

## Similarity and Difference of One Village One Product (OVOP) for Rural Development Strategy in Japan and Thailand

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### ABSTRACT

Challenge of One Village One product (OVOP) is a strategy of rural development, those based on significant factors such as endogenous development, self-reliance, and participation. The paper aims to analysis similarity and difference of the OVOP's movement in rural community development in the context of economic concerning. The two case studies are the best practice communities between Japan and Thailand for knowledge learning process amongst communities' development (Oyama town in Oita prefecture, Japan and Ban Sangwiman community in Nakonsitamarat province, Thailand). The framework of study was analyzed in terms of their initiatives and policy implementation, product and production development, financial management, and marketing etc. This paper utilizes a documentary research and observation survey to identify crucial factors influencing on the success of rural development. The findings are followings; 1) initiative of projects were similarly started from the poverty to making alleviate, which impelled community members to mobilize economy in the community with the end goal of efficiently optimizing their local resources, 2) enhancing self-reliance communities could be a mechanism that leads to constructing self-community development, 2.1) revitalizing agriculture 2.2) allocating capitals and finances for local business management and for organizing local community-level cooperatives, and 2.3) leveraging a community business to be a community industrial business. As a result, rural community development in both two communities has common principles of community industrial management based on a self-reliance approach.

**Keywords:** *one village one product, endogenous development, community empowerment, self-reliance.*

### 1. INTRODUCTION

Contemporary strategies for rural development are based upon endogenous development, self-reliant, and bottom-up, community-based initiatives which are said to 'empowering community' the individual from the enforcing structures of government intervention. While such strategies are not entirely new to community development, it seems, been inadequately theorized to date and are generally regarded, in rather functionalist terms, as indicative of attempts to cut back on public expenditure. The study explores process of strength community discourses of rural community development in Thailand

and comparison of the best practice case successful, instead, that these strategies are indicative of an advanced liberal form of rule which seeks to 'govern through community'. With this in mind, three basic research questions are identified as worthy of further exploration; how are the notions of self-governing individuals and communities constructed in political discourse; what political rationalities are used to justify current levels of (non) intervention and finally; what are the discourses, forms and outcomes of empowerment at the local level? The study concludes by arguing that while the empowering effects of self-help are frequently cited as its greatest virtue, it is not so much control as the added burden of

responsibility that is being devolved to local people. Given the emphasis of the govern mentality perspective on strategies for 'governing at a distance'; however, these conclusions can hardly be unexpected.

## 2. OBJECTIVES OF THE STUDY

The paper aims to demonstrate similarity and difference of the OVOP movement in rural communities in Thailand and Japan. The objective of the study consists of two majors. The first objective is to understand the difference of One Village One Product (OVOP) movements in Japan and Thailand. According to this objective, OVOP development carried out by Oita government in Japan and One Tambon One Product (OTOP) development operated by the national Thai government will be comparatively studied in terms of policy initiatives and implementation processes. The second objective is to understand the similarity of community practices following to OVOP policy in Oita and OTOP policy in Thailand. Two case studies, defined as the best practice communities in Japan and Thailand, will be studied on knowledge and skill learning processes. The selected two cases studies are Oyama town in Oita Prefecture, Japan and Ban Sangwiman community in Nakonsitamarat Province, Thailand. This paper utilizes a documentary research to identify crucial factors influencing on the success of rural development.

## 3. SITUATION OF OVOP MOVEMENT IN THAILAND AND JAPAN

**Before OVOP era:** Endogenous development for rural development strategies targeting on local economic revitalization, in fact, had been generally started worldwide, before it was formed into the original of OVOP policy by Japanese government. Even before OTOP was introduced, a large number of community-based income generation groups already existed in Thailand (Phadungkiati, L. 2011). Villagers in rural communities grouped individual local bodies for creating value-added industries on their farming-products and non-farming products. The community empowerment initiatives played an important role in rural revitalization. Local residents established community's cooperatives with their own resources of time, money, products, labor, etc., which rendered the residents capable of pricing their products. There were many cases in which endogenous cottage industries had started to develop before the introduction of OTOP. For example, Ikemoto conducted a field survey in a Yasothon Province village where famous triangle pillows

were produced. Ikemoto clarified the history of the community industry through explaining how a cluster with its agglomeration effects developed as the production group in a village expanded its production networks into neighboring villages (Ikemoto, Y. 1996). However, the concept of endogenous development at that time was not recognized and highlighted by Thai policymakers.

**Emergence of OVOP:** Under the leadership of Hiramatsu – Japanese governor, the original OVOP movement was initiated in the early 1960s by local residents in Oyama town, Oita prefecture, Japan (Natsuda, K 2011). The proposed OVOP was to prevent depopulation (Kurokawa, K 2010) and to alleviate poverty problem in rural areas. The aim of OVOP is one community should create at least one marketable product with regards to their local resources under endogenous development. After that, it became a well-known rural development model of regional revitalization policy (Savitri, D. 2008) and its movement spread out into the whole prefecture in 1979 (Natsuda, K 2011). The movement encouraged local leadership development and human resource development at the community level by establishing a number of schools for particular training purposes. OVOP, as a viewpoint of policymakers, is effective at bridging the gap between cities and rural areas in developing countries through community-driven development. Therefore, to create employment and generate income in rural area of Thailand, Thai policymakers adopted a concept of OVOP from Japan, and founded One Tambon One Product projects (OTOP) under a pillar of rural development strategy. The government officially launched the OTOP Development Policy with its own modifications and adaptations in 2001 as a measure to revitalize and diversify the rural economy. Nevertheless, a number of scholars noticeably argue that Thai OTOP is different from the Japanese prototype (OVOP). Fujioka (2006) quoted in Kurokawa and colleagues (2010), for example, described the differences between OTOP and OVOP that the Thai OTOP is a top-down scheme directed by the central government while the Japanese OVOP is bottom-up initiated by communities with support of local government. Comparative studies on the original and overseas OVOPs have provided limited insights of endogenous development. With the limited insights, the original and overseas OVOPs, hence, are different in terms of policy formulation and its implementation.

**Present:** Over the past decades, as OVOP movement has become freer and more globalized, the original OVOP movement in Japan has been majorly to community-oriented development encouraged by local government, concerning on optimizing local resource utilization. This movement has resulted in commercial success of several villages across 58 towns (Hiramatsu, M. n.d.). On the other hand, Thai' OVOP movement (or OTOP), one of overseas OVOPs, has characterized as mass production and marketing oriented development rather than community development in which is initiated by central government. The government leads cottage industry development across in country through OTOP policy (Figure 1). The majorities of products are handicrafts and processed foods. Several products are exported abroad, whereas many products are traded locally. 22,762 villages are engaged with OTOP projects (TICA n.d.). However, unlike community-oriented development, mass production and marketing oriented development has obstructed many small community industrial businesses to be qualified for joining OTOP projects, because they are not able to produce a large amount of goods matching with the qualification. Obviously, the original and overseas OVOPs have not always met with success, and there were many trials and errors along the way (Figure 1).

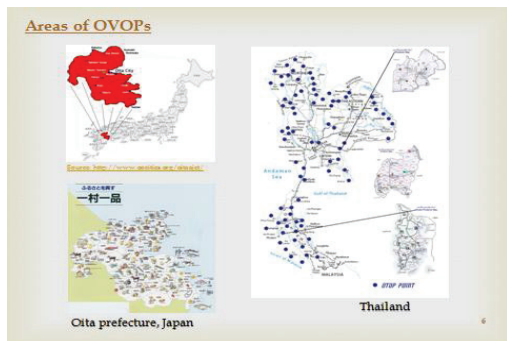


Figure 1. Locations of OVOPs movement.

Source: Researcher

The OVOP and OTOP projects also have provided opportunities for community members to participate in activity based community economic, which allowed villages to work together, using local wisdom in their production and sharing each other's skills. With the collective production, villages prosperously revitalize community economy, which motivates young villagers to

move back to their hometowns. However, unlike community-oriented development, mass production and marketing oriented development has obstructed many small community industrial businesses to be qualified for joining OTOP projects, because they are not able to produce a large amount of goods matching with the qualification.

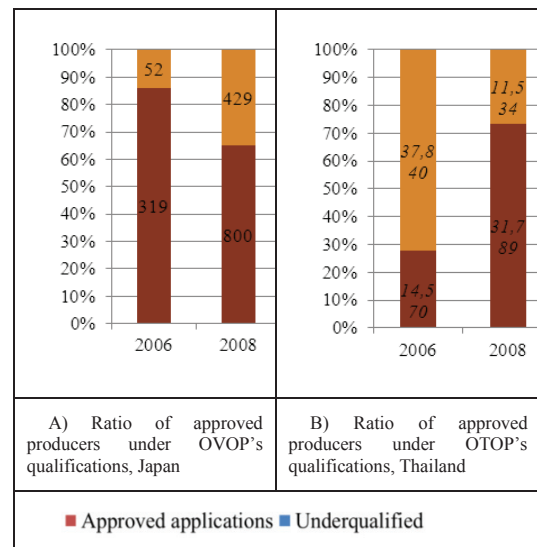


Figure 3. Ratios of approved producers under the original OVOP's and OTOP's qualifications.

Source: 1. Yujiro Okura. The brand of a local region has been legislated into the Trademark Act in Japan (revised 2005).

2. The National OTOP Committee. Producers are approved in 1-5 start levels.

Note: figures in the chart are the amount of applicants

Figure 2 and figure 3 show the latest updated information of OTOP by types of producers and products. According to A total of 33,228 producers were registered under OTOP policy in 2010, the majority of producers was community-based enterprises (CBEs) accounted for 66.8%, whereas single owner enterprises and small and medium-sized enterprises (SMEs) accounted for 31.1% and 2.2% respectively. With a comparison between a figure of CBEs in Thailand and a figure of CBEs which are OTOP members, it is estimated that 31% out of approximately 65,000 CBEs in Thailand have engaged in OTOP activities. Mass production and marketing oriented development of OTOP characteristic have obstructed many small community industrial businesses to be qualified for joining OTOP projects, because they are not able to

produce a large amount of goods matching with the qualification. It results in decreases of a figure of approved producers; from the applications with an approval rating of 75% in 2004 were dropped down to the approval rating of 36% in 2008.

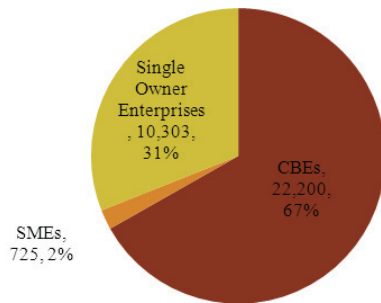


Figure 4. Types of OTOP Producers in 2010.

Source: Community Development Department, Ministry of Interior

Differently from applications with an approval rating under OVOP policy, the proportion of approved applications was steadily increased from 16.4% in 2006 to 54% in 2008. Another difference between OVOP and OTOP is their products as shown in figure 4. The main marketable product of OVOP, in the case of Oita, is various types of agricultural products in spite of handicrafts and souvenirs likewise OTOP pattern. It is clear that the original and overseas OVOPs have not always met with success, and there were many trials and errors along the way. The evaluations of OVOPs movement in Japan and Thailand can see in the figure 5.

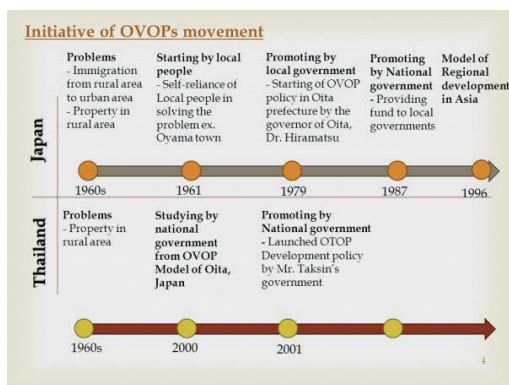


Figure 5 Initiative of OVOPs movement

Source: Researcher

#### 4. PRINCIPLES OF THE OVOP MOVEMENT

The principles of the One Village One Product Movement (OVOP) were initiated by former-governor of

Oita prefecture who is Morihiko Hiramatsu in 1979. In order to improve quality of life of the local people who have the lowest income in Japan, he realized the both objectives of the development are Gross National Product (GNP) and Gross National Satisfaction (GNS) (Hiramatsu, 2008). He was proposing that 'the ultimate goal of the OVOP movement is people-based; the term "product" refers not only for physical goods, but to products and capabilities in the human sense –the cultivation of human resources'. The OVOP movement is not emphasizing on just goods but also tourism and culture activity. The operation of OVOP movement is based on the following four principles (Hiramatsu, 2008); 1) Local yet global or 'Think Globally, Act Locally' that is meant for 'creating of globally acceptable products and/or services based on local resources'. The marketable product is not only expected to sale at souvenir shop in their area but it also should be able to be marketable both in their country and the world. The products must come from represent local people's pride in material and cultural richness of their home villages/towns/cities. 2) Self-reliance and creativity is the second principle. The main of idea is that the driving force of the movement is citizens. It is not a government official. The Locals are decision maker who determine what they will choose as their specialty and improve it with original idea and creativity. Outsider and government cannot led last long. Locals have to take a risk and accountability. The One Village One Product Movement advocates regional development through facilitate to make local aware of their potential with their spirit of self-reliance. 3) Human resource development is the most importance of the OVOP principle. It is not government but local who produce specialties. In this reason, capacity of locals must be cultivated to human resources who can challenge new things in agriculture, trading, tourism and other fields. The experience of the successful movement is inevitable to have an excellent leader or outstanding human resource in the each area. 4) Responsibility of Governments is occasionally not referred in some articles. It is also one principle that Mr. Hiramatsu mentioned. Although the main actor is citizens but local government can take the importance role in promoting the driving force of local. Local government can promote by providing technical guidance, researching products, supporting for sale promotion and awarding people and groups, establishing private company for local products, and etc., (Hiramatsu, M. n.d.). However government should not offer them subsidies directly.

## 5. DIFFERENCE OF OVOP POLICY

Thai OTOP model, which is outstanding in marketing promotion, is a case study of many countries. However, the concept of Thai OTOP model was first initiated by application of lessons learnt from OVOP policy in Oita prefecture, Japan. The Thai government adopted OVOP concept to OTOP policy which its major aim is to overcome a poverty problem in rural areas. Therefore, OVOP policy and OTOP policy have a similar principle and objective. Nevertheless, the implementations carried out by two governments have some different approaches as follows; 1) Policies initiatives and Administrations 2) The policy implementations and 3) Outcomes of the policy

### 5.1 POLICY INITIATIVES AND ADMINISTRATIONS

The difference of OVOP policy initiatives between original OVOP policy in Oita prefecture and OTOP policy in Thailand is their origination. The original OVOP movement policy was generated by the former-governor of Oita prefecture who applied his working experiences with local community to formulate community development policy. Basically, local governmental officers must deeply understand their area so that they could effectively eliminate poverty in Oita. Discovered in Oyama town, the starting point of OVOP movement policy was originated by the fact that people in this area realized value of available local resources, and endeavored to economically make use of them in sustainable way. Based on this view, Oita government has tried to support local people's demand by emphasizing on developing human resource as well as generating self-reliance in local community. On the other hand, Thailand adopted the policy from Oita prefecture. It means that OTOP policy is exotic policy. Thai government learned from the concept of OVOP policy in Oita prefecture, Japan, and then applied the original OVOP policy to Thai OTOP policy. The former Prime Minister Thaksin Shinawatt is the first person who employed this concept and implemented in reality (Sura, K. 2008). 'National One Tambon One Product Administrative Committee'<sup>1</sup>, which was established in 2002, is a national organization to implement the OTOP policy in Thailand. The organization has various responsibilities such as planning strategy and policy, selecting products and setting standards, promoting participation in local government and etc.

<sup>1</sup> Regulation of the Office of Prime Minister on National One Tambon One Product Committee (No.2) B.E.2002

The difference of policy initiatives is OVOP movement is a local government's policy but Thailand's OTOP is a national policy. The difference in policy levels between OVOP and OTOP relatively makes administrative systems different (See figure 6 and 7). The figures show that Thailand's OTOP policy is a Top-down policy while the original OVOP movement policy is a bottom-up policy. Even if Thailand's OTOP development procedure has a concrete administrative system such as having the national organization particularly founded for OTOP policy implementation and under Prime Ministry's Office, and having a regulation to support the policy, the result shows that OTOP policy is not endogenous development. The governmental officers who are involved in this policy implementation would merely follow the plan and projects created by the national government. Moreover, Thai administrative hierarchies as well as the administrative system are rather complicated; namely, they have various agencies to directly promote OTOP in Tambon level as well.

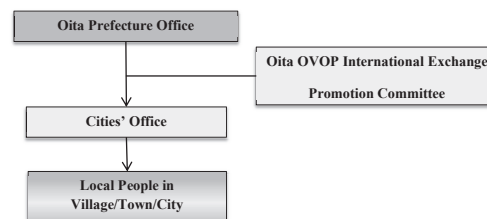


Figure 6. Oita's OVOP Administrative Structure.

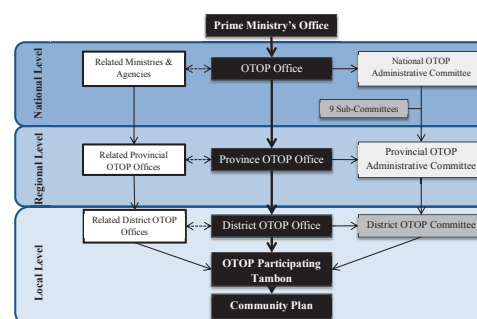


Figure 7. Thailand's OTOP Administrative Structure

Source: Takanashi (2009, p.8).<sup>1</sup>



## 5.2 POLICY IMPLEMENTATION

Under the OVOP and OTOP policies, governments have set plans, strategies and projects in order to achieve objectives of the policy. Oita government and Thai government have intended to promote various development policies which can be classified into four parts as follows; 1) Human resource development 2) Production promotion 3) Financial management and 4) Marketing Promotion. However, the policy implementations of both countries are rather different. This could be clearly explained as follows;

### 5.2.1 HUMAN RESOURCE DEVELOPMENT

Human resource development is a vital factor of the original OVOP concept. It is expected that local people will be able to have a potentiality to alleviate poverty problem by themselves. This means they do not depend on their government in creating and developing their products (Hiramatsu, M. n.d.). Similarity of the original OVOP policy and OTOP policy is giving an importance to development of human resources in rural areas. However, the implementation of this kind of policy is rather different. Oita government intended to build a leader of each community so that leaders can support and enable their community members to create and develop products by themselves. In this way, Oita government established educational institution named 'Toyo no Kuni Development School' (Pitchayapisut, N, 2008). This school was purposely founded as a learning center for their residents. Currently, there are 12 schools<sup>2</sup> located in several districts of Oita prefecture. Each branch has 30-40 students<sup>3</sup> who have to spend at least 2 years for fulfillment of the course. Differences of each school are characteristics, suitability and requirements of local people. Regarding teaching processes, schools have invited experts<sup>4</sup> in various fields to give a lecture such as an owner of big company, accomplishing persons, a leader of outstanding community and an expert of each science. Considering student characteristics, students in each school are also various such as a leader of community, business owners, school teachers as well as officers who would like to spend times after work for additional learning. (Pitchayapisut, N, 2008). Nowadays students who graduated from these

schools have adequate competence to be a leader of community. They are expected to become a main person who potentially develops their community by creating their own products as well as effectively tackling with operating problems.

In Thailand, one approach under OTOP development policy is human development. The main responsibility for policy implementation is taken by regional government; provincial administration and local government-Tambon Administration Organization (TAO), municipality- under control of the ministry of interior. Local governments have promoted communities to initiate strategies for OPTO development. One of strategies, addressed in 3 years city plan<sup>5</sup>, is supporting community members to have occupational training and to participate in field trips which enable them to have experiences. Although promotions of the Thai government have successfully contributed to skill development among local people, in fact skills learnt from these efforts are too simple and not adequate enough to make people becomes self-reliant and dependent on themselves in the long run (Prachatai 2005). Many local governments could not create a suitable project which fundamentally follows the OVOP concept. Additionally, the central government has organized a conference for constituting knowledge exchange among communities as well as Thai's scholars and international scholars. However, it seems difficult for local people to be a part of this kind of conference. In summary, even if the OVOP and OTOP policy have a similar goal to develop human resources, their implementations are significantly different. As a result, outcomes of human resource are relatively different as well.

### 5.2.2 PRODUCTION PROMOTIONS

Under the principle of OVOP concept, creating product is noteworthy. These local products must be unique, having high quality, interesting and responding to preference of local and international consumers. Even if local product manufacturing is important, and is a main goal of OVOP development policy, Oita government did not directly and solely encourage residents to produce local products. The government has just provided relevant knowledge by founding schools and research centers (Pitchayapisut, N,

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<sup>2</sup> Agriculture and fishery research center

<sup>3</sup> Each branch school has 30-40 students. Currently, a total of 1,800 people have graduated from this school. (Hiramatsu, M. 2008, p.15)

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<sup>5</sup> Seen in Local governments three years plan, for example, Samudsakhon municipality in Human Resource Development Strategy from:  
[http://www.sakhoncity.go.th/default\\_index.htm](http://www.sakhoncity.go.th/default_index.htm)

2008). Additionally, in the process of product manufacturing, Oita government have assisted local manufacturer to design product package. To successfully design an attractive product package, several researches have been conducted in founded research centers. Additionally, they also provided advisers, who were a student in Oita government's schools, to help and suggest local people. Thailand's OTOP development is rather outstanding in product promotion. This is due to budget allocation from central government and product competition (OTOP Product Champion) according to the national economic stimulus package. Regarding the policy of budget allocation to local communities, the government targeted to establish local funds for promoting local business establishment. In implementation, government initiatively provided 1 million baht in each village's fund<sup>6</sup> (N.d. 2011) In this way, people had more chance to initiate their own business by loaning money from the village's funds with low rate of interests. Moreover, in order to promote quality of local products, governments have arranged five-star product contest (Shakya 2011). However, the strategy of production promotion in OTOP policy has some conflicts with the strategy of community strengthening policy. Namely, poverty problem existing in rural community should be mainly solved by local people as self-reliance. Indeed, OTOP Product campaign is more emphasized on quality of product, production technology and marketing than promoting community strengthening and local wisdom<sup>7</sup> (Therakul, N. and Sribunjud, S. 2005). Moreover, Thai government also employed research institutes for researching and improving products, and, also provided local manufacturers with designed packages as Oita government has done.

Difference of OVOP and OTOP policy can be seen obviously. Apparently, Oita government promotes product development, together with promoting development of human resources and local knowledge. On the other hand, Thai government solely uses money and several measures

to encourage local people to create local products without concerning a sustainable system for future development.

### 5.2.3 FINANCIAL MANGEMENT

In principle of self-reliance and creativeness, the OVOP concept does not focus on using money in operational processes. As a result, Oita government emphasized on establishing schools and research centers, as well as improving image of the city by organizing sport competitions and festivals, and awarding for community leaders who success in implementing OVOP etc. (Hiramatsu, M. n.d.); on the other hand, Thai government emphasized on increasing local people's opportunity to initiate their own business by establishing loan funds. The budget of OTOP development, which is mentioned in national policy, is a specific grant. The government intended to distribute a certain amount of budget to each local administration for following the national policy. Nevertheless, regional and local governments do not have enough understanding on the original OVOP concept. Local governments mostly spent budgets for employing teachers who teach simple handicrafts such as dried food, making basketwork, shampoo and etc. (Phongohit 2005). Therefore, skills they learned, mostly come from other areas and are not unique and attractive. They do not try to create a unique product<sup>8</sup>. Moreover, Thai government also organizes annual tread fair every year, and exclusively invites local product manufacturers, whose products were accepted as three-five-start levels, to show and sell their products in that event. In summary, there is an obvious difference of financial management between OVOP policy and OTOP policy. OVOP policy much focused on people empowerment by providing people with relevant resources. Conversely, the goal of OTOP policy is solely providing people with subsidy.

### 5.2.4 MARKETING PROMOTION

Mr. Hiramatsu emphasizes on marketing promotion. He thinks that the government should have an important role in marketing works. For instance, local government can be responsible to advertise local products to other areas (Hiramatsu, M. n.d.). Taking Oita government's works as an example, the government has promoted Oita's products by installing view-boards showing local products.

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<sup>6</sup> The policy was announced in former-president Taksin and present- president Yingluck (Detail in OTOP Thailand Flood Relief)

<sup>7</sup> Standard score 1) Production standard; local resource and local wisdom 10 score, production development 10 score, and marketing and packaging 25 score. 2) Community strengthening; product 10 score, accessing market 5 score, financial management 15 score and community organization and network 10 score.

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<sup>8</sup> Lampang's OTOP has 231 groups. Plastic flower group has 51 group (see in <http://www.otoplampang.com/#/page/4536853426>)

Additionally, several pictures of local products are widely decorated in the city. Besides of promoting local products through view-boards, the government has also created Oita's brand logos in which local manufacturers could benefit in term of product marketing. Additionally, town shops were also constructed, and have been used as a main channel to dispatch local products to consumers. In another way, Oita government also initiated OVOP Company to sell products through a website (Pitchayapisut, N, 2008). Similarly, OTOP policy is also contained with various marketing campaigns such as organizing OTOP fairs in domestic and overseas, advertising through public broadcast, creating OTOP brand, constructing website for local products' advertisement, etc. (Community Development Department 2002). Although, marketing promotion under OVOP policy is not so much different with OTOP policy, OTOP marketing promotion in Thailand has gained more success in term of the number of supporters than OVOP marketing because OTOP policy is the national policy level but OVOP policy is just local policy level.

## 6. SIMILARITY OF OVOP POLICY

Although Oita's OVOP policy and Thai's OTOP policy are immensely different in implementation processes, Thailand has a community where has a similar approach as OVOP movement in Japan. Ban Sangwiman community is a Thai case study that is outstanding in community development. In this part, OTOP movement in this community will be studied in comparison to the case of Oyama town in Japan. Both communities have the same strategies in rural revitalization.

### 6.1 CHARACTERISTICS OF THE CASE STUDIES

6.1.1 Oyama town, located in Oita prefecture, Japan, is a small hilly leaf-shaped district and has a difficult access. This town used to be a poor village in Japan. After the leader of the village persuaded residents to grow plum and chestnut, the residents' income have been relatively increasing. This persuasion totally conflicted with the national government policy that needed people to grow rice, but it turned out quite successful. In addition, the government initiated 'new paradise community' which was expected to develop young human resource for further development of the community (Shakya, G. 2011).

6.1.2 Ban Sangwiman village, a small community located in Nakonsitamarat province, Thailand, has famous

pomelo product. The community tried to grow and improve quality of pomelo. Nowadays, products of Ban sangwiman village are widely exported to many districts. They have community enterprise regulation in order to control quality of product (Klongnoy administration 2012).

### 6.2 STARTING POINT AND EFFORT OF THE COMMUNITIES

The Starting point of effort to develop OVOP is an endeavor to run away from poverty and depopulation. The communities could not wait government's assistance. The community had to be self-reliant and dependent on themselves by utilizing social capital and local knowledge for community development. Oyama town is the important community that initiatively develop OVOP concept. Mr. Hiramatsu discovered and studied Oyama town revolutions due to his strong inspiration (Pitchayapisut, N. 2008). To achieve growth of the community, the former-mayor of the village tried to explore a product that is attractive and suitable to geography of the city. It is costly, but quality of products is regularly improved (Igusa, K. n.d.). Initiative growing plum and chestnut in 1961, Mr. Harumi Yahata, a former-mayor of the village and a president of the Oyama Village agriculture cooperative, persuaded residents to follow his idea. Before that the former-mayor started to encourage residents in 1951 by talking with residents every day on a program titled "Let's Build Oyama into Village Like This" (Igusa, K. n.d.). He had regularly explored development models for Oyama village. At Ban Sangwiman village, there is a long history of settlement in this area. Previously, the area was plentiful, but the community faced various kinds of problems such as storm, pirate, and lack of freshwater, and effect of migration. However, there were some residents trying to adapt and solve geography problem where is brackish water so that it can be able to do agriculture. (Sangwiman, I. n.d.)<sup>9</sup>. The residents tried to seek agricultural products which could be planted in this area such as rice and vegetable. In the same time, the government wanted communities in south of Thailand to grow rice. The community could do it but they had to face water problem. In 1967, the community brought pemelo species that can grow in this area from other place. In 1980, they took other pemelo specie and develop it. Eventually, it became their original pemelo specie called "Tup-Tim Siam" (Siam Ruby) specie. The

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<sup>9</sup> See detail in <http://bansangwiman.siam2web.com/?cid=1007320>



new pemelo specie can be sold with high price. The initiative of the community shows that social capital, community empowerment and community knowledge are major factors contributing to self-reliance. Both of communities did not abide and depend on the mere support from outsider such as government. In summary, it can be said that the approach of Ban Sangwiman village is similar to the original concept and Oyama town which mainly emphasize on self-reliance in the first step of implementation.

### 6.3 OPERATION OF COMMUNITIES COMMUNITY PRACTICES ON OVOP AND OTOP DEVELOPMENT

The implementation of OVOP policy could be divided into two periods. Firstly, production and management process will be explained and illustrated how residents manufacture products and run their business. Secondly, development of human resources by emphasizing on development of young leaders who potentially become a new leader in the future would be addressed.

#### 6.3.1 PRODUCTION AND MANGEMENT IMPLEMENTATION

Resemblances of local product manufacturing and management between two communities are attempts to create new products which can be demonstrated individual identities of the areas. Moreover, the community keep improving quality of products as well as making products much more variety. After the project was introduced to community members, and many people participated, quality control became important, and was carried out by the government. After discovering their products of Oyama town, the idea of NPC (New Plum and Chestnut) movement was initiated by young's farmer. They believed that 'resources are limited, but wisdom is unlimited'. The fundamental principle of this idea is to utilize 'local wisdom' as a key to accomplish the successful development of higher value added activities (n.d.). They developed a variety of sophisticated agricultural products, including plum wines, plum pickles, and high-grade mushroom. These products eventually become a part of n organic restaurant business that used locally available resources. The most importantly, the Oyama agriculture cooperative is an important organization to impel development activities in Oyama town. This organization, defined as local business cooperative, was purposely founded to operate local business. The residents who want to take part in this organization can invest money in this

cooperative. Then, based on local residents' investment, the cooperative can run businesses.

In case of Ban Sangwiman village, their pemelo specie was gradually improved on its quality. Residents kept trying to generate new specie until find the best one. They have never stoppeed to improve and also deliberately controlled quality of product. Furthermore, the pemeloes which are not beautiful enough would be made into pemelo jelly. This is one of strategies to make value added agricultural products. In the present, the pemelo have a high price. It cost about 50-100 bath but the standard price is about 10-50 bath. After becoming famous Tup-Tim Siam specie, the pemelo specie was distributed to other districts that have difficulty controlling quality of pemelo specie. For this reason, Ban Sangwiman community enterprise was established to control quality of products. They instituted a committee to look after the members and the products, and made a plan for future development. They also made the organization's regulation, which is called 'Improving quality of Lumnum Pakpanunga's pemelo community enterprise' to improve and research about a quality of products as well as to perform financial mangement of the organization.

#### 6.3.2 HUMAN RESOURCE DEVELOPMENT IMPLEMENTATIONS

These communities have given an importance to human resource development. It was not only trying to eliminate poverty problem and creating the best product, they were also concerning about roles of young people and power of next generation. People in this generation will become an important group to run community further. Harumi Yahata, who was a mayor of Oyama town, said that 'I plowed dry land, fertilized it and seeded it. Now I want you to grow the seed to fruition' (N.d.). He also instituted Neo Personality Combination for the creation of "wealthy people." town. It is not only an increase of resident's income but also the way of living which residents can live with rich cultures. To develop human recourses in accordance to the concept of OVOP development, educational trips to domestic and overseas as well as international exchange of experts with several countries such as Hawaii, China and Israel have been done over times (Stenning, N. and Miyoshi, K. 2008). Moreover, the community targeted to strengthen relationship among community members by various kinds of activities. Similar to Ban Sangwiman village, the heads of the community

created several kinds of activities which aimed at enhancing and empowering roles of young generation. They encouraged young people to form a group to learn about community business and to help people in the community. Additionally, they also promoted young generation to make their own saving, and to do various activities that potentially contribute to enhancement of young generation capacity to run the community in the future. (Sangwiman, I. n.d.).

## 7. CONCLUSION

As mentioned about OVOP and OTOP concepts in relations to governmental policy and community policy, the OVOP concept is immensely implemented under governmental policy and it apparently contribute to community empowerment. As a result, communities in rural areas could run away from poverty, and some communities have been able to develop their community by themselves before the OVOP concept was firstly implemented. The key point of this success is that the OVOP policy emphasizes on self-reliance and endogenous development of the communities. To be sustainable, community development must be carried out by community members themselves rather than depending on supports from outsiders. In case of Ban Sangwiman village in Thailand, although OTOP policy implementations of Thai government are less emphasized on development of human resources which is a root cause of self-reliance, they could overcome poverty problem and finally became a strengthened community as well.

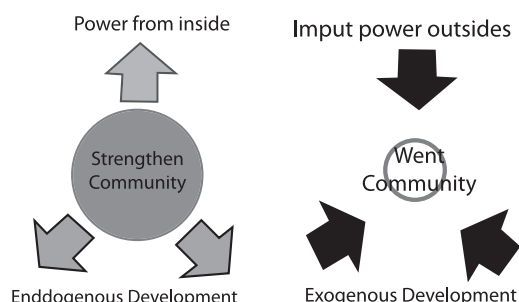


Figure 8. Comparing community promotion model

Source: Researcher, 2012.

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