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DRIVING COMMUNITY ENTERPRISES TO CREATE A SUSTAINABLE GRASSROOTS ECONOMY IN THAILAND

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Abstract

This study aims to explain driving community enterprises to create a sustainable grassroots economy in Thailand. At present, 1) the development of community potential is driven by an emphasis on building a strong and sustainable grassroots economy, community participation, community self-reliance in the long term, empowerment, reform for equality and growth with participation, and strengthening the financial institutions in the community. 2) The promotion of community learning processes is driven by stimulating, promoting, and supporting the community learning processes along with the development of knowledge, skills, attitudes, training, and adaptation learning processes. 3) The promotion of community knowledge is driven by seeking, collecting, and disseminating community knowledge for further development to drive knowledge management, wisdom, and exchange of knowledge, leading to the development of a community network to develop and change communities. Way of thinking and doing are based on a sufficiency economy. The community learning center is promoted to create ongoing activities, knowledge, and understanding in community development through various community learning processes. 4) The mechanism for community economic development is driven by the development of the potential of community leaders, groups, networks, economic relationships, and social potential in local communities.

Keywords: Community Enterprises, Sustainable Grassroots Economy, Foundation Economy

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Introduction

Currently, many countries prioritize the implementation of grassroots economic development policies to assist the community in increasing income and reducing poverty through community enterprises. In Thailand, grassroots economic development took place in many areas through various policies and strategies, especially Strategy 4 of the 20-Year National Strategy. The grassroots economy has been restructured with an emphasis on farmers' self-management and a mechanism to drive the grassroots economy so that farmers can access the resource base. Therefore, the sustainable development of the grassroots economy in Thailand can be driven through government policy and competitiveness can be enhanced in terms of production, marketing, and product and service distribution of community enterprises, entrepreneurs, and communities with stable strength and growth (Duereh, 2023). Enterprises and the drive of the Thai economy, especially the grassroots economy, reflect exceptional community enterprise activities. The most registered community enterprises were in the Northeastern region due to its main source of production of the country's economic crops, including rice, sugarcane, and cassava along with the most agricultural use area, leading to various agricultural products and the network of many types of community enterprises. This is in line with the economic context based on innovation and creative economic policy by encouraging community enterprises to utilize local wisdom and culture to develop agricultural products and services (Katchwattana, 2021). The development of community enterprises can reduce poverty along with environmental conservation to increase the economic, social, and environmental efficiency of the accumulation of physical capital. Government agencies and civil society organizations are key for the development, such as agricultural production to build credibility and more stable communities (Stoian & Donovan, 2010). Community enterprises are the most successful development and expansion. Principles are set under concepts in related fields, such as organizational theory, economics, innovation, and industrial organization (Frey et al, 2012). Community enterprises are applied in small and medium-sized enterprises to improve income (Olszak & Ziembka, 2012) and are a success factor for entrepreneurs as community enterprises are managed by the community (Armstrong, 2012). The community which is used as a productivity establishment and the expertise of community leaders reflect the importance of community enterprises (Matthews et al., 2013).

The integration of community enterprises or people in the community to produce products or services for self-reliant purposes involves the main policy driven by the government and related agencies continuously to boost the grassroots economy. The development of the potential of community enterprises in running business is stressed. The public sector supports and promotes strong community enterprise operations and the registration for a juristic person is allowed as well as the possession of the property in the name of a community enterprise while the member's name had to be used instead in the past. Moreover, when a community enterprise is registered as a juristic person, corporate income tax is applied instead of personal income tax, leading to more tax deductions. Importantly, community enterprises that are juristic persons can access more services provided by the government along with a key driving mechanism in developing strong community enterprises into small and medium-sized enterprises with more competitiveness in the market to gain more income (Panyasit, 2019).

Regarding a major problem in strengthening the grassroots economy, communities do not have branding products and most of them lack creativity and identity, leading to no attraction to consumers and tourists as well as product standard certification. In addition, community products lack a flow in development, growth, and expansion as well as skills and knowledge in entrepreneurial knowledge, good operational planning, and marketing for competition. Budget support is also insufficient. Therefore, the weakness that can be improved is the guideline to develop successful community products that require an understanding of the

product to create a product brand. Branding is essential to creating community products with an identity through honest communication and unique stories to create impression for those who see (Trade Policy and Strategy Office, 2023).

Community enterprise operations that are obvious and accepted are the One Village One Product (OVOP) which was developed from the idea of the governor of Oita when Japan's economy was in decline after the oil crisis. Consequently, the average income of people in the city was less than the average income of the whole country. People in the community therefore shifted their attention to the negative impacts caused by economic growth, such as environmental problems, the decline of the rural population, and the problem of the age structure in society, causing the community to search for development patterns within the community itself based on the idea of starting a new business for rural people by taking advantage of community resources and the idea to change people's thinking in communities that will rely only on the government to promote a greater sense of self-confidence (Ministry of Economy, Trade and Industry, 2007).

The concept of Hiramatsu has granted local people pride in community products that reflect the potential of local wisdom and resources, leading to a self-reliant community without government assistance through community enterprises. Community funds are utilized in natural resource capital, cultural capital, and social capital. Community enterprises are a key economic unit in society so community enterprises are operated by people in the community themselves with a self-reliant concept to generate income for the community and products that reflect the uniqueness and wisdom of the community. The operation of community enterprises must be carried out in a group (Mukai & Fujikura, 2015).

This article aims to present driving community enterprises to create a sustainable grassroots economy in Thailand in terms of the development of community potential, community empowerment, the promotion of community learning processes, the promotion of community knowledge, and the development of mechanisms to drive the community economy as follows:

Driving the Development of Community Potential

The development of community potential by educational institutions is carried out with the community to collect community data, community knowledge, community learning processes, and community innovation as a database for the development of community potential to operate community economic development work (Thammasat University, 2020). Driving the development of community potential by strengthening the Thai community focuses on building community potential to create a strongly sustainable grassroots economy, community participation, a self-reliant community in the long term, a unified community with self-reliant potential, organizations in the community, change leadership group, and partners in the community's strong development network along with unity, support, and coexistence to maintain the unique value of traditions, culture, and wisdom of the community or local areas as well as Thai identity always. There are four development goals, consisting of the development of value-added products to create the identity of local community areas to be outstanding, the development of the production process of community products through technology used in the production process by using innovation and technology as a tool for efficiency enhancement for products to be community product standard certification, the development of the strong community by adding value to souvenirs' packaging and a system for developing the new generation and develop the product market in the new normal era, such as the community entrepreneur development project to elevate the creative industry village toward sustainable economic development, and the development of community's strength that the DIP has operated and achieved to continue in this year. For example, for Huai Yai Jiw Model in Chaiyaphum, the DIP currently supports the processing from

operations in the past year to Kaset Suwan Subdistrict, Bo Thong District, Chonburi to create awareness of a new community businessman under the newly integrated development of new community entrepreneurs (Huai Yai Jiw Model) for new community businessmen with detailed knowledge. The production level of community products is raised to meet quality and international standards. The quality is accepted by both domestic and international markets with a focus on operations to promote a strong grassroots economy to increase the capacity of the macro industry sector in the future. The Department of Industrial Promotion (DIP) has been stressed to drive policy guidelines for improving the quality of life of people in community enterprises and general community entrepreneurs to generate income and distribute income to the community, support community products by further developing added value community products, enhance learning and vocational training, and apply appropriate innovation and technology (Kotchaseni, 2023). This includes cooperation from external agencies, mutual basic values in the community, trust in the community, coordination between community leaders and members, a common identity among community members, and effective communication methods. The participation process in a self-reliant community includes potential financial capital, human capital, social capital, and natural capital, including savings/debt/borrowing and products in the community. For financial capital in driving the grassroots economy into a sustainable social development partnership, the public sector drives a good national economic system by starting with the grassroots economy in the community. Income generation among people in the community is an appropriate method to solve poverty problems and reduce social inequality (Tossawut, 2023). The potential of the local community is enhanced by the use of all social capital in the community, consisting of 1) individuals, including leaders, fighters, and philosophers, 2) social groups or community organizations, including volunteers, savings groups, career groups, community financial institutions, temples, and others, 3) institutions, including health promotion hospitals, schools, subdistrict administrative organizations, 4) self-managed villages. All bodies work together to solve community problems based on the concepts of joint participation, thinking, action, decision-making, and benefits. All social capital elements are connected in an integrated area of work according to the problems and needs of the people. The purpose is to create change for the better of the people in terms of health, society, economy, and environment. Tangible impacts include leaders' learning outcomes, beneficiary community, the emergence of learning resources, change leader, reduced health risk factors, public policy, and response to the missions of local administrative organizations while intangible impacts include ownership, work, activities, and the results of trust in social group leaders, community organizations, and the participation of members and beneficiaries, relationships and work of community leaders, and joint impacts (Chaipipat, 2023).

Driving Community Empowerment

For community empowerment, the public sector, private sector, and local administrative organizations play a role in the development of knowledge and community skills to create community strength in community economic development (Roadkaew et al., 2021). Community empowerment is one of the issues of reform to promote equality and growth in the country's economic reform plan. As for the goal of community empowerment, the public sector drives the reform for equality and growth, strengthens the community financial institution system by elevating the management of community financial institutions into the public financial institution network, develops community business, establishes the Social Investment Fund (SIF), utilizes technology to reduce inequality, supports internet access for the community, strengthens the community financial institution system through support from government banks, builds community businesses by supporting community enterprises, creates a welfare system for all community members through a community welfare fund, and

support community businesses for the grassroots economy's further growth (Noranat, 2023). Both the public and private sectors enhance community potential to develop products and services based on the environment or related agencies invite speakers with expertise to provide knowledge in community enterprise careers in designing local products, such as sewing local clothes, flower making, and local food cooking to develop people in the community to have the skills and potential to produce attractive products based on the market needs and develop outstanding packaging designs for both domestic and international sales to create sustainability in the local economic system (Anusonphat & Poompuk, 2022).

Driving the Promotion of Community Learning Processes

The promotion of community learning processes involves stimulating, promoting, and supporting the development of community learning processes and components of community learning, such as knowledge provision and support, an exchange forum, community learning areas, a community learning center, or a community information center to gather history, wisdom, and key community information to create a base to drive community economic development for building a strong community economy (Roadkaew et al., 2021). Learning about the process of creating community careers is available to develop community tourism. The creation of community careers according to a sufficiency economy systematically drives operations for community tourism purposes, including ecotourism and agricultural tourism to ensure that everyone has a comprehensive and equitable quality education with opportunities for lifelong learning, academic or theoretical knowledge, groups of community occupational speakers according to their careers, preparation of an action plan for the project to prepare a team of village-level community occupational speakers and a project to promote the creation of community careers at the village level. People participate in career development to gain income under the concept of "Villagers Teaching Villagers." Community experts are sought in terms of careers until they have knowledge and expertise in careers or the profession to provide quality services (Pitithanabodee & Anusonphat, 2022). The public sector provides training and develops knowledge, skills, attitudes, and behaviors to drive community enterprises by promoting ongoing learning and encouraging the community to develop themselves, their families, and the community to survive all the time, leading to a learning community (Pettinger, 2016). Systematic thinking learning is promoted so that people have the ability to learn or are good at learning with an understanding of community enterprise learning and a precise goal from mutual thoughts and opinions in the community and the last principle is to learn together (Stacey, 2000).

Driving the Promotion of Community Knowledge

As for the promotion of community knowledge in community enterprises, the public sector promotes community knowledge by gathering knowledge from people in the community to extend and apply for use in the future along with additional knowledge by researching business management and technology (Roadkaew et al., 2021). The development is according to the direction of Thailand's government action plan with a focus on empowering people and communities, supporting lifelong learning, and driving the development of Thai people's potential to build cooperation in all sectors to stimulate the grassroots economy and community enterprises (Tossawut, 2023). The public sector drives the management of knowledge, wisdom, and the exchange of knowledge to create a community network, promote community management processes, and manage the community. The goal is to make the community strong and self-reliant to change behaviors and ways of thinking and doing based on the sufficiency economy. The public sector manages knowledge within the community and employs knowledge to improve living conditions and quality of life of the people, promote the community to be able to organize their own community learning

processes and use successful communities as models for community development. There are inheriting, accumulating, and expanding knowledge and local wisdom through storytelling from one generation to another until they become secret textbooks, secret formulas, and various techniques that have been passed down from generation to generation. The knowledge is not complicated to create knowledge power for the community by studying the community context and lessons learned from the community used in community projects and activities for the benefit of further development and increased capability of people and communities to solve their own problems appropriately. The public sector promotes the creation of community learning processes through a community learning center as a source of lifelong learning for the people in the community. Community learning centers are key for community leaders as a tool for community strength with sustainability (Community Development Department, 2016).

Driving the Mechanism for Community Economic Development

The public sector develops mechanisms to drive the community economy through the potential of community leaders, groups, and networks as key mechanisms for the development of the grassroots economy (Roadkaew et al., 2021). An emphasis is placed on local communities with a stable economic system and community capita and the promotion of the raw material exchange network as goods production bases for each other, such as organic farming network, rice network, community tourism, community shops, housing management, community construction, community technicians, community economic development at the family level “Eat Well, Sleep Warm, Own Capital, and Reduce Debt.” This can be observed from 4 main factors. To live well, people own the inputs, products that can be sold, and a stable income along with a healthy body and strong mind. Economic development occurs at the organizational level and village community with a strong group of economic community organizations and community funds, food security, abundant resources, healthy body and mind. Economic development occurs at the sub-district level with a strong economic career base and community capital so local communities can manage themselves. Economic development occurs at a provincial level with a linkage of economic networks and community capital to solving problems at the policy level to enhance a self-sufficient province in terms of economics and community capital as well as technological potential with the use of local wisdom from ancestors combined with modern technology in a balanced way to create confidence in the production of adequate community economic products based on needs. The public sector plans to establish policies to solve problems with the use of online social networks to create careers and income for the community. The government should publicize knowledge about social self-reliance. Farmers employ the principles of social self-reliance to live happily with others with help and support for each other in the community society. Information is disseminated to all people in the community all the time (Anusonphat & Leenawrat, 2021). The economic and social system between people in local communities is driven to boost coexistence and compliance with the rules and traditions. The grassroots economy is driven by the sub-district as the base to create a community economic system with sustainable happiness. A marketing plan is employed to boost income, reduce debt, and achieve a good quality of life in a good environment, leading to the development of an information system for resource management in the community so people understand the sustainable grassroots economic system in the long term (Community Organizations Development Institute, 2020).

Driving community enterprises to create a sustainable grassroots economy can be summarized as shown in Figure 1.

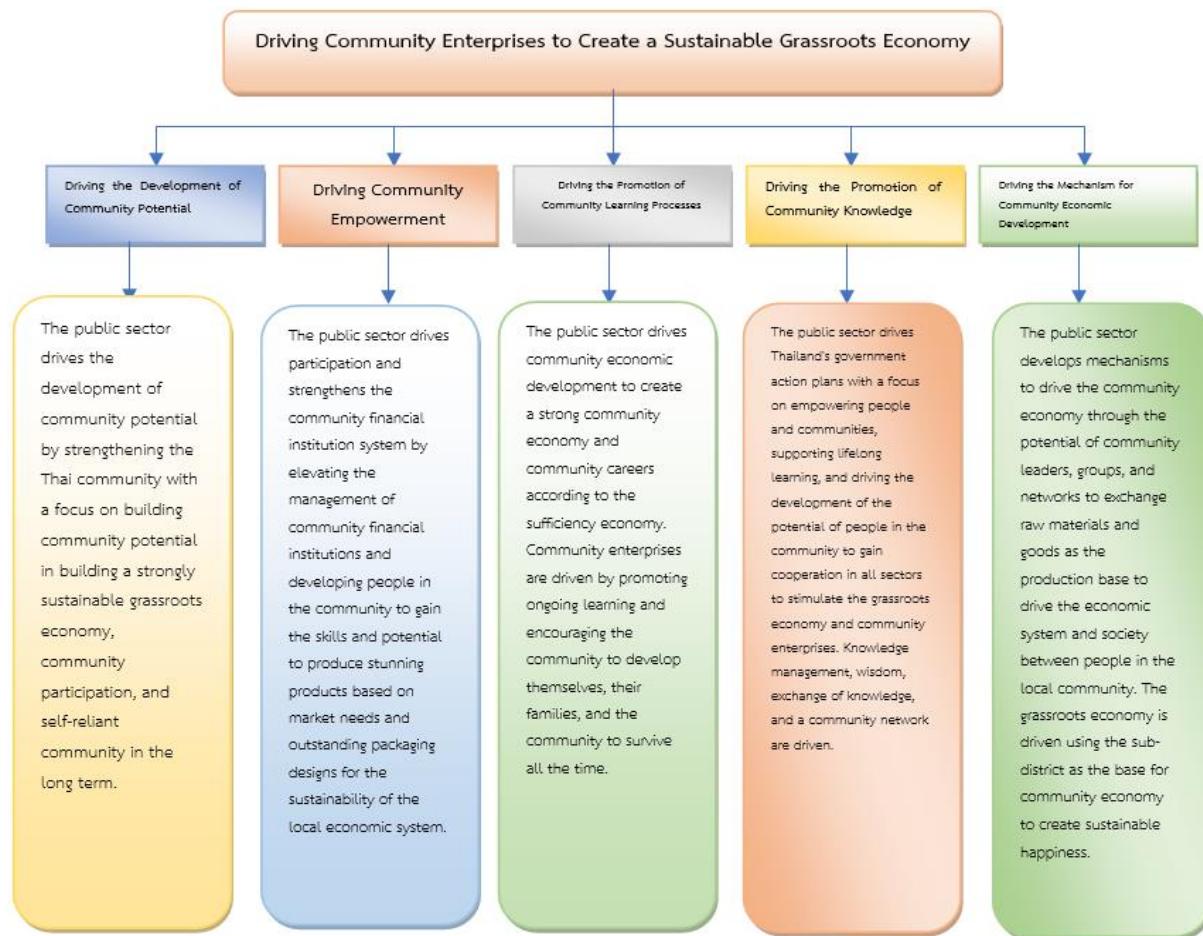


Figure 1 Driving Community Enterprises to Create a Sustainable Grassroots Economy

Conclusion

Driving community enterprises to create a sustainable grassroots economy in Thailand focuses on the implementation of economic development policies at the grassroots level for the community to gain more income through the enterprise by using local wisdom and culture to create products and services with competitiveness in the market. Community potential development focuses on building a strong and sustainable grassroots economy, community participation, and self-reliant community in the long term. For community empowerment, the public sector, the private sector, and local administrative organizations play a role in knowledge development. The public sector drives reforms for equality and growth to strengthen the community financial institution, community business development, establishment of the fund, the introduction of technology to reduce inequality, internet access, and a new generation of community leaders who are ready to drive community-level projects to enhance community development in various areas to support social enterprises and strengthen communities and the grassroots economy with the implementation of government macro-level policies. The promotion of community learning processes is driven by stimulating, promoting, and supporting the community learning processes and components of community learning, namely knowledge, skills, attitudes, behaviors, training, socialization, and experience. Learning creates adaptation and develops families and communities. Communities must adapt to survive at all times. The promotion of community knowledge is driven by community knowledge and its dissemination for further development. The public sector drives the management of knowledge, wisdom, and the exchange of knowledge to create a community network, promote community management processes, use community

power to change ways of thinking and doing based on the sufficiency economy in your life, promote the community learning center to create ongoing activities, create an understanding of community development through various community learning processes, drive the mechanisms of community economic development through the potential of community leaders, groups, and networks of key mechanisms for the development of the grassroots economy, focus on local communities' stable economic system and community capital, and build both economic and social relationships in the local community and good relationships between the shared economy of the community. Groups are created to enhance the power to work together with a strong community fund as a financial mechanism for the community to develop the economy, society, careers, culture, environment, and the people in the community. Resources, the way of life, culture, wisdom, and identity of the local community are restored. A modern information system is utilized for analyzing local systems, careers, income and expenses, production, economic base, land, and living conditions of people in the community. Areas at all levels are set as special community economic zones, a safe economy, and a green economy. A driving mechanism is created at the national, provincial, district, sub-district, and community levels with plans to drive the development of the grassroots economy to create development plans in various areas, such as a plan to develop the quality of production standards, product distribution system plan, and marketing plan to increase income, reduce debt, and achieve a good quality of life with a good environment, leading to an information system for resource management in the community, community organization management, and networks of community organizations in various areas, such as community management, relationships between people, mechanisms at various levels, and relationships in the network system both horizontally and vertically to facilitate the development of the grassroots economy and the creation of the economic system in various stages with granted budget. Resources in the community are properly managed and people are encouraged to understand the sustainable economic system in the long term.

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