PETTY CORRUPTION AND BUSINESS PRACTICES IN THAILAND: AN EXPLORATORY CASE STUDY

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Abstract

This research seeks to investigate events of petty corruption in Thai business practices by exploring the views and experiences of two groups of Thai business entrepreneurs with diverse experiences. They include 8 Thai business owners in Brisbane who had business experiences in Thailand, and another 8 business owners with a permanent base in Thailand who owned and ran their businesses in the country. These participants were selected purposefully through snowball sampling.

Introduction

The research employs critical social sciences to guide the study. It allows the researcher to uncover the problem of petty corruption and the extent to which petty corruption can generate grand corruption in day-to-day business conducts. It assists researcher to focus on practices where values and power co-exists and are interrelated functions. This does not only reveal the hidden petty corruption within hierarchical structure of organizations but also help the researcher to understand how people in the organization may change their existing worldviews by developing self-consciousness.

The findings suggest that the petty corruption termed by western culture was close to the Thai traditional practices of *kar sin nam jai* (gift of good will) and *kar nam ron nam cha* (tea money). Yet, in Thai cultural context, the Thai business entrepreneurs do not perceive both terms as corruption in business practices. This is because such practices are closely linked with *nam jai/sin nam jai*, which is an essential part of Thai culture. As a result, *kar sin nam jai* and *kar nam ron nam cha* are widespread and thus subtly hide corrupt practices within organisational structures in the Thai business practices.

Overview of the research

Corruption in Thailand has been widely discussed by many Thai scholars and leaders. Anand (2000a:1), for example, points out that, "corruption has penetrated to every corner of our society. Its degree of severity is also dramatically increasing". Pasuk (2000) also argued that Thai households regard corruption as one of the serious national problems followed by a poor economy and high cost of living. This study found that on average, every household in the nation was engaged in, or solicited by a variety of government institutions and each paid a total of 970 baht per year (AU\$38.8). More alarming was that nearly 80% who paid bribes were business people and contributed as large as 100,000 baht or more to four government offices including customs, land, police and tax offices. Among these institutions, the tax office alone solicited as much as 90 percent of the entire bribe offered. These institutions were also the ones, which directly regulate and authorize the operation of business activities ranging from starting an

enterprise and running it, importing and exporting, driving a car, owning a car, a house or property, paying tax, to granting all sorts of licenses. Because of the length of time it takes for the processing of different requests and forms through the government departments, frequently people pay or are willing to pay extra money to speed up the process. However, Pasuk (2000:29) indicated that less than 4% among all informants regarded such payments as corruption. Over 64% of people who paid bribes regarded it as a gift of good will; and nearly 26% who paid for 'speeding things up' regarded such payments as gifts of "good will" and "tea money". Only 11% considered this payment as improper behaviour while 6.8% considered that as a dishonest practice and 14.5% considered as illegal transaction.

Problems in combating corruption
Corruption is a complex and multifaceted social phenomenon (Williams, 1999) and it is not an easy task to eradicate this problem by uprooting it from the society. However, according to Parsuk (1996) political will is most important factor in minimising corruption. Lertporn (1982), in fact, showed that corruption was largely generated and further promoted by leadership in government. Nevertheless, he also warned that corruption is not independent from cultural practices and common man has played vital roles in facilitating corruption. Pasuk and Sungsidh (1996) concerned that the traditional Thai value system and the patron - client relationship instilled in Thai society of gift-giving to officials is socially acceptable. However, it must be taken into consideration that it is mainly the petty corruption that is accepted in Thai society while large corruption and corrupt practices are not. Literally, large corruption involves large amounts of money. Some scholars regard it as "evil forces" (Somsakdi, 2001), which have the ability to

shape cultural practices, corporate culture/ norms and even determine the way organisations are run. It includes nepotism, cronyism, connection, collusion, cover-up and control. These forces are seen to be directly responsible for poor transparency and accountability in organizations.

Aims of research

The aims of the research include:

1. To explore the events of petty corruption experienced by Thai entrepreneurs and the effect of ethical values in the context of Thai culture.

2. To develop teaching materials and learning tools for students studying commerce and business to be aware of petty corruption in Thai business practices and social transactions.

A brief literature review

Corruption has existed in Thai society for a long time, it can be traced back to the Sukho Thai, a period of over seven hundred years (Anand, 2000b). The adapted Thai word *"Kor-up-tion"*, widely used today, came from western practice (Somsakdi, 2001). It was adopted into Thai usage in 1947 by a candidate for political office who had been educated in Europe (Lertporn, 1982). The closest word used locally in Thai tradition is *"Chor-rat-Bang-luang" (Anand, 2000b)*. The two words *"Chor-rat"* and *"Bang-luang"*, literally means to "cheat the people" and to "misappropriate or embezzle public funds" respectively (Lertporn, 1982). Cheating the people includes unethical practices such as extortion of money or property including the charging of service fees in excess of what is specified by law, or for actions for which no fee is supposed to be charged. Similarly, to

misappropriate or embezzle public funds originally referred to misappropriation or theft of the King's properties (Lertporn, 1982). In other words, *Chor-rat-Bang-luang* was used with respect to Civil servants. Those officials often abused the responsibilities of their positions.

Some words and phrases such as "conflict of interest" used internationally cannot be clearly defined in the Thai traditional context. Mechai (2002) pointed out that Thais do not have a term for "conflict of interest" the way the western society does. In Thai he said, conflict of interest is "pink", which means searching for benefits in a legal but inappropriate manner. Similarly, "tea money", called *kar-num-ron-num-cha (Anand, 2001)*, also called *kar sin nam jai* (Pasuk & Sungsidh, 1996:166) is not perceived as corruption by Thai citizens. But, in the international context tea money is a type of corruption, which consists of small payments or gifts (Argandona, 2005). These differences indicate the difficulty of combating corruption where different cultures are involved. This is despite the fact that modern Thai law prohibits all types of giving and receiving gifts (Pasuk & Sungsidh, 1996). Business people from developed countries would argue that giving or receiving gifts whether large or small are ought to be regarded as corruption (Argandona, 2005; Lambert-Mogiliansky & Majumda, 2003; Riley, 1999), whereas in eastern cultures, particularly Thai see, giving and receiving as part of the social norm (Pasuk & Sungsidh, 1996). This is because Thai people do not live with the rule of law alone, but with their traditions and social norms.

Thai and western values

Hofstede (1997:24) claimed that "the core of culture forms values" which are learnt, not inherited. As previously discussed, the values held by people in a given society are conditioned by the societal and historical context of the society. Since Thai and western societies have different histories and contexts, we can expect that the ethical practices of Thai and western people will be different. In fact, Hofsede (2001:2) argues that the greatest difference in values held by people in a particular society are found at the practical level of individuals. These differences can even occur between identical twins. Yet, although everyone is unique they, to some extent, share commonality with others in society. In other words, the values that a person holds are more or less shared with others within the collective practices and agreed norms of a given society (Hofstede, 2001:2). Similarly, it is hard to deny that some values and practices that are collectively held by a society are also, to some extent, not shared with other societies globally. This can be seen in a study of "global ethics" by Kim (1999) who found that there are common values that are shared by all cultures and religious traditions which include respect for life, liberty, justice and equity, mutual respect, caring and integrity. However, individual cases, the ones that people experience every day are the ones that are mostly closely associated with their social and historical context (Flyvbjerg, 2001; Freire, 1972; Hofstede, 1997; Triandis, 1995). This is probably why Freire (1972) argues that people do certain things according to what they hold to be true and what makes sense to them.

Corruption in traditional Thai society

Whenever people discuss corruption, particularly petty corruption, traditional practice is often mentioned. Despite nobody knowing for certain that traditional practices cause corruption (Ellis & Waldron, 2001), I argue that corruption does not happen outside

social relationships. In other words, corruption does not happen in a vacuum without relationships within a group or society. But how do the relationships of people lead to corruption? To answer this question we need to go back to the way Thai people live together in a group. I explained that within a group, Thai people value compassion, love and care, tolerance, practices of the middle path, and smooth relationships. These values were instilled by traditional practices, particularly Buddhist teachings from generation to generation where position, rank, and status played key roles in developing unity and harmony within the hierarchical structure. Unfortunately, a society that exists within such a social structure is vulnerable to corruption (Hofstede, 2001). In other words, people in such a culture tend to tolerate corruption. This is because people are living with love and care and thus tend to be more tolerant and protect members from the consequences of wrong doing, particular where *nam jai* or "good will from the heart" is a highly valued personal attribute(Pasuk & Sungsidh, 1996).

Pasuk (1996:6-9) points out that the Thai traditional ruling system in the early day was called the "*sakdina* system". Literally, *sakdina* means, "power of land, " and the "dignity marks" system given to a noble and commoner (Siffin, 1966:18). For example, a *sakdina* of 10,000, implied the rank of a head of an important department who controlled over 10,000 rai (4,000 acres) of land (Siffin, 1966:18). Generally officials did not get salaries for their positions; they had to rely on taxes and other fees. Pasuk (1996:6-9) points out that the *sakdina* system was the governing system where high officials were appointed by higher authorities without remuneration. Instead, they had to remunerate themselves by taking a reasonable portion of the taxes and fees they collected. These officials were seen as representing the King, looking after his people who were regarded as his children. It was a system where "the King subcontracted out the right to collect taxes, and it was assumed that the subcontractor would reserve a portion for personal use" (Pasuk & Sungsidh, 1996:6). Corruption occurred when these officials took out a portion exceeding the official limit of 10 per cent. This is often regarded to be why the phrase "cheating the citizens and hiding from the King" arose(Pasuk & Sungsidh, 1996:7).

Corruption in the early days happened between officials and the common people because at the time there were no political parties. Corruption occurring in the relationships, to some extent, reflects the social context of those times. The society was formed within a hierarchical structure. Power distance was high. The officials, who subcontracted from the king, represented the closest formal relationships with people. These officials played the roles of protectors and patrons, whereas people, particularly business people were expected to give back to the officials. It was a patronage relationship which is often referred to as strongly associated with good "merit social order" (Hanks, 1962) - officials were the father and common people the children. These people depended on each other, business people needed protection and officials needed tax revenue for the central government, as well as their own remuneration. The system worked well, for example, Chinese business people have flourished in Thai society (Landon, 1940:149). In fact, Pusak (1996:3) points out that "each businessman received protection from an influential Thai official to carry out his business, and in return the Chinese businessman [sic] paid his protector or patron for the services." These traditional practices were seen as normal, an exchange based on mutual interests, and were not considered to be corrupt practices (Pasuk & Sungsidh, 1996:3).

These practice are often referred to as the origin of the concept of *jao pho* (godfather) and *jao mae* (godmother). People who were not only wealthy and powerful, but also had an ability to operate above the law (Pasuk & Sungsidh, 1996:57). A *Jao pho* and *jao mae* can operate their business without worrying about government regulations because they were protected by the officials. Such people were found in almost every province and town in the country.

Corruption in modern Thai culture

It has been said that the modern Thai culture began in the reign of King Chulalongkorn, from about the 1880s onwards (Pasuk & Sungsidh, 1996:80). This King was credited with establishing a modern Thai bureaucracy including a military force. He consolidated the power of the throne and centralized administration and revenue collection (Klein, 1998). The term modern Thai culture reflects the influence of western culture on Thai society involving the freedom of individuals as opposed to traditional practices (Hudgins & Richards, 2000). This included the introduction of western knowledge, technology, perspectives on the nature of reality, as well as political economic development (Siffin, 1966:42). The main idea that entered Thai society was liberation in relation to self-consciousness or autonomy where reason is paramount (Christians, 2000:132). Reason is defined as "an instrument for drawing logical consequences" (Bernstein, 1972:15). The word is drawn from rational from the Latin ratio, meaning to calculate (Flyvbjerg, 2001:22). In other words, behaviors and actions have to be able to be measured, predicted, calculated, and controlled regardless of tradition or religious beliefs. The influence of this new idea can be seen in the attempt to standardize Thai

bureaucracy with rules, regulations, hierarchy of authority, careers, and the specialization of roles (Hudgins & Richards, 2000). The aim of bureaucracy is to maximize efficiency of organizations by operating in predictable ways , seeking to quantify decision-making and actions including emphasizing control over people and products (Hudgins & Richards, 2000). The bureaucratic system of Thailand now consisted of a set of informal and formal organizations where people worked according to their specializations and skills within the operational processes (Siffin, 1966:125).

Corruption in Thai business

It has been said that corruption in Asia is predictable, and that Thailand is included (Reja & Talvitie, 1998). Business people can predict how much they should pay, and to whom they will have to pay it. Part of the reason is that corruption in Thailand is associated with the hierarchical structures as discussed above. I mentioned that the corrupt practices in Thailand are because the power of the Thai people is suppressed and controlled. If this is correct, I argue that businesses which operate within such a social environment would face corruption from both external and internal controls of business operations.

Generally, an organization operates with internal and external controls. This is all about corporate governance which involves mechanisms used to direct and control organizations including those who direct and control the organizations (The Investigator, 2002). Internal control involves management within organizations and methods used to control the relationship between management and workers; the separation of ownership and control; and the division of labour between different levels of management in organizations (Fama & Jensen, 1983). Corruption within

organizations, to some extent, first involves this internal control. Jackall (1988) points out that corruption in organizations does not reflect the deficiency of individuals' moral standards but is because of organizational control. Prior to the financial crisis in Thailand in 1997, most Thai corporations were operated by families (Duenden & Rajitkanok, 2001) and controlled through pyramid structures (Claessents & Lang, 1998:2). Most large Thai corporations were owned by one family, and people in these families exclusively controlled the company according to the one-share-one-vote rule. The appointment of managers and directors was dominated by family members (Claessents & Lang, 1998). In fact, during the economic crisis, it was found that of the 62% of business corporations registered in the Thai stock market in 1997 over 20% were owned by one family (Duenden & Rajitkanok, 2001). Family based businesses have advantages like flexibility and fast decision-making. On the other hand, these businesses are dominated by few people, and are very vulnerable to corruption (Duenden & Rajitkanok, 2001). Tanzi (1998) argues that businesses operated by a few people are associated with a lack of transparency and thus corruption is widespread. For example, before the economic crisis in 1997, Thai Banks and financial institutions were involved in various forms of corruption including connected lending, siphoning of company funds, insider trading, and so on (Duenden & Rajitkanok, 2001). Owners and managers lend money to close relatives or friends without any safeguards.

Within the hierarchical structure of organizations, Thai people regard their leaders in a unique way. A saying in Thai goes: the *Boss is a Bowl of Rice, why would you break your own bowl?* The saying represents the vital attitudes of staff members toward their leaders in organizations. It is closely also associated with the Thai social structure between superiors and subordinates. The internal control of organizations by laws and regulations, often not only facilitates a submissive behavior to the authority but also reinforces the power of leaders in organizations. A falsified receipt becomes valid if the Boss puts a signature on it. Drug dealing, price fixing, and others kickbacks are protected by the Boss (The Nation, July 19, 2001). This makes unethical practices predictable for an employee and they submit themselves to the safety of the Boss. Thus, the concept of the *Boss is the Bowl of rice* is well accepted by people in Thai organizations. Their staff members regard a leader with gratitude. They are someone who looks after their welfare and provides for their needs, someone who can be compared to their own parents. We often hear people say in organizations: "please accept my daughters or my sons in your care and treat them as your own children. If you need a hand, please use them, instruct and discipline them as your own relatives or children". It is a powerful culture to the extent that employees do not criticise their leaders or their bosses. Instead, it encourages an employee to submit himself or herself to the leader because there is safety as well as an opportunity for advancement. This makes it difficult to promote a critical thinking for a full discussion as well as criticism of issues occurring in the organization regardless of social status or positions.

The existence of internal controls with the support of smooth relationship valued by the Thai culture, as discussed above, frequently make it difficult to make changes in unethical practices. The difficulty particularly lies in dealing with the distribution of benefits within organizations where conflicts of interest and other ethical dilemmas occur, especially when critical and varying perspectives are required. The regulations, which promote impartiality

within the organization, particularly the distribution of benefits are often distorted by the boss. The distortion can arise from various reasons such as a lack of cooperation, inappropriate behaviour, or weak social relations and inter personal communications. One should not be surprised if he or she does not get promoted or achieve a salary raise if ones does not support the practices of the boss.

Theoretical underpinning research

Literature indicates that culture is closely associated with corruption, particularly petty corruption (Harrison, 2000; Harrison & Huntington, 2000; Hofstede, 2001; Triandis, 1995). Cultural practices are diverse, and different cultures have different interpretation of behavioral patterns. Flyvbjerg (2001) suggests that right or wrong, good or bad is a matter of particular or specific values held by people. People do certain things according to what they hold to be true and what makes sense to them (Freire, 1972). Giving or receiving gifts in this cultural sense probably cannot be measured or judged by external standards of practices but requires a specific description and explanation according to a particular cultural setting. If this is correct then how do we explain events of petty corruption in Thai cultural context and the extent to which how should we address this particular issue in Thai business practices? An existing approach that probably can provide a better answer of such complex social phenomenon appeared in a particular culture, particularly in Thailand, is critical social science.

Bohman (2005, p.1) argues that " the 'critical' theory may be distinguished from 'traditional' theory according to a specific practical purpose: a theory is critical to the extent that it seeks human emancipation". In other words, it seeks to decrease domination and increase freedom.

Yet, the implication of critical social science used to explain and transform society for a better place to live in today's society, has various forms and I want to mention which related to this study. Freire (1976) focuses on dialogical education as the practice of freedom. He argues that "Education has politicity, the quality of being political. As well, politics has educability, the quality of being educational. Political events are educational and vice versa. Because education is politicity, it is never neutral. When you try to be neutral like Pilate, we support the dominant ideology. Not being neutral, education must be liberating or domesticating" (Freire, 1994, p.198). Flyvbjerg (2001) sees social science as alienation to natural science and attempts to make it relevant by looking at practical wisdom where context, values and power plays key role in developing knowledge and skills of humans. Habermas (1990) emphasizes on communicative action and discourse ethics. Right or wrong, good or bad in communication is threatened by rationalization and power in modern society. Foucault (1986) focuses on discursive conflict and power where historical and personal context are vital for understanding any particular changes in society. However, for the purpose of this study, I want to highlight relevant principles of this approach to guide this research.

Thailand is characterized by high levels of collectivism, power distance, femininity and uncertainty avoidance (Gupta, Surie, Javidan, & Chhokar, 2002; Marta & Singhapakdi, 2005). These cultural practices are found to be vulnerable to petty corruption (Husted, 2002). As discussed, collectivism in business reflects the very important role of close friends and subordinates in managerial processes. Successful careers of individuals in organizations in such cultures are built on good relationships rather than rationality (Dahles,

2005). Major decisions regarding business are often influenced by friends and family. The standard of fairness within the in-group is important and tends to place the goals of the in-group over and above the goals of society (Husted, 2002). Husted (2002) argues that the result of such practices is that the law or rules of society are applied differently to those who are members of the in-group and those who belong to the out-group. To get into an existent in-group it is difficult unless the person has a connection with the in-group. Once the person gets into the groups he or she has to build a relationship within, particularly with immediate leaders. This is where collectivism is associated with high uncertainty avoidance because people in a group are at risk in uncertainty situations. Allowing someone to get into an in-group can be dangerous for in-group members. Therefore, protection is vital. However, once, the person is accepted and trusted by leaders, rules or other regulations became less important for the person. This is where *nam jai* is so important in Thai culture, even more important than materialism. The gifts that come with *nam jai* in cultural practice sense will be never regarded as corruption. The problem is how do we know which gifts are *nam jai* and which are not.

In practice, literature informs us that Thai people are always under a hierarchical structure. Yet Thai people carry with them good values within feminine practices in relation to tenderness, compassion, and so on. These practices, by nature, consist of sharing, and thus reflect horizontal relationships. What Thai people do not have is power to exercise these values, because their powers are controlled by the hierarchical structure. However, we learned that structure by itself does not do anything; individuals use the structure to maintain social order within a group or in society. In other words, without people, structure cannot do anything. This indicates that individuals are, in fact, the core factor of changing what is in existence. Freire (1993) argued that individuals are political and thus what they do is to achieve goals for self-interest. Yet, since humans are social beings, the interests cannot happen outside social groups. Without social context there are no interests. This implies that the structure that we see in our social situation, and that we try to maintain, which is often called the objects, are all about politics. This is because all objects are used by individuals (Freire, 1985).

Methodology

In exploring the views and experiences of Thai business entrepreneurs in relation to petty corruption in business practices in Thailand, this research is conceptualized as an exploratory study. And as Flyvberg (2004, p.422) suggests, an exploratory research could provide a wealth of information through the study of real-life situation. Similarly, Stake (1995) also indicates that an exploratory study could probe into the particularity and complexity of a social phenomenon, and thus enabling the researcher to understand not only the activities involved, but also the important surrounding circumstances. In other words, even with its exploratory nature, practical knowledge and understanding of particular contexts could be achieved satisfactorily (Flyvbjerg, 2001:66).

Two groups of Thai business entrepreneurs with diverse experiences were chosen. They consisted of 8 Thai business owners in Brisbane who had had business experiences in Thailand, and another 8 who only owned and ran their businesses in Thailand. The main reason for studying two, rather than one, groups of Thai business owners was to allow them to unfold and compare the business experiences they had

in different cultural contexts, and to contrast how petty corruption has affected them in their ways of conducting daily business practices. These participants were selected purposefully through snowball sampling.

Findings

It was found that petty corruption could be hardly understood as corruption in the Thai cultural context. In Thai culture there is no such term as petty corruption. If petty corruption consists of small payments or gifts made to a public official or an employee of a private company as suggested by Argandona (2005, p.:14), then in the Thai cultural sense, it is not corruption. It is merely *nam jai* (good will), *kar sin nam jai* (gifts of good will) or *kar nam ron nam cha* (tea money). However, the closest to the western term petty corruption in the Thai cultural context probably are the latter two phrases *kar sin nam jai* and *kar nam ron nam cha*. Yet findings indicate that these two terms or practices are not regarded as corruption in Thailand. The cultural value that probably makes it difficult to decide whether these practices are regarded as corruption in Thailand is *nam jai*. It has been found that *nam jai* is a Thai cultural trait and involves sincerity, giving with generosity or gift-giving with love. Therefore, *kar sin nam jai* and *kar nam ron nam cha*, to some extent, cannot be precisely seen as petty corruption because *nam jai* is involved (see Figure). Circle 1 represents normal Thai cultural practices. They are not, in any circumstances, regarded as petty corruption. Circle 3, in contrast, represents unquestionable corruption acts. The issue of petty corruption remains in the middle circle 2. It is the ambiguous area.

Aspects of corruption in Thai business practices
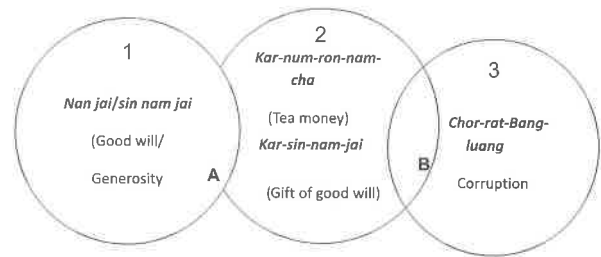
It was found that whenever a gift-giver and recipient fell within the overlaps **A**, the gift-giving, whether small or large made to a person who can be a public official or an employee of a private company was not regarded as corruption. In fact, a person who rejects an offer of such gift-giving could be even seen as disrespecting *nam jai* of the giver. This is probably why most people who paid bribes regarded them as a gift of good will (Pasuk et al., 2000). In contrast, however, if the gift-giving fell within **B**, whether it is small or big, it is always regarded as corruption. This can be said that it is the circle 2 that is a starting point of corruption. This Circle is suspected as cultural practice that can form the root of petty corruption.

Conclusion

This study based on a claim that petty corruption is a root of grand corruption (Anand, 2002; Argandona, 2005). Yet, petty corruption is little known to Thai people and not widely represented in media as a social evil. It was found that there is no explicit term for petty corruption in Thai cultural context. There is only grand corruption and not petty corruption. For understanding petty corruption we need to

look at behavioural patterns in relation to 'gift-giving' involving in business practices. Both groups of Thai Business Entrepreneurs (TH) and Thai Australian Business Entrepreneurs in Brisbane (TAU) indicated that there are three type of gift-giving, which exists in business practices. They include (1*) nam jai* and *sin nam jai*; (2) *kar sin nam jai* and *kar nam ron nam cha*; and (3) corruption. Whenever a gift-giving involves *nam jai* and *sin nam jai*, such the gift-giving is not regarded as corruption. The threshold that could lead to corruption is a gift-giving that involves *kar sin nam jai* and *kar nam ron nam* cha. However, since *kar sin nam jai* and *kar nam ron nam cha*. However, since these types of gift-giving are often associated with a reward to recipients in doing good things for givers such as smoothing and speeding up in business operation, they are not always regarded as corruption. The gift-giving that becomes corruption happen when such gift-giving involves intention that affect other's right or caused others' services to be reduced. Therefore, *kar sin nam jai* and *kar nam ron nam cha* have fallen in the area of ambiguity and thus can be regarded as petty corruption, according to western term.

Since *kar sin nam jai* and *kar nam ron nam cha* are used for smoothing and speeding up business operation, they are widespread in Thai business practices. In fact, they become part of Thai cultural values in business practices to the extent that they are compared by the two groups of informants as important as 'ticket' to go to somewhere and as important as 'green traffic light' in doing businesses. Yet, the practices of *kar sin nam jai* and *kar nam ron nam cha* greatly impact on society as a whole, particularly culture, social and economics.

It was found two approaches are used to minimize the issue of corruption in organisations. They include top down approach and bottom up approach. The former comprises of reinforce of regulations and laws, remuneration, rotation and transparency. The latter involves developing of critical stands and self-consciousness of individuals in organisations. However, it was found that most of the existing approach is top down approach. Little is focused on bottom up approach where horizontal relationships play key roles in developing self-consciousness and critical stand in organisations. Part of the reasons is because of Thai social structure is based on hierarchical structure where vertical relationships are strongly operated. As a result, instead of top down approach minimising *kar sin nam jai* and *kar nam ron nam cha*, it facilitates and reinforces the existing power relations in Thai organisations. Interestingly, the original culture is *nam jai* where sharing play key role. It is the culture of open not control. *Nam jai* indicates horizontal relationships. To minimise the issue of corruption, I argue that the *nam jai* of Thai must be recalled where bottom up approach must be developed and focused in organisations.

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