
Sharing Experiences of Technical Cooperation and Institutional Development in Asia

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Mr. Chairman, Distinguished Guests, Dear Participants, Ladies and Gentlemen,

It is a great honor and pleasure for me, to have the opportunity of participating in this important and timely organized Symposium. May I take this opportunity to thank JICA, FASID and Ministry of Foreign Affairs of Japan for doing this.

I am fully aware from my experience that, institution-building is one of the major objectives of international cooperation. Of particular importance is, technical assistance which have played a vital role in strengthening policy making, and managerial process of governmental organizations. Furthermore, Thailand's past human resource development is another key element in institutional development cooperation. Thailand's experiences in this regard could, therefore, be shared as one of the relevant reference in attaining dynamic economic growth, and structural transformation of the country.

I would like to divide my presentation into two parts. Firstly, I will highlight very briefly economic development of Thailand in the last three decades, and also try to describe the role of institutional development, and its relationship with foreign aid. Secondly, I will try to discuss future perspective of development cooperation to Thailand and our new initiatives for Thai international cooperation with the neighboring countries.

I now come to my first part. In the recent years, Thailand has achieved a remarkable high economic growth by prudent macroeconomic planning and management, with an average rate of 9.9% from 1986 to 1990. Even taking long-term transition of economic growth rate in the 1970 to 1990 period, it has recorded an average growth rate of 6.7% which was characteristic of a fairly high, steady and stable growth.

The Thai Government has managed the economy through the government's five-year economic planning starting in 1961 when the first National Development Plan was formulated. Since the beginning of the national planning exercise, the government has firmly committed itself to market economy orientation. Two main strategies emerge, that is, infrastructure development and industrial investment promotion. During the 1st and 2nd Plan Period, national highways and provincial road

networks had been successfully developed, and consequently helped enormous expansion of domestic markets for agricultural and industrial production. From the 3rd Plan onwards, the Government has shifted from import-substitution strategy, to export promotion policy, with special stress on employment creation, rural and regional development, and private sector development. During this period, the Thai economic structure has been rapidly transformed into a manufacturing-based economy.

Against this brief overview, I would like to touch on the institutional development and its relation to foreign aid. And because the limited of time I will use only the Case Study of USA and Japan as an example.

In the mid-1950s and prior to the 1st National Development Plan, several new key government institutions, such as, National Economic Development Board, the Bureau of Budget, Board of Investment, and also Industrial Financial Corporation of Thailand were established with technical cooperation programs of World Bank and US.G. Most of these government agencies have, up to present, played important role in stimulating appropriate economic conditions, that have generated short-term as well as long-term economic growth.

I have to mention, Mr. Chairman, that, my Department, the Department of Technical and Economic Cooperation (DTEC) was originally established as a division under the National Economic Development Board, to handle the T.A. from US.G and later on, in 1962, was upgrade as a department under the Prime Minister Office to be a focal point in aid administration and management, in order to direct external assistance to the Government priority needs. (The Overseas Technical Cooperation Agency, forerunner of the present JICA was also set up in same year as DTEC).

In 1960s and early 1970s, USAID had played major role in development assistance to Thailand, with, primary emphasis on infrastructure development and institutional development through human resource development. A large number of institutions in diversified fields have been developed under USAID projects, in compliance with government policies on security and development. The National Institute for Development Administration, the Accelerated Rural Development Office, Thailand Institute for Science and Technology Research are, among other things, well-known successful cases in point.

In late 1970s and early 1980s, national development priorities have been shifted, to poverty alleviation and basic human needs. Accordingly, DTEC tried to promote development projects in Thai border areas and Northeast region. At the same time, DTEC has actively taken outward-looking policy of promoting technical cooperation, with other developing countries through TCDC programs.

In mid-1980s and up to present, USAID assistance to Thailand has been diminished, but been effectively used for new areas of cooperation, such as NGOs and private sector supports. For this example, I should mention about Thailand Development Research Institute (TDRI), which has been founded in 1984, to conduct policy research as a non-profit, non-governmental foundation. The TDRI has created with a start-up funding of CIDA, and technical supports from USAID. At present, TDRI has grown very quickly, and been highly recognized at the national and international level, as center of excellence in conducting policy research and analysis, by mobilizing Thai distinguished researchers,

scholars and administrators.

Mr. Chairman for the Case of Japanese Cooperation through JICA, from mid-1970 up to present, Japanese technical cooperation through JICA has played important parts in transferring Japanese technologies to Thai counterpart government agencies in diversified fields with technical assistance schemes, usually combining with capital grant aid.

I would like to present 2 examples on the Japanese cooperation programs in strengthening institutional capacities.

The first example is the King Mongkut Institute of Technology in Ladkrabang (KMITL) which established as a telecommunication vocational training center under Department of Vocational Education in 1960, as part of a request for technical assistance from Japan, and in 1972 was upgraded to be the Faculty of Telecommunication in Technical College. It has been expanded steadily to become one of the most well-known technological universities in Thailand. During the past 30 years of KMITL development, the Japanese cooperation has played a key role in strengthening instructors' teaching capabilities and upgrading of quality in education and research activities.

The second example is the Asean Institute of Primary Health Care at Mahidol University which was established in 1982 by the support of the Japanese cooperation as regional human resource development center in primary health care for Asean countries. The Project has been carried out to conduct training of Thai health care technicians at four provincial level in Thailand under JICA support from 1982 to 1989 and successively continued to conduct Third Country Training for a master's degree program for Asean regions until today. It may be an opportune time to assess the university's capability in terms of third country training cooperation.

At present, eight(8) courses including KMITL telecommunication course, have been organized and offered every year to Asean and other neighboring countries. I should say that this is helping a lot in stimulating and upgrading of institutional capability and sustainability.

Now, I come to my second part. Mr. Chairman, as I mentioned earlier that Thailand has made a remarkable economic progress in the recent years. But by the same token, Thailand is now facing several difficulties in its transition into more balanced strategy with sustainable economic development and better quality of life.

Deficiency of modern infrastructures such as telecommunication and transport, redistribution problems, environmental degradation, and human resource development are among those critical constraints to be tackled with proper measures. Thai government being aware of these fundamental problems, has attempted to address these policy issues as being embraced in the concurrent 7th National Development Plan. The technical cooperation in the form of Human Resource Development and Transfer of Technologies from developed countries is still needed to support the rapidly expanding economic opportunities, as well as to keep pace with the technological advances in the future.

In this regard, I would like to draw your attention to our efforts by improving educational systems on primary and secondary levels as well as expanding science and engineering education at higher level

in order to cope with future requirements of institutional and human resource development in the country. I would like to express my appreciation to the Government of Japan and many other countries for their special interests and consideration in addressing education and training requirements by carrying out the projects in more systematic approach.

Mr. Chairman, Thailand is increasingly interested in expanding international cooperation to our neighboring countries through Thai International Cooperation Programs. We had started our international cooperation programs with other developing countries since we became a member of Colombo Plan in 1954, by accepting fellowships, and currently in 1991, some one thousand participants were accepted for individual and group training courses in Thailand.

DTEC is also playing central role in administering Thai International Cooperation Programs. In 1993 fiscal Year starting last October, the Thai government has appropriated a special budget provision with a total of 200 million baht or 1,000 million Yen in addition to the regular budget of 58 million baht for promoting these policy objectives. We try to place our first priority on the neighboring Indochina countries and strengthen our cooperation in the form of technical cooperation such as fellowship, expert assignment, and equipment.

At present, the Thai government is studying model of some donor countries in order to set an appropriate mechanism and system for planning, implementation and coordination. This year, DTEC has been restructuring its organizational structure so that a new division with a donor's role has been established on country-wide operation.

We are very proud to emphasize that Thailand could provide opportunities for training on the region-wide basis. Because of the fact that there are such training and high-learning institutions in Thailand, many of which were institutionally developed and strengthened with the past technical cooperation from donor countries.

In conclusion, I would like to stress two very important points. First, the Thai government needs to share its experiences with other donor institutions and donor countries in terms of staff training and innovative organization of work that would prepare us as the future development programs administration unit. Second, we would like to develop and strengthen our international cooperation programs as regional center of excellence placing more emphasis on human resource development, and provides the best possible and appropriate training and education in the region. And this kind of symposium, Mr. Chairman, can very well support these 2 points.

Thank you very much for your attention.

PRELIMINARY SUGGESTIONS BY JICA

Takeshi Kagami
Managing Director
Planning Department, JICA

Institutional development is a broad and rather difficult subject to deal with. We have had only two days to discuss such a complicated subject; nevertheless, I believe that this two-day symposium has been truly fruitful to draw lessons from Asian experiences and to identify areas where we should concentrate our next efforts.

Before presenting my view on future directions, let me try to pick up some salient points from this two days discussion which we have to bear in mind when we work out the future directions.

The first point is that institutional development is essential for sustainable development and it should be recognized and dealt with as an essential component of all development programs and projects.

Secondly, it is not sufficient to concentrate our cooperation efforts on a few selected organizations in an isolated fashion. It is important to induce or create a network of institutions at different levels and across different sectors which are coherently linked to pursue common objectives. We should do this with a certain caution of not making the project objective too broad and ambitious.

Thirdly, institutional development should be discussed in the socio-economic, political and cultural environment. This inevitably requires a multi-sectoral or inter-disciplinary approach.

Fourthly, there must be the political commitment from the central government in pursuing institutional development, existence of strong local leadership, local "ownership" of institutional reform programs, continuity of personnel and appropriate incentives.

Fifthly, to assure successful institutional development, a "participatory approach" and a "learning process approach", have to be adopted at all stages of program cycle.

These are the points which gave a good basis for me to do my homework last night to figure out a few specific areas for action which I feel our next efforts should be concentrated on. I present the following points on a purely personal basis as one of the panelists without formally representing JICA.

Firstly, there is a need for methodological research on the subject of institutional development. Such research would include clarification of concepts and terminologies, and elaboration of the analytical framework by which we could disaggregate a number of institutions without being trapped in the danger of over-generalization. The meta-methodology presented by Dr. Uphoff as well as the organizational field approach and related task analysis suggested by Dr. Eylers and the linkage analysis by Prof. Tabe seem to offer good basis for further consideration. There is a need to know how to measure

success or failure for projects to promote institutional development. I believe that some new methodological research would enable us to select sensible indicators and to develop monitoring tools in institutional development in cooperation with research and action organizations in Asian countries as suggested by Ms. Esguerra.

Secondly, it is important to draw further lessons on institutional development from Asian experiences. Asian countries have successful development experiences, and therefore, it would be interesting to know more about the inter-relationships between institution development and socio-economic development. In this regard, some comparative studies may be useful to illuminate the dynamic link between institutional development and economic development, as between for example, Southeast Asia and South Asia, or between selected countries in Asia and other regions. Similarly, it is also important to draw lessons from somewhat positive Asian experience on the role of the government or public sector in developing a healthy institution network. We all know that there are particularities in each country's development; nevertheless, to draw a number of lessons from the Asian experiences will be of great importance to other regions which are seeking for a difficult task of blending public and private initiatives.

Having said this basic directions of our efforts, there seem to be a number of areas in practical field which call for critical review and policy changes on the part of organizations concerned with development cooperation.

First of all, there is a need for sensitizing our people to the importance of institutional development, as well as for developing a mechanism by which this issue will be addressed at all stages of program cycle. Such efforts may include critical review and revision of programming manuals and training modules which are currently used in donor agencies, the counterpart governments and other concerned organizations.

Secondly, it is being recognized that the current mode of operation in development cooperation may not be very suitable for bringing about successful institutional development; there, need critical review. As pointed out during the symposium, a sectorial approach in programming and a period of programming cycle may have to be reviewed to assure successful institutional development. The often rigid procedural attitudes of recipient government agencies might also hamper the effectiveness of institution development efforts. As one of the remedies, it might be of value to have short courses on institutional development for the personnels in concerned agencies. Such courses should help them re-shape their views/attitudes on institutional development and the role of international cooperation in it. During the courses, the participates could be provided with opportunities to critically review their own organizations, and also visit some institutions as case studies in which they could have simulation exercises to identify the strength and constraints in given contexts and discuss policy implications.

Thirdly, as some delegates suggested, for capacity building and strengthening, we should grasp more opportunities to mobilize and utilize local resources. I understand that UNDP as well as some

bilateral donors are putting more emphasis on local executing agencies and local consultants in program planning, implementation and evaluation. Since they know better the situation of their society, they could serve the need of the country more effectively. Some donors are also trying out twining arrangements between organizations in donor countries and recipient countries. This sort of shift in the thinking of donor agencies seems to be important in terms of capacity building/strengthening of the recipient countries, and will contribute to sustainable development. JICA has already made several steps to this end.

The last point may be related to further promotion of experience and knowledge sharing. Yesterday and today, we have learned a lot from this symposium, and another opportunity should be provided. However, I believe that there are other means to share our knowledge and experience. One of the possibilities will be to have joint activities such as joint planning, joint evaluation or even to have joint programs between donors international agencies. This line of cooperation is now underway between JICA and World Bank and with some donor agencies. In working together, each will learn new/innovative approaches in institutional development. The checklist prepared by USAID, the task analysis presented by GTZ and the Handbook being prepared by the World Bank are indeed very useful tools to be shared among many concerned agencies. Between donors and recipient countries, we should put more emphasis on a consultation process and joint activities. Since the Meiji Restoration "Shi"- "Cho"- "Son" have been playing active roles in institution building which facilitated to great extent our socio-economic development. Now these Japanese regional and local administrations are keen on taking up opportunities to contribute to the global society. In this regard, they may be able to exchange ideas and knowledge in institutional development with those working in the local administrations in the recipient countries.

These are rather sporadic, preliminary view I have come up with. I should be happy if it might be of some help for further discussion on this very important subject.

Thank you very much.

CLOSING SPEECH

Shinsuke Hirai

Executive Director

Foundation for Advanced Studies on International Development (FASID)

I would like to express my deep appreciation to all of you for participating in this symposium. I would also like to appreciate the patience of the interpreters for just two more minutes.

We would like to express our deep appreciation to all of you for participating in this international symposium on the sharing of experiences in technical cooperation and institutional development in Asia. Our president, Mr. Ryoze Sunobe, was to deliver the closing remarks. But unfortunately he was called to the Prime Minister's Office, and is not able to deliver his address. On his behalf, I would like to give some closing remarks.

FASID is an organization which was established in 1990. It has sponsored and organized many symposiums and workshops in order to improve the quality of development assistance of Japan. Out of all these symposiums and workshops, I think that this one was the most effective and efficiently run.

In 1984, I came back from Burma and was assigned to the Economic Cooperation Bureau of the Ministry of Foreign Affairs. By that time, institution building and institutional development were of interest to donors, recipients, and international organizations. But, of course, there was no forum provided for anybody to express their views on these issues. In that respect we have been able to fulfill their dreams in this manner.

When we think of the objectives of overseas assistance, we say that it is an effort to try to develop self-reliance among the developing nations. And in this symposium, over the past two days, we have been considering the issue in various areas, including the marking of institutions and organizations, and manpower and human resources development. The views that have been expressed and the advice and suggestions that have been given to us will be very beneficial for future activities.

We had two different purposes in holding this symposium. The first was to promote understanding on the need for methodological research on institutional development. And the second was to establish appropriate means and methods for sharing various experiences in this field. I think that we have obtained great results.

Drying up of assistance funds and assistance resources have been in the discussions, but I think that Japan will be expected to play an important role in the future in this area of development assistance. The results that we have obtained through the symposium will not only serve to improve the quality of Japanese overseas assistance, but will also be making a great contribution to raising the efficiency and effectiveness of assistance given to the developing nations throughout the world.

As one of the organizers, I am very happy that this symposium has achieved great successes. Over the past two days, practical experience of experts has been exchanged and the results of academic studies have been exposed. We are very grateful to the panelists. The shared experiences will further contribute

to research in this area. And I hope that we, at FASID, will also be able to continue our research in this area.

Before concluding this symposium, I would like to convey our sincere thanks to Professor Usui, to Professor Muscat, to all the panelists who gathered here for two days, and at the same time, to the audience for their participation in the debates, questionnaires, presentations and so on. I would also like to express my deep appreciation to the interpreters and the secretariat staff.

Lastly, I would like to say that we have realized or renewed our realization of the importance of institutional development or institutional building, which should be continuously pursued by the colleagues concerned about this subject in connection with economic and technical cooperation projects and programs.

We look forward to further cooperation in the future. Thank you very much indeed.

