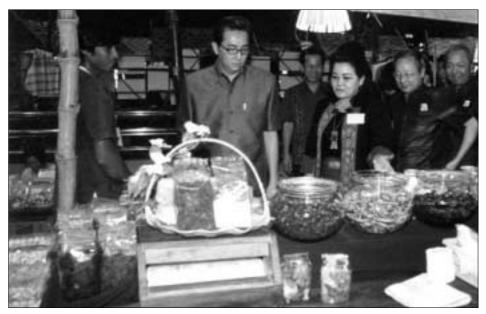
Best of the best in Thai wisdom

Over the past two years, the government of Thailand has been endeavoring to revive the village economy and generate domestic demand at the grassroots level. This is part of its objective to achieve balanced national socio-economic development based on the principles of self-sufficiency, productivity, and sustainability. Several programs were initiated to make this a reality. One was the Village Investment Fund, under which each village is provided with one million baht to develop its own income-generating activities. Another was the "One Village, One Product" scheme where each village is encouraged to specialize in a product that utilizes available local resources and for which the people have developed special capabilities. With these efforts, the government hopes to: 1) enhance national self-reliance by expanding the production of local goods and services and encouraging their purchase by domestic consumers; and 2) generate an international market for Thai products.

he Thailand Productivity Institute (FTPI), in supporting the government's initiatives in this area, has launched several projects aimed at increasing productivity in business and production undertakings at the village or community level. One was an in-depth study of local communities and their business activities to identify the factors critical to their success. Another was the identification of best practices in 300 community enterprises for use in the establishment of exemplary enterprises to serve as models for others to follow.

The FTPI has noted that small and medium enterprises at the community level are able to produce traditional Thai handicrafts very productively. Their basic weaknesses are poor management and the lack of awareness of available local know-how and technology that could enhance product quality and operational productivity of their products. To help them overcome these shortcomings, the FTPI launched a project to encourage the local communities to use "Thai wisdom" or indigenous knowhow in the production process and to be less reliant on imported technology. One outcome the FTPI hopes will soon occur is the participation of Thai investors in this effort to spearhead future growth and development in the handicrafts industry.

In August this year, the FTPI, in collaboration with the Ministry of Industry, Ministry of Finance, and the Community Economy Development Collaborative Committee, held a three-day handicrafts exhibition called "Best of the Best in Thai Wisdom" at the Queen Sirikit National Convention Center in Bangkok to showcase local know-how in traditional products like medicines, agricultural products, textiles, and leather goods. Demonstrations of traditional arts and culture, award-winning industrial inventions, and goods from the "One Village One Product" project were also on display. The prize-winning industrial



Dr. Somkid touring the exhibition

inventions were there to encourage local people to promote their technology to the public, especially for use in the five basic industries—textiles, food processing, agricultural machinery, herbs, and wood products.

The exhibition was graced by Privy Statesman Pichit Kulavanit and Minister of Finance Somkid Jatusripitak. The event, which was open to the public, attracted more than 100,000 people. Held in conjunction with the exhibition were a school debate on "Thai Wisdom" and several panel discussions that focused primarily on increasing productivity at the community level and conserving Thai wisdom and its opportunities in the world market.

Speaking at the opening of the exhibition, Dr. Somkid said that establishing Thai brands is crucial for building the country's economic competitiveness. "Awareness of our country's brands is limited, unlike other countries. Germany has built up its brands with a reputation for durability, Italy and France for quality design," he added. "We need

to determine our own strengths for our own products, and let the world know. If we put our country's image in the brands, it would be easier to disseminate our products in the market."

Dr. Somkid suggested the following steps in promoting Thai handicraft products: identify the wisdom; transform that wisdom into products; create the products to suit international tastes; standardize the products; and promote them in the world market. "Twenty years ago, production focused on mass products. This involved producing as much as you could at the lowest cost, with little thought to quality," said Dr. Somkid. "But times have changed. Manufacturers must use 'mass customization,' modifying products to match the needs of the market and changing instantly to accommodate people's tastes."

The minister also announced that the government would help fund an exhibition in Japan to showcase about 600 traditional Thai handicrafts as part of its drive to help support the development of the industry.