

**DEVELOPMENT OF THAI-MYANMAR-INDIA TRADING
NETWORK MODEL UNDER BIMSTEC**

by

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Abstract

Attitude and levels of relationship among nations under BIMSTEC in Particularly Thailand-Myanmar-India Trading have not been related to the purpose of the agreement which effected the trade volume of the three countries. This participatory action research-PAR utilized the principle of cultural-based practices-CBP for the relationship development Process by the application of relationship and communication development theories. The process divided into three activities including attitude development workshop, business matching and trade exhibition. The study found that participants from Thailand-Myanmar and India trading had been greatly satisfied with three activities and would like the project to be continued annually. The model of attitude and relationship development among traders and involved persons in three countries "TMINTM" should be further application with other BIMSTEC member. Such as Thailand-Nepal-Bhutan and Thailand-Sri Lanka-Bangladesh respectively.

Keywords: Development Thai-Myanmar-India Trading, Trading network Model, Bay of Multi-Sectoral Technical and Economic Cooperation.

1. Introduction

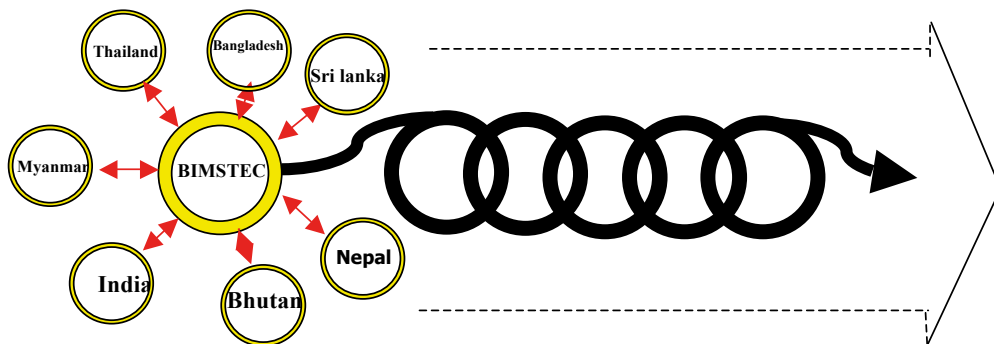
The research project on the Development of Thai-Myanmar-Indian Network Model Under BIMSTEC (Bay of Bengal Initiative for Multi-Secteral Technical and Economic Cooperation: BIMSTEC) based on culture has arrived at its significance due to the low ratio of trade value among Thailand, Myanmar and India despite chances to be extended. Geographically, Thailand and Myanmar share the border area of over 2,400 kilometers (Economic Relation and Cooperation Promotion Division, 2004) which should create a manifold trade value between Thai-Myanmar. This along with the issues of forming a joint economic group in the region should be considered since Thailand, Myanmar and India are members of BIMSTEC (Europe, Middle East, Asia and African February, 2006)) with seven country members, namely India, Thailand, Myanmar, Bangladesh, Sri Lanka, Nepal and Bhutan. Unfortunately, at this stage, the value of trade expansion between Thailand-BIMSTEC does not have much value yet, in particular, the trade value of Thailand-India, the largest market in BIMSTEC with a population of 1,130 million and being the second largest market in the world next to China whose population is 1,325 million (International Trade Negotiation Department, August, 2009). The reason might be mainly because of some attitude and relationships among traders and the concerned parties, both government and non-

government, towards people in Myanmar reputed from some historical perspective as invaders and enemies of Thai people in the ancient times. Even nowadays, there is still the existing insult of the people as being inferior in terms of standard of living and daily conduct. Moreover, Thai people remain being negative or non-constructive in attitude toward the people of India as can be seen in an old saying, “When encountering a snake and an Indian man, one should hit the Indian first.” (Royal Institute Thai Dictionary, 1999) Such attitudes have affected the trade value of Thai-Myanmar and other BIMSTEC countries causing it to fail to expand along with some activities and opportunities as well as the environmental contexts. Therefore, it became a significant concept for the development of the Thai-Myanmar-India Traders Network under BIMSTEC by arranging for traders and those involved in the three countries to meet and talk to establish some positive feelings, understanding and trust while participating in some activities related to their similar way of life and culture as means of promoting the market in BIMSTEC member countries and for it to also be expanded to the markets of other countries as well.

According to the importance of concept for the development of the Thai-Myanmar-India Traders Network under BIMSTEC above, this paper aims to explore the trade situation of Thai-Myanmar and Thai-India under BIMSTEC, to study the factors and readiness and potential of traders of Thai, Myanmar, and India on a traders network development of the Thai-Myanmar-India under BIMSTEC. In addition, this study also examine to develop Thai-Myanmar-India Traders Network under BIMSTEC. It was anticipated that the findings of this study will eventually lead to the sustainable accomplishment of the model for a traders network development of the Thai-Myanmar-India under BIMSTEC.

Figure 1 The cycle of BIMSTEC trading network Trade of Thailand as BIMMSTEC.

Year	2007	2008	2009	2010	2011	2012
Value (Million Baht)	307,809	388,994	356,554	413,774	498,803	532,453
Share (%)	3.03	3.29	3.14	3.46	3.64	3.57
Growth rate (%)	9.65	26.37	-8.34	16.05	20.55	6.75



Thailand-Myanmar (Value: Million Baht)	113,074	156,285	148,628	155,623	192,391	211,344
Growth rate (%)	(-3.81)	38.22	(-4.90)	4.71	23.62	9.85
Share (%)	1.11	1.32	1.52	1.30	1.41	1.42

Thailand-India	163,699	197,457	169,313	211,319	248,472	275,337
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(Value: Million Baht)						
Growth rate (%)	25.22	20.64	(-14.25)	24.81	17.58	10.81
Share (%)	1.61	1.67	1.73	1.77	1.81	1.85

Source: Department of Foreign Trade Minister of commerce

2. Research Methodology

2.1 The Sample

This study on the Development of Thai-Myanmar-Indian Network Model Under BIMSTEC was done by Participatory Action Research (PAR) and the relationship and communication development building theories with the strategy to get the entrepreneurs of the three countries involved through voluntary and willingness activities. The field work in Thailand was conducted along the Thai-Myanmar border in the West of the country as well as the areas in the Central and Southern regions totaling 26 provinces. The field work in Myanmar was conducted along the Tanaosi and the Andaman Sea as well as Yangoon Chiang Mai Province and Chennai in India. The cooperation in developing the strategy and traders network development was based on the culture, and 30 samples of each nation total 90 samples from Thai-Myanmar-India which comprised 4 characters as follows:

2.1.1 Wholesalers, Small and Medium Enterprises (SMEs), Border Traders and Cross Border Traders from Thai-Myanmar-India.

2.1.2 Thai government representatives, namely those from Ranong Province, The Office of Trade Policy and Strategy, Ministry of Commerce, Office of Joint Trade Investment, Department of Foreign Trade, Office of International Promotion at Yangoon, Myanmar, Office of International Trade Promotion, Chennai, India, Office of International Trade Promotion, Ministry of Commerce and other relevant trade representatives of Thailand in the respective areas such as the Office of Commercial Affairs of 15 provinces, Provincial Business Development of 5 provinces, Internal Trade Office of 5 provinces, Customs Posts in Ranong, Chiang Mai and Chiang Rai as well as the Thai-Myanmar Border Coordination Agency, Area 6, Ranong Province. and The government representative officers from Myanmar-India.

2.1.3 Representatives of the private sector of Thailand, such as the Thaiperson of the Chamber of Commerce in 20 provinces, the Southern Rubber Industrial Cooperatives, Ltd., in Surat Thani Province, local newsmen of Chiang Mai Province, the Economy Quadrangle Committee, the Chamber of Commerce in 10 provinces in the North, Chiang Rai Province, the Industrial Council in 5 provinces, the Committee on Economic Cooperation with Neighboring Countries, the Thailand Chamber of Commerce, Mae Hong Son, Community Enterprise for Coconut Juice Production of Ban Saeng Arun of Phachuap Khirikhan, the Economic Promotion and ASEAN-China Trade Cooperation Association in Prachin Buri.

2.1.4 The private sector representatives of Myanmar and India comprised The Union of Myanmar Federation of Chambers of Commerce & Industry (UMFCCI) in Yangoon, Meyik and Dawai, Trade Association of the Northwestern Region of India (Mr.Bijoy Phangcho, Chairperson), the Chennai Trade Association of India, Vice-Chancellor of M.G.R. Medical University, the State of Tamilnadu, India.

2.2 Research Procedure

This research divided the strategies into three groups and each step of the strategies involved evaluation of the potential and readiness of the Thai-Myanmar-India Traders Network under BIMSTEC as follows:

Strategy 1: Organize a seminar cum workshop under the cultural atmosphere of the three countries, Thailand-Myanmar-India to build trust and pride in one another for a strong relationship. Issues to be discussed in the seminar were dealing with problems and solutions in trade management from the past to the present and the future direction.

Strategy 2: Arrange for a trade dialogue and conference among trade partners and the interested groups of commodities in a friendly cultural atmosphere of the three countries involved as a continuity from strategy one above.

Strategy 3: Provide space for product exhibition and sales of as grand a scale as that of a trade fair to give a chance for traders to introduce and exchange products where the general public in the areas could come and participate.

After the body of knowledge for the traders network based on the three strategies above had been established, it could be tested theoretically and the data were analyzed, conclusions were drawn and comparison of some events were to adjust the model while further investigation was done by in-depth interview of some experts to ensure perfection and correctness matching with the data and facts as much as possible.

In each of the three strategies, there was an evaluation of the potential and readiness of the entrepreneurs to be members of the Thai-Myanmar-India Traders Network under BIMSTEC as well. Furthermore, there was an evaluation of all relevant parties regarding satisfaction with various activities based on the strategies by means of quantitative and qualitative research procedures for data collection using questionnaires and interview forms in four areas of the field of work as follows:

1) The Republic of the Union of Myanmar The 90 sample Thai-Myanmar-India comprising those in the business talk or negotiation among Thai-Myanmar-India in the seminar cum workshop and trade exhibition in Yangon referred to as “Road Show and Business Matching” between 29 March - 2 April 2011.

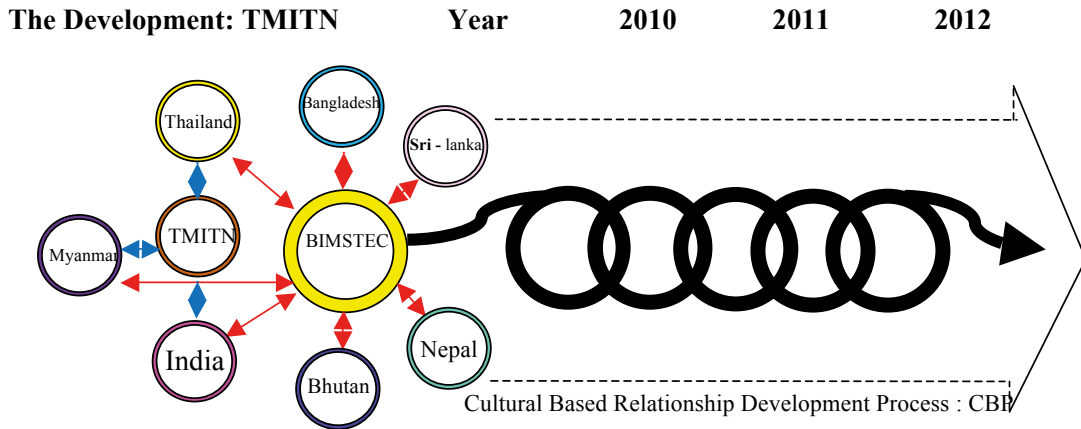
2) India has been a large market that is fast growing in terms of economy. Its Northeastern region borders with China, Bhutan, Bangladesh and Myanmar while India cooperates in the ASEAN-India Free Trade Area as well as that of Thai- Myanmar -India. The 90 samples involved in the trade negotiation strategy among the Thai-Indian traders and exhibition strategy participated in the Thailand Fair in Chennai, India and the “Thailand Exhibition 2012” between 18-22 August 2011 organized by the Department of International Trade Promotion, Ministry of Commerce. They also attended the seminar cum workshop according to strategy on as well.

3) Chiang Mai Province is the economic center in the upper north of Thailand which partly borders on the Republic of the Union of Myanmar around Shan State The sample group in this province was 90 samples from Thai-Myanmar-India who participated in all three strategic activities such as the “Thai-Asian-India Trade Fair 2011” between 7-12 December 2011.

2.3 Research Tools and Data Collection

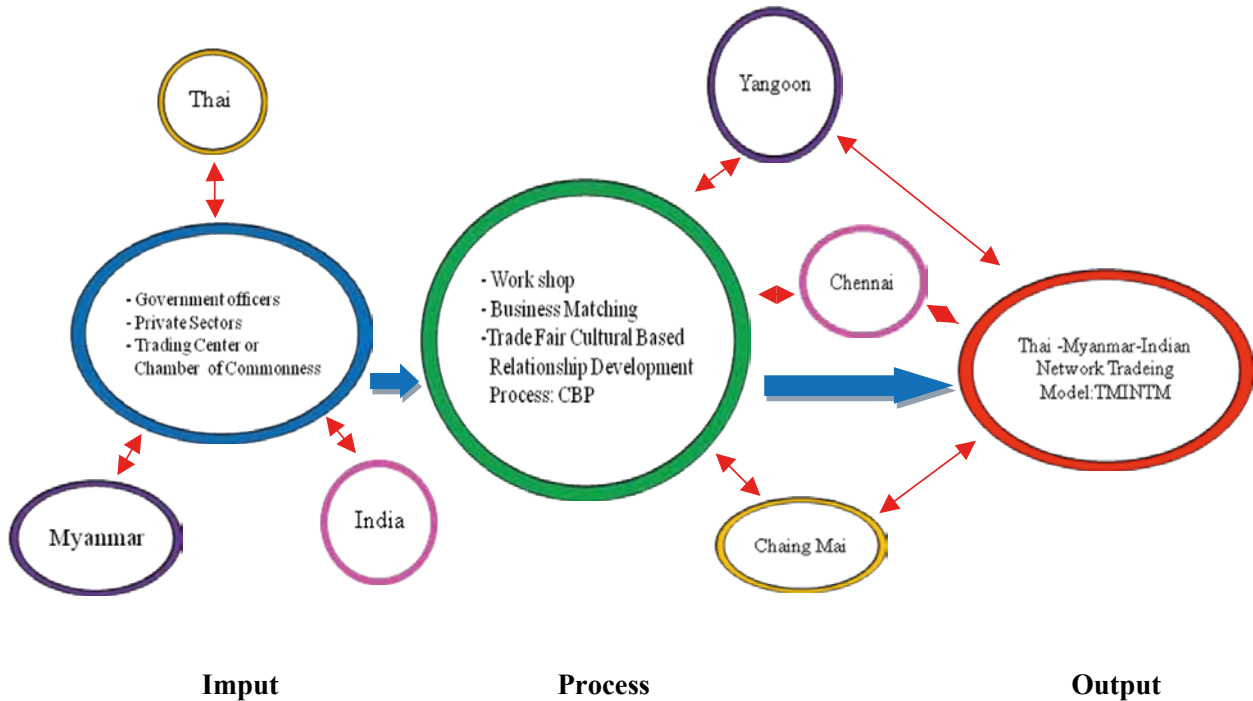
Data from questionnaires and interviews in all areas was analyzed to define the pattern for developing the Thai-Myanmar-Indian Traders Network under BIMSTEC as agreed upon among the sample who participated in all three types of activities.

Figure 2 The Development of Thailand - Myanmar - Indian trading network Model Under BIMSTEC during 2010-2012.



Process: participatory Action Research : PAR

Sample Space/the Field activities



3. Data Analysis

The sample of the Thai Thai-Myanmar-Indian entrepreneurs and the relevant parties were satisfied with the activities.

3.1 The results of the seminar cum workshop/in Chiang Mai Thai had an average level of Satisfaction of 4.15 (SD=0.61 which was a high level), while the one in Myanmar had an average of Satisfaction 4.17 (SD=0.66 also a high level), the one in India was at the average 4.19 (SD=0.62a high level as well).

3.2 The exhibition and trade fair/In Chiang Mai Thai had an averaged a level of satisfaction of 4.09 (SD=0.59), In Myanmar average level of Satisfaction of 4.07 (SD=0.64) while the one in India averaged 4.13 (SD=0.62) The all field were at a high level.

3.3 Business/Trade Negotiations.

- In Chiang Mai, for Thai entrepreneurs the level of satisfaction was also high 4.09 (SD = 0.59) for their Myanmar counterparts, it averaged 4.07 (SD = 0.64) and for their India counterpart, it averaged 4.13 (SD = 0.62).

- In the Republic of the Union of Myanmar, the Thai entrepreneurs showed an average level of satisfaction of very high, 3.91 (SD = 0.73) while level of satisfaction of the Myanmar entrepreneurs averaged 3.93 (SD = 0.68) and The Indian entrepreneurs showed an average level of satisfaction of every high, 3.91 (SD = 0.67).

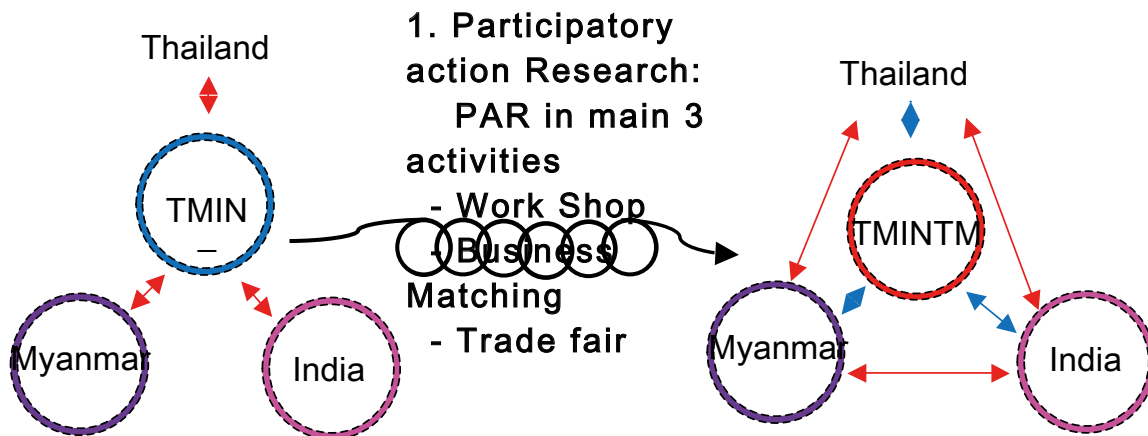
- In India, the average of satisfaction for Thai entrepreneurs was 4.05 (SD = 0.65) for Myanmar, entrepreneurs was 4.06 (SD= 0.66) and the level of satisfaction of the entrepreneurs of India was 4.06 (SD = 0.64).

- In Chiang Mai, the Thai entrepreneurs had an average level of satisfaction of 4.17 (SD=0.59) which was high. The entrepreneurs of Myanmar had a average level of satisfaction of 4.16 (SD = 0.63) And the Indian entrepreneurs' level of satisfaction was 4.20 (SD = 0.61). They were all at a high level.

4. Outcomes

The outcomes of the regional market development project under BIMSTEC was the TMINTN model for the development of the Thai-Myanmar-India Traders Network under the economic cooperation of BIMSTEC, which placed the emphasis on the Participatory Process of all partners involved in a voluntary and Synergistic Manner at all stages of the strategies: seminars and workshops, business negotiation and large trade exhibitions and trade fairs based on cultural similarity for a better attitude and network among the traders of the three countries as shown on the chart.

Figure 3 Cultural Based Relationship Development Process: CBP “TMINTM”



	Input	Process	Output
TMINT Systemic Approa Time	Relationship under BIMSTEC Trading cycle: Thailand, Myanmar and India 2010	Relationship under BIMSTEC based on cultural based Practices Model: CBP 2011	(Thailand-Myanmar-India Trading Network Model) 2012

5. Conclusions

As a government official in the Ministry of Commerce, being the Director of the Office of Commercial Affairs of the Province responsible for the import duty in the marketing and sales promotion for the benefit of traders at the provincial level, the researcher would like to express his appreciation to the Planning and Strategy Office of the Ministry of Commerce for granting the budget to support the activities to mobilize the economy in the Southern border areas to be ready and to adjust themselves for the coming Asean Economic Community (AEC) in 2015, and for the security and sustainability in developing the country's internal trade through the strategy of developing the Thai-Myanmar-Indian Traders Network under BIMSTEC.

5.1 The Thai government sector will indeed play a great role as a Thai Traders Network in supporting traders at all levels of the provinces and the country as a whole. It has been discovered that at present the TMINTM development of the Thai-Myanmar-India Traders Network under BIMSTEC will be a significant mechanism in mobilizing the development of traders in the region related to BIMSTEC.

5.2 The Private Sector of Thailand, the Republic of the Union of Myanmar and India will play an important role in the process of each of the strategies at all stages in a voluntary participatory manner in pushing for the development of the network of traders of the three countries willingly and equally, which will result in a Commitment to each other as intended according to the strategies, which means that the traders will jointly conduct trade activities and set up core strategies to continually work together.

5.3 Assessment of the strategic activities.

5.3.1 Seminars and attitude development workshops Business Matching and trade Fairs in all areas under the cultural atmosphere of the three countries were rated at a high satisfactory level by the sample group in all areas.

5.3.2 Business negotiations or trade dialogue among Thai-Myanmar-India traders (in Yangon) was participated in by 68 Thai traders 63 Myanmar traders and 50 India Traders with as many as 33 pairs of business partners (or 58.92 percent) being matched.

5.3.3 Business negotiations or trade dialogue between Thai- Myanmar-Indian traders in Chennai, India was participated in by 12 Thai 15 Myanmar and 19 Indian traders with 8 pairs of business partners (or 14.29 percent) being matched.

5.3.4 Business negotiations between Thai-Myanmar-Indian traders in Chiang Mai was attended by 40 Thais traders, 20 Myanmar traders and 25 Indian traders with 15 pairs of business partners (or 26.79 percent) being matched.

5.3.5 The sample group who attended the Thai-Myanmar-Indian Traders negotiation accomplished the goal with as many as 56 pairs of business partners out of 127 pairs (or 44.09 percent) being matched. Moreover, the report on the estimated income from the sale of goods in 2010 (October 2010 - September 2011) was 342.93 million Baht and in 2011 (October 2011 - September 2012), the average income from the activities was 439.57 million Baht, a 94.64 million Baht or (28.18 percent) increase. The products consisted of rubber products, timber logs, shoes, women's accessories and ornaments, dry ground fish, consumer goods, fresh seafood, processed food, construction materials, fruits, herbal cosmetics, cashew nuts, sangyot rice, ready-to-wear clothes, jewelry, precious gemstones, pearls, sandstone ornaments, spa-health-beauty products, mineral water and related products, coconut oil products, cold extracted coconut oil, souvenirs (bracelets and beads), dry or preserved fruit and aloe vera juice, etc.

5.4 Product display/exhibition and trade fair

5.4.1 As for the Road show and Business Matching in Yangon between 29 March - 2 April 2011, there 150 boots and approximately 20,000 Myanmar visitors came each day and expected circulation of net less than 32 Million baht.

5.4.2 As for the Thailand Exhibition in Chennai, India, there 250 booths and approximately 50,000 Indian visitors came each day between August 18-22, 2011 with a total sales value of approximately 35 million Baht and expected circulation of not less than 85 million Baht.

5.4.3 The "Thai ASEAN Trade Fair 2011" at Big C shopping mall in Chiang Mai between September 7-12, 2011 more than 400 booths of Thai and Myanmar traders were open with an estimate of approximately 65 million Baht and a total sales value of 30 million Baht.

5.5 Problems in the study of the development model of the traders network.

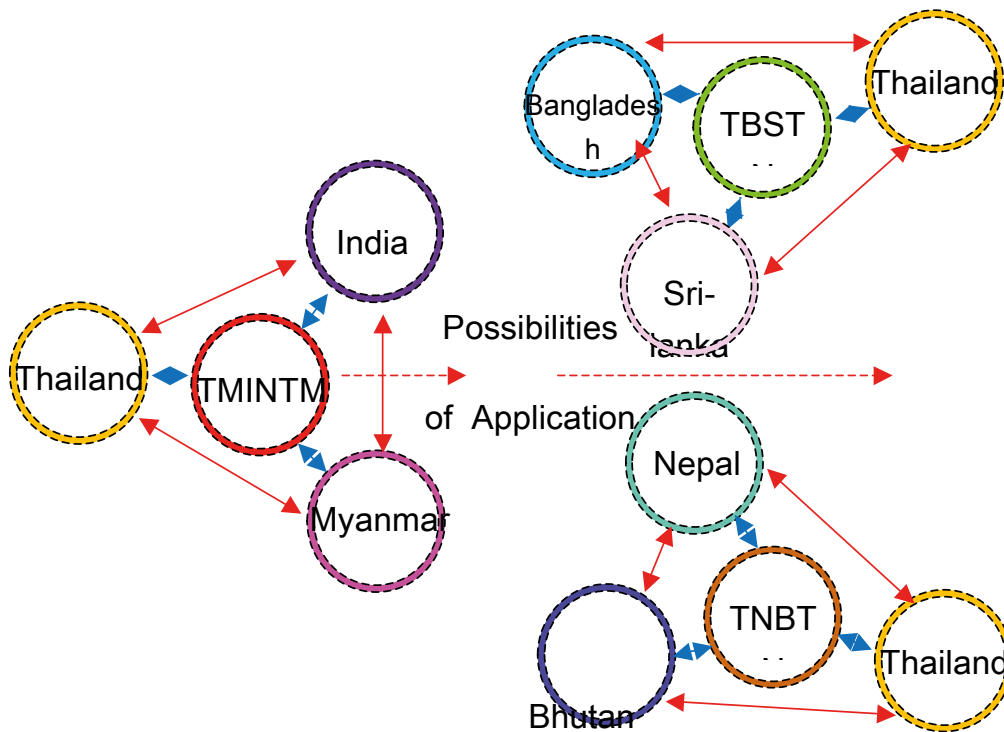
This study on the Development of Thai-Myanmar-Indian Network Model was the first of its kind so the policy-related problems encountered were those related to the sample group's inability to realize the potential of the area in the Republic of the Union of Myanmar

in the beginning, but after participating in the activities they became very interested. Other problems involved language and communication in each of the areas. Limitation in communicating with the sample group made one place and emphasis on establishing understanding among the participants by organizing seminars and workshops on the culture and customs of the sample group of the three countries whose data could be used to carry out the three strategies in the areas. This researcher was assisted by data supplied from the Ph. D. Program in Mekhong and Salween River Basin Studies, Chiang Mai Rajabhat University, so I would like to thank them and acknowledge their invaluable assistance on this occasion.

6. Recommendations for Further Study

This research studies the development model for Thai-Myanmar-Indian Traders Network under BIMSTEC, however it could be used for market and trader development in the seven BIMSTEC countries, in particular, Bangladesh Sri-Lanka Nepal and Bhutan as well as the market under Asean Economic Community: AEC in 2015. The diagram of the application of TMITN Model (TMITNM) is shown below.

Figure 4 Possibilities of Application of TMITN Model (TMITNM)



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