

国総研セミナーシリーズ

(93-9)

インドシナ諸国の人材開発協力のあり方とタイ国の役割

平成5年10月

国際協力事業団
国際協力総合研修所

総 研

JR

93-86

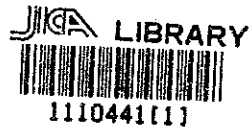
JICA
1236
IIC
LIBRARY

インドシナ諸国の人材開発協力のあり方とタイ国の役割

平成5年10月

国際協力事業団 国際

インドシナ諸国の人材開発協力のあり方とタイ国の役割



平成5年10月

国際協力事業団
国際協力総合研修所

国際協力事業団

25734

「国総研セミナー」とは……

国総研セミナーとは国際協力事業団国際協力総合研修所において行っているセミナーの略称で、国内外の有識者、援助関係者により、わが国の国際協力にかかわる関係者を対象に開発援助の現状、課題、展望等の情報を提供することを目的としています。

本出版物は、講師の了解を得て講演の要約をまとめたもので、編集の責任は国際協力総合研修所にあります。

国総研セミナー

テーマ：「インドシナ諸国の人材開発協力のあり方とタイ国の役割」

日時：平成5年10月8日（金）10：00～11：45

場所：国際協力総合研修所 2階 大会議室

講師：Dr. Chira Hongladarom

Executive Director of Human Resources Institute

Professor of Faculty of Economics, Thammasat University

（タイ国タマサート大学人材開発研究所所長）

（講師略歴）

米国ビクトリア大学経済学部卒業

米国ウィスコンシン大学大学院経済学修士課程修了

米国ワシントン大学大学院経済学博士課程修了

（現職）

- ・タイ国タマサート大学人材開発研究所所長
- ・タイ国タマサート大学経済学準教授
- ・インドシナにおける人材開発タスクフォース座長
- ・タイ国観光局委員
- ・労働大臣顧問
- ・社会安全評議会顧問

（前職）

- ・プレム首相顧問
- ・チャイチャイ首相顧問
- ・国家労働評議会議長
- ・タマサート大学副学長

インドシナ諸国の人材開発協力のあり方とタイ国の役割

(要約)

人的資源開発とは、技術協力の側面のみならず人々への協力であることから、公平さと尊敬を持って進めるべきである。例えば、アメリカのように、自国のやり方を押しつけるだけでは、協力は失敗するであろうし、人々の立場にたって協力することが重要である。90年代の開発援助は、これまでのやり方から一歩進み、援助国と被援助国双方が、長期にわたって、持続的に相互利益を得るような形式であるべきである。

インドシナ地域において開発を進める際には、次のような問題がある。

- ①インドシナ地域は、長い間社会主義体制をとっていたため、人々の考え方も社会主義的な枠組みから脱しきれていない。彼らを市場経済体制に慣れさせることが重要であり、日本やタイの経済体制等、教えるべき点は非常に多い。
- ②市場経済を進めていくには、失業問題、適正な技術の開発等の問題を解決する必要がある。
- ③インドシナ地域の人口増加率は、他の地域に比して高いことから、人口増加をいかに抑えるかが課題である。
- ④外国への優秀な頭脳流出が深刻であり、これらの人材を取り戻すための方策が必要である。

例えば、ベトナムは、他の3ヶ国に比べると人的資源開発の基盤が整っている。ラオスには、良い人的資源が少なく、都市部や官僚機構に集中している。カンボディアには、政治的安定が必要であり、内戦によって多くの人的資源が失われた。ミャンマーは、人的資源のポテンシャルが大きいですが、政治状況をまず安定させるべきである。

今後、インドシナ地域において人的資源開発を進めていくには、次のような点

を考慮すべきである。

- ①発展を達成するために、ドイツやヨーロッパは100年、日本は50年、タイは35年かかったが、現在のように、各国が緊密に関係しあっている状況においては、インドシナ地域の開発に何十年もかかることは好ましくない。そのため、同地域の開発プロセスを短縮化できるような人的資源開発政策を策定すべきである。
- ②今後の世界経済システムの中で孤立化することは不可能であることから、世界的な視野に基づいて、同地域の人的資源開発戦略を立てる必要がある。
- ③人的資源開発は、単に経済開発を達成するための手段ではなく、人々の生活を向上させ得るものとして、とらえられるべきである。
- ④人的資源開発戦略には、長期・中期・短期的な視野をもって、策定すべきである。例えば、長期的には、適切な人口規模や雇用構造を考慮した上で戦略を立てる必要があるし、中期的には、市場経済システムの枠の中での、失業対策や民営化を考慮すべきであるし、短期的には、国家レベルと地域レベルに分けた戦略を検討すべきである。

インドシナ地域の人的資源開発援助をタイがどのように行うべきかについては、いろいろな議論がある。ここ2、3年、タイは、同地域へ年間200万バーツの援助を行なっているが、被援助国であるタイには援助を行なうという経験が十分でないため、援助実施機関の能力にも非常に問題がある。

いずれにしても、タイが今後同地域への援助を拡充するには、歴史的な関係を十分考慮した上で、日本と協力して進めていくことが重要である。

以上

MODERATOR: Good morning. Welcome to the International Seminar of IFIC, Institute for International Cooperation. My name is Kuwajima of Research and Development Division of IFIC, JICA.

The topic of today's seminar is Human Resource Development in Indo-Chinese Countries from the Thai Perspective. It is my great pleasure to introduce today's lecturer, Dr. Chira Hongladarom from Thailand.

Let me introduce Dr. Chira a bit before we have a lecture from him. Dr. Chira is currently the executive director of Human Resources Institute of Thammasat University, Thailand. He is also the founder of this Institute. He is a well-known, outstanding expert on human resource development. He is also an Associate Professor of Economics in Thammasat University. He has been serving as a senior adviser to the Minister of Labor for issues on labor relations and human resource development. He is also an adviser to the Prime Minister Chachai. Recently, he was assigned as the Chairman of the Human Resource National Task Force for Indochina under the National Security Council. This task force, headed by Dr. Chira, submitted a final report recently as a policy recommendation for Thai policies in Indochina countries, a policy recommendation for Indochina human resource development. And so we hope that today Dr. Chira will touch upon his report that he has submitted to the Prime Minister. Firstly he will introduce us the concept of human resource development, and then he will give us an idea of the general efforts of Thailand for human resource development, and lastly he will introduce us about the projects he has in mind for the further development in Indochina.

So again, it's my pleasure to introduce Dr. Chira as today's lecturer. Thank you.

Dr. CHIRA: Mr. Hashimoto, the Director of Research and Development Division at this very important Institute, and distinguished participants first of all, let me express my appreciation to JICA, in particular the Institute, for inviting me this morning despite JICA's tremendous work burden in so many fields, recently the famous international conference on Sub-Sahara assistance was very well known.

Actually, I'm not a stranger in Japan. I have been here I don't know how many times, and I'm probably not a stranger in relation with JICA, although not always directly involved. And I must say that I appreciate very much the role of Japan at the moment in pursuing the global peace of the world. I think more and more Japan's involvement in the future is important. So when I have been invited, basically by Mr. Inagaki who represents JICA in Bangkok, I was very pleased, although it had to fit

with my tight schedule, I'm sorry that I can only stay here this morning in between the conferences organized by my friend, Dr. Hirono. However, my objective in this morning is very simple. You know, even though I consider to be somebody who knows a little bit about human resources, but I consider the people here listening to me are more important, so I will try to complete my presentation so that we have enough time for exchange of ideas.

Please understand that this seminar is more or less a two-way communication. I used to be a professor who talks a lot. When you get older, you talk less, and I see in this room somebody I know already, at least two or three of them. I was so pleased that I come here to see many old friends.

Since we don't have much time, let me begin by explaining my concept of human resource a little bit. This is a concept in the context of cooperation between Thailand, Japan perhaps, Vietnam, Laos, Cambodia, and perhaps Myanmar. Of course, the concept that I try to explain to my government as well to Japanese foundation and perhaps now to explain to JICA also, you know human resource development is not a technical cooperation only; it's people cooperation. It's a relationship between people to people. It goes beyond government to government. It's people to people in general. And whatever we do, even though Thailand is ahead of Indochina, and Japan is probably ahead of those also, we have to take into our mind that we've got to do it with equality and respect.

I have seen the failure of development efforts, especially from a country like the U.S., the USAID is a very famous organization, and even though whatever they do is very good, but people don't appreciate very much about USAID involvement in so many areas. There was a phrase called "Ugly American" for example. In Laos, if we're not careful, we will be called "Ugly Thai" also, the way we treat our friends from Laos. So whether you do it or not, one important thing is sensitivities to the needs of the people. Because your GNP is larger than any country, that doesn't mean you have more to offer to them. There's a lot more to learn from them also. In the world of capitalism, market economy, myself as an economist, you know that it's easy to talk about development index, GNP, per-capita income, blah-blah-blah. So I think this is very important, but hidden in that kind of understanding, you can do whatever you want, but you take people into consideration. That is one thing I like to share.

Second, the development effort in the 1990s is different from development

efforts in the 1960s. Information is more available. When you go to Vietnam, don't expect that they live in another world. They know a lot about what's going on in the world. So I think it's important that projects should gain long-term mutual benefits for two countries. This is why I was very unhappy when Time Magazine projected my country as "slash-and-burn capitalism", as people who go into Laos and Cambodia and extract timber and what-not. I tell you, this is a very sad thing for Thailand because in general we are not slash-and-burn capitalism. People in Thailand are full of culture like the Japanese. Of course, some merchants are always maximizing profits; that is the principle of capitalism everywhere, so I am very unhappy when somebody said, "The only thing people in Thailand want from Myanmar is timber; the only thing they want from Laos is electricity". We are much more than that, ladies and gentlemen, I want to tell you. So the second concept is sustainable, mutual and long-term benefits. Japan and Thailand go into Indochina for long-term benefits. Whether you like it or not, that is the important principle of cooperation. So this is one of the important things that we discuss in Thailand, and I'm afraid that when my concept was discussed, I think Ajam Bassurt also was there in one of the big seminars by National Security Council, when people from DTEC, people from ministries, listening to the ideas of this, they were a bit surprised, but at the end they understood, you see. Everybody understands this, but how do you present your case? I'm an academic, I have to look at the world this way; otherwise, I shouldn't be an academic. Academics should be sensitive, academics should be comprehensive, and academics should be holistic to look at the world like that. So I like to spend a few minutes on that so that some of you will find that I already have something in mind.

Of course, telling people here in this room probably is not that important, because you already have very good information about this; people who work in the field of development assistance already have changed, improved, and adapted to new things. But perhaps when you go to the implementation stage -- for example, let's take the case of Thailand, if DTEC, which is now the development department in Thailand, wants to send a team of experts to Laos, they have to do it with a lot of care and understanding. Whether these people going to Laos understand anything about history, of course language will be no problem because Laos can speak Thai, but what about history, what about religion, what about their culture? So I think this is something I like to share.

Now, as far as human resource development is concerned in those countries of Indochina, I'd like summarize briefly so that — in fact, if I leave this office, I will leave some of my writing to you. I have presented this paper already in Japan last year, so it's not a new thing, but since some of you haven't been to that conference, let me summarize some of my findings about Indochina development in terms of human resource.

I start with common features of human resource in Indochina. Let's look at the common themes first, as far as human resource development in Indochina is concerned. First, among the four countries including Myanmar, you have to understand that the practice of socialism has been going on for a number of years. Of course, in some countries it may be a bit more brief period than others. North of Vietnam longer than South of Vietnam and all that. So the mentality of these people is basically influenced by the practice of the socialist system. I think shifting away from socialist mentality to market system is one of the important challenges for us. The way they think, the way they act, the way they behave. You see, if Indochina states want to play a role as an international player, they have to be able to talk about qualities, they have to be able to talk about competition and all of that, so this is one of the common features, whether in Vietnam, Laos, Cambodia or Myanmar. The more you allow them to understand the functioning of market systems — in reality, not in the textbook — in Vietnam, they don't like textbooks, I tell you. In fact, Vietnam at the moment, translates everything under the sun. I'm happy to say they learned it from you, from Japan. They translate everything under the sun, and the use the Japanese model. In Thailand we don't translate anything. That's a problem with us.

Second, in transforming a socialist economy to a market economy, there is a lot of relocation problems, unemployment, skill mismatch, social sufferings. So take privatization in those countries. The reason why they don't do it is not because they don't understand it, but in order to move from state-owned enterprises to private sector is very costly for them, so I think this is something that we have to understand in our minds.

Third, I think in general, all the countries have more population than they should. Take Vietnam and Myanmar for example, existing high growth rate of population. To some extent, Laos and Cambodia, even though smaller size of population, the population growth rate in those countries is also extremely high. So the population structure at the moment is basically quantitative; the number of people there is

higher than they should have it.

Fourth, I think in terms of basic human resources, socialist system, to some extent, especially in Vietnam and Myanmar, they already have very good foundations of basic trainings. For example, in Vietnam I think mathematics and scientific training are relatively quite strong, even compared to Thailand, compared to countries that have gone through development before.

And finally, I think one of the important issues that I have told them already is that people who stayed behind in the countries in Vietnam, Laos, Cambodia, Myanmar, the quality of those people is not as good as the people that fled the countries. You see their best brains now in the U.S. from Vietnam; you see best brains of the Cambodians are in France, so I think the brain drain issues, to reverse them back to the countries, is something that I'd like to see happening very soon. The issue of human brain drain is one of the important issues among these countries also. That in general, are the common features. Let's see what are the differences. When you talk about four countries, you cannot talk about Indochina as a concept because they are different, they are not the same.

Take the case of Vietnam. I think, in terms of potential, they are much more advanced than Laos and Cambodia. When you talk about human resource potential in Vietnam, it's much, much greater than in Laos and Cambodia. For example, Vietnam has very good experience of working discipline. When they set their mind for an objective — for example in changing from having set an objective of fighting in the military field to fighting in the economic field, I'm sure Vietnam can be very strong in the future. That's as a good example.

Laos is a small country. The number of government officials that are very competent in Laos are several thousands, and they don't have enough good people, and most of them are highly concentrated in selected urban areas. So for Laos, it's another case. When you talk about human resources in Laos, you mainly deal with the government sector.

Cambodia is another case. Until political settlement there, it's difficult to talk about the potential of that country because of war and all. Cambodia is a good example of things that they should not do in the world. Killing the best brains and keeping the worst ones. I was in Cambodia recently, and there was a story that at the peak of the Pol Pot period, there were only seventy two people with bachelor degrees. The rest either left the country or died. So that's another case of reverse — I don't know

— a very negative aspect of human resource.

For Myanmar, which I think Japan and Thailand should work together for this country, I think the potential is enormous. I brought two of them to Bangkok for the first time. They are very good people; they know the basic principles of economics, but the problem of Myanmar is the broader issue like political aspects. Until they solve their political situation, I think the human resource issue in Myanmar would be much more difficult than we can handle.

Now, let me come to my second part of my thinking. In my opinion, human resource policy in the context of Indochina should have at least two or three principles in mind. One, human resource should be a strategy to cut short the development process in these countries. I mean these countries can no longer rely on traditional time frame. Imagine Vietnam leadership is telling the people to wait for forty years so that they have per-capita income like Thailand, which is exactly 2,000 US dollars at the moment. Nobody in Vietnam will wait that long. If you speak like that, the political leader will never survive. At the moment, I think the time that human resource strategy could facilitate those countries, in order to move forward, must be shorter. I think in Chinese they call it "leap forward". If you want to borrow the word, fine. But I think I'd tell the leadership in Vietnam whenever I go that if you learn from Japan, you learn from Thailand about human resources. And if you do it properly, you save them .

Yesterday, Richard Jolley, in his speech, talked about time frame of the world. England took 150 years to develop; I think Germany and European countries took a bit shorter, about 100 years; Japan took about 50 years; I think Thailand took about 35 years. What about Vietnam? They cannot wait 35 years to develop because they live in the global relation now. They know development effort. Economic may be different, but in terms of information, when you bring people like that to Bangkok, they have seen with their own eyes, and they don't want to wait 35 years, definitely not. So this is something — I think the leadership of these countries will find the usefulness of this concept, human resources, that at least it will speed up their efforts of development. If they take the effort carefully and quickly, compared to a country like Thailand, we developed very fast, but we exploit our natural resources — all of it — until the last five years, we noticed that the only thing that propelled the country forward is the quality of human resources. I'm a director for twelve years, I've been talking about that, and now I think people believe me more and more in

Thailand. So if I convince the leadership in this country not to worry about natural resources — for example if Vietnam has a lot of energy at the White Plane, or whatever they call it, don't be over-confident that it's your path to development because having a lot of oil underground will not solve your problems of seven-two million, definitely not. Recently, in the government of Myanmar, they've begun to have no more concession for timber. Thailand also. I think they also learned that selling timber for cash would not solve their problems.

So I think if you develop human resources with more realistic aspects and more realistic approach, I'm sure they can leap forward very quickly to the development path of other countries. I can see that even in my own lifetime, the next twenty or twenty five years, these countries will emerge strongly in the effort of development effort.

Second, they must take human resource strategies in the context of the global system. Even though Laos, Cambodia, and Vietnam at the moment may not be part of the global economic system, they cannot be isolated. The human resource development issue is a part of the international economic relation. Recently they're talking about joining ASEAN. There is a debate right at the moment whether these four countries would take five, ten or fifteen years to join ASEAN. In fact, there was a debate already in my group, which I'll explain to you later, when a group of Vietnamese came here to Thailand, there was a debate among themselves over when they would be joining ASEAN. The most pessimistic view is ten years. The most optimistic view — which is mine, I'm an optimistic man — I want them to be in in five years. Of course they can join other things that we and Japan work together, either APEC or PECC or the one that Mr. Mahatir wants to support, the East Asian Economic Caucus or whatever. They could join that also. So I think it is important that they have to take into context of the global economic system.

Third, they've got to take human resource as means to achieve economics as well as end process. They have to think about the final product, what are the end results to the people. You see, in a market economy, sometimes, you think of human resource as equipment to make the country better, but you forget about quality of life; you forget about end result, happiness of the society. So this is something that I explain to most of my friends, whoever they are, that they should take this into consideration.

And finally, I want to formulate human resource strategy at least in three time

frames: long, medium and short. But long, medium and short are related together. Human resource is a protective war. You go on doing it forever, but you must have strategies of what are the achievements in the short-run, and what are the achievements in the long-run, and what are the medium-term. This, I think JICA can take it into consideration that when you start helping those countries, you shall have to have interlinking between program and projects. But short makes medium-term possible, and medium-term makes long-term possible. Let me try to give you an example of what I mean by long, medium and short. Of course, my view is not the only thing you should listen to; you should formulate some of it by yourself.

I see at least two or three things that I like to see in terms of long-term. First, you have to look at your size of population and appropriate age structure of the people. In development efforts, no countries achieve economic growth or development without appropriate population policies. Japan was a very good example of reducing population, even in the early twentieth century. Look at Thailand, very successful. You look at the Philippines today, even though you say the problem with the Philippines is Mr. Marcos, Aquino and all that, but I think the problem of the Philippines is an unfavorable size of population. It's so big compared to the resources available, and if they keep on talking about the role of the Catholic religion, forever let them talk about it. They'll never solve it. So I told them to look and to make projections ahead in each country. I think Vietnam is one of the serious problems because they have a very big population. However, Laos and Cambodia should look at it very carefully. Of course, Myanmar also. I'd like to suggest that perhaps this long-term effort of population size should be one of the important issues in the long-term aspects.

Second, I want them to look at in terms of the utilization of human resources, so you should look at economic direction of the countries. I tell you, look at Vietnam. Very serious. They have military personnel that are no longer military, half a million of them no longer in, and they have very big and new labor force coming into the market every year: 1.3 million of them, new entrants into the labor force in Vietnam, so they have to expand their job opportunities at least — without solving any unemployment — at least 1.3 million a year. With this economy, even if they grow at eight percent, the unemployment cannot be solved, definitely not. So I think the future direction of the Vietnamese economy for example is very important in terms of employment strategies also. What is your absorbing capacity in terms of employ-

ment, in agriculture, in industries, and in services? In fact, I told them many times that two sectors that they should think about very carefully are the construction sector and the tourism sector. So I think at least they should have in mind what is the future scenario for the next five, ten, fifteen years from now. And I also suggest to them that when you look at the economic sector, which moves the countries ahead in the next five, ten, fifteen years in terms of long-term, you also should look at it in terms of employment structure. What does the employment structure look like in Vietnam, Laos, Cambodia and Myanmar in the next ten to fifteen years? Unfortunately, if they don't plan it carefully, the employment structure in those countries will be like some country that is not very effective. Most of them still rely on agriculture. They've got to start increasing employment for the service sector and for the industrial sector also.

And finally, I want them to talk about investment in human resources, which is long-term: education, and training. You look at education as part of your long-term development goal.

Now, as far as the medium-term is concerned, I suggest that two or three important things must be looked at.

First, you have to start solving your unemployment problems quickly. You know, no society can go on with so much unemployment like this. I mean, the U.S. may do it, but because they have a good social welfare system to look after the people. I think in England, in France, they could have seven percent unemployment. But look at Japan. Your unemployment rate never goes up more than two percent. Your ability to absorb labor is unbelievable; they should learn from you, but you know, the urban unemployment rate in Vietnam is close to ten percent. Now, if we are maximizing peace, and the possibility of this region with the unemployment rate that high would be very dangerous.

Second, related to the unemployment is to move employment from the state sector to the private sector. How do you do it? Look at East Germany. It's not easy to move from the state sector to the private sector. The cost of doing that is prohibitively too high. You see, as I talked yesterday, in my lecture in front of the people, Dr. Hirono, a kind friend, shared by my friend Dr. Yasuda, I told them the socialist economic system has to jump in two steps in order to move in a country like Thailand. First, they have to jump from socialism to a market economy, which is very difficult. You don't solve all by solving only monetary policy, you've got to solve ownership

problems, land resources. But when you shift from socialist to market economy, you've got to make the market economy efficient also. There are so many market systems that fail. You look at Latin America; you look at Africa, the continent that you taught in, that's a market economy, but it hasn't been very productive. You look at our friend, the Philippines, and to some extent, you could even look at countries in South Asia, to some extent. So they have two hurdles to jump. That is another, second part of my concern. I have to be very fast, now; we have not much time. I think I'd like to summarize on this point. I will leave the paper with you later.

Another important point, which I'd like to mention in the medium-term impact, is to look at human resource restructuring in relation to market economy. You remember when the IMF talked about economic restructuring, they talk about tax, they talk about exchange rates, they talk about fiscal management. They never talk about human resources, the IMF, because they don't know how to do it. But at least in Thailand, in Japan, and people in the NIES area need benefit from efficient labor force. So human resource restructuring on the supply side alone in those countries would be in trouble because the state loves to produce human resources. Until you allow the private sector to play a role in human resources, like in Japan, like in the U.S., like in other countries, then you begin to have more system. I tell you, even in my own country, we haven't done enough for human resource restructuring, so at least in the medium-term aspects, actually I've recommended already to the state planning agencies in Vietnam to set up a human resource unit within the state planning earlier than the other countries and then look at medium-term and long-term things as much as we can.

I have another part also, but let me go on to the short-term solution. You know short-term means next month, next year or even the year after. You have no choice — there are two groups of people that you have to look after now. One is the government officials. Don't forget that these people have been trained in Russia. Many of them trained in Czechoslovakia. Many of them may be trained in Poland. I tell you, it is very good training, but at the moment, who would listen to people who have been trained in Russia, trained in Czechoslovakia? For example, in economics, they never talk about price as a role to allocate resources. Command economy training is quite different from market economy training, even in theories. So this is why Japan could do. You listen in terms of needs. In fact, I told Sasakawa Foundation already (I have done two training courses for them), but they're basically piecemeal because

we're only entering into one ministry. Even though we can train one ministry perfectly, we don't solve anything. So I told them, even in the short-run, you've got to formulate training needs among senior government officials both at national level and provincial level. I'd like you to visit those countries. Not only in Vietnam, but you look at provincial governor in Laos. I tell you, in Thailand if you can talk to people in the central government, you can solve it. But in Vietnam, you had better be careful; you can talk to people in Hanoi — you may not solve anything because decentralization in those countries is real, it is not just talk, talk, talk like in Bangkok. You know, you go to see me in Bangkok about human resource, I'll tell you how to do it. So I think the government machinery at the moment cannot function because they have to de-learn old things and learn new things. You look at the former Soviet Union, you look at Poland, you look at Hungary, the key to not-so-successful transition is the lack of understanding of market systems. It's not only the lack of it but the way they behave. Deep down, they understand, but they have had the system ingrained for so long. So this is something I certainly wish that they should do something about it very quickly. So that is one of my first recommendations.

The second recommendation is to train senior managers at the level of state enterprise sector. In Vietnam we call it Ministry of Light Industries. They run everything, from sugar to cement. And privatization alone is not enough. You've got to begin to let people understand management mentalities. Recently, MITI from Japan has gone to see me and they are thinking about supporting some management training also in Vietnam. There are a lot of efforts now. Recently AIT has set up a management school in Ho Chi Min City, in Hanoi. I think my own university will probably try to give them management training also. So the second part of it is very important. Management training for the state sector. You see, in Vietnam or in Laos or in Cambodia, there is not yet very good private sector. You should not wait until the private sector replaces that sector. You can wait forever. Some of these senior managers are at the level of state enterprises, so one of the recommendations probably for JICA to think about is to look at the Ministry of Light Industries, especially in Vietnam. They control everything. All kinds of production is in these people's hands, but these people never had to compete; these people never had to get raw materials at appropriate prices; they didn't have to negotiate; they don't know anything about market things, let alone, in the future, if they have to deal with international business. I was told that some of the deals being made in Vietnam are not very good

deals because they were under pressure from multi-national corporations. For example if they want to build oil refineries in Vietnam, they have nobody there to discuss, to talk, to deal. So this is another thing that I'd like you to consider.

My last comment about training is that I think Japan already has done something. I'd like you to take advantage of the Mekong Delta as a cooperative effort because so many countries along this Mekong Delta — the Mekong Delta project is something that would relate to development effort, especially at the people level — local industries, local service, and all kinds of things. This is something that I'd like to see some of that. Anyway, this is a sort of summary of what I have proposed in terms of systematic approach to human resources, but again, let me tell you that, still, the criteria of doing human resource development must be based on my original concept: you must let people appreciate what you do; you must do it with a sense of understanding and respect for people. Don't send so many experts there and expect to get response from these people; these people are different from us, you know. They don't maximize money yet. They're maximizing feelings and cooperation. They emerged from this because they have no choice. They lost the biggest support, the Soviet Union. They lost the biggest trading blocs, COMECON. What else do they have? You look at the situation in the Soviet Union on the television, it's clear-cut. Actually, the COMECON system, the trading system, is basically very, very efficient even though they don't use any prices, they still barter with one another, sugar for guns or petroleum. But this is no longer possible, and then suddenly they lost the biggest donor, Russia. In fact, there was a four billion debt that the Vietnamese may have to give to the Soviet Union. And somebody said, "oh no, there's no Soviet Union, only the state of Russia, so no more debt." And by the way, exports from Vietnam this year alone can only pay fifty percent of their foreign debts. The exports from Vietnam to the world is only two billion US dollars. So this is my first part. I'm sorry I spent a bit more time; I thought I would show you the slides in a moment. Let me come to my second part about Thailand.

By the way, I have to confess that there is not much discussion about what is the role of Thailand in relation to Indochina. Until the Prime Minister Chun LeekPai came to power last year. He sat as the Chairman of the National Security Council. You know the National Security Council also in the past was basically military-dominated kind of thinking. But because the cold war disappeared and because the Indochina conflict has disappeared, the National Security Council was looking for

some role to play. And luckily, the people who run the National Security Council do not look at themselves. They started opening up for academics. In fact, in the field of political development, securities, infrastructure, trade investment and human resource, they brought in several experts. For example, the reason I was brought in was because one of the senior advisers to the National Security Council was having a lot of students from Thammasat working in the National Security Council, and they just picked me as the Chairman of Human Resource Development. You see before, the word, human resource development, was basically a foreign aid to be given to those countries. In the last two or three years, the government set up two hundred million baht, slightly less than ten million US dollars, to be spent for Indochina and other countries, and that, interestingly enough, during the Anan government, the Ministry of Foreign Affairs will determine the use of that amount of money. Muffle is a very smart Prime Minister. He knows that if we use this with foreign policy, it will make it more effective. But of course, during the new government, there were two ministers actually in the same party, one is Minister Presson and one is Minister Shinawoot. Dr. Shinawoot is in charge of DTEC, and Mr. Presson is in charge of the Foreign Ministry. I was told that they divided the work. In other words, Shinawoot asked Presson that maybe this 200 million baht, he should do because DTEC is quite useful. Of course they said that DTEC had so many people who know how to deal with foreign heads. But I have to be frank with you. DTEC is very good at receiving aid — for example, receiving from JICA, receiving from U.S. — they don't know anything about giving aid, even though your government is going to train many DTEC people, but they don't know anything about history. They don't know anything about political development. Do they know anything about sensitive issues? Certainly not. By the way, we sent so many teams to those countries last year. We never had any orientation for them. The more we sent, we thought, the more they'd love us. It turned out that people in Laos, somebody said, "look, if you want to set up a Thai center here, please wait for a while. If you want to set up a Thai center in Vietnam, please wait for a while. If you want to send volunteers to my country, please wait for a while." In other words, they began to have distrust about Thailand. Who's going to do it? If you do it because you have the right to do it without understanding it, go ahead. It's probably not going to be very successful. So right now it's a very threatening point. The National Security Council's conclusion that we were working to two areas (I'm maybe bring the secret for Japan to have a look at it), in

infrastructure and in investment and trade will be under one Deputy Prime Minister in charge of economic affairs, who right now is a good friend of mine, Dr. Subyshy. He actually shares international economic committee like Mr. Kantur, he's a light trade negotiator. So I think this is fine because I think Mr. Subyshy was an academic before, he worked for the central bank before, and he knows a lot of academics so he brings many, many academics to work in this field. In fact, one of his advisers was my student at Thammasat University. Luckily, on the human resource issue, on the political issue, on the social issue, it's right now under Minister Bresson, Minister of Foreign Affairs. So in other words, all foreign aid in the future from Thailand to Indochina must be under this committee chaired by General Bresson. That, in other words, is the factor bringing back the resources that used to belong to DTEC. Outside foreign ministry goes back to foreign ministry. In fact, next week they will convene the first advisory committee, which consists mainly of academics like myself. I'm, right now, Chairman of Human Resource Task Force, and as the Chairman of Human Resource Task Force, I have to know — actually, this year the amount went up to 240 million baht; small by Thai standards — how my government is going to spend that money; otherwise, why should I be a Chairman, I should resign. And one of the conclusions, this important decision already approved by the Cabinet is that they want Thailand to be human resource center for Indochina. It's not a big building, no more big buildings, small buildings, but we'll coordinate with a lot of centers of excellence somewhere. We'll coordinate a lot with projects that the government of Japan has. For example, we will coordinate closely with the Ministry of Education in the area of technical training. We'll coordinate with a lot of Ministry of Labor in the area of skill development training and try to develop cooperation with Indochina.

Let me explain a little bit. This center is not going to be part of government. It's going to be like JICA, semi-governmental, but the board members will consist of Minister Bresson as the Chairman, maybe two Deputy Ministers in the board. He controls the policy of this HRD center, but the running of the new center will be semi-governmental. I know that this thing comes at a time when JICA also began to change that policy. Before, you never supported any non-government funding. I heard that there's a lot of support now for NGO, but it's still under the control at the policy level of the government. You know why I said that. Be very careful anytime you support government projects. The difficult part of it is that you don't have the

best people working for those projects because government do not keep good people in the government any more. So if you have a very good project or program, whose people are going to run it? Certainly not bureaucrats. I'm sorry to say that, because the best minds of Thai people now are either in the private sector or right now still in the university. Of course, if you want to be a bureaucrat, go ahead, do it, but you will not be able to keep them. And I think this center, I want it to be dynamic. I want it to be the place where I bring researchers from everywhere in the world to sit and talk about development effort in this part of the world because our term of reference is at least five countries at the moment, Thailand and the four Indochina countries. Human resource development center must also help Thailand, but when we help Thailand, then we'll be able to help other countries also. So I think when I get back from Japan, I will talk with Mr. Inagaki. Before he comes here, there was already some discussion of how we proceed, and as the Chairman, I have the right to say this, that if the concept is approved by my government, and my Prime Minister is planning to visit Japan sometime next year (you know, in Thailand that is never sure; you never know the present Prime Minister will stay that long; he has been one year already), but he already told me that he likes this idea and the cabinet already approved that Thailand should be the center for human resource development, so I hope that when he comes at least some agreement will be possible, will be discussed and agreed upon in Tokyo. This is a political decision. This is not committed or anything like that, but since I'm here as a guest of JICA, I would like to explain a little bit about my plan and projects. This is one of the things that I want to tell you.

I'd like to tell you another thing about Thailand and Vietnam and Indochina.

First, we should consider their history a lot, especially in Vietnam and Thailand. Of course, before the Americans went to Vietnam, we were in the historical part of it; maybe we were very close, but during the Vietnam War, my country decided to join the American forces to attack North Vietnam also. I think the people there remember it. But I still bet that beyond the leadership level, I mean a certain age of leadership in Vietnam, there is a new leadership coming up also, like in Japan. Why have you changed your political system? Because a younger generation of people are seeing politics differently. Although I was a product of Vietnam, I have seen it, I was part of it — not part because I've never been part of the military, but as a person in Thailand you've got to be accountable for that. But history is things in the past. The world is different now, so we have to make the young generation understand each

other, that as one of your famous consultant of Mackenzie, Ohmae, said, "this is a world without borders" and Thailand benefits a lot, and I'm sure when we benefit Japan will also benefit of having prosperity and peace in this part of the world. And don't be over confident that peace is something you can dream at night and get it in the morning. Peace must be nurtured; peace must be built, and the best part of it is human peace, isn't it? Human security, I think people will talk about it more and more. It's not a national security, it's a people security, and somebody even said, "It's a community's security." And what is the best way of creating more understanding between this part of the world? Don't forget that this part of the world has suffered a lot in terms of material gain, in terms of access to certain basic needs. They haven't had it yet. So even Japan, as the leader of the economic world — I give you the leadership now — has no way to avoid this. And I'd like to see you and us, Thailand and Japan, work together as partners. But you have to know how to deal with us also. If you deal directly with government alone, I don't think the success will be 100% guaranteed. There are so many different forces in Thailand now. People, NGO, business, private sector, and academics. This is why I'd like to come to JICA, not because I have something to say, but I think I'd like to share my vision because the traditional approach to development assistance is no longer possible. I emerged as the Chairman because I have this, a brain. I only have a brain, I don't have political power, I don't have position, but when I went to Vietnam, I was received by the Prime Minister. So we no longer base on status and position only. We base on whether you are effective or not at moving the country together.

This is why I want to come to my slides, and I will explain it a little bit. I was very fortunate to know one of the Japanese foundations here. Let me explain a little bit. In 1991 as a professor of Thammasat University, I was concerned about lack of investment cooperation between Thailand and Vietnam. You know General Shot Chai talks about changing war into marketplace. You look at geography. Thailand is right there in terms of closeness to these four countries. You fly to Yangon, you fly to Hanoi, you fly to Ho Chi Min, you fly to Cambodia, you fly to Hanoi. Never more than one hour and twenty minutes, the same as I go to Chiangmai. So there was a feeling that this country would benefit a lot from the opening up of Indochina. After two years, nothing happened much, and as an academic, I thought that maybe I should try, so I went to Hanoi and invited Mr. Fam One Kai — by myself — of course I got much help. I didn't know that Mr. Fam One Kai would be able to come

to my invitation. Actually he came with Mr. Do Kok Sam, which is the Chairman of State Planning to Thammasat. We organized an investment seminar, one and a half days at the Shangrila Hotel. I was lucky in the sense that at that time it was the end of non-government, and I brought Mr. Fam One Kai to see Prime Minister Anan who used to work for my father. My father used to be in the Foreign Ministry, so I asked him personally to see Mr. Fam One Kai. You know Sasakawa Foundation has conducted two or three important seminars here in Japan. So I invited Mr. Chiraso to attend my seminar, and he actually went there. And during the coffee break, less than three or five minutes, Fam One Kai, Chiraso, Dokoksam, and I decided, perhaps in order to have more cooperation, let's do some concrete projects together. So I suggested to them the best that I can do is to train some senior Vietnamese in Thammasat University. And the project started, and in the beginning of 1993, I began the first training courses at Thammasat University. It was so successful that it was followed a second training course last month, so I'd like to show you — in fact, I will leave my conclusion of the training course the second time in JICA, I will give it to your Director General so that whenever you need anything, most of the information is in here, I'm sorry that I could not bring everybody a copy; it's a bit heavy, but whenever you need more, you let me know.

The slides are showing you first training and second training.

Okay, this is a picture of Thammasat University, this is where I belong. I was a professor there for the last 23 years. Many of you know that it's close to Grand Palace.

This is the building of my Institute. I was there as a founder and I was a director for four terms.

This is my office.

And this is some of our publications. Actually the Institute has been involved in ASEAN human resource cooperation for the last ten years. We have had many cooperations with ASEAN countries.

And this is some of the previous work that we do. We conduct training courses with the ILO. We were the first. The one in the middle was the former Minister Subinbinkayan who was the Minister then. This is an example, you see I still look young. That must be about six or seven years ago. I look old now. So you can see the history of me also.

Now, this was the first time I went to Hanoi. Before I did any work, I went and

visited them first to discuss about cooperation. And the man in the middle on the right is a senior. Some of you should know him, Mr. Robbie Koh. Robbie Koh is one of the key persons in the state planning, and he's the one if he promises something, he delivers. If you want to know him, I can recommend you to a very senior person.

Now this was the first time I went there with my staff to discuss the first training courses.

And this is some of the visit in Vietnam before.

This is Mr. Do Kok Sam, the Chairman of State Planning. He's a professor, actually. You see, in Vietnam, the key person is the Senior Minister of State Planning Committee.

And this is when I met the former Ambassador of Thailand. You see, whenever I do, I go to the embassy people. This is the former Ambassador of Vietnam. So I presented my case to him before I was invited to Vietnam.

This is Mr. Fam One Kai. You should watch him. He recently was in the U.S. to meet with Mr. Clinton. I predict that he will replace Mr. Wo Van Kiet very soon, not because Mr. Wo Van Kiet is not important, but in terms of Japan. At that time we had three Ministers. The extreme left is Minister of Commerce, who came to the seminar, and next to him is Mr. Fam One Kai, and next to him is the Ambassador, and the one on the right is one of my colleagues who conducted the seminar together. So those are very historical pictures. Since then I think Mr. Fam One Kai has never been back to Bangkok — even at the invitation of the government — he's a very busy man, so I was very lucky to have the opportunity to meet him, and that's why the training course is important because he sent the best people. You see, training can be hopeless only because you want to do it, if they sent bad people to Thailand, we'd be in trouble, so I was very pleased.

This picture was the second time that we did the seminar. I didn't take many pictures of the first one because I wanted to move it briskly. This is the second time I did, which was last June. I was invited by the government of Vietnam again. The man on the left, some of you should know him, Phillip Arness, who used to be at the World Bank. I now ask him, you see, because he left the World Bank so I asked him to be my adviser. There are several deans, and this is the Vice-chairman of State Planning, Mr. Chun Kai who received me, and the one on the left is the two Japanese here. This is Miss Ishikawa, who is now in Bangkok, and Mr. Shirasu on the right, so we were received, and when we visit Vietnam, we do it together, Japanese, Thai, and

Vietnamese together.

This is Mr. Ho, that I said, a really senior person. Whenever I request anything, he'll deliver it for me, so I became very good friend of Mr. Ho.

This is Mr. Shirasu.

And this is the certificate of the first training course last January. You can see that SPF, Sasakawa Foundation and all that. You can see the way people smile. In the first training course there were thirty Vietnamese to Bangkok for five weeks to study market economy. The curriculum is in that book; you can have a look at it.

Now, this is the second. When I went back to Hanoi last June, Mr. Shirasu came with me, and this is Mr. Do Kok Sam, the famous Professor. You see, they received me very well. I'm only a small professor, actually. I should not meet Minister or Prime Minister at all.

Here is the second academic committee. That was the second Ambassador of Vietnam to Thailand, and we met to discuss. And the guy in the back is also the Dean of the Faculty of Economics, and the Dean of Faculty of Economics at Chiang Mai University. Also, we have a representative from the Foreign Ministry. Whatever I do, I want my government to know and support.

Okay, from now on, I will show you the way people send people to Thailand for the second time. This is a letter from the Vice-chairman of Laos. Unfortunately, I did not go to Laos myself, so they sent the names. You see, in the first seminar, we didn't have anybody much from the other three countries. We had thirty from Vietnam, one from Cambodia and one from Laos. And because it was successful, the Lao government said, "Please send more." so I invited three of them, and he already sent a letter to us.

Here. It's interesting. I was the guest of His Excellency Abell, Minister of Planning of Myanmar, so I went to invite him. You know, Myanmar is a very interesting country. It looks easy to know them, but it can be difficult because I asked the embassy people to go to see and express my invitation to him, but I am a professor of Thammasat, and they have to check me carefully. Because a Thammasat professor is very famous for bringing Dalai Lama to Bangkok. You heard about Dalai Lama? You see, I'm a professor also, but that doesn't mean that I have to do something destructive all the time. So it took me three weeks. In fact, they checked my wife's records, they checked my father's records, and finally I was there. You see, in this picture I cannot put it in Bakupaws because people would think I am supporting the

military leader; I don't — I don't support anybody, I support the people. Interesting, if you look at that. He extended a very warm welcome to me, and he sent two people with me to Bangkok.

That's my wife; she was also there. This is the first time she went to Myanmar, and I took a Japanese to Myanmar also. Here, interesting. The guy on the left is the Minister of Planning of Cambodia, Mr. Chanto. This is after the election. It was very difficult to find, so I went there with many of my friends. You see, I'm lucky because going to Cambodia is very difficult now, but I have friends who own the floating hotel in Phnam Penh, so he looked after me.

This is a letter I gave to him. And this is the Minister Chanto from Cambodia. Let me explain. The second training course I just finished, I planned it to be more regional. Twenty five from Vietnam, three from Laos, three from Cambodia, and two from Myanmar. And luckily, the government and Sasakawa Foundation agreed to my proposal.

This is where they begin to arrive. This is the one from Myanmar who came. I have my staff looking after them. I can see, this is people-to-people cooperation; it's nothing to do with government. I put them in VIP because I want them to feel happy. All of them in the VIP room, on the right is the Lao people, and on the left are the three Cambodians.

Now, this is the arrival of the Vietnamese people last August. You can see that nobody is young in this group. They're not sending junior people; no junior can come to this training course because we're talking about policy level. The training course, by the way, was five weeks. They learned macro, micro, human resource, and sectoral analysis: agriculture, industry, and service.

This is the opening. You probably know him, this is Dr. Amnoverawan, and the person on the right is Deputy Prime Minister. And the guy that's second is Mr. Yokohama, the Executive Director of Sasakawa Foundation. Sasakawa Foundation is very happy that whenever we do it, we promote cooperation of Japan, Thailand and Vietnam. The Sasakawa Foundation, even though it's only a foundation, they promote cooperation also. This is the Deputy Prime Minister.

This is the Ambassador of Vietnam. He also came to receive Mr. Amnoverawan.

And I asked each one of them to shake hands with the Deputy Prime Minister. This man is a good friend of General Shawalipnium, who became the Minister of

Labor last week, and also appointed me as his adviser. This is an interesting man also.

See? This is cooperation between people-to-people. You look at the way they look at you, eye-to-eye. I'm sure DTEC cannot do this. I'm not against DTEC; I'm not against them, they should work for me, rather than I work for them, eh?

This is Myanmar.

And this is the first opening ceremony. Ambassador and myself.

Here is the first panel discussion on the expedient of Thai economy to Indochina. On the left is the guy from Central Bank. Next is Phillip Arness from World Bank, myself, Dr. Naritt is now Vice-rector of Thammasat and Thammarat, and of course, he is the Deputy Secretary General in the SDB. And Mr. Raymond Eaton — you probably know him, he is a famous businessman who has a big investment in Vietnam. So they have a lot of discussion on the role of Thai economy.

Now, they go back to Thammasat. We have the room there for training. This is the first week, on macro-economics.

This is Dr. Prypon, some of you know him, the famous economist from Thammasat. A lot of Thammasat people are helping me. There were altogether thirty five professors speaking in this seminar.

This is the room we used for them. You see, for Vietnamese we have to use interpreters; we bring two of them. But for Lao, Cambodians and Myanmese, we use English also. Very intensive.

This is Dr. San Kom who is the Dean of the Faculty of Chiang Mai: he's showing his support.

We are already in Chiang Mai. The second week, I took them to Chiang Mai. You know, the first time we put everybody in Bangkok for three weeks — very bad — traffic is bad, so they enjoy going to Chiang Mai, and Chiang Mai University is very good. By the way, they discussed mainly agriculture, rural credit, land reform and all that in Chiang Mai.

This is a room in Chiang Mai.

This is one of our Vietnamese professors, Dr. Kuruki. You know him, he's a famous agricultural economist. You know, you have many Vietnamese who came to Japan in the early '60s, and you kept them here. Some of them talk very good Japanese also.

By the way, Mr. Sasakawa sent three Japanese professors to help the seminar

also, so I think to some extent we have learning process going on.

They watched the candy craft in the street in Chiang Mai, so some of you who've never been to Chiang Mai, this could be a good example for me promoting tourism in Thailand. Actually, I'm a board member of Tourism now. They went to see contract farming. They're interested in contract farming. You know there's a big company who lends money and technology to farmers.

This is in Chiang Rai. I took them to Chiang Rai to see the new growth rectangle, Chiang Rai, Myanmar, Laos and Kun Ming area. This was received by the Chamber of Commerce in Chiang Rai. This is Professor Nanorai. Some of you know him. Famous professor talking about the role of price in market economy. Very good man. I'd like to see him more often, he only went to Bangkok for one day and left.

This is another consultant who I invited, Mr. Bruton, the famous consultant. You see, if we have to pay this guy market price, we could never do a conference like this. Of Thammasat professors get some income, but guests like this do not --- they get some income, but below market price. It is a cost in human resource.

This is the Rector of Thammasat University, Mr. Noranip. I asked him to meet ... by the way, the leader of the second group is a member of Parliament. His family is in Vietnam. During the off-season of Parliamentary session, he works in the government. During the Parliamentary session, he looks after the bureaucrats, so sometimes he's the boss of Do Kok Sam, and sometimes he works under Do Kok Sam. It's a funny, funny system.

So we met Mr. Noranip. You know him.

And this is when we met Professor Noranip, the director.

Here, it's not very clear, but I took them to see Mr. Chun Li Pai. You can see the one in the middle is Mr. Chun Li Pai. I tell you, if I had to write a letter on behalf of the University to ask for Mr. Chun Li Pai, it would take six months because they would send the letter to the Ministry of Foreign Affairs. I just went to talk to him and said, "look, this group of people are very important; they come from Mr. Fan One Kai. You had better see him. So he was kind enough to meet them.

This is a very good picture, though it's not very clear, but this is the Vietnamese went back and every picture like this would be in the home because they were pleased. Though each of them was at the Director General level in Vietnam, but they met the Prime Minister. I never met Mr. Hosokawa yet, but if you would do that for me, I would appreciate it. Until I become Prime Minister, you know ... I don't expect

to be Prime Minister of Thailand — yet.

This is when they came to visit me at my house. This is where they show their happiness. Actually, all the things I said at the beginning is "people-to-people relations", human networking — I don't have to explain to you, it's shown in here. You know, Vietnamese don't smile that much. If you make them smile, then you're successful.

This is a study tour. I took them to see many government offices. Lot of good discussions.

Okay, I have no more things to say, so I'll want to open the floor for discussion, and if I can be of any help to exchange views, I'd be very happy to do that.

MODERATOR: Thank you very much Dr. Chira for a very informative lecture to us. Unfortunately, we have only ten minutes left.

Dr. CHIRA: Only ten minutes left? Ohhhh.

MODERATOR: Yes, only ten minutes left, so I think I can have two or three questions. If you make a quick question.

[QUESTION AND ANSWER SESSION]

QUESTION 1: Thank you for your excellent lecture. As I am in charge of Japanese Pacific Economic Cooperation Conference Research about foreign direct investment and human resource development, I agree with your comments about the human resource development is not only the means to achieve economic development, it should be the way to achieve also human security and peace, but now I want to ask one question about narrowly defined resource development depth and tell me about skills transfer or something like that. As you mentioned that Thailand should be a kind of center of resource development, I wonder about the current situation or human future perspectives of the relationship of private sector or industries' relationship between Thailand and Indochina countries. For example, do you think the foreign direct investment with Thailand would flow into Indochina countries or not, because we see the tendency of the NIE's countries's direct investment into ASEAN countries now. So maybe it would be possible to be made better or have Thailand's investment to Indochina countries because of the cultural relationship or background of those countries.

Dr. CHIRA: All right, good question. Very good.

First of all, it is true that in the future maybe direct investment from Thailand could be going further into especially Vietnam, maybe with the cooperation of Japanese multinational cooperation also. However, in terms of statistics at the moment, there were twelve countries ahead of Thailand in the ranking of foreign investment to Vietnam. Although Vietnam, as a whole, cannot compete very well with China. You know everybody's going to China now. But the potential of Vietnam for Thailand is much greater than China because of your suggestion, either in terms of geography, in terms of location, and all that. Now, human resource development the way I see it, can help in the following way. First, we should establish understandings between the two countries first. The reason why we haven't been able to do it is because compared to other countries, there are general misunderstandings about the business leaders going to Vietnam. Many of them are not using my concept of long-term mutual benefit, they're going in for short-term gain.

You know, making short-term gain is okay, but don't forget that Vietnamese leaders are very afraid of giving up their resources without benefit to the people. So I want to tell you frankly, that I know the business leaders very well in Thailand, and of course the business leader can rely on the leadership of the government. Like the

business leaders rely on Mr. Li Kuan Yu or Mr. Mahatir to go and lead the delegation like that to Vietnam. But if we have Mr. Anan or Mr. Chachai, I'm sure we could have done much better in terms of political leadership, but you know, Mr. Chun Li Pai is a very local leader. He's like a school teacher. He probably cannot lead the business sector very much, although he recently went to China. So in February next year, I will lead a group of businessmen, myself — of course they have to pay to be the guests of the government, and I will bring along some of the representatives from the government too, but I will be the leader of the delegation. And I probably will meet the leadership of the government also, so that we can establish cooperation in some way. I think at the moment, there are so many forces that have to work together, and I think academics, because of their insight into the country as well as their knowledge. If they don't trust me, I probably won't do it, and if they don't respect me, I probably won't do it, but once I have their confidence that perhaps I am somebody who knows the country very well and we have sharing of some benefits, then I will probably have to do it. This is a part of the human resource networking that I said. I'm operating on that.

Now, as far as future investment is concerned, so many people have asked already, why can't investment from Thailand compete with Hong Kong or Singapore or Malaysia. There are two things. One, the investment from Thailand to Vietnam is not a major one yet, it's a small one. The real, real investors I think have gone to China at the moment. Hotels, real estate, and construction. Second, we don't gather information enough. We cannot rely on the embassy; we cannot rely on a representative of the government to facilitate negotiations because negotiation in Vietnam has to go at least two levels, the national level and the provincial level. So whoever helps them to move forward, the real negotiations will probably speed up the investment flow. But it's natural that certain industries in Thailand: textiles, garments, certain kinds of electronics, maybe shoes, maybe plastic flowers, some of them have to move to Vietnam. There's nothing wrong with it. It's like when the yen went up, you went to Thailand, and benefited together. So I predict that if we don't do anything in the next five years, we'll be too late; somebody else will have gone in. And I think we should share this cooperation with Japan because Japan already invests a lot in Thailand. And Thailand should take value added products from Japan. Take for example Mitsubishi company is having Jarvinger of Thailand who exports cars. The car industry cannot go to Vietnam, but certain things like consumer electronics, tele-

visions, certain things like that, certainly can go together in Japan-Thailand. And certain things like textile and garment industries should also go there. So this is my hidden objective. We have to have trade and investment links. You cannot have people-to-people linked without resources or anything like that. But people and people human resource links, should lead together in that direction. I think the most difficult part of it is the trust among the two countries. There still are feelings of unhappiness because of the past history, so I agree completely with you. In fact, I'm inviting some Japanese leaders in the business coming along with me also. By the way, every time we had a conference training like that, JODC was forced half a day, and Mr. Tanaka, who is the counselor at the embassy came to talk about ODA, and several of your Japanese experts either from the Bank or from OECF talk about Japanese investment in Thailand.

QUESTION 2: I am very honored to give the last question. My name is Taniguchi as you know. Let me ask two questions. This is the relationship between basic training as you have explained which is very excellent in Vietnam or Myanmar and the general training for production and management which seems to be not so well in these two countries, too. So what will be your evaluation of this relationship within this good basic training or education and not-so-good management or production training. And in this point, do you think the effort of these, like Keidanren, effort to donate for establishing a engineering faculty somewhere in Thailand. Is this also workable in these two countries or in Indochinese countries? This is my question. Thank you.

Dr. CHIRA: Very good point. Yes. By the way, because I'm from economics, I have to speak with human resource and economics. Because I'm representing the institute, but the new center that I proposed to the government is, called as the HRD Coordinating Center for Indochina, we're going to have two basic lines of difference. One is scientific and technological, and one is sort of software. For example, King Mongkut, which received a lot of support from JICA certainly can come in. Engineering can come in also. So until then, until we move in that direction — you see, I'm giving you an example of what I have done as a person, as a professor — but the future is larger than that. For example, MITI is also thinking about technological training like Dr. Paisit who is the Chairman of the Technological Association of Japan. And I think Japan and Thailand should work together on transferring some basic technology to those countries.

By the way, Vietnamese in particular are very smart people. Whatever we give to them, we have to be careful, we've got to be concerned about their customer satisfaction. The reason why my project is successful is because I put in a lot of effort to make sure that this is good for them, mutually beneficial. Right now the government of Malaysia alone have a certain amount of resources to bring three thousands of Vietnamese to Kuala Lumpur, but so far, response is not very good. I can tell you, there are a lot of projects coming up now, but don't forget that these people also have a lot of competition. If Japan wants to help Vietnam in human resources, you've got to be careful also. It's not only the amount of money you go in with, and the amount of projects and programs, because Malaysia, Singapore, Taiwan, Hong Kong, and I'm sure Germany or Switzerland, can also help these countries. There's no lack of help, but they will appreciate it only when it fits with their needs. And the need must be carefully surveyed, carefully monitored, carefully improved. And you go right to the leadership of the leader also because people in Vietnam are working in a kind of grouping. This is something I think you understand already; it's no secret. It's not something where you send a letter or like that. They expect you to send the best people. No no, not a letter or anything like that. It's very informal, carefully planned, so the traditional way of DTEC doing is not doing well in my country, I have to say that. Because even though they have people traveling to Vietnam, the response is not very good. But of course DTEC must do it, and probably must improve it like JICA. If you go into Vietnam, you have to think about this also.

So I believe in science, technological training and especially the transfer of technology, but I myself cannot do it. And whenever the Center is set up, there will be a mix of software and hardware definitely. And hardware is not to be done at the institute; it has to be commissioned by good universities in Thailand. And you know, universities in Thailand are very good, but you've got to know how to manage them. Don't expect them to work. They don't want to work more because the pay system is low. You've got to know how to increase their effectiveness. By the way, if you talk about the Keidanren's support to Thailand, I think it's a very good idea, but again, you know, there's a lot of management difficulty in running this thing because on one hand, people who run the new engineering school cannot be university professors because the pay is so low, so we've got to appoint somebody. But then if we appoint somebody as an outsider, he has difficulty in talking to a professor who is in the normal system. But my plan of this institute has nothing to do with anybody, it's

independent. But networking — don't rely on any bureaucratic link, this is semi-governmental. But the Minister is the Chairman. He tells me what his foreign policy is, and of course we have board members from the private sector, and if Japan supports it, there will be many seats for the Japanese representatives. And I have to tell Mr. Inagaki that I expect my government to put in some money. It's not a free blank check, no, we should put in some support also.

It's very difficult to run a project like this in Thailand, the thing is doing well in Thailand for engineering, but in the long run, the cooperation from the University, the real Faculty of Engineering in Thammasat, which is using Thammasat rules and regulations, it would be difficult to network with this because the guy who runs it, Dr. Nopodon, is probably a bit more ... he's young and he's very efficient, then he needs support also. You see, in my project, it's not me. The rest of society supports me: government, private sector, and leadership. I don't have to work alone. I cannot do this thing alone; this is a cooperative effort, from the Prime Minister to the janitor at my Institute, we have to work hard together. And this is why human network is important. You've got to cultivate relationships. And I'm here to cultivate more relationships with JICA, and if we can work together, fine. If not, then we share some ideas.

MODERATOR: Thank you very much Dr. Chira for a very illustrative and informative presentation on the need for or the pattern of human resources in Indochina Countries, and also the role of Thailand and Japan in its support to the countries in that region. I think that today's lecture is very helpful to us in thinking about the possible approaches to support the countries in that region, and to think about a new form of cooperation between Thailand and Japan and especially the role of a non-government institute like Thammasat University in Thailand. Thank you very much.

JICA