THE IMPACT OF DHAWAI SPECIAL ECONOMIC ZONE.

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ABSTRACT

The purpose of this study was to study the impact levels on the people in establishing the Dhawai Special Economic Zone. They were economic impact, social impact, environmental impact, and security impact, The sample of this research was 400 persons, determining the sample size by the Yamane's formula, and proportional stratified random sampling in Saiyok Sub - district, Muang Sub –district and Dan Makam Tia Sub - district using the questionnaire measuring in a 5 -level scale. The statistics used for data analysis were frequency, percentage, mean and standard deviation. The research found that the opinions of the population in the Dhewai Special Economic Zone. The overall was medium, that considering each aspect, social impact was the highest (X = 3.86), followed by environmental impact (X = 2.82), economic impact (X = 2.60) and security impact (X = 2.65), and respectively.

Keyword: Impact, Special Economic Zone, Dhawai

INTRODUCTION

The set border Special Economic Zones are derived from the operation of the National Economic and Social Development Office (NESDB). The first SEZs was considered unsuccessful due to being opposed by the public sector. However, in 2012 the Prime Minister has issued the "Special Economic Development Zones" and applicable from the day after the announcement date in the Government Gazette onwards. (Office of the Council of the decree, 2012). This makes the story of the Special Economic zone set back to be important again.

The Dhawai Special Economic Zones is locted in Kanchanaburi. It is the Dhawai deep-water port and part of the ASEAN transportation route. It is the new West Coast economy that connects to the southern Economic terrace of the Mekong region or Greater Mekong Sub-region (GMS). It should be the logistics hub that links between ASEAN and the Eastern.

Therefore, the Dhawai SEZs has focused on the development policy from governments. They are related to tourism, business, broader trade and industry development. From this situation,the Dhawai SEZs encounters economic, social, environmental and security impact in this area. Hence, the researcher interested in to study peoples' opinion on set up the Dhawai SEZs. These will be the policy and strategy for private and public company.

OBJECTIVE

To study the people's impact on the set up of the Dhawai Special Economic Zone

LITERATURE REVIEW

1. Special Economic Zones (SEZs)

Overview of Thai Special Economic Zones

Thai Government pays attention on border areas with neighboring countries to improve trades and investment, quality of life of people in the area, and preparing for AEC integration. The Special Economic Zones in 10 locations in 10 different provinces will be established and can be detailed into 2 phases as the following.

Phase 1: There are 6 provinces - Tak, Nong Khai, Mukdahan, Sa Kaeo, Trad, and Nong Khai

<u>Phase 2</u>: There are 4 provinces – Narathiwat, Chiang Rai, Nakhon Phanom, and Kanchanaburi

In order to have the SEZs development successful, government introduces several measures to improve infrastructures, incentives (tax and non-tax), One-Stop-Service Centers, foreign labor regulations and so on.

Developing the Industrial Estates in SEZs

The industrial estates are the fundamental facility for business operators in manufacturing and services, promoting the expansion on economic in Special Economic Zones. Thus, I-EA-T is assigned by the government to develop its industrial estates in SEZs, which can be summarized into 2 phases.

Phase 1: There are 6 provinces - Tak, Nong Khai, Mukdahan, Sa Kaeo, Trad, and Nong Khai

<u>Phase 2</u>: There are 4 provinces – Narathiwat, Chiang Rai, Nakhon Phanom, and Kanchanaburi

The industrial estates in 6 provinces in phase 1 will start the development in 2018 and can be operated in 2019. See attachment for details.

Target Businesses and Industries

Businesses and industries that can take benefits from incentives and measures in the SEZs include the logistics, border trade business with warehouses, distribution centers for exportation, service business, tourism-related business, labor-intensive factories, manufacturers with raw materials from neighboring countries (Industrial Estate Authority of Thailand, 2015)

2. Kanchanaburi Special Economic Ratchaburi Development Zone

There are 2 sub-districts of Mueang Kanchanaburi District, Kanchanaburi comprising of Kaeng Sian Sub-district and Baan Kao Sub-district.

Basic Information

- 1) It is far from Bangkok 128 kilometers -travelling here by the Highway No. 4 and No. 323.
- 2) Baan Nampu Ron Border is a permanent crossing point connecting to Tiki Border, Tawai, Myanmar.
- 3) There are the construction project of two motorways on National Highway No. 81 connecting to Laem Chabang PortBangkok-Tawai (Bang Yai-Kanchanaburi) and the special royal project during the second part, Kanchanaburi-Thailand's Border/Myanmar's Border (Baan Nampu Ron). Potentiality and Opportunity
- 4) It can develop as the economic base based on a location on the connection among the special economic development zone of Tawai (Myanmar) and the eastern seaboard of

Thailand. Products can be transported by Tawai Port to countries in the Indian Ocean, the Central East and Europe and Laem Chabang Port to countries in the Pacific Ocean.

- 5) It takes 400 kilometers to connect to Laem Chabang Port through Bangkok-Kanchanaburi to Tawai Port. » It is potential to be the western economic center to connect to GMS Economic Corridor that connects to TawaiKanchanaburi-Bangkok-Phnom Penh-Ho Chi Minh.
- 6) The customhouse and the governmental center are constructed in the allocated area of Baan Nampu Ron to certify activities of commerce, investment, tourism and logistics.
- 7) It connects to the special economic development zone of Tawai (Myanmar) that is being developed.

Transportation

- 1) There are the construction project of two motorways on National Highway No. 81 connecting to Laem Chabang Port-BangkokTawai (Bang Yai-Kanchanaburi) and the special royal project in the second part, Kanchanaburi-Thailand's Border/Myanmar's Border (Baan Nampu Ron).
- 2) The distance from Kanchanaburi to Tawai Port of Myanmar is approximately 150 km.

Infrastructural Development Plan

- 1) The Highway No. 367, the bypass of Kanchanaburi, finishes constructing.
- 2) The Highway No. 81, Bang Yai-Baan Pong-Kanchanaburi, is being constructed -it will be completed in 2019.
- 3) The project of customhouse construction at the permanent crossing point Baan Nampu Ron, the first phase, Baan Kao Sub-district, Mueang Kanchanaburi District, Kanchanaburi, is being constructed.

Top 5 Exports	Top 5 Imports
1. Seasoning	1. Natural Gas
2. Supplementary Food and Milk Product	2. Seafood
3. Instant Noodle	3. Living Cattle
4. Electricity	4. Cut Bamboo
5. Instant Coffee and Coffee Drink	5. Red Onion

Customhouse

- 1) Baan Nampu Ron Border is located in Baan Kao Sub-district next to Tiki Border, Tawai, Myanmar.
 - 2) Three-Pagoda Border, Sangkhla Buri District.

Private Hospital

- 1) Thanakan Hospital
- 2) Kanchanaburi Memorial Hospital

3. Impact in the Dhawai SEZ

Within contemporary management research, the aspect of SET that has garnered by far the most research attention has been the notion of workplace relationships (e.g., Shore, Tetrick, & Barksdale, 1999; Shore et al., 2004). This model of SET stipulates that certain workplace antecedents lead to interpersonal connections, referred to as social exchange relationships (Cropanzano, Byrne, Bobocel, & Rupp, 2001). Social exchange relationships evolve when employers "take care of employees," which thereby engenders beneficial consequences. In other words, the social exchange relationship is a mediator or intervening variable: Advantageous and fair transactions between strong relationships, and these relationships produce effective work behavior and positive employee attitudes. This line of reasoning has received much attention—most of which uses Blau's (1964) framework to describe social exchange relationships. Blau's contribution to SET was his comparison of economic and social exchanges. He maintained that "the basic and most crucial distinction is that social exchange entails unspecified obligations" (1964: 93). He argued that only social exchange "involves favors that create diffuse future obligations . . . and the nature of the return cannot be bargained" (p. 93) and "only social exchange tends to engender feelings of personal obligations, gratitude, and trust; purely economic exchange as such does not" (p. 94). He also argued that "the benefits involved in social exchange do not have an exact price in terms of a single quantitative medium of exchange" (p. 94), implying social exchanges create enduring social patterns.

The impact in the Dhawai SEZ concludes as follows;

- 1. The economic impact; It is an important impact from the individual family until the national level. If the country has a good economy, the people will be secure and a good quality of life. The economic impact will be an indication of the level and quality of life of the people, especially in the Special Economic Zone that is established.
- 2. The social impact. There are a large range of social impacts related to the implementation of SEZs, such as land use conflicts and migrant workers, etc. Problems with the implementation of these zones produce winners and losers. In many cases local livelihoods have declined as a result on their development. The desire of new enterprises who invest in these zones to access cheap foreign labour often in contrast to the needs of local people for attractive employment opportunities. Also, when public land is acquired by the government to designate to new SEZs local people can lose their access to common pool resources and their existing economic activity can be impacted (Open Development Intiative, 2019).
- 3. The environmental impact; It is a result of the environment or nature of the ground on the ground. By air Water That are affected by the changes or actions of people in the area in which this special economic zone is established. May cause natural areas such as forests or trees. Space must be transformed into different buildings. This can include air pollution from the transportation of cargo and waste from household goods. And shops in the area.

4. The security impact

The security impact is characterized by foreign relations and the occurrence of problems related to country security, such as drugs and corruption issues, etc. The setting of this special economic zone constitutes a variety of security implications, both in the part of the issue such as illegal transport of goods, forging a Passport Drug unloading, etc. This is the border area. This is an area that is characterized by the city's level of defense that must function as part of the prevention of illegal in the country or care. The address of the people in the area does not cause any hazardous problems.

METHODOLOGY

This research was the qualitative research. The population was the people in 3 sub-district in Kanchanaburi. They lives in Saiyok Sub - district, Muang Sub -district and Dan Makam Tia Sub - district at 267,695 (National Statistics Office, 2016). The sample was 400 people (Yamane, 1973) at 0.05 level. Then, they was selected by proportional stratified random sampling in 3 Sub-District as shown in Table 1.

Table 1: Number of population and sample in 3 Sub-District, Kachanaburi.

Sub-District	Population	Sample
Muang	170,808	255
Saiyok	62,652	94
Dan Makam Tia	34,235	51
Total	267,695	400

The research tool was the questionnaire. This studied impacts of the set up the Dhawai Special Economic Zone. The questionnaire separated into 2 parts. Part 1 concluded sex, age, marital, educational, salaly and hometown. Part 2 related to impact of set up the Dhawai SEZ. There were 4 topics as follows: economic, social, environment and security impacts.

The data was collected and analyzed. The general information of respondents was the survey list and analysis of statistical values by frequency and percentage. In the section of measuring the people's opinion on the impact of the set up of the Dahwai Special Economic Zones in the economy, society, environment and security were the rating scale. The statistics in this research used mean and standard deviation. Therefore, summarized based on the normal distribution principle (Best, 1997) as follows;

Table 2: the level of opinion

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Level	Average Score	Interpretation		
5	4.51-5.00	The highest		
4	3.51 - 4.50	High		
3	2.51 - 3.50	Mean		
2	1.51 - 2.50	Low		
1	1.00 - 1.50	Very Low		

RESULTS

The respondents were 400 people who lives in 3 sub-districts. They are Muang, Saiyok an Dan Ma kam Tia. The researcher summarized in table 3 and 4.

Table 3: the respondents' personal detail

Topic	Number of respondents	Percentage
Sex		
Female	225	56.25
Age		
30-40	195	48.75
Marital		
Married	186	46.50
Education		
Bachelor degree	150	37.50
Occupation		
employee	228	57
Salary		
10,001-15,000	201	50.25

Table 4: The opinion of population in the Dhawai Special Economic Zone

Theimpact		S.D.	Level	Rank
factor				
Economic	2.60	0.76	Medium	4
Social	3.86	0.81	The Highest	1
Environment	2.82	0.75	Medium	2
Security	2.65	0.78	Medium	3

The research found that the opinions of the population in the Dhewai Special Economic Zone. The overall was medium, that considering each aspect, social impact was the highest (X = 3.86), followed by environmental impact (X = 2.82), economic impact (X = 2.60) and security impact (X = 2.65), and respectively.

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