Moving Beyond Charity to Philanthropy? The Case of Charitable Giving in Thailand

Natalie Phaholyothin

This paper outlines the characteristics of the philanthropic sector in Thailand today. It first describes the local concept of giving, which is intricately linked to Theravada Buddhism. Then, the paper provides examples of traditional forms of philanthropic institutions that are more closely associated with charity than philanthropy, followed by examples of innovative forms of philanthropic efforts. Given the trajectory of economic development in Thailand, opportunities to engage broader public interest in philanthropy exist and in order to do so, there is need for the sector in general to build stronger evidence of how public giving is translated into social impact. The main challenge to the Thai philanthropic sector is the limited attention to accountability and transparency, as philanthropic entities generally have not developed robust monitoring and evaluation frameworks that target outcomes. This can be turned into an opportunity to address the general lack of focus on strategy development, weak monitoring systems, and a limited reporting of outcomes.

Keywords: Charity; Giving; Philanthropic Organizations; Thai Philanthropy; Thailand

INTRODUCTION

Not much has been written about the evolution of charitable giving in Thailand from traditional practices related to religious giving to corporate and social giving today. There are very few scholarly works that have studied philanthropic activities in Thailand (Wattanasiritham, 2007). Two underlying reasons may be behind the sparse literature on the philanthropic sector in Thailand: 1) The understanding of philanthropy as a sector or a professional area of expertise is at a nascent stage, and 2) there are few examples of local organizations operating in a manner that qualifies as philanthropy as practiced in North America and Western Europe.

The purpose of this paper is to provide a general overview of the context of charitable giving in Thailand, and to analyze the current landscape of charitable giving with examples of emerging forms of socially conscious entities working towards the betterment of Thai society.¹ I will argue that practices of the current philanthropic sector in Thailand are generally closer to charity than

¹ This paper was written based on a series of grants funded by the Rockefeller Foundation in 2014 and 2015 towards strengthening the philanthropic sector in Thailand. Several of the sources used in this paper are drawn from grantee reports that were supported by the Foundation.
philanthropy. In the following, I will first describe traditional forms of giving in Thailand to establish the context of charity in Thailand, which is driven by deep religious beliefs in Theravada Buddhism where traditional forms of giving still permeate most socially-driven programs in Thailand. Then, I will present emerging local institutions which distinguish themselves by various characteristics that may qualify them as emergent forms of philanthropic entities. These examples demonstrate the diversity of Thailand’s charitable sector today, ranging from large Corporate Social Responsibility (CSR) programs to small foundations set up by ‘high net-worth individuals’ to an informal network of like-minded professionals who coalesce through Facebook. In the last section, I will describe the challenges that lie ahead for Thailand’s emerging philanthropic sector such as the need to strengthen accountability and transparency through stronger monitoring frameworks, and to build a collaborative culture across actors to leverage the impact of programs targeting similar social outcomes. The transition from a model of traditional charity to philanthropy is still in the making and the Thai case might demonstrate a home-grown repertoire of socially conscious forms of giving, or a local model of philanthropy that extends beyond financial support.

THE CONCEPT OF GIVING IN THAILAND

According to the Charities Aid Foundation’s (CAF) (2015) World Giving Index 2015, Myanmar ranks as the world’s most charitable country. The United States and New Zealand came in second and third place, respectively. Thailand was among the top 20, ranking number 19 globally. This is not a new record for Thailand, as the country has been among CAF’s top twenty during previous years as well. Looking over the previous five years, the CAF World Ranking Index places Thailand at number 16. The CAF calculates its World Ranking based on three components of giving: 1) helping a stranger, 2) donating money, and 3) volunteering time, with the assumption that giving and helping others are natural human instincts.

The CAF report attributes Myanmar’s high giving index to the deep belief in Theravada Buddhism that translates into the practice of donating to temples, as well as volunteering time towards their upkeep and maintenance. Myanmar and Thailand rank number one and two respectively in terms of percentage of people and number of people who donate money to charitable causes. The CAF World Giving Index 2015 reports that, “both Myanmar and Thailand have a high proportion of Theravada Buddhists practicing Sangha Dana which drives this high donation rate” (p. 19). Sangha dana refers to the practice of charitable giving to the community of ordained monks. While Theravada Buddhism encourages the practice of donation to religious causes, it may not be the only driving force that contributes to the high levels of donations. Charitable giving in Thailand is influenced by the Buddhist principles of karma, as well as socio-cultural norms based on a political system rooted in kinship, family affiliation, regional ties, and networks that shape local attitudes on giving (Ockey, 1994).

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2 In the investment sector, private banking, and philanthropic institutions, ‘high-net worth’ is used to designate persons who hold a big amount of assets for investment.

3 Karma is derived from Sanskrit karman (action, effect, fate). I will use the Sanskrit spelling of the word in this paper.
Understanding charitable giving in Thailand must take into account the local belief system that is heavily influenced by Theravada Buddhism, which constitutes the socio-cultural dimensions of giving (Asia Pacific Philanthropy Consortium, 2001; Keyes, 1971). One cannot look at giving in isolation, but in relation to the drivers of charitable actions. The principle of reincarnation is a fundamental belief in Theravada Buddhism. All life forms are reincarnated in a cycle of birth, life, and death without an end unless one reaches nirvana, or enlightenment. Tham bun, or making merit, is a means to accumulate good deeds (Fuengfusakul, 1993). The role that karma plays in determining reincarnation is key to understanding why people give to charitable causes. Karma, as defined in Theravada Buddhism, is action that is driven by an intention. Good karma is action that is driven by good intentions and making merit or meritorious deeds will contribute to accumulating good karma. One’s accumulated karma will determine the kind of rebirth or reincarnation of future lives. This core belief is a fundamental principle that drives charitable giving in Thailand (Asia Pacific Philanthropy Consortium, 2001, p. 2; Nye, 2008). The common belief in the karmic cycle based on one’s accumulated good deeds incentivizes people to donate towards religious causes. Ordinary Thais make merit through various forms of giving. The most popular and traditional form of giving is to temples in the form of monetary contributions. Giving alms to monks in the early morning is also widely practiced. The practice of soliciting money from friends, family members, and colleagues for a merit-making trip to a temple is widespread. Another practice that reinforces one’s “karmic savings” is the practice of donations for oneself or loved ones who are alive, or also deceased (Asia Pacific Philanthropy Consortium, 2001, p. 2).

### Breakdown of Social Giving in Thailand:

<table>
<thead>
<tr>
<th>Most frequent beneficiaries of giving:</th>
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<tr>
<td>Temples or religious institutions</td>
<td>93.3%</td>
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<tr>
<td>Educational institutions</td>
<td>83.4%</td>
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<tr>
<td>Hospitals and health organizations</td>
<td>74.7%</td>
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<tr>
<td>Community organizations</td>
<td>65.2%</td>
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<tr>
<td>Royal-affiliated projects</td>
<td>49.6%</td>
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<th>Most trusted charitable organizations:</th>
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<tr>
<td>Temples or religious institutions</td>
<td>47.9%</td>
</tr>
<tr>
<td>Royal-affiliated projects</td>
<td>23.3%</td>
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<tr>
<td>Educational institutions</td>
<td>15.8%</td>
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<tr>
<td>Hospitals and health organizations</td>
<td>5.6%</td>
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<tr>
<td>Community organizations</td>
<td>4.3%</td>
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<th>Most effective charitable organizations:</th>
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<tr>
<td>Temples or religious institutions</td>
<td>31.6%</td>
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<tr>
<td>Royal-affiliated projects</td>
<td>20.4%</td>
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<tr>
<td>Educational institutions</td>
<td>20.4%</td>
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<tr>
<td>Hospitals and health organizations</td>
<td>14.2%</td>
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<tr>
<td>Community organizations</td>
<td>8.5%</td>
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Table 1: Breakdown of Social Giving in Thailand (Chhina, Petersik, Loh, & Evans, 2014, p. 92)
Also common in Thailand is to make contributions for the costs of funerals. It is customary that friends and co-workers make monetary contributions to the family of the deceased. Each contribution is made voluntarily and the amount is entirely based on the donor’s social status and ability to pay. Weddings also draw in monetary contributions. Such widespread social practices reflect social expectations in which giving serves as social glue in networks and communities. In rural areas, giving towards social events such as funerals, weddings, and the ordination of monks and novices constitutes a normal part of engaging in community life. Charitable giving as a social practice is meant to solidify the sense of belonging, the community, or the family. Local attitudes toward giving are influenced by the idea that if one is to give, then one should not expect anything in return. This notion may owe its origins to the Buddhist ideal of selflessness as a virtuous mindset that has a positive karmic value. Later sections of this paper will establish the link between this belief and challenges in transitioning from charity to philanthropy in Thailand.

**ECONOMIC DEVELOPMENT AND CHARITABLE GIVING**

Thailand is heralded as an economic success story. It earned the classification as a ‘high middle income’ country in 2011 according to the World Bank’s ranking. Except for the Asian Financial Crisis of 1997, the Thai economy has grown steadily in the past three decades at an annual average rate of 7.5% per year from 1986 to 1996, and at a slower rate of 5% from 1999 to 2005. As a consequence, the poverty rate fell from 67% in 1989 to only 11% in 2014 (Pasul & Baker, 1998; World Bank, 2016). As the country continues to advance economically and thus building a larger middle class, it is hypothesized that donations towards charitable causes would increase. Calculations done by the *Thailand Development and Research Institute* (TDRI) based on household surveys seem to support this assumption. In 2014, donations from Thai households towards charitable causes amounted to THB 75 million, or around 0.6% of Thailand’s GDP of that year (Sumano, 2016).

Despite Thailand’s impressive economic achievements, growing inequalities, especially those along the urban-rural dimension, pose a major challenge for the country to escape the ‘middle income trap’. This is understood as an economic development ceiling which a country is unable to surpass without undergoing major structural changes that require moving from labor- and capital-intensive industries towards an innovations-driven economy. Given the 2008 financial crisis that has affected the world economy, Thailand has seen sluggish economic growth with an average annual growth rate of 3.5%. The rural areas, where the majority of the population resides, still face serious disparities relative to their urban counterparts, such as access to quality education and healthcare. With new challenges to the Thai economy these gaps risk becoming wider. According to the World Bank, in 2013 80% of the country’s 7.3 million poor were living in rural areas (World Bank, 2016). Recognizing that gains from participation in the global economy are not distributed equitably to address urban-rural inequalities, there is an emerging awareness among NGOs, the development and research community, and concerned public officials in Thailand that the country needs to break out of the middle income trap. This might require innovations to promote specific reforms such as in the education sector. In this spirit,
a handful of local organizations and some private sector champions of Corporate Social Responsibility (CSR) are thinking of innovative ways to run their charitable organizations and turn charity – that is defined as giving without any expectation in return – into philanthropy, understood as investing from private sources for the public interest towards the goal of sustained impact.

Based on data from the CAF report, Thailand has ranked consistently high in terms of monetary donations. 78% of Thais reported having made monetary contributions while only 15% of those surveyed responded that they had volunteered towards a charitable cause (Charities Aid Foundation, 2015, p. 12). If time dedicated or volunteered to a charitable cause is used as the indicator, Thailand ranks 98 out of a total of 145 countries. This suggests that time is the rarer commodity in the lives of Thais today, and monetary contributions are the preferred means of charitable giving since it is easy to do ‘with no strings attached’. With the disparities growing between rural and urban areas, this pattern of giving indicates that charitable financial contributions would need to address problems that result from the rural-urban gap.

In a study on social investment in selected ASEAN countries, three main characteristics of charitable giving were identified in Thailand (Chhina et al., 2014, p. 91):

1. Giving is very much part of Thai culture and linked to religious beliefs in making merit or tham bun;
2. Charitable giving is done in an ad-hoc manner dominated by individual giving which is motivated largely through personal connections or affiliations;
3. A large part of charitable giving goes to religious causes, organizations, or projects under royal patronage, and well-known charities or foundations.

These findings, along with my argumentation here, suggest that traditional giving in Thailand is more akin to charity than to philanthropy. The first and third findings underline the assumption that giving in Thailand is largely driven by religious beliefs and is mostly done through traditional forms of charity represented by temples, established foundations, and charities. The second finding corroborates the notion that charitable giving is motivated by social cohesion and belonging to a group, as well as by the wish to enhance one’s social status or connections.

THE LANDSCAPE OF PHILANTHROPY IN THAILAND

In Thailand, royal charities and projects under royal patronage occupy a significant proportion of charitable giving and have contributed to improving the livelihoods of many of their beneficiaries, especially in remote and rural areas. The three principal royal charities are the Sai-Jai Thai Foundation, which began in 1976, the Chaipattana Foundation, and the Mae Fah Luang Foundation, both established in 1988. Numerous royal projects funded by these three royal foundations form the basis of Thailand’s charitable sector. Royal charities are the product of King Bhumibol Adulyadej’s (Rama IX; 1946-2016) vision to assist his people and improve their well-being through sustainable agriculture, conservation of the ecosystem, and maintaining a well-balanced and self-sufficient livelihood. These projects aim to foster solidarity among all Thais, wherein “Thais should help and support other Thais” (Sai-Jai
King Bhumibol started these foundations at the time when Thailand was still a low income country, surrounded by political instability and war in neighboring countries. The rural Thai population was desperately poor and had limited economic opportunities to make a better living. Hence, bridging the inequality gap lies at the heart of the mission of these royal projects.

The royal projects under the above mentioned royal foundations are distinct from the rest of the philanthropic and charitable sector in Thailand because they are managed systematically, are highly organized, and have been in existence over a relatively long period of time compared to CSR programs or activities of local non-governmental organizations (NGOs). They belong in a category beyond the diverse and fragmented charitable sector because they have reached the scale and sustainability in which impact to segments of society has been palpable. In addition, royal projects are systematically organized and managed by professionals who are hired for various tasks. The Doi Tung project, for example, is highly sustainable as it operates as a social enterprise linking local producers and small farmers to urban consumers in Bangkok and secondary cities. The Chaipattana Foundation funds projects not only in Thailand, but also in neighboring countries and in locations outside the ASEAN region. Hence, royal charities will not be part of my discussion.

The Thai philanthropic sector is composed of an amalgam of diverse types of organizations, ranging from NGOs, corporate giving programs, public funds, hospitals, and faith-based organizations, to well-established foundations and social enterprises (Wattanasiritham, 2007). To the public at large, all these organizations work in a sector generally known as the 'charitable sector' where there is little understanding between what distinguishes charity from CSR or from philanthropy. For example, in Thai there is no direct translation of the term 'philanthropy'. A broad translation of ‘charitable activities’ or ‘socially driven activities’ are used to signify the English term. Still today, the deeply engrained notion of making merit is intertwined with charity, as in the expression tham bun tham than, (literally ‘make merit, make a donation’). Thus, projects funded under various ‘philanthropic’ causes, more often than not, do not invest in building sustained impact for the beneficiaries, but rather, contribute towards immediate or short-term results. Giving in itself is a charitable act, and thus, the engagement of the giver ends once the giving is done.

A typical annual activity that is considered as ‘philanthropic’ in Thailand consists of the campaign run by a corporate or private entity to collect donations for the purchase of blankets for poor families in remote areas of Northern Thailand (ThaiBev, 2016). The assumption of the program is that poor rural families in the north lack blankets and so face hardship and health vulnerabilities during the winter months. The underlying assumption is that providing blankets will contribute to improving their well-being. There have been very few attempts to assess systematically whether such an endeavor creates the results that are expected, or whether there are alternate methods to improve the living conditions for disadvantaged villagers during the cold winter months. The understanding of the objectives of strategic investment to obtain a sustained outcome and impact is absent from such programs. Other philanthropic activities, supported by the private sector, consist of providing scholarships to disadvantaged children. Yet, there is little follow up on the educational achievements of the students, the assumption being that just providing
financial support is sufficient to improve the education of the recipient. Most scholarship programs fail to comprehend that a robust education is more than attending classroom lectures, but includes supportive structures such as counselling, working closely with the students’ families, and consistent follow-up that is made together with the school and the students, as well as connecting the students with appropriate career prospects. Similar to initiatives that provide blankets to poor villagers, these scholarship programs do not focus on sustained and strategic investments to have a positive impact on the students. Investing resources towards building enhanced capacity for teachers and more productive teaching methods might yield greater educational benefits for the pupils. Nevertheless, the most popular charitable cause remains scholarships to poor and disadvantaged school children (Sumano, 2016).

EXAMPLES OF TRADITIONAL PHILANTHROPIC ORGANIZATIONS

There are a few examples of well-established charitable organizations that bridge the traditional notion of ‘charity’ and that of ‘philanthropy’. More recently, new forms of philanthropic efforts by new groups of local actors have emerged as a response to the changing social and political content. The following examples are by no means exhaustive, but attempt to demonstrate some key characteristics of traditional philanthropic organizations that have achieved a certain level of impact and scale.

The Thailand Development and Research Institute (TDRI) undertook research on religious giving and found approximately 40,000 temples throughout the country with an average annual income from donations of THB 3.4 million, or USD 96,200, and associated annual expenditures of THB 2.8 million, or USD 79,200. Each year, the average total amount of money that goes to temples nation-wide is estimated at THB 100 billion or USD 2.8 billion (TDRI, 2017). This remarkable figure seems to support the CAF study and attests to the deep spirit of giving among Buddhist Thais. The problem is that giving is not accompanied by an equally robust accountability system. In the same TDRI study it was discovered that the majority of temples do not possess a systematic process of accounting, and accounting books do not meet general standards. In recent years, numerous scandals involving inappropriate uses of donation money by temples in Thailand have prompted the public to demand for greater accountability and transparency.

According to a recent study, from a sample of 39,513 households, 93% participate in giving towards religious activities (Kanchanachitra, 2014). The study defines this category of giving as ‘merit-making’, thus purely for religious reasons linked to Buddhist beliefs in accumulating good karma through making merit. The study also looks at giving as making donations for non-religious reasons, such as to established charities, foundations, and organizations. From the same survey, the percentage of Thai households that made donations to non-religious causes was estimated at 18%, considerably lower than for religious giving. The study also reveals that households that donate to charitable organizations for non-religious causes tend to have relatively higher household incomes and have a higher proportion of heads of households with a university degree. Based on these findings, it seems that there is much space for the development of the philanthropic sector in Thailand. As Thai households are becoming more urban and have a smaller family size, these households will have
fewer dependents and thus more disposable income. Thus there is the potential to broaden philanthropic engagement and to make giving more systematic and strategic by tapping into these educated and urban households.

Unfortunately, the study does not delve further into analyzing which categories of charities or foundations benefit the most from non-religious donations. Based on my field observations and discussions with professionals working in the non-profit sector, another category which receives significant contributions from the Thai public is foundations that serve the three main hospitals and medical schools in Bangkok: the Siriraj Foundation, the Ramathibodhi Foundation, and the Thai Red Cross Society which manages Chulalongkorn Hospital. For middle- to high-income households, donating to these large hospitals is compelling for several reasons. The first is that the institutions have well-organized structures to manage donations, and second that they have a clear mission easily understood by the public, which is to deliver quality healthcare and to reduce the pain and suffering from illness and disease. Third, these hospitals are recognized centers of excellence with a long history of public service to the people. The Thai Red Cross Society Board is chaired by Princess Sirindhorn. Royal patronage of hospital foundations provides a basis of trust among the public that their donations will be put to best use. Each hospital operates various trust funds and donors can specify that their contributions go towards a given cause. For wealthy individuals, giving to such hospitals or an affiliated trust fund is a common way to contribute to charity and to society in general, and one that also brings recognition to the individual and their family. Sizeable donations that for example support the construction of a new wing, or a new building at a hospital usually mean a visible outcome as well as broad recognition of the donation. It is common that a commemorative tablet, inscribed with names of generous donors, is placed at the entry of a ward or in the lobby of the donated building, or in a location visible to visitors. This type of giving by a select group of wealthy individuals instills a sense of longevity and permanence to the act of generosity, as infrastructure stands the test of time.

One of the best-known foundations is the Poh Teck Tung Foundation, which began in 1910 (Poh Teck Tung Foundation, 2010). Its activities were funded by a wealthy first generation of Sino-Thai merchants who settled in Siam or by the second generation who descended from migrants from China. The founders were inspired by the legend of a Buddhist monk who dedicated his life to serving poor and sick people to relieve them of pain and suffering. In 1937, the Poh Teck Tung Foundation was registered officially as the Huakiew Poh Teck Siang Tung Foundation. It had a revolving fund of THB 2,000, with a board of directors composed of 16 members. According to their website, the Poh Teck Tung Foundation is one of the biggest charitable organizations in the country. Its mission consists of offering relief during disasters, providing education and healthcare and supporting culture and arts. Among its best-known activities is their role of retrieving corpses from accidents and catastrophes and taking charge of them, including cremation if no family or relatives can be identified. One of their contributions was the construction of the Huachiew Hospital, a large hospital in Bangkok that provides a comprehensive list of services. As a well-established and highly organized organization, the Poh Teck Tung Foundation delivers visible and

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4 Thailand was formerly known as Siam. The name was changed in 1949.
quantifiable results. With the visibility of its charitable activities and a history interwoven with the development of Bangkok’s Chinatown, the foundation garners trust from the local community and the Thai-Chinese public, which in turn perpetuates the virtuous cycle of giving from individuals and businesses.

The philanthropic organizations cited in the examples above do not make their annual donation or programmatic activities easily accessible to the public. For example, all three hospital foundations have websites that allow easy donations online, but do not present details of their charitable activities or on how donations have been spent. The absence of such information might be due to weak interest from the public to seek such information after a donation has been made, thus reflecting the belief that giving is not to expect anything in return, not even following up on how the donation was spent or the results of the contribution. Another plausible explanation is that setting up monitoring and evaluation systems is relatively costly and requires specific skills and knowledge. The amount of effort and resources required for a monitoring and evaluation system may not be considered as a strategic use of funds if there is no real demand to use such data to improve performance or refine current programs for greater impact to society. Therein lie the limitations of most traditional philanthropic organizations in Thailand that impede their categorization as professionally-run ‘philanthropic organizations’.

NEW FORMS OF PHILANTHROPIC ENGAGEMENT

As Thailand has graduated into being an upper-middle income country, its socio-economic development has spawned innovative forms of philanthropic entities and charitable models of giving. These newer actors are as diverse as the more traditional ones. The entities I cover in this section represent some of the innovations and demonstrate the diversity of emergent philanthropic actors.

One of the largest grant-making entities is the Thai Health Promotion Foundation or Thai Health, founded in 2001 under the Health Promotion Foundation Act. Thai Health operates through a fund collected from a 2% ‘sin tax’ or excise tax on tobacco and alcohol, which amounts to approximately USD 120 million annually (Thai Health Promotion Foundation, n.d.). The foundation interprets ‘health promotion’ broadly through the lens of well-being, which encompasses four dimensions of health – physical, mental, spiritual, and social. The majority of Thai Health’s grantees are local NGOs, universities, and research institutions. With its large annual budget funding over 1,000 projects per year, Thai Health has been criticized for distorting the NGO sector by creating a monopoly on funding and influencing the priorities and programs of the civil society sector. With an annual endowment guaranteed by law from the Thai state, Thai Health is a key funding organization in the country.

Thai Health can be considered a new form of local philanthropy as its institutional structure best fits the characteristics of a typical foundation: 1) it has a secure endowment source, through sin taxes; 2) it does not receive donations or money from the public or any other source; 3) it possesses a governance and staffing structure comparable to other professionally-run foundations; and 4) it implements strategic programs. Thai Health is overseen by a board, managed by a CEO and run by staff recruited based on their qualifications. It has an independent evaluation board comprising of seven
members who are experts from areas in health promotion, evaluation, and finance. The function of the evaluation board is to execute overall performance evaluations of the organization, and according to state legislation, Thai Health is obliged to report annually to the cabinet as well as to both houses of the Thai parliament.

In Thailand, large foundations such as Thai Health are the exceptions rather than the norm. Philanthropic efforts of wealthy individuals are made primarily through the family corporation with some activities managed by a small family foundation. In the study undertaken by the Lien Centre for Social Innovation, families of high net-worth individuals in Thailand, as in other Asian countries, engage in charitable activities through two principal channels: a family foundation that often focuses on charitable purposes such as in the areas of youth, education, and poverty alleviation; and a corporate program attached to the family business (Chhina et al., 2014, p. 93). The study concludes with the emerging trend in Thailand in which philanthropic activities are being pursued out of corporate entities rather than private foundations. Corporate Social Responsibility or CSR is a subject that is broadly understood by the general public and the urban middle class and thus has attracted more interest than philanthropy (Chhina et al., 2014, p. 93). The Stock Exchange of Thailand (SET) even set up a CSR Institute in 2007 and the Asian Center for Corporate Social Responsibility (ACCSR) was created in 2009 based at the Asia Institute of Technology in Bangkok. While this may be a positive sign for CSR in Thailand, family foundations remain small in terms of size of endowment and staffing, with family members facing the challenge to dedicate sufficient time and effort in managing the foundation (“The Changing Face”, 2015).

Thai corporations, led by Siam Cement Group (SCG), Central Group, and Premier Group, are re-thinking how they engage in the betterment of Thailand by leapfrogging traditional models of community engagement, volunteering, and ad hoc donations by setting up programs that empower local communities through activities that build their capacities and valorize local resources (Chhina et al., 2014). SCG is the kingdom’s oldest and most highly respected conglomerates, founded in 1913 by King Rama VI (1910-1925) to provide domestically produced cement and construction materials for the country’s infrastructure. SCG started the SCG Foundation which focuses on children, youth, and community support during disaster relief efforts, such as the Indian Ocean Tsumani in 2004 and the floods in 2011. For the year 2012, the SCG Foundation reported on its website that it disbursed THB 563 million towards community development, social infrastructure, and the environment (Chhina et al., 2014). Given the size of its annual CSR disbursement, SCG is among the top corporate givers in Thailand (Onozawa, 2013). Chaovalit Ekabut, currently president of SCG, explains that “CSR is not an extra activity, it is our duty” (Chhina et al., 2014, p. 21).

Central Group is the country’s largest retail conglomerate, which has expanded into real estate, commercial property development, hotels, and restaurants. Central Group began as a merchandise store located in Chinatown, founded in 1947 by Tiang Chirathivat, a Hainanese Chinese who immigrated to Thailand. In 1957, his son Samrit Chirathivat opened the first Central Department store. Like many Asian family-businesses, ‘Central’ – as it is commonly referred to – is now run by Tiang’s children and grandchildren. One active family member who oversees Central Group’s CSR program is Busaba Chirathivat whose strategy aims to link local communities to its supply chain, explicitly working with local government agencies through the
state-run OTOP program to source products and materials.\(^5\) Central brings its purchasers and merchandising managers to train communities in developing products for their market. Participating communities which face cash flow problems receive accelerated payment for their goods. This program works in 25 provinces with 45 communities across Thailand (Chhina et al., 2014, p. 95). Another feature of their CSR program is to work with persons with disabilities through the *Mahathai Foundation* – Thailand’s largest association for disabled persons, which helps identify appropriate candidates to work at Central Group’s repair and call centers for Central’s Power Buy, an electrical appliances retail chain.

Many extremely wealthy individuals run CSR programs through their own corporations, and thus, may not be drawn into creating their own private foundations, which are time consuming and intellectually demanding. According to an article on the website of Wealth-X, a business specializing in global wealth information, family foundations are gaining ground in Asia among the wealthy as a way to deliver charitable activities, and yet, creating such foundations may prove to be easier than actually managing them:

> The Asian foundation industry is in its infancy compared to Europe and the US, although it is on the rise ... There is no official estimate for Asia but it is likely to be less than 10,000, experts say. Many of these have fallen into inactivity as they don’t have a dedicated professional running them ... ‘Many family foundations in Asia were set up by the patriarch years ago and are now dormant, usually because the family has been too busy running the business’ Chow [a philanthropy consultant at law firm Withers Worldwide] said. (“The Changing Face”, 2015)

An exception to this general trend is Premier Group’s chairman, Vichien Pongsathorn, who provides a cohesive strategy to the company’s CSR program. Premier Group is involved in a range of businesses ranging between consumer products, real estate and hotels, IT, transportation, environmental services, and what it calls “social sustainable development” (Premier, n.d.). Vichien believes that one of the missions of the Premier Group should be to mobilize greater participation from Thai society in resolving the country’s pressing problems (Chhina et al., 2014, p. 96). A key distinction in Premier’s corporate philanthropy is the recognition that partnerships and involvement of other stakeholders are critical for the creation of positive and lasting changes in Thai society (Premier, n.d.). Committed to philanthropic efforts, Premier Group garners 5% of its annual net profits towards its social sustainable development programs (Chhina et al., 2014, p. 96). This amount is unprecedented in Thailand as the corporate tax deduction is set at only 2% of net profits.

The Premier Group has taken a different strategy than other corporations. It has created four foundations to fulfill its mission: the *Yuvabadhana Foundation*, the *Enlive Foundation*, the *Khon Thai Foundation*, and the *Pan Kan Society*. The Yuvabadhana Foundation that started over 20 years ago helps disadvantaged children throughout the country through educational scholarships, support programs, and mentoring.

\(^5\) OTOP stands for “One Tambon One Product”, and is a program supported by the Thai government that aims to encourage each district or tambon to produce and sell a distinct local product made from local resources and by the local community.
Three million children benefit from their programs (Yuvabadhana Foundation, n.d.). The Enlive Foundation focuses on building increased awareness of the importance of preserving the environment and aims at promoting sustainable eco-tourism in which natural resources are preserved. The foundation encourages the involvement of local government agencies, local communities, and associations in its projects (Enlive Foundation, 2016). Enlive Foundation’s annual reports are easily accessible from its website – a practice that is rare among Thai non-profit organizations. Founded in 2011, the Khon Thai Foundation has an ambitious goal of “creating a better Thai society through the development of scalable and replicable collaborative platforms [that] enable active citizens from all sectors to work together for the greater good for society” (Khon Thai Foundation, n.d.). The fourth foundation – Pan Kan Society – is a social enterprise in which profits go towards the Yuvabadhana Foundation’s scholarships. ‘Pan Kan’ comes from the Thai term baeng pan meaning ‘to share with each other’. Pan Kan outlets collect donations of second hand clothing, books and household items which are in good condition, from the general public, and resells these items in Pan Kan shops at very low prices. It has faced a great increase in profits and is now undergoing expansion by also working with Mahathai Foundation to help that organization to set up their own versions of social enterprises (Chhina et al., 2014, p. 96). In 2016, Vichien Pongsathorn was listed among Forbes Asia’s top philanthropists along with Harald Link of the B.Grimm Group (Koppisch, 2016).

The American business magazine Forbes has reported about noteworthy Asian philanthropists in its annual rankings, and in an article published in their print version on September 2015, entitled “In Asia, 40 Heroes of Philanthropy Are Making Their Mark” (Koppisch, 2015). It selected people who give their own money rather than re-purposing a percentage of their company’s revenues towards charitable causes because, according to their opinion, “donating shareholder funds isn’t exactly philanthropy” (Koppisch, 2016). Three philanthropists operating in Thailand made it on the list: Anchalika Kijkanakorn, Thanong Leissaranukul, and a German national who runs philanthropic efforts in Thailand, Philipp Graf von Hardenberg. Anchalika Kijkanakorn is managing director of Akaryn Hospitality Management Services and created the Pure Blue Foundation in 2010 as a way to link her hotel business to environmental conservation and community service. Thanong Leissaranukul is President of Sittipol Group and spearheaded the Spare Human Parts campaign to change public opinion on organ donation. At Sittipol, 30% of the profits or approximately USD 3.3 million are earmarked annually towards the Spare Human Parts campaign and for the assistance of the physically and mentally disabled and teachers in the armed conflict southern provinces of Thailand. In addition, the group’s 20,000 employees can apply to fund books, equipment, or other support for schools in their respective hometowns (Koppisch, 2016). After the 2004 Indian Ocean Tsunami, Philipp Graf von Hardenberg established the Yaowawit School, which serves orphans, and the Children’s World Academy – a supporting foundation. The school continues to educate underprivileged children in Kapong, in Southern Thailand, and has raised donations of more than USD 5 million for the school. These philanthropists are neither household names nor well-known within the CSR or corporate philanthropy sector, but nevertheless demonstrate the emergence of a new breed of Thai philanthropists who have the desire and the drive to make a positive change with their wealth and privilege.
There are also recent models of local philanthropy-cum-social-enterprise created by Thailand's urban and techno–savvy millennials. One such attempt that is becoming increasingly sustainable as a social enterprise is the platform Social Giver, which operates as a social enterprise that connects businesses to consumers by allowing businesses to sell excess capacity that otherwise would be unused, to consumers who can purchase services and goods at a bargain. For example, service providers such as restaurants or hotels can offer a discounted menu set for two or a hotel room on a certain date for a reduced price because there is no demand for those services on that particular date. This creates a win-win situation for all since the business operator can fill the excess capacity, the customer can purchase a service at a reduced price, and a clearly indicated charity receives a financial contribution from the sales of excess capacity. A significant percentage of Social Giver’s profits go towards supporting development projects and charitable causes. The idea is that all businesses at one time or another face excess capacity that goes to waste, and this excess can be turned into a win-win model for business operators, consumers, and society as a whole. The transaction is conducted through Social Giver’s online website.

Another similar effort is Tae Jai, which can be translated into English as “giving from the heart” and is an internet-based platform that connects individual donors to numerous development projects implemented by local NGOs, communities, and charities. It is supported and managed jointly by a network of non-profit organizations such as Change Fusion, the Khon Thai Foundation, Ashoka Thailand, the Thai Young Philanthropists Network (TYPN), Open Dreams, and Krung Thep Thurakit newspaper. According to its website, Tae Jai has raised close to THB 13 million from 3,631 donors for 179 projects throughout Thailand. Donors can follow the progress of their chosen projects, and once a project is completed, it is reported on the Tae Jai website. Tae Jai’s innovation lies in connecting individual donors directly to development projects by providing both transparency and accountability through their vetting system and online monitoring.

The third example of innovative non-profit organizations is Teach for Thailand that addresses a pressing problem that most Thais are likely to identify with: inequitable access to quality education. Reforming the education sector is a critical pathway for Thailand to breach the middle income trap and propel itself in the ranks of an advanced economy. Teach for Thailand is a member of the global network, Teach for All, and aims to build young leaders through a model adapted to suit the context of Thailand’s education inequities. It aims to develop a new education model for low income school children who live in slum communities in Bangkok. The model of Teach for Thailand is to recruit professionals and university graduates to teach at schools in poor neighborhoods where the majority of students are underprivileged. Each teacher-volunteer works to inspire, mentor, and evoke positive change among the students. Each volunteer will teach for two years. The goal is for young Thai professionals to become more engaged in teaching and giving back to society. Teach for Thailand recognizes that youth cannot fully develop into productive and socially engaged citizens without role models, mentors, and teachers who inspire them.

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6 Teach for Thailand is a chapter of Teach for All. It is local in the sense that it has adapted a global model to suit the local context and to solve issues of inequity in Thailand’s education sector.
Another new home-grown form of philanthropic engagement is the *Thai Young Philanthropist Network* (TYPN), which was established in 2008 as a network of young professionals and business leaders with a shared interest to foster positive change in Thailand (“The State of Philanthropy in Thailand”, 2016). The TYPN began during the period of political tensions in Thailand and mass protests in Bangkok. The founder, Ada Chirapaisarnkul, sensed that she and her peers in their twenties and thirties wanted to contribute to society and make their country a better place without joining any political faction. TYPN began to coalesce through Facebook, which at that time was still in its early days. According to Ada, users of Facebook in Thailand in 2008 were mostly university students and urban middle class professionals, and as a result, TYPN now consists of well-educated professionals who are also well-connected to national and global networks (interview with Ada Chirapaisarnkul). Today, TYPN has grown into a network of 2,500 members, 1,200 of whom have engaged in past activities. Forty core members commit their own time and resources to run the projects. TYPN, unlike other philanthropic entities, is not institutionalized in the sense that it has no legal entity and no regular operating offices other than that of its founder. Activities and projects are sought online through live chats and offline at weekend gatherings of TYPN members interested in a particular activity. While TYPN operates based on the volunteering time invested in an activity, the founder believes that members have already built sufficient trust to begin creating a fund and raising money (Chhina et al., 2014, p. 99). TYPN has been very active in the creation of social enterprises, including Tae Jai mentioned above. It has also partnered with the Ministry of Education to set up a Youth Entrepreneurship Training Program.

Thailand’s new forms of socially conscious organizations are varied and range from public organizations like Thai Health that use innovative tax financing to fund philanthropic activities, to loose networks of like-minded professionals who interact through social media platforms. In between, there are large Thai corporations that demonstrate commitment to social development by investing large portions of CSR budget to support capacity building initiatives of local communities and linking these communities to the supply chain, as well as working with disabled persons for a more inclusive business approach. Next to inspiring figures who serve as leadership examples, at a smaller scale, social enterprises like Social Giver are leveraging the connectivity of the internet to bring excess supply in the private sector to support local NGOs. All of these examples demonstrate the potential of the philanthropic sector in Thailand with programs that address specific social issues, target results, and social groups.

**CHALLENGES AND OPPORTUNITIES TO TRANSFORM INTO A TRUE PHILANTHROPIC SECTOR**

The conceptualization of philanthropy as practiced in North America and Western Europe, where there is an expectation that the philanthropic investment would have an impact, is still embryonic in Thailand and would require much coordinated effort to develop. Furthermore, as more traditional forms of socially-conscious giving are closer to charity, the sector has not made any adequate efforts to develop robust
monitoring systems for transparency and accountability. As long as having an impact is not considered an objective of local charities, these programs will not be designed to ensure that their activities translate into social change. This is a critical systemic problem of the sector as a whole and will have to be addressed if the ambitions of local charities are to have impact on the lives of the beneficiaries.

Despite these obstacles, there is much potential to expand the pool of charitable giving in Thailand and engage a broader segment of the growing middle class and local corporations. Yet, the main constraint that will have to be addressed and systematically resolved in order to create a platform and a nurturing environment to scale home-grown, innovative philanthropic efforts remains the low level of interest to measure results and track outcomes. If the aim of the entire sector altogether is to strengthen public engagement, Thailand’s charitable sector must focus on measuring its impact more systematically and with tools that address the public’s concern. One key point that triggers public anxiety is how donations are actually used by non-profit organizations, especially the smaller or less known ones. This mistrust is a key obstacle to strengthening and expanding the non-profit sector, and improving the lack of trust is regarded as an urgent need, especially among NGOs whose ability to deliver results, transparency, and operational efficiency are still limited (Chhina et al., 2014, p. 93). This point of action is particularly critical for capturing the potential of greater charitable giving by the growing middle class. Securing broader engagement from the public is not limited to the question of supply, where there must be a pool of compelling and attractive projects to fund. It is also a question of demand, in which non-profit organizations themselves must address the issue of building trust with the public to attain more funding for social causes. I surmise that weak accountability might be linked with the pervasive belief that charitable giving implies giving without expectations for anything in return – not even inquiring about the actual results of the giving. The English language TDRI blog on charity presents this wide-spread attitude in the following:

These statistics suggest that most Thais are kind and generous when it comes to giving money to others. But have we wondered whether our donation money makes any impact? ... We have been taught since we were kids that we shall give without demanding anything in return. Moreover, giving money is so swift and easy, but tracking requires time, efforts, and often more money. So why bother? (Sumano, 2016)

Building a robust accountability framework requires effort and money, as pointed out in the TDRI blog post. While some organizations have put in the effort required towards that goal, others lag behind. Understanding the core advantages of having transparent, accessible, and strong financial systems and program metrics, especially in attracting future funding, is a key factor that might motivate non-profit organizations to invest in such frameworks. Resource Alliance, a non-profit organization based in the United Kingdom, helps Thai non-governmental organizations to build greater accountability by encouraging them to compete in the annual Thai NGO Awards. Resource Alliance has incorporated the Thai NGO Awards into its regional Social Entrepreneur Awards in 2016, as there was weak demand from local non-profit
organizations. On the supply side, non-profits, private foundations, and CSR programs hold responsibility vis-à-vis their donors and also towards themselves as professionals, to build a robust and reliable framework for monitoring the results of their social investments if they are to create growth pathways and remain relevant in an ever more competitive field. In addition, on the demand side, it might be time for the charitable sector in Thailand, including the donors themselves, to change the broad perception of donations as money ‘to give away’ into money to be invested into social impacts. One has to demand a socially impactful return for that charitable investment.

Moving from charity, as in giving money, food, or specific assistance to those in need, to philanthropy, which is the investment of private capital for the public good, remains an arduous task. One pathway to reaching this goal may be to transform the expectations around how charitable contributions to non-religious causes are used, tracked, and accounted for. Already, some of the larger CSR programs and innovative platforms mentioned in this paper are attempting to construct metrics to measure results. Working with well-respected organizations which have the technical expertise in philanthropy and in the management of non-profit entities can be a way to develop stronger accountability frameworks and measurement tools. Thai Health is known to have supported capacity building through “social return on investment” (SROI) as a tool to measure social impact in Thailand. Thailand’s National Institute of Development Administration (NIDA) hosts the Center for Philanthropy and Civil Society which can compile best-practices for accountability and results tracking. Also present in Thailand is the CSR Asia Center at the Asian Institute of Technology (AIT), which serves as a knowledge hub and research and training center for sustainability practices. These institutions, acting as independent experts in technical areas of accountability, can be valuable partners in moving philanthropy forward and changing the mindset of donors as well as the public.

Corporate giving can play a role in instigating the professionalization of philanthropy in Thailand by modifying current practices. According to a grant report for the Rockefeller Foundation, challenges in current corporate giving practices relate to three main issues (School of Global Studies, 2017), the first being the lack of transparency in reporting. This problem is tied to the points mentioned above. Moreover, most companies do not disclose data on social and environmental activities of their CSR programs. While the UN Global Compact provides guiding principles for the private sector, most Thai companies perceive this as a burden rather than a useful guide that will enable them to become responsible businesses (School of Global Studies, 2017). In Thai companies, CSR units normally reside within marketing or public relations departments. Generally, Thai companies consider CSR as a component of public relations and marketing, rather than a vehicle to affect social change. Third, the practice of CSR and other types of corporate giving are still limited to donations, and not surprisingly, 98.5% of Thai CSR activities qualify as donations (School of Global Studies, 2017).

On a practical level, the tax code can be revised to encourage philanthropy in Thailand. Like most countries, Thailand allows tax deductions for both individuals and corporations. For companies, the total tax-deductible amount is limited to 2% of

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7 In 2014, Resource Alliance received a grant from the Rockefeller Foundation to support the Thai NGO Awards.
net profits, while for individuals the deductible amount does not exceed 10% of net taxable income. According to tax lawyers and financial planners, these percentages are still relatively small, suggesting that they do not efficiently incentivize philanthropic giving (School of Global Studies, 2016, p.4). Furthermore, legal requirements render philanthropic giving beyond religious causes more cumbersome. For example, according to a report compiled by the School of Global Studies at Thammasat University (2016, p. 4), claiming a tax deduction for an educational institution may not be as easy because the tax law specifically indicates which types of contributions are tax-deductible. Furthermore, what is tax-deductible may not correspond to the needs of the school. Giving towards religious causes, however, is relatively easy. Reforming fiscal regulations to be more supportive of charitable giving to non-religious causes could promote larger allocations of giving towards philanthropy.

**CONCLUSION**

As examples in this paper illustrate, various philanthropic efforts attempt to create innovative social development programs that have positive impacts on the lives of their target groups. Yet, a major challenge to realize such an impact is the lack of measuring tools and initiatives. A key concern that has to be addressed with this regard is the deeply rooted attitude of Thai society that charity is the act of giving without the need or concern for anything in return. This mindset is a cultural and religious construct, originating in Thai traditions, and translating into the practice of giving as an end in itself, without expecting anything in return. Transforming this deeply engrained mindset will require changes amongst all actors of the charity-philanthropy sector in Thailand. From the corporate world, this will imply thinking of CSR and corporate charities differently. CSR programs will have to be seen as contributions to address social issues that add value to society, rather than specific events with little sustained impact for the beneficiaries. Accompanying this change will necessitate systematic monitoring and evaluation frameworks that are utilized by the management. Such changes normally do not happen at mid-management level and thus, senior executives with the authority to implement the change will have to lead this transformation. How to incentivize the growing number of wealthy individuals to engage in philanthropy is a potentially interesting topic for Thai think-tanks, research institutes, and business schools to explore. Small charities and NGOs in Thailand will have to adapt in an ever-evolving funding ecosystem where competition is coming from new types of organizations such as social enterprises. Setting up concrete and measurable goals with accountability measures is a strategic investment that builds trust with existing and potential funders. Think-tanks and the media can play a critical role as public watchdogs for greater accountability and transparency in the religious charitable sector, which will reinforce the need for accountability within the non-religious sector as well. Prawase Wasi is a senior statesman and well-respected public health leader deeply involved in mobilizing support from the public sector as well as from civil society to influence national social policies such as the campaign for a national Universal Health Coverage Scheme. In mobilizing support across sectors towards a national cause, Prawase uses the analogy of “the triangle that moves the mountain” (Wasi, 2000, p. 3). The mountain signifies
an unsurmountable problem and the triangle symbolizes the three forces necessary to solve that problem: knowledge and relevant research, social movement, and political involvement (Wasi, 2000, p. 3). Applying Prawase’s metaphor to the philanthropic sector in Thailand, the mountain is a combination of the challenges of changing mindsets, bringing together fragmented actors from different sectors, and rectifying weak accountability and the lack of public trust. The triangle will have to consist of 1) applying relevant knowledge, tools, and targeted research to better understand the sector in Thailand; 2) mobilizing partnerships to share this knowledge and best practices, especially in setting up accountability among key actors, such as well-established charities, large CSR programs, and new philanthropic agents; and finally, 3) the enacting of better policy, such as fiscal reform to create a broader base for charitable giving from both individuals and corporations, in addition to other incentives to encourage more giving to non-religious causes. Through a combination of simultaneous approaches, it may be possible to change the public’s understanding of philanthropy and what distinguishes it from charity.

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