oita where the OVOP was born and is famous for hot spring but had been facing the decrease of tourists and visitors due to the diversification of leisure of Japanese. Then, those entrepreneurs changed the mind of tourism promotion from production oriented to market oriented. They understood the difficulty to recover the number of tourists from the outside of the city and also recognized the bad mood of the citizens to their future. Therefore, those hotel-owners organized a festival named “ONPAKU”, this means exhibitions and promotions of the hot springs in the city and they focused the resident people as participants of the festival. At the beginning, it was hard for the local people to convince the concepts of the ONPAKU, but after the continuous workshops on the concepts, finally they returned to acknowledge the fruitful results of the festival, exhibitions and unexpected effect that the habitants changed to be confident of their city.
ONPAKU model consists of the means of exhibitions as well as tours of the city, town or village and all the activities are supposed to be organized by the local people who well understood their own history and culture of the place. Since those habitants organize the festival, they or their family are also to be a participant in it. The participants can understand the history of their own city through the series of ONPAKU workshops and tours, then, they can have their pride of their home town more deeply and love it more. Once the local people had confident their home town, tourists joined the ONPAKU festival also feel happy to be there because the town makes them more happy with their confidence. That phenomenon happened as result of ONPAKU program in Beppu city in Oita.

Tours of Local Resources
Discovery Tours of Local Resources (guided by community people)
Factory visit & Tasting the Local Products

After a while, the principal organizers of the ONPAKU festival evaluated the result as an endogenous methodology of local exhibitions and tours. This method is now considered as a complementary model for OVOP movements for the improvement of commercialization and marketing strategy based on the community. In the model, it is very important that the main actor of the festival is not the tourists but the local people. The principal objective is to attract the local people by themselves. If those who visit the festival from outside as tourists would see the participants of the festival looking so happy and confident, and those external visitors will also love the town and would repeatedly visit there, even though there is nothing special attractive landmarks but people there can attract the tourists.

Conclusion: Challenges and Suggestions
In Guatemala, the Ministry of Economy with the JICA Project, PROFIL takes these two models, OVOP and ONPAKU to enhance the effects of local economic development. Since this project began, it seems well functioned. But these models still include some challenging issues such as,
1. Most of the participant companies or production groups of OVOP are SMEs and they struggle to get certifications of the quality of products due to the lack of capacity.

2. Most SMEs face the demand of financial resource but no financial institution for the SMEs.

3. Even though local SMEs can produce and supply attractive products or services, there is lack of the governmental support and initiative for the promotions of the local consumption which has been well organized and functioned in original OVOP in Oita.

For these issues, the author suggests the importance of making linkages and coordination for those institutions which can help for the technical assistances and facilitate the financial access for the SMEs.

And to mature the OVOP concept and to expand the good practices to all the stakeholders, strong political initiatives are indispensable. To do it efficiently and effectively, it must be meaningful to send those stakeholders to Oita, Japan or Thailand in order to show the achievements of local economic development through OVOP, OTOP and ONPAKU as proverb says, “To see is to believe”.

**Endnote**

The views expressed in this paper are entirely those of the author and do not necessarily represent the views of Japan International Cooperation Agency (JICA.)

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Chapter 13

OVOP as Small Enterprise Development and Supporting Roles of Government

Lessons from Oita and JICA’s OVOP Support Activities

Takafumi UEDA

Business promotion as a starting point

“Let’s plant plums and chestnuts, and go to Hawaii.” was the slogan of Oyama Town when an “NPC movement” was initiated in 1961, which later became one of the proto-types of the One Village One Product (OVOP) movement in Oita Prefecture in Japan. Thus, an immediate objective of this NPC movement was to increase income, not by cultivating rice or raising cattle as were prescribed by the Central or Prefectural Governments at the time, but by planting and selling plums and chestnuts. They were looking for ways to bring in steady monthly income and allow four-day workweeks, i.e. with better working conditions than “salaried men” who are regular employees of large enterprises or civil service. OVOP itself is recognized as “insightful for vitalizing communities that tend to lag behind in industrial development ....” While OVOP is described as an effort for local/community development, generating/increasing income of the local population constitutes its core function. To increase income, one needs to sell products or services to other people. In other words, he/she needs to deal with the “market” and are engaged in business activities. Of many of the requests that Japan International Cooperation Agency (JICA) receives to support OVOP-inspired activities from various governments in Africa and Asia, an underlying objective is business promotion. This is where a body of knowledge and experience in enterprise development, in particular, small enterprise development (SED), or small and medium-sized enterprise development, becomes useful.
The three OVOP principles of Oita make a good business sense. Firstly, “Local yet global,” could be interpreted as making good use of local resources and develop products or services that are unique – so unique that they are, at least as aspired to be, the only ones in the world; it does not necessarily mean to be trying to export. For small players in Africa and Asia, instead of pursuing cost advantage, it makes sense to aim at niche markets through product differentiation. Secondly, “Self-reliance and creativity” describes basic characteristics of entrepreneurship; independent-minded and constantly adjusting to ever-changing market conditions with new products or services. Thirdly, “Human resources development” is another core of the entrepreneurship since, in order to cope with changing market environment, the leaders/entrepreneurs and those involved need to keep building their knowledge to improve their business activities.

Misunderstanding about OVOP
If one sees OVOP as a brand, its name recognition is excellent. However, what it is – or it is not – tends to be often misunderstood. The author has encountered the following questions and would like to share how he would respond:

- Do we need to target “villages”? – No, it depends on the country, e.g. “tambon” in Thailand (thus, “OTOP”) and “local government” in Nigeria (“OLOP”).
- Should we develop only “one product”? – No, it simply means “at least one product”. In fact, many groups/enterprises produce more than one product; Azemichi Group in Oita Prefecture produces a variety of Japanese karintoh snack (fried sugar-coated dough) with different flavors. In Oyama, a “centipede” approach has been promoted, to stand on as many (as a hundred) feet, i.e. products, as possible.

Another rather troublesome misconception derives from the “product”, that is, that OVOP is about product development. Most people in Japan who are inundated with TV commercials would understand that “product development” means developing products that can be marketable, i.e. those that people want to buy. However, when “product development” is mentioned in developing countries, some people, including local villagers and central government officials, tend to assign production as a role for local population, while sales of the products are expected to be done by the government and JICA projects, which would undermine the “self-reliance” principle. Such a misunderstanding can be compounded when some people on the development partner side want to see “products” as an evidence of quick tangible results of the technical cooperation.
Trends in enterprise development – from “market development” to “industrial policy”

In order to place OVOP in the context of enterprise development, a brief review of the trend in this field would be useful. Development Partners involved in SED started to seek a better approach in the late 1990s after their earlier attempts to support developing country Governments’ efforts for SED did not result in desirable results. Typically, SED used to be promoted through an industrial extension model, based on a similar model in the agriculture sector. Industrial extension centers were established where government officers had been recruited and placed. These centers were supported by development partner projects. Unfortunately, the civil servants at these centers had little incentive to serve their customers and most of these centers collapsed after the project funding was terminated. Seeing the seemingly sustainable practices in microfinance, some development partners started to seek similarly effective and sustainable models in providing non-financial services to small enterprises. Such services would now be called Business Development Services (BDS). Results of the discussions among the development partners at the committee of donor agencies for Small Enterprise Development culminated into two guidelines; “Business Development Services for SMEs: Preliminary Guidelines for Donor-Funded Interventions (1998)” and “Business Development Services for Small Enterprises: Guiding Principles for Donor Intervention (2001)”. While the former advocated that the SED projects need to be “customer-oriented”, the latter advocated a fundamental change in the approach, i.e. BDS market development. Instead of crowding out private-sector BDS providers by directly providing BDS to small enterprises (SEs) by government agencies, donor programs, and NGOs, a new approach would facilitate market development (See Figure 1). Under this approach, the role of the donors and governments was to facilitate the development of private sector BDS providers to sell their services to SEs, thus, the BDS market. The facilitator funded by the public sector would facilitate demand and supply of BDS. At the same time, it was envisaged that, before dealing with the BDS markets, the developing country Governments were to create “an enabling business environment” mainly by simplifying various regulations and administrative procedures in “doing business”. To take an extreme view, the Governments’ roles were considered as limited to indirect interventions such as business environment reforms and the Governments need to let the private sector BDS providers develop the BDS market for small enterprises.
**Figure 1: Actors and Their Roles**

A. **New Approach: Facilitate Market Development**

B. **Old Approach: Substitute for the Market**

(P.4, Committee of Donor Agencies for Small Enterprise Development, February 2001)
Lessons from Oita and JICA’s OVOP support activities

However, in recent years, more active roles of the governments have re-emerged to be recognized, in the form of the debate about “industrial policy” or structural transformation. Although the debate has not been fully settled, a group of advocates have emerged who have recognized the need for developing country governments to intervene in certain sectors and markets7.

Against this background, it is interesting to note that JICA’s OVOP projects have provided support to developing country governments in promoting business activities. Our challenge, then, is what would be the appropriate roles of the government in business promotion such as OVOP.

Governments’ roles in OVOP

In considering Governments’ roles in OVOP, our starting point, of course, is Oita Prefecture. What the Oita Provincial Government did in OVOP was the following:

1. Campaign to propagate the OVOP concept through mass media and by the Governor’s speeches throughout the Prefecture;
2. Training/seminars of local (including potential) leaders;
3. Strengthening of Prefectural technological research and guidance centers;
4. Matching events to expand sales/distribution channels of OVOP products within and outside of the Prefecture;
5. Awards to groups that had contributed to the OVOP8.

Based on the premise, “Prefecture helps those who help themselves,” the Oita Prefectural Government would not provide finance such as subsidies or loans to the OVOP groups9. The Prefectural Government’s position was that “there has to be local residents’ own initiatives and their self-reliant efforts first, to which the Government would provide support”10. This stance was important to avoid dependency and respect the self-reliance principle. It does not mean that the OVOP groups never needed access to finance. They used various financial schemes of Central as well as Prefectural Governments, but what is important is that the OVOP itself did not provide finance.

In this respect, the Oita example provides an important lesson when JICA is asked to provide support in developing countries where local residents, and sometimes even the Governments, expect to be provided finance, machines or equipment, by the project when such a “donor” agency as JICA is involved. It is all the more important to refrain from such a practice in business promotion which is supposed to nurture the competitive private sector that is self-reliant and does not depend on handouts from the public sector.

Instead, the Governments have an important role to play in helping participants build their own capacities. Put differently, they need to invest in human resource development. Again,
the Oita Government provided a variety of human resource development opportunities on leadership development, sector-specific subjects (e.g. agriculture, livestock, forestry, fishery, commerce, tourism, and industry), environmental protection, and so on. They also provided opportunities specially targeted for women.

Enhancing Entrepreneurs’ Capacities

If one asks an entrepreneur either in an industrialized country or a developing country what the biggest problem he/she has, the answer often is “money” or “finance”. It is understandable for an entrepreneur to answer this way, as he/she needs to pay to the seller of raw materials or to his/her employees while your products have not yet been sold. However, often money is not the only problem, or not even a major problem. In most of the cases, there are other ways to solve, or at least ease, the “money” problem. Their management skills and knowledge often provide solutions, although he/she may not realize it. This can be applied to OVOP groups. Figure 2 is a comprehensive view of various learning opportunities in which an OVOP group could improve their capacities.

They can learn about various aspects of doing business, such as processing, book-keeping, costing, marketing, etc. through a variety of stakeholders. They can learn from sellers of raw materials, for example, how the harvest has been this year, or sellers of machines and equipment how to use them. More importantly, they can learn from the buyers what their preferences (price, quality, delivery, color, taste, etc.) are. They can also learn about the market by participating in trade fairs and exhibitions and interacting with potential buyers and end customers whom they usually cannot meet. They can go on study visits, for example, to supermarkets in regional cities or in the capital in order to learn about their competitors’ products and what kind of “quality” is expected from higher-end customers. They can learn from other groups or enterprises (not necessarily in the same line of business) about various aspects of business. Of course, they could learn from banks and other financial institutions, experts from technology centers, management consultants and other BDS providers. Among these potential venues of learning and capacity building, the Government that wants to provide support to OVOP groups need to consider how to deliver these services. As they cannot provide everything by themselves, they need to collaborate with various players both in the private and public sectors. The advantage of not providing everything by themselves was demonstrated by the Oita Prefectural Government as mentioned earlier. In developing countries, often there exist other resources provided by other Government agencies or organizations, or by other Development Partners’ projects and programs. The OVOP (project, program, or initiative, depending on the country context) needs to set up a mechanism to mobilize these various services useful for the OVOP groups.
Which of these services the organization primarily responsible for OVOP will provide by themselves and which to be delivered by others depend on the host Government’s policy as well as the capacity of the organization, but as a point of reference, the author would like to share some of the thoughts based on his experience in SED and with JICA’s OVOP projects.

Developing BDS markets suitable for OVOP groups

BDS markets in developing countries are often not mature. On the demand side, the entrepreneurs do not realize the need to receive, much less buy, BDS; that is, the needs exist but they are not yet translated into the demand. On the supply side, BDS providers may exist in the country, but their services are often not suitable for small enterprises in general, and OVOP groups in particular, in terms of price and quality of services. The price is often too high for small producers to be able to afford. As for quality, OVOP groups often do not need, for example, a sophisticated accounting system. BDS providers may provide business training in the form of lecturing, but OVOP group members often cannot make use of the contents. They need practical and useful services that can be easily translated into actions for their day-to-day business activities.

In addition, because of the difficulty to see beyond the money problem mentioned earlier, they often need somebody else who can diagnose what these OVOP groups need in order to run their businesses more successfully. This is similar to a home doctor, or a general
physician in contrast to a specialized doctor. Ideally, those officials who are responsible for overseeing OVOP groups at the field level would have a basic understanding of various functions of business and would be able to act as a “home doctor” for the groups. These government officials may be able to organize study tours for OVOP groups to visit other groups or enterprises, or supermarkets in the cities. They could also facilitate the groups’ participation in trade fairs and exhibitions. These functions can be outsourced to the private sector, if the government takes such a policy and the capacity of the private sector providers/facilitators exist or can be developed.

For other services, most likely they need to facilitate groups’ access to various services; for example, financial services with banks and other financial institutions, technical know-how and services with technical institutes, polytechnics, and universities, and managerial know-how with private sector consultants. Although, in principle, the cost of these services should be borne by the groups, since they are engaged in business activities that should eventually result in profits or surplus. However, since the BDS markets are not yet mature, the government may want to bear some of the costs so that the OVOP groups’ capacities can be strengthened. This would also have the effect to demonstrate the usefulness of BDS and eventually stimulate its demand. In other words, the Governments need to integrate BDS market development into their scope for the success of OVOP. Most importantly, they need to keep in mind the lesson from Oita experience to help those who help themselves, and avoid dependency.

**Marketing challenge**

One aspect of management skills that is crucially important but frequently misunderstood is marketing. Marketing is different from selling; it consists of four aspects (so called “the marketing mix”); i.e. Product, Price, Place, and Promotion. “Product” means what kinds of products the customers want to buy, at what “Price”. These cover preferences of customers, as different customers may want different kinds of products. “Place” refers to distribution channels; where to sell these particular products. Should we sell them through traders or to end customers directly? “Promotion” means what are the most effective ways to communicate to your customers about your products and services. It is extremely important that OVOP groups themselves build capacities for marketing, as it forms the core of the business activities. Again, the government can only facilitate access to markets, by capacity building that include building experience of marketing through, for example, training, study visits or participation in trade fairs and exhibitions, as mentioned earlier, and other “platforms” explained in the following section. Most of all, the best lessons would be learnt by doing business; that is, learning by doing.
Providing Platforms

One of the most important roles of the governments is to provide “platforms” for the OVOP groups. Platforms provide opportunities for the groups to interact with various players, including potential customers. They can interact with outsiders who are able to provide new perspectives that are useful for them. Interacting with those who can think “out of the box” will stimulate new thinking and lead to new ideas for businesses, e.g. new products, new services, new cuisines, new colors, and new types of sales promotion. Such opportunities are critically important for people in rural communities whose interactions with outsiders are conventionally limited. They often do not realize that they possess resources that are of value to outsiders (e.g. the value of beautiful sunset for urban residents or traditional home-made cuisine for foreign travellers).

Trade fairs and exhibitions mentioned earlier can be examples of such platforms. In addition to potential customers, other stakeholders such as BDS providers and development partners could be involved in such platforms. Antenna shops and “Roadside Stations” should not be just venues to sell local products, but should serve as platforms to generate new ideas for products and services. Another form of platform could be an idea competition to be participated by young people. In Japan, is it said that three types of people are needed for energizing communities, i.e. outside people (“yoso-mono”), young people (“waka-mono”), and ridiculous people (“baka-mono”). The last group of people could exist within a community but are often times considered to be trouble-makers as they do not follow conventional rules and customs, which is exactly why they are needed to be able to come up with unconventional ideas. Governments could help creating platforms that should provide opportunities for OVOP groups to interact with these types of people.

These platforms could be considered as venues for knowledge creation. In this respect, it is an equivalent of “ba” that Professor Nonaka described as a frame for knowledge creation that top Japanese enterprises have.

Entrepreneurship as a key to OVOP

All these technical issues seem almost “mechanical” as if one provides services (inputs) and the groups become successful (outputs). However, there is an important missing element here, that is, an entrepreneurial mindset. It is not the author’s role to define in this paper what “entrepreneurship” means. All that is necessary to mention here is that OVOP tries to encourage people’s initiatives (by seminars and award schemes, for example) to constantly develop new products/services and new customers/distribution channels, based on the principle of “Self-reliance and creativity”. It encourages people to look for local resources to identify
and develop new products and services; natural resources (agricultural, fishery, forestry or mineral resources), human resources (traditional as well as new skills), cultural resources (food and drinks, festivals), and tourism resources (e.g. historical monuments, beautiful scenes such as a sunset), based on the principles of “creativity” and “Local yet global”. All in all “Human resource development” comes as the underlying theme necessary for OVOP as capacity building of the groups and BDS providers, and for nurturing leaders who can not only identify market opportunities but also take practical actions to take advantage of these opportunities. Only when we recognize this important aspect of bringing about mindset change, the OVOP projects or programs could become a “movement”.

Creating social values

Although it is insightful to look at OVOP as an approach to promote businesses, most of the governments that JICA supports in OVOP take into account social considerations. In addition to looking at viability of proposed business activities, they also consider their potential positive effects for the host communities. Such benefits could be realized through the numbers of people involved, typically in the form of cooperatives or associations. They could also arise for a large number of households that provide raw materials, such as agriculture produce, to be bought and processed by the OVOP groups. Put another way, the governments try to achieve both economic and social objectives. In this respect, OVOP groups could be seen as “social businesses” that achieve social objectives by the means of businesses. This does not minimize the challenges in terms of businesses, but it is important to note that they create social values, which makes it distinct from ordinary SED.

Conclusion: Starting from what you have

Most of the past development efforts start from what people do not have. Development practitioners and policy makers often identify what is lacking in developing countries, e.g. health clinics, schools, clean drinking water. In SED, what is lacking is supposed to be access to finance, market information, management skills, technical know-how, and so on. Contrary to such conventional approaches, OVOP starts from what people have, i.e. local resources. It is also supposed to start from people’s initiatives. This positive attitude of starting from what you have, and not a defeatist attitude of starting with what you don’t have, perhaps is the most interesting aspect of OVOP that makes it attractive.
Endnote

1. The views expressed in this paper are entirely those of the author and do not necessarily represent the views of Japan International Cooperation Agency (JICA).

2. P. i, Matsui, Yamagami (eds.) 2006.


5. Michael Porter identified two basic types of competitive advantage, i.e. cost advantage and differentiation advantage, in his book, “Competitive Advantage (1985)”.


9. In this paper, the term “OVOP groups” include cooperatives, enterprises and any other groups of individuals engaged in economic activities.


11. This is an example of “embedded BDS”.

12. Quality, as in beauty, is in the eye of the beholder, as it is different from one type of customers to another.

13. Any textbook of marketing explains the four P’s. For example, please refer to those by Philip Kotler, or the marketing volume of International Labour Organization (ILO)’s “Improve Your Business” which is a management training package for small enterprises in developing countries.

14. One extreme example of resources is leaves sold by Irodori Co., Ltd. in rural Kamikatsu Town in Tokushima Prefecture in Japan. Video clips explaining Irodori can be seen from JICA (undated), IRODORI Rural community empower through exploring local resources. Retrieved 18 October 2012 from http://jica-net.jica.go.jp/lib2/05PRDM016/en1/n01.html.


16. “Ba provides a platform for advancing individual and/or collective knowledge. ... we consider ba to be a shared space that serves as a foundation for knowledge creation.” p. 40, Nonaka and Konno (1998).
References
Introduction

What is OVOP (One Village, One Product) and how has it been developed in Japan? What is the significance of OVOP? This chapter presents materials in order to answer these questions. The OVOP movement, which is called ‘Isson Ippin Undo’ in Japanese, is a local government policy that formally started in Oita Prefecture in Japan in 1979 and formally finished in 2003. The OVOP policy was originated by Oita Governor Morihiko Hiramatsu in 1979 and developed for 24 years until he left office.

One of the interesting points of OVOP is the particularity of continuity and expansion of the movement even after the policy was completely finished in the period of the next governor. The continuity in Oita has been seen in local activities outside of government policies, and at the same time the essence of OVOP continues to be found elsewhere in Japan in different forms such as through local vitalization and regional brands. The expansion of the OVOP approach has been widely adopted in Asia, Africa and South America even though the names of movements and policies are different. The Japanese national government has also used an OVOP approach as a foreign aid strategy. The movement of regional activities for vitalization through regional products such as OVOP had been seen in Oita before the OVOP policy formally started in 1979, and similar vitalization activities to OVOP could be seen both in Japan and in other parts of the world after 2003. In short, the OVOP approach in Japan continues to expand its function as a policy system that has been introduced to a number of different countries to promote a synthesized approach of various existent activities for regional vitalization.

Why can the OVOP policy, which was implemented at a local government level, continue to expand at a global level? It seems to us that there are three factors behind the Japanese OVOP approach: the simple method of producing regional products linked with complex ideas for regional vitalization; the parallel implementation of the original, extended and
What is the OVOP movement in Oita Prefecture in Japan?

What is the core characteristic of an OVOP policy? It can be seen in the OVOP movement in Oita Prefecture as the simple method of producing regional products linked with complex ideas for regional vitalization. Perhaps this OVOP characteristic of a combination of a simple method and complex ideas may make the continuity of the OVOP essence and the expansion of the OVOP approach possible. The simple method of the OVOP movement is just to produce excellent regional products. The complex ideas of OVOP are a variety of principles that are useful to solve local problems, both in developed and developing countries. The policies of OVOP, OTOP and others are a symbol of the complicated relationship between a method and ideas. No one believes that one product can save one village by solving local problems but nevertheless the symbol of OVOP is attractive. This attraction makes it easy for policy makers and local people to use the OVOP symbol and freely understand the significance of OVOP. Therefore, in order to identify the utility of the OVOP policy beyond its symbolic usage it is necessary that the significance of the regional one-product policy through the OVOP symbol is clearly discussed and clarified.

The first material regarding OVOP that is presented here is to understand the simple method of producing excellent regional products. Governor Hiramatsu formally began the OVOP policy by talking to municipal mayors in the Oita Prefecture in 1979. He said the following:

Let’s discover the special products that best represent your own town or village and deserve national acclaim. Please cultivate a theme with these special products to advance local development. I encourage you to develop new products suitable to your region, even if it may take some time. Furthermore, I ask each town and village to come up with original ideas that can be processed and marketed by themselves if possible.¹)

According to his declaration when starting the OVOP policy in Oita, many OVOP specialties were listed and developed. Figure 1 presents some examples of OVOP products among many in Oita in 1980. The simple method of the OVOP movement was very acceptable for regional vitalization because people could easily understand the method in general new OVOP; and the mixed effects of creating a regional society, a regional economy and a regional culture. To understand these factors well is necessary in order to adopt the OVOP approach. The useful continuity of the OVOP essence and the meaningful expansion of the OVOP approach for urging regional vitalization depend on understanding what the OVOP movement is, how it should be developed and how it may be evaluated. In order to answer these questions, some materials are presented as follows.
and because the method of producing excellent regional products was already familiar in some regions such as ‘shiitake’ mushrooms in Oyama village, ‘shochu’ liquor in Hiji and Usa towns, and ‘kurumaebi’ prawns in Himeshima village. A higher GDP per capita in the Oita Prefecture (Figure 2) can be attributed to the OVOP policy and also to another Hiramatsu policy which attracted large Japanese companies such as Canon to the area. These figures were presented in an OVOP workshop in Cambodia, by Kunio Igusa, a former professor of Ritsumeikan Asia Pacific University in Japan, who has studied OVOP extensively. The images may be understood from the figures even though precise information cannot be acquired without a verbal explanation.

**Figure 1:** OVOP products in the Oita Prefecture in Japan.

*Source:* Kunio Igusa, Ritsumeikan Asia Pacific University at an OVOP workshop held in Cambodia, 2010.
Figure 2: Economic progress of Oita Prefecture.

Source: Kunio Igusa, Ritsumeikan Asia Pacific University at an OVOP workshop held in Cambodia, 2010.

The next material which presents the complex ideas of the OVOP policy for regional vitalization can be seen in Figure 3 which is from the website of the Oita OVOP International Exchange Promotion Committee NPO. The OVOP principles containing these complex ideas are summarized in Figure 4 by Kunio Igusa. The principle of ‘local but global’ is conceptualized as producing globally accepted products that reflect the local flavor and culture. The principle of ‘self-reliance and creativity’ is indicated as an innovative mind to realize OVOP products and services through self-initiated actions utilizing potential resources in the region. The principle of ‘human resource development’ is interpreted as fostering proactive people with a challenging and creative spirit.
Figure 3: Screen shot from Oita OVOP International Exchange Promotion Committee website.


Figure 4: Basic principles proposed by Governor Hiramatsu.

Source: Kunio Igusa, Ritsumeikan Asia Pacific University at an OVOP workshop held in Cambodia, 2010.

As Figure 4 shows, the three principles of ‘local but global’, ‘self-reliance and creativity’ and ‘human resource development’ are significant as they are independently related to promoting the OVOP policy and interactively functioning for regional vitalization. The complex ideas of the OVOP policy presented here were introduced to try to solve social problems in Oita Prefecture; for instance, to stop the exodus of young people to big cities.
by developing local industries and establishing small- and medium-sized enterprises in the regional economy. The ideas were also expected to elevate local societies’ own capacity for reducing over-dependency on public sectors. These ideas of the OVOP movement were actually implemented by both local people and the government. The model of Oita’s OVOP movement consists of people’s activities and the government’s management, as shown in Figure 5. People participated in the OVOP movement in the following ways: by unearth-ing regional resources; by producing marketable products and selling them through market channels; by adding value to products; and, by sharing efforts to develop the OVOP process and utilizing the OVOP mind for regional vitalization. In turn, the government’s role in the OVOP movement was to implement plans, programs and projects; to provide incentives and develop product markets; to promote the systemization of the movement; to provide support funds for technology; and, to aid human resource development to continue the OVOP move-ment. Igusa’s analysis of the OVOP movement is useful for understanding the significant characteristics of a simple method of producing regional products linked with complex ideas for regional vitalization.

**Figure 5:** Local people’s and government’s activities in the Oita OVOP.

![Concept Model of OITA's OVOP Movement](source)

*Source:* Kunio Igusa, Ritsumeikan Asia Pacific University at an OVOP workshop held in Cambodia, 2010.
How was the OVOP policy implemented in Japan?

The variety of OVOP ideas based on the simple method of producing regional products did not start completely from the beginning of the Oita OVOP policy in 1979. The ideas themselves developed from the original OVOP, through the extended OVOP and on to the new OVOP in the Oita prefectural government until 2003. For example, the idea of human resource development was emphasized through the 1983 establishment of the OVOP School, ‘Toyonokuni-jyuku’, to share OVOP information among people both inside and outside Oita. The idea of an international view of the promotion of OVOP activities in the policy was practiced in 1983 through the ‘local yet global’ project of young activists who were visiting overseas in order to investigate new themes of creativity. 1983 was a turning point for the comprehensive OVOP policy of complex ideas that started in Oita. Figure 6 shows this development of the OVOP policy in Oita from the original and extended OVOP to the new and future OVOP.

Figure 6: Development of OVOP ideas and policies in Oita.

**OVOP ideas and policies developed in Oita in Japan from the original and extended OVOP to the new and future OVOP**

- **Background**
  1. There were some young innovative persons who were going to challenge new things in rural areas in Oita.
  2. There were traditionally competitive culture among rural areas in Oita.

- **Policy of original OVOP**
  1. He adopted the parallel policy of attracting big Japanese industries such as Canon and promoting OVOP as semi-secondary industries to produce processed foods and other goods mainly by processing agricultural products (primary industry products).
  2. Special direct subsidies should not be provided in OVOP policy.
  3. Main features of original OVOP
    - (1) Promotion of regional special products (agricultural processed products)
    - (2) One Village One Product Fund (rewarding people and groups with remarkable achievements in the movement by donations from private sectors)
    - (3) Sales promotion (product fairs and antenna shops in urban areas)

- **Policy of extended OVOP**
  1. Human resources Development in Toyonokuni School (some local people who have succeeded in the movement are lecturers.)
  2. Introduction of OVOP movement to overseas (sharing OVOP information internationally and rural people’s awakening to international market)

- **(New OVOP idea by Murayama)**
  1. Access of urban people to rural standard in stead of access of rural people to global standard

**Source:** Hiroshi Murayama, Ritsumeikan University. Seventh OVOP International Seminar, Hanoi, Vietnam, 2010.
Morihiko Hiramatsu acquired information about existing activities for regional vitalization in villages, towns and cities such as Oyama, Himeshima and Yufuin during his inspection tour of rural areas as a vice-governor of Oita. He visited all over Oita for four years after he resigned from the Japanese Ministry of Economy, Trade and Industry to become the vice-governor before he was elected as the governor of Oita in 1979. He noticed two features that would be useful for starting OVOP; firstly, there were young innovative people who could challenge new things in rural areas in Oita, and secondly, there was a traditionally competitive culture which accentuated OVOP competition among rural areas in Oita. The guidelines of the original OVOP at the beginning of the governor’s policy were to promote OVOP as semi-secondary industries for processed foods and other goods mainly by processing agricultural products and not by providing special direct subsidies. The main approach of the original OVOP by Governor Hiramatsu was to establish an OVOP fund with donations from the private sector with which to reward people and groups with remarkable achievements in the movement and to promote sales by product fairs and ‘antenna shops’ in urban areas. The parallel implementation of the original, extended and new OVOP is shown in Figure 7. The approaches of the original OVOP for processing foods and other goods are implemented in accordance with the extended OVOP of the OVOP School. Information about OVOP activities is shared internationally and promoted as the new OVOP approach of ‘urban access to rural’. This new approach means that the first generation of OVOP provides access for acceptable rural products to urban people, while the third generation’s shops and inns provide rural values that attract urban people.
Figure 7: Original, extended and new OVOP in Oita.

The new OVOP approach can be interpreted in the interaction between rural and urban areas to advance the purpose of social diversity for mutual understanding, in its movement of cultural aspects for interactive behavior, and in its policy characterizing regional originality for mutual cooperation beyond the region. Figure 8 shows a comparison of the structures of the original, extended and new OVOP. The original OVOP is characterized as ‘rural access to urban’ through regional products targeting standardized life and society mainly for rural economic development. The extended OVOP is presumed as an ‘exchange of information’ through activities sharing information mainly for regional characterization. The new OVOP is interpreted as ‘urban access to rural’ through possible and acceptable OVOP products (goods and culture) for urban people aiming at a particular life and society for cultural diversity, which brings mutual interactive understanding between rural and urban areas.

Is there any possible way to understand the significance of OVOP activities?

The materials above already describe what the OVOP movement is and how the OVOP policy was developed in Oita. Now materials to evaluate OVOP activities and policies are presented to answer the question: Is there any possible way to understand the significance of OVOP activities? The EOR (Evaluating OVOP Radar) Chart offered by Think Mate Research Co. Ltd. for evaluating OVOP is introduced here. Figure 9 shows this radar chart which has a three part structure that consists of the effects of the OVOP movement in creating ① a regional society, ② a regional economy and ③ a regional culture. The combination of the three effects is shown as the area ⑦ of vitalization through a regional product. The area ④ of regional development represents the combined effect of creating a regional society and economy. The area ⑤ of the social system represents the combined effect of creating a regional society and culture. The area ⑥ of consumer behavior represents the combined effect of creating a regional economy and culture. The OVOP effect of a regional product for vitalization is measured by the three axes of dotted arrows scaling how to create a regional society,
how to create a regional economy and how to create a regional culture on this structure of OVOP effects. In fact, the various effects come entirely from just the simple OVOP method of producing regional products, and then the complex ideas of the regional, extended, and new OVOP activities are based on the structure containing the three factors of creating a regional society, economy and culture.

**Figure 9:** The OVOP structure consists of three factors of the OVOP movement.

The measurement of the EOR Chart is more precisely explained in Figure 10 in terms of the details of the features of the effect on each axis. The first fundamental feature of the OVOP effect is seen in creating a regional society by a particular regional product, so to say ‘only one product’. The feature of this regional society axis is compared to the second feature in creating a regional economy on its axis by the regional product aimed for ‘Number one’, and the third feature in creating a regional culture on its axis by the regional product aimed for a ‘selected one’. In the same way, the effect of forming a regional community by the OVOP movement of producing a regional product on the regional society axis is compared to the
effect of forming regional industry on the regional economy axis and the effect of forming regional diversity on the regional culture axis. The first effect of a regional community is, in other words, to establish an identity of self-reliance through the OVOP movement focused on community development or community capacity, as discussed by Koichi Miyoshi. The second effect of regional industry functions to produce products to sell in consumer society focused on the development of small and medium regional enterprises. The third effect of regional culture focuses on people’s behavior to maintain networks for various kinds of self-actualization in the OVOP movement focused on values prioritized in life. Figure 10 shows the EOR Chart of the three axes more clearly in order to understand the significance of the regional one-product policy for evaluating the effect of the OVOP movement. In turn, this can be used for the purpose of finding ways to use the OVOP movement.

**Figure 10:** Evaluating the OVOP effects using the EOR Chart.

**Regional Society axis:**
- Creating a regional society by a regional product
  (For only one product)
- Forming a regional community
  (To establish identity for self-reliance)
- System of local production for local consumption
  (From urban to rural)

**Regional Economy axis:**
- Creating a regional economy by a regional product
  (For number one product)
- Forming regional industry
  (To produce products for selling in consumer society)
- System of mass production and mass consumption
  (From rural to urban)

**Regional Culture axis:**
- Creating a regional culture by a regional product
  (For selected one product)
- Forming regional diversity
  (To maintain networks for various self-actualization)
- System of high-variety and low-volume manufacturing
  (In interaction between rural and urban)

**Source:** Hiroshi Murayama as a technical adviser of Think Mate Research Co. Ltd.
The images of three triangles in Figure 10 represent the effects of typical movements of the original OVOP in Oita: the activities to produce processed foods by the agricultural cooperative in Oyama town are indicated in the triangle (a); the activities to produce ‘Ichiko’ drink by a private liquor company in Usa city are indicated in triangle (b); and, the activities to produce a sightseeing service by the association of hotel owners in Yufuin village are indicated in triangle (c). These famous OVOP movements resulted in successful effects in all three axes in comparison to other OVOP activities, but their image is drawn to clearly emphasize distinctions among the three examples.

Oyama was a small town with a population of around 6,000 people in its heyday before it became a district of Hita City as a result of the simultaneous merger of five towns/villages in the former Hita County in 2005. The Oyama Agricultural Cooperative played a significant role in regional vitalization before Oyama’s OVOP started and even after the merger happened. The leader of the Oyama Agricultural Cooperative who became mayor of Oyama began the NPC (New Plum and Chestnut) campaign, which was famous for the OVOP slogan, ‘Let’s plant plums and chestnuts and go to Hawaii’. This slogan indicates the promotion of agricultural community development beyond merely earning money, and the Oyama Agricultural Cooperative started its own shop named ‘Konohana garuten’ to sell ‘only one’ products directly to consumers. The (a) line on the regional society axis indicates the high effect on Oyama’s residents to establish an identity of self-reliance. The shop encourages local residents living close to Oyama to buy local products for local consumption and also enables people living in urban cities outside of Oyama to enjoy local rural purchases.

The industry of Japanese distilled liquor called ‘shochu’ originated in the Kyushu area in the southern part of Japan, including Oita Prefecture. Shochu distilled from wheat in Oita strongly contributed to make it one the most successful among liquors in Japan in terms of total sales. The ‘Ichiko’ liquor that started being sold in 1979 as an OVOP product in Oita played a crucial role in contributing to the development of the shochu business. The location of the (b) line on the regional community axis indicates the strong effect of forming a regional industry to produce the ‘Number one’ product to sell in the consumer society. As well as ‘Ichiko’, there is another OVOP shochu in Oita called ‘Nikaido’. The Oita prefectural government advertised them as OVOP products and Governor Hiramatsu played an important role as a kind of salesman to urban people. These activities mean that rural areas gain access to urban areas in order to sell their products in accordance with a standardized urban life and society.

Yufuin, a small village of hot springs, is located between Beppu, one of the most famous hot spring cities in Japan, and Amagase, which was a locally well-known hot spring village that had attracted many tourist groups before OVOP activities began. Younger hotel and
other business owners in Yufuin were looking for ways to manage Yufuin as a sight-seeing village of hot springs before Yufuin OVOP started. The OVOP policy in Oita accelerated this movement through cultural events that attracted urban people such as a movie festival and an organic food hotel fair. Such activities led to Yufuin being called the birthplace of ‘Mura okoshi’, that is, a village renewal project for local revitalization. Yufuin OVOP is characterized by activities that create new ‘selected one’ services for urban people whose interests are based on interactive networks between rural and urban areas for self-actualization in the countryside. The strategy of the young activists in the Yufuin OVOP is interpreted that they formed regional diversity in cultural aspects of the mutual understanding between rural and urban people. Even though the Yufuin OVOP does not produce a material product but provides services, its OVOP movement functions as a system of high-variety and low-volume manufacturing. The system creates a regional culture of interaction between rural and urban people through regional products, which has a large effect as indicated by triangle (c) on the regional culture axis in the EOR Chart.

The cumulative effect of the OVOP movement for regional vitalization through regional products is shown by part ⑦ in Figure 9 of the three overlapping effects of creating a regional ① society, ② economy, and ③ culture. This overlapping part consists of the three partially combined sections of ④ regional development by ① and ②, ⑤ social system by ① and ③, and ⑥ consumer behavior by ② and ③. The simple OVOP method of producing regional products is emphasized in this chapter and is attributed to various ideas based on three theories regarding the three factors ① ② ③. Factor ① refers to the theory of internal originating development; that is, the theory of thinking that resources in a region are the main elements of development. Factor ② is based on the theory of today’s consumer society; a view that consumption is a main stream for building society. Factor ③ attributes to the theory of social capital; that ideas to appreciate interactive human relations are a source for social development. The above interpretation of the structure means that a regional one-product policy such as OVOP or OTOP should be discussed in the context of these theories in order to decide how to use the OVOP/OTOP movement for future regional vitalization.

The combined balance in regional development ④ is symbolized as ‘Only one vs. Number one’ in Figure 10. The effect of the OVOP case of Oyama (a) seems relatively high on the regional society axis although the Oyama OVOP also produces a best-selling product such as ‘shiitake’ mushroom for ‘only one’ product, while the ‘ichiko’ OVOP (b) has a high effect on the regional economy for forming regional industry. In fact to increase regional community capacity through internal originating development on the producing process of Oyama’s agricultural goods is compared to the success of producing the best-selling good ‘ichiko’ in the consumer society of today. As for the social system ⑤, the approach emphasizing an
identity of too much self-reliance based on the theory of internal originating development tends to make the region a closed society in comparison to a more open society based on the theory of social capital promoting cultural diversity with the interactive networks across regions. From this viewpoint, Oyama’s high effect of self-reliance on the regional social axis is compared to Yufuin’s high effect on the regional culture axis derived from people’s new value priorities based on human relations called social capital. The balance between ① and ③ is symbolized as ‘Self-reliance vs. Networks’, while the balance between ② and ③ is symbolized as ‘Mass-consumption vs. Self-actualization’ regarding consumer behavior ⑥. Consumers appreciating the value priority of self-actualization in an interactive new culture would like to choose a service called ‘selected one’ from the Yufuin OVOP. This effect of consumer behavior in creating the regional culture axis is compared to the successful effect of the Iichiko OVOP in creating a regional economy through the best seller ‘Number one’ product in a mass-production and mass-consumption society.

Thus, the evaluation of the effect of OVOP activities from a theoretical perspective may be useful to discuss future trends of OVOP/OTOP characterized by the simple OVOP method of producing excellent regional products with various ideas for regional vitalization. The significance of the regional one-product policy as evaluated by the effect characteristics of the EOR Chart is that activities for regional vitalization may be directed toward extending each effect by keeping a balance between forming a regional community, forming regional industry and forming regional diversity, or directed toward emphasizing just one effect for the particular purpose of OVOP/OTOP on the one axis. In order to make the EOR Chart more useful, indicators scaling the effect on the axes should be prepared more clearly with reference to these background theories.

**Conclusion**

The reasons for the worldwide expansion of the OVOP approach are discussed in this chapter. This expansion is attributed to the easy usage of the OVOP symbol as a simple method of producing excellent regional products for regional vitalization, while its method seems to result in strong effects on various ideas in creating a regional society, creating a regional economy and creating a regional culture. A government trying to adopt the OVOP method has to know the characteristics of its own regional one-product policy in order to achieve the most useful effects. Although the purpose of governments to adopt the one-product policy for regional vitalization is individually different, sharing information about the significance of OVOP may be necessary for governments to utilize the policy effectively.

Information about the OVOP movement in Oita Prefecture was introduced through the OVOP School in Japan and disseminated to the world during the extended process of the Oita
OVOP movement. After the parallel implementation of the original, extended and new OVOP with various ideas from OVOP activities, the Oita OVOP international exchange committee started providing extensive information about the Oita OVOP. The committee established by Hiramatsu after he left office has played a main part in allowing participants to get information about the Oita OVOP and in programming for the International OVOP Seminar. The Japanese International Cooperation Agency (JICA) has also played an important part in promoting the Japanese OVOP worldwide as the discussions in this book show. Additionally, the International OVOP Policy Association and Asia-Pacific Economic Cooperation (APEC) have contributed to share information about OVOP across the world.¹³

According to our understanding, the combination of a simple method and complex ideas of the OVOP movement and policy sometimes makes OVOP unclear as well as attractive. The unclear and attractive structure of OVOP is illustrated by the EOR Chart presented in this book in order to evaluate the effects of OVOP activities. The Japanese OVOP can be summed up as a policy system introduced to governments in other parts of the world to promote a synthesized approach of various existing activities for regional vitalization through the production of regional goods and services. It is important that governments advancing regional one-product policies should acquire significant policy information regarding the various effects from previous experiences such as the Japanese OVOP and the Thai OTOP discussed in this book.

Endnote
2. Morihiko Hiramatsu was the president of this NPO after he left the governor’s office of Oita Prefecture and it will be dissolved in 2013.
4. About Murayama’s framework of OVOP (Analytical approach: Purpose, movement and policy; common factors and unique factors).
5. The EOR Chart was made by Hiroshi Murayama as a technical adviser of the Think Mate Research Co. Ltd, which was established in 2002 based on the Think Mate Square, a university researcher think tank started in 1999. The TMR takes a part in managing the International OVOP Policy Association. (The TMR website address is www.thinkmate-research.co.jp; and e-mail address is office@thinkmate-research.co.jp. The IOPA website address is www.iovoppa.org).


7. Ibid. Hideo Ogata about NPC and other activities in Oyama. The report by Oita Isson Ippin 21 Suishinn Kyougikai (2001), Isson Ippin Undou 20 Nen no Kiroku, is a comprehensive account of OVOP activities from the beginning. (in Japanese).


9. About activities of the Yufuin OVOP, Morihiko Hiramatsu, Cihou Jiritsu eno Seisaku to Senryakyu-Oitaken no Chosen, Touyou Keizai Shinpo Sha, 2006 (in Japanese). This book was written by Hiramatsu for his doctoral dissertation of Ritsumeikan University (Policy Science) under the supervision of Dr. Hiroshi Murayama. Dr. Hiramatsu wrote many books about OVOP such as Cihou karano Hassou (Iwanami Shoten, 1990.) but the book for his Ph.D was written according to the original academic framework.


13. Which organization in Japan can play an important role in sharing information and managing the OVOP workshop for participant's training if the Oita OVOP international exchange committee NPO is closed until April 2013? JICA will continue to be responsible for a part of the task and Japan’s Ministry of Economy, Trade and Industry may consider promoting the task with APEC. Additionally an organization is necessary for people who are interested in OVOP to access Japanese OVOP experience and the world trend of one-product policies today. The International OVOP Policy Association is expected to be a general receiver in cooperation with the Think Mate Research Co. Ltd. for its management (see note 5).