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THE THAI TOURISM INDUSTRY

COPING WITH THE CHALLENGE OF GROWTH

RESEARCHED AND WRITTEN BY IMTIAZ MUQBIL

Small is Beautiful.

– E. F. Schumacher, US economist.

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FOREWORD

Thailand is one of those unique countries that never ceases to shock and flabbergast the outsider, and very often insiders too. Once written off as the next-in-line to be chopped by the so-called Domino Effect that converted Vietnam, Laos and Cambodia to communism in the 1970's, Thailand has bounced back and attained worldwide recognition as a bastion of regional economic growth and political freedom that even its erstwhile enemies respect.

Through the military generals and political pretenders who have played with power over the years, the individual whose presence has held the country together must surely be His Majesty King Bhumibhol Adulyadej, Thailand's longest reigning monarch and one of the longest reigning monarchs in the world. Apolitical and totally devoted to the cause of Thais and Thailand, King Bhumibhol is all but worshipped by the people, a far cry from the next strata of leaders who are so contemptuously lampooned by newspaper cartoonists. Many, many believe that during his lifetime, the country has nought to fear from political and economic systems alien to its religion and culture.

It was the 60th birthday of King Bhumibhol that laid the foundations for 1987 Visit Thailand Year, the epic event that not only made tourism what the Thai Farmers Bank called the "core support" of the economy in 1988 but gave tourism and travel a worldwide respectability, sparking a string of copycat years in South and Southeast Asia as well as continents like Africa. Tourism came of age in Thailand and is becoming a greater socio-economic and perhaps political force that will induce all kinds of changes — whether good or bad, only time will tell.

Already regarded as Asia's next Newly Industrialised Country or, as one of the country's top economists would have it, New Agro-Industrial and Services Economy (NAISE), Thailand is claiming the additional titles of Gateway to Indochina and Aviation Hub of Asia. A political system that was once dominated by the military, politicians and bureaucrats, in that order, is now being intruded upon by big business whose role is set to strengthen as it seeks to build profitable, far-flung empires. This, at a time when Thailand has one of Asia's lowest per capita ratios of telephones and when its administrative and legal structure is laboriously trying to catch up through the clutch of committees and the spectre of corruption.

Because tourism earns money much faster than other economic sectors and survives on legions of often unknowing and unsuspecting alien consumers perceived as cash cows, it is attracting the most attention from the many get-rich-quick artistes. While considerable lip service is paid to attracting quality rather than quantity tourists, Thailand is being deluged by foreigners who, in about a year from now, will total 10% of the population. At stake in this growth is the issue of orderly management that should, like any corporate endeavour, strive to attain a satisfied consumer and a profitable company, both of which eventually benefit the country. As the rest of this book will illustrate, the Thai tourism industry is today ill-prepared to cope with The Challenge of Growth. Though the objectives are clear, the path towards attaining them is a veritable obstacle course.

I trust this book will take a small step towards reaching those objectives. I have tried to analyse the issues facing the industry, identify the opportunities and highlight the dangers, which is all a journalist can do. The rest is up to the industry which I am sure will rise to the occasion. The Thais, after all, are known for their ability to flabbergast.

Imtiaz Muqbil,
Bangkok,
23 July 1989.

