

ASIA PACIFIC PHILANTHROPY CONSORTIUM

**STRENGTHENING PHILANTHROPY IN THE ASIA PACIFIC:
AN AGENDA FOR ACTION**

Background Paper: Thailand

July 2001

INTRODUCTION

This is a country situation paper written for the forthcoming Asia Pacific Philanthropy Consortium Conference in July 2001. A general format with topical guidelines has been assigned to all country papers to ensure comparability of data among the different countries.

CONTEXT OF PHILANTHROPY IN THAILAND

Thai society has enjoyed a long tradition of philanthropic giving from the past. As a Buddhist country, giving for the accumulation of personal religious merit and for charitable causes to help the poor and desolate are well ingrained into Thai cultural beliefs and Thai behavioral practices. If one could loosely and broadly equate philanthropy with giving in different forms, even in one's limited or extensive network of social relations, Thailand would rank high. In traditional Thai society, water jars were placed outside people's homes for thirsty passers-by. Travelers to villages, even complete strangers, would find lodging and food from hospitable local dwellers.

Each local community was structured around a temple that served as the heart and soul, or center, of the community. The temple was the locus of philanthropy, both in terms of giving and receiving. As community members gave to its temples with devotion and piety, the temple returned a large portion of the donations to the community in the form of such services as education, health, food and refuge for the aged, poor, handicapped and marginalized, and sustenance and protection for his/her own family.

Today, even with rapid social change, Thai people continue to give to temples, monks, and other religious-based activities. According to figures quoted by Dr. Wit and Dr. Surasit from a study, *Funding for the Not-for-Profit Sector*,¹ 1996 national census data show that 95.07 percent of the Thai population is Buddhist. Of the 16,428,400 households in Thailand, an average sum of 742 baht per household was given to religion. This estimate is a total of roughly 12,190 million baht a year.

We do not know how far or how close the above figures are to the reality of religious giving, but any observer of Buddhist temples in Thailand can attest to the vibrant activities related to fundraising. The study by Wit and Surasit recorded one famous temple with 68 donation boxes for 52 different purposes. Millions of baht flow in and out of banks of famous temples on weekends and during religious festivals every day.

In Thailand, religious giving may be a personal act in quest of merit accumulation for the present or for future existences. Giving to religion could also mean accumulating merit

¹Dr. Wit Sattayarakvit and Dr. Surasit Wachirakachorn. 2001. **Funding for the Not-for-Profit Sector: A Summary of Buddhist Temples**. Center for Philanthropy and Civil Society. National Institute and Development Administration.

for loved ones, living or departed. It could be an act of atonement for an intentional or unintentional misdeed, as well as an act of bribery to solicit protection from harm or danger, to ward off bad luck or misfortune, or to enhance power, fortune, prestige and status from powers larger than mere mortals.

Giving to religious-based activities is predicated on faith. Hence, the act of giving itself is thought to be sufficient and complete, because one does it out of good intentions and good thoughts. To ask further how that money is used, where it goes, or what conditions are set for its use, would appear to diminish an act of faith and could detract merit from the giver. Hence, few Thais attempt to ask monks and temples the details and specifics of their donations.

Individual giving constitutes a large part of giving because of the reasons mentioned above. Corporations also give to charitable and philanthropic causes. With the exception of some corporations that set up their own foundations or engage in philanthropy through their public relations departments, most corporations in Thailand have yet to address philanthropy in a systematic and proactive manner. Corporations often give to annual religious merit-making during the Kratin season. But most corporations respond to requests for giving from members of their boards, their CEOs and upper management staff. Often, these groups are solicited through all types of philanthropic and charitable fundraising events. Since Thailand is a society that gives priority to personal ties and relationships, fundraising for charitable causes is enhanced by soliciting personal networks of social relationships.

Giving to royal family members and royalty-sponsored projects and activities are perceived as the proper and respectable way of giving. They are good causes because of the overwhelming trust, admiration and loyalty to the King and the royal family. Giving to royal causes is also perceived by many as enhancing one's prestige, status and position, especially if the givers receive mementos of appreciation from royal family members and if pictures can be taken of the donations being presented to the royal family.

There are numerous foundations in Thailand, but they are generally neither large nor professionally managed, nor are they operated like foundations in the West. Most foundations are very small in terms of assets, scope of activities, programs, projects, and staff members and volunteers. By comparison, Chinese foundations in Thailand enjoy a longer history, more experience, diversified activities, programs and projects, and a steady stream of income through regular donations and other income generating activities.

Many foundations are family foundations with limited endowments and only one or two objectives, such as annual scholarships or awards. In fact, as many foundations come into existence every year, many more go into dormancy, if not into a deep coma. In these cases, we find that assets from many non-performing and non-operating foundations remain inactive from lack of use. As years go by, one may find that many family foundations have lost their vitality and efficacy when the descendents of the family are either not interested or are incapable of carrying on the activities. Different voices have

lobbied for the authorities involved with monitoring foundations (like the National Cultural Commission) to consolidate money from inactive foundations and use them for worthy philanthropic activities. The authorities are reluctant to do this, either for legal issues or because it may require time and energy to convert assets from inactive foundations into a productive use.

CURRENT ISSUES

PURPOSES OF PHILANTHROPY

Although no actual research has been conducted on this subject, it would be safe to say that Thai people tend to give to disaster relief because it feels good to be humanitarian. It fits well with Thai people's liking for ad hoc activities and dislike for long-term commitments. Also, natural disasters can occur to anyone at any time, evoking empathy and sympathy. Social services strike a note of sympathy from Thai people, especially if the recipients are perceived to be vulnerable, like children, the elderly or the disabled. Giving to economic development is likely, since there is recognition and awareness of the plight of the poor by some segments of society. Giving is less likely for policy advocacy, because its direct relevance is not well recognized. Not unlike a general bias in many countries, Thai people have expressed in various ways that philanthropy should be operated and managed by volunteers. There is an inherent mistrust of philanthropic activities carried out by well-paid professionals in the nonprofit sector. This belief makes it difficult to have professional staff in nonprofit organizations because administrative costs must be kept to an unreasonably low level.

ENABLING ENVIRONMENT

Despite the fact that civil society resource organizations (CSROs) and civil society leaders have expressed their opposition to the poor legal environment and the cumbersome and outdated systems of registration for civil society organizations (CSOs), no real changes have yet taken place. The Department of Public Welfare, Ministry of Labor, is currently sponsoring a bill on social welfare with sections that stipulate a more enabling environment, but no end to this issue is in sight. Consultative dialogues and strategizing sessions among different parties have taken place many times, but to no avail. To date, there has been little political will or interest in pushing for this agenda.

PUBLIC UNDERSTANDING AND AWARENESS

The public lacks understanding and awareness of the positive role of CSOs in development. Although CSOs are recognized for many service delivery tasks, more militant NGOs appear to have captured media attention and coverage. When NGOs use militancy and participatory actions to advocate for land rights or environmental issues, the public is quick to perceive NGOs as troublemakers, rabble-rousers, agitators against the establishment or even agents of foreign interest and saboteurs of peace, order and harmony in society. Positive attitudes and good will toward NGOs that provide services and development tend to be overshadowed and tarnished by militant, protesting NGOs that incur the mistrust and cynicism of the public.

INTERSECTORAL RELATIONS

Public, business and civil society sectors do not readily meet or work together. The divisions among them are real and potent. In the past few years, however, a lot of lip service has been given to partnerships among the sectors. Perhaps a natural and genuine partnership will be a reality in the future after we get used to ideas that we now only verbalize. Some government agencies, such as the Local Administration Department, Ministry of Interior, has ordered its staff members to help form CSOs or civil society groups at different levels through partnerships. The Department of Public Welfare has initiated a public/private partnership group for civic action. These activities are new to Thai society. There is a lot to learn, with adjustments and adaptations from all parties concerned, before real cooperation among the different sectors can actually be achieved.

CHALLENGES AND CONSTRAINTS TO SUSTAINABLE FUNDING

Government attitude and behavior do not support funding for the nonprofit sector. Tax exemption status for CSOs is difficult to attain. Of 30,000 or more CSOs, only some 300 enjoy the privilege of its donors receiving a tax incentive. Philanthropic tax-deductible donations are still unsubstantial compared to western countries. Since there is little tax privilege or incentive for givers/donors, sustainable funding remains a major challenge.

Public awareness about sustainable funding is, at best, poorly informed and, at worst, greatly biased. There is much awareness of the need to donate to conventional, mainstream, elite-based organizations like the Red Cross or royal charities and foundations. Consequently, a steady stream of donations goes into such organizations, which are viewed as very “legitimate.” The same awareness does not exist for development NGOs or service deliverers. These organizations rely heavily on grants from foundations, primarily external, sowing seeds of mistrust in the minds of the public, who question their credibility. The public is often swayed and misled by certain government agencies, government persons and media coverage.

Corporate attitude towards sustainable funding is pragmatic and segmented. While some corporations actually cooperate with NGOs to help villagers and poor people gain economic betterment, we do not think that corporate actors in general pay much attention to or are concerned about sustainable funding. The prevailing attitude is that good projects must come first and money is secondary.

Individual attitudes about sustainable funding are mixed. When the economic crisis hit Thailand, common sense told us that philanthropic giving would decline dramatically. Although the amount of giving per head per time may have been reduced, interestingly enough, giving as an act has not gone down substantially. For instance, the Foundation for the Blind reported on-going giving from both regular donors as well as non-regular donors. Might it be that in times of shortage and difficulty, one is motivated by even greater compassion and empathy for those worse off?

Institutional/organizational development is much needed for sustainable funding. In as much as many NGOs have emphasized self-reliance and sustainability in funding, the capacity to fundraise among most Thai NGOs is limited. There are a few notable exceptions, such as the Population and Community Development Association. Its charismatic leader, Mechai Viravaidhya, is a good salesperson with excellent marketing skills who has enhanced his organization's financial sustainability. Other NGOs have attempted to go into business for themselves or to partner with villagers on various business ventures. To date, success stories are outnumbered by failures, which could be attributed to NGOs and villagers' lack of business skills and entrepreneurial mind-set and spirit. Fundraising capacity building training courses have been provided, but fundraising requires more than just knowing its principles. What about leadership, credibility, marketability of a worthy cause, personal connections and networks of support? Most NGOs lack some of these skills, posing a big challenge.

RESPONSES AND NEW DEVELOPMENTS

The government/ administrative bureaucracy is being pressured by social change and dynamic changes in today's world into admitting that it no longer has a monopoly over development or complete control over public policies and the direction in which the country is heading. Consequently, government must at least listen to other sectors. Infusion of private sector persons as advisors to government bodies and committees is more common than ever before. Civil society leaders are now being invited into some committees. Information sharing, the exchange of ideas, and the possible fusion of energy may gradually be a reality. Under the new constitution, there is even a quota system built into various search committees for independent organizations' commissions. Hence, we are entering a new chapter in Thai history in which representatives of the people sector are slowly being mainstreamed into the policy and decision-making process.

INNOVATIONS

Technology is being used by some NGOs for fundraising, including getting sponsorships from banners placed on one's website and soliciting donations through the Internet. But by and large, technology is not widely used.

Trisectoral initiatives for fundraising have not yet been tried. An exception is the Red Cross. Trisectoral initiatives tend to deal with a specific activity or project, in which contributions, in cash or in kind, are given to the project by all parties concerned. This is a desirable goal for philanthropy in Thailand.

FUNDING MECHANISMS

Publicly endowed foundations stand to receive budgetary allocations from the government and from regular patrons who may have helped to initiate them. They can also fundraise through special events and other methods. Publicly endowed foundations

are blessed with a seal of government acceptance, helping minimize public mistrust. Their credibility is more or less assured by their public stature. Ultimately, the success or failure of publicly endowed foundations is attributed to the nature and quality of their leadership and the accompanying management style and skills.

Venture capital approaches are not yet common in Thailand. Large and bold NGOs may entertain or even attempt to use this approach. But most NGOs subsist on income generated from projects, thus living from project to project with great uncertainty. Some NGO leaders have expressed a sense of emotional and physical exhaustion from having to write endless project proposals, rushing to meet deadlines, etc.

NGO business ventures have been tried with mixed results. As mentioned earlier, NGO members have not been trained as business persons. Consequently, their mind-set and business know-how are limited and they are not adequately prepared for a competitive business environment. We hear Thai NGO members declaring that “They did not go into business for profit,” or “They did not wish to make big profits,” or “Their time and energy were not counted as a cost of investment.” With little or no knowledge of basic accounting, financial management, inventory accounting, marketing, feasibility studies, cost/ benefit analysis and other basic business know-how for success, most NGO business ventures are doomed to failure. When NGO business ventures appear to succeed, one worries about whether or not they will deviate from using their business gains to forward their social causes.

INTERNATIONAL LEVEL: IDENTIFICATION OF PROGRAM PRIORITIES AND MECHANISMS

At the national/country level, it is important to understand international trends, movements and best practices. It is always positive and important for members of a country to know that what they are doing or envisioning does not run counter to international trends. It is also crucial for government (both political actors and administrative leaders) to know that an international movement is in place; to refuse or deny the role of the third sector in development would run counter to current trends. Most political leaders do not wish to be perceived as marginal or ignorant of broader global/international development trends. Hence, linking up with international actors is useful. It is like providing a seal of approval or acceptance for performance and stature.

Linkages between national and international levels should be on-going and not just sporadic. Longer-term collaborations and cooperation are needed. It is a step in the right direction for international actors to entrust local CSOs to conduct activities. Currently, many programs and projects from multi-lateral and international organizations tend to utilize state mechanisms for implementing activities. This practice needs to be modified. Should CSOs be contracted, entrusted, and assigned different activities directly instead of through state agencies, they would be greatly strengthened. State agencies could be partners in monitoring or regulating CSO activities and programs.

International and regional players share similar as well as dissimilar roles and functions with country players. Regional players are perhaps somewhat closer to national

realities than international players. Regional players should be strong and assertive, supported by a true understanding of regional situations (where often, diversity reigns supreme) in voicing an agenda for the region vis-à-vis international players.

Ultimately, the role of regional and international players hinges on their real ability to assist country players. Regional and international players should not be seeking information from countries for information's sake. Country players should be made to feel that interactions with regional players and international players are satisfactory and rewarding and not a burden on their time and scarce resources.

What do external players have to offer that will strengthen the country players who are busily tackling everyday battles of their own? As with other relationships between the rich and the poor, the strong and the weak, the privileged and the less privileged, sensitivity and misunderstanding abounds. These issues need to be addressed.

CONCLUSION

More accountability, transparency and professionalism need to be engendered among CSOs. Like a two-way street, government should assist in relaxing laws, rules and regulations on the nonprofit sector. But CSOs should strengthen themselves professionally to gain the public trust.

Civil society resource organizations need to be supported and strengthened, as they play a positive and crucial role in linking different sectors together and in serving as catalysts for supporting and strengthening CSOs.

Public relations and communication of the role and efforts of CSOs are greatly needed. There should be many voices that speak of the good deeds of CSOs in development, service delivery and advocacy. Academic CSOs could lend a positive and unbiased voice to this cause, since the Thai public still holds academic studies and research in high esteem and respect.

Broad-based coalition building is essential. Starting with conversations and exchanges among different sectors that seem to lead nowhere, such exchanges could plant the seeds for fruition in the future. Patience is needed and encouragement and moral support are critical. Hence, networks of support for actors in this effort must be nurtured and sustained. What seems initially futile may have enduring results in the future. Currently, there are such networks of conversations led by different groups and leaders.

PARTICIPANTS OF THIS PAPER

Many of the points presented in this paper were discussed in a two-day meeting at Pak Chong, Nakornratchasima Province, on February 19-20, 2001. A set of seven studies on *Indigenous Funding for Philanthropy*, carried out by the Center for Philanthropy and Civil Society, National Institute of Development Administration and supported by the Sasakawa Peace Foundation, set the tone for the meetings. Findings from the studies were presented and discussed initially. Philanthropy as a larger context was also discussed. Subsequently other salient points and issues about CSOs and partnerships among various sectors were the topics of our discussion.

Participants of the meetings included academicians, CSO and NGO representatives, members of the Business Group for Thai Society, members of the media, and even the chairman of the largest Chinese philanthropy. The Bangkok Post subsequently carried a full-page story on our study in its Perspective section. Khun Paiboon Wattanasiritham, Khun Pissmai Khanobdee and Juree Vichit-Vadakan, Ph.D. facilitated and chaired the meetings.

A Seminar on
Philanthropy in Thailand
February 19-20, 2001

At Phuphiman Resort and Country Club, Pakchong, Nakorn Rachaseema

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| 1. Kamol Susampao | The Metropolitan Waterwork Authority (MWA) |
| 2. Kanchit Sukjaimitr | Thai Funding Foundation |
| 3. Kawin Chutimar | Thai Funding Foundation |
| 4. Kanya Sukpanich | Bangkok Post |
| 5. Karun Sanwiseth | Rural life Development Foundation |
| 6. Kampol Techaruvichitra | Asia Hotel |
| 7. Kitti Singkalvanich | Siam Cement Foundation |
| 8. Dr. Chirawan Bhakdibutr | National Institute of Development Administration |
| 9. Dr. Juree Vichit-Vadakarn | National Institute of Development Administration |
| 10. Chumpol Chaiyawong | Population and Community Development Association |
| 11. Thongkorn Heeranrak | Development Office, Canadian Embassy |
| 12. Assoc. Prof. Thongsri Kambhu | Center for Philanthropy and Civil Society |
| 13. Theerawat Chanapai | Care Foundation |
| 14. Narinee Taweessind | Dulnimitr Foundation |
| 15. Dr. Nisada Wedchayanon | Center for Philanthropy and Civil Society |
| 16. Burin Kantabudh | Stock Analysts Association |
| 17. Bechamach Siripat | Local Development Institute |
| 18. Pacharee Jirakorn | Dulnimitr Foundation |
| 19. Pissmai Khanobdee | Shell (Thailand) Co., Ltd |
| 20. Phisut Nilsinthop | CP Group |
| 21. Dr. Peerapol Traitotsawit | Dept. of Local Administration, Ministry of Interior |

22. Pecharaporn Ouavithayasuporn	PTT Exploration and Production Public Co, Ltd
23. Paiboon Watthanasiritham	President, Community Organizations Development Institute
24. Pairoch Suchinda	
25. Mongkol Kritthithayawut	Krung Thai Bank
26. Raywat Krabeunrat	Office of the National Education Commission
27. Lamyong Tiersakul	The Foundation for Life and Society
28. Warong Rungrujipaisarn	Industrial Finance Corporation of Thailand (IFCT)
29. Walai Palabordee	Manager, Bangkok Insurance Foundation
30. Wanchai Siriwatthanatrakul	Assist. Director, Office of Land Fund Bank for Agriculture and Agricultural Cooperatives
31. Wandee Weelainuch	Secretary, Center of Technology for the Blind (Caulfield Foundation Library)
32. Visuth Komwacharapong	Goodwill for Society Foundation and Public Radio 97.5
33. Siriporn Chaipech	Thai Volunteer Service
34. Dr. Supamas Sethapongkul	National Institute of Development Administration
35. Somying Sunthornwong	The Asia Foundation
36. Lalilthip Chiengthong	The Foundation of Education for Life and Society
37. Santhan Yusiri	Government Saving Bank
38. Dr. Suchitra Thananand	Center for Philanthropy and Civil Society
39. Surapol Murada	Local Development Institute
40. Dr. Surasit Vajirakachorn	National Institute of Development Administration
41. Arpaichon Wacharasind	CP Group
42. Arpichart Thongyu	Sawasdee Foundation
43. Ms. Kaori Kobayashi	Sasakawa Peace Foundation, Japan
44. Ms. Gina Velasco	Synergos Institute, New York
45. Mr. John Heller	Synergos Institute, New York
46. Sopha Muthaphon	Center for Philanthropy and Civil Society
47. Sujintana Pawasit	Center for Philanthropy and Civil Society
48. Prakorb Suthikamot	Center for Philanthropy and Civil Society
49. Kanokarn Anukan	Center for Philanthropy and Civil Society
50. Warinda Panjasap	Center for Philanthropy and Civil Society
51. Ratchanee Maneeroj	Center for Philanthropy and Civil Society

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<http://www.asianphilanthropy.org/countries/Thailand>

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