

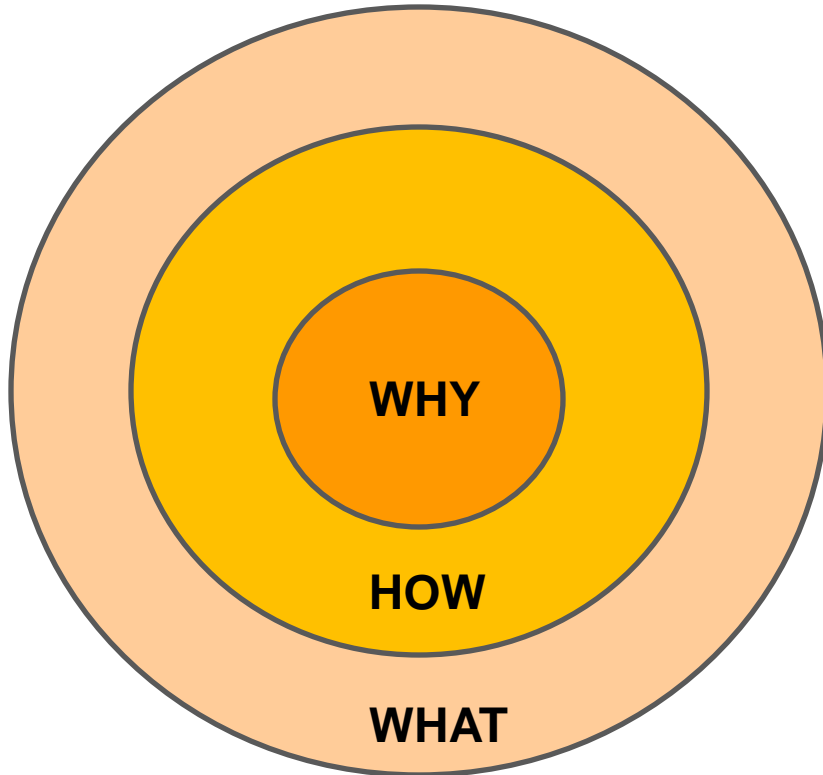
TCDC



**Thailand Creative and Design Center**

# TOPICS

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**WHY TCDC ?**

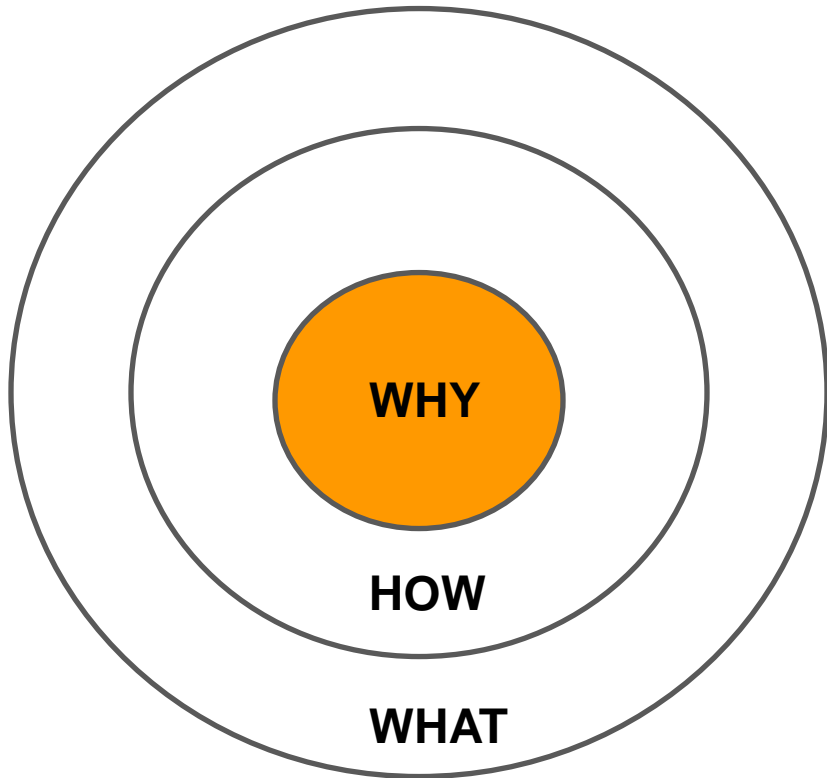
**HOW TCDC DO ?**

**WHAT TCDC DO?**

**A / B / C**

# WHY TCDC ?

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ต้มยำกุ้ง

**TOM YUM GOONG**

トムヤムクン

Shrimp, lemongrass, kaffir lime leaf, mushrooms, chili and lime juice

# new Tiger

## Speculators tell the story of their attack against the baht, the opening act of an ongoing drama

By EUGENE LINDEN

THE DESCRIPTION WAS BRUTALLY honest: "We are like wolves on the rampage looking down on a herd of elk," said one of the currency speculators who helped trigger the cascading devaluations that eventually led to the stockmarket tumbles that swept the globe last week. Last year, eight months before Thailand finally succumbed and devalued the baht, the wolves had been on the prowl. They saw the Thai economy not as one of Asia's tigers, but more like wounded prey. Unable to resist, each predator began to plan his attack. "By culling the weak and infirm, we help maintain the health of the herd," said the trader. And kill they did. Through interventions with members of this wolf pack, I have reconstructed the story of how the traders devalued the Thai currency and set in motion the ongoing crisis that caused last week's worldwide financial trauma.

The wolves are an amorphous group that includes secretive hedge funds as well as groups within banks with names as familiar as Citibank, began tracking the region in earnest in 1994. Economist Paul Krugman piqued speculator interest when he published a prescient article in *Foreign Affairs* titled "The Myth of Asia's Miracle," in which he argued that the Asian boom owed more to hard work and a shift from farms to industry than it did to investments in productivity. As a speculator put it, "We read this and thought, 'Well, well...Asian growth may have a limit.'"

Attention quickly focused on Thailand, which was being buffeted by a series of external and internal events. China devalued its currency 33% in 1994, allowing it to undercut neighboring economies on low-cost goods. Thai exports further eroded as the Japanese yen weakened, undercutting any Thai advantage in high-value products. With the baht tied to the strengthening U.S. dollar, the kingdom had little room to maneuver. Moreover, despite its large

population, Thailand had a relatively small pool of educated, healthy workers, and wage inflation further undermined Thailand's competitiveness with surrounding countries.

Even as exports diminished, the flood of foreign investment continued. On the surface Thailand still looked good, with its open markets and a fiscal surplus, but underneath, the balance sheet was rotting. Foreign reserves remained steady at about \$30 billion, but the amount of money Thailand owed to foreigners skyrocketed to \$106 billion. By 1996 cash outflow exceeded inflow by 9% of the nation's gross domestic product, and the net foreign assets owned by the Thai government and commercial banks shriveled as the nation covered the outflow with borrowing.

While in earlier years most of these loans had gone to build industrial capacity, now the money poured into real estate speculation, the stock market and finance companies, supporting an unproductive boom as consumers bought Mercedes sedans and cellular telephones. The Thai economy had become one big bulging bubble, and late last year the wolves took notice.

Currency speculators love a bubble economy because bubbles always pop. The billion-dollar question is When? Currencies, like the cartoon character Wile E. Coyote, can defy gravity long after they should be plunging to earth. By December 1996, speculators realized that Thailand's policymakers were trapped and bewildered. They had to keep interest rates high to dampen wage inflation and attract the foreign money to which the kingdom had become addicted. On the other hand, the high rates were badly hurting the debt-burdened economy.

One way out was to devalue the baht. This would hurt those who owed money in dollars. A confidential analysis done by a group of overactors

because lax government supervisors had allowed their banker cronies to ignore capital requirements.

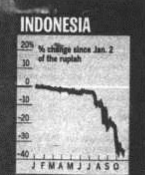
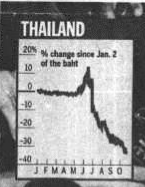
Sensing that their prey had been cornered by their own volatility, the wolves began to circle in early 1997. The armed pursuit of profit was about to push the sins of cynicism and corruption. Drawing from multibillion-dollar war chests, hedge funds would rather fight than devalue. Devaluation would hit the elite, who would watch principal and interest payments van for their dollar-denominated loans. The affected nation to devaluation was a further hike in interest rates, but that would produce a flood of bankruptcies and further weaken a banking system that was already in trouble.

buyer profited because he could repay the contract with cheaper bahts. Demand for such contracts started to drive up interest rates, and the Bank of Thailand began issuing many of these so-called forward contracts itself.

This action turned out to be a fatal mistake that placed in the hands of speculators the perfect weapon with which to attack the currency. "It's as though an unarmed gunman walked into town and the liberator of the central bank's unintended largesse. Now speculators had access to an estimated \$15 billion in forward contracts issued in February and March that they would not have to cover for as much as a year. An estimated 80% to 90% of these forward contracts ended up in the hands of speculators. By May the central bank realized it was contributing to the baht's undoing and abruptly stopped issuing any more forward contracts.

Sensing blood, traders began moving in for the kill and in mid-May flooded the market with orders to sell bahts. But the government began playing hardball. The central bank invoked a mutual-assistance agreement with monetary authorities in Singapore, Hong Kong and Malaysia and spent more than \$10 billion in just a few days buying bahts and selling dollars.

the market rates, traders tracks could grow many more crises, through the up to tra who v TI out to ceo was a officia many would down the g to econi conig



# Asian Financial Crisis 1997



# THAI UNIQUE CULTURE AND SENSIBILITY



**トム・ユム・グン!**  
TOM YUM GOONG

4月22日(土) シネマミラノ他全国ロードショー

BLOCK BROS. GREEN NETWORKS ASIA LIMITED

**IN ORDER TO MAINTAIN  
COMPETITIVENESS  
IN THE GLOBAL MARKET,  
THAILAND CAN NO LONGER  
EXPECT TO COMPETE WITH  
OTHER COUNTRIES  
MERELY IN TERMS OF  
LOWER LABOUR COSTS.  
THAILAND NEEDS TO  
CAPITALIZE ON ITS  
CREATIVITY IN DESIGNING  
PRODUCTS AND SERVICES  
TO BETTER MEET MARKET  
REQUIREMENTS.**

**2005**

ประเทศไทยไม่สามารถแข่งขันในตลาดโลกด้วยการใช้แรงงานต้นทุนต่ำอีกต่อไป  
เราต้องใช้ประโยชน์จากความคิดสร้างสรรค์ในการออกแบบสินค้าและบริการที่มีคุณภาพ  
เพื่อตอบสนองความต้องการของตลาดได้มากขึ้น

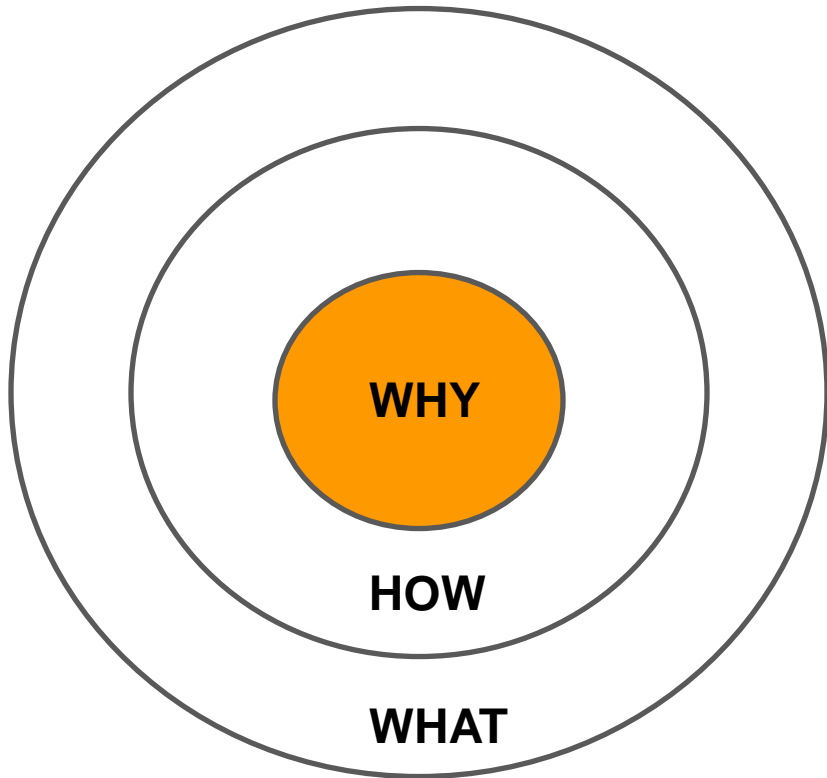
***THAI GOVERNMENT ORGANIZATION  
WITH SPECIFIC PURPOSE ON  
“DESIGN AND CREATIVITY”***

**TCDDC**



**TO ENHANCE THAILAND'S COMPETITIVENESS  
BY “DESIGN”**





# WHY TCDC ?

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**GENIUS LOCI** (*Genius of the Place*)

**VALUE CREATION**

**CREATIVE ECONOMY**

**CREATIVITY / DESIGN**

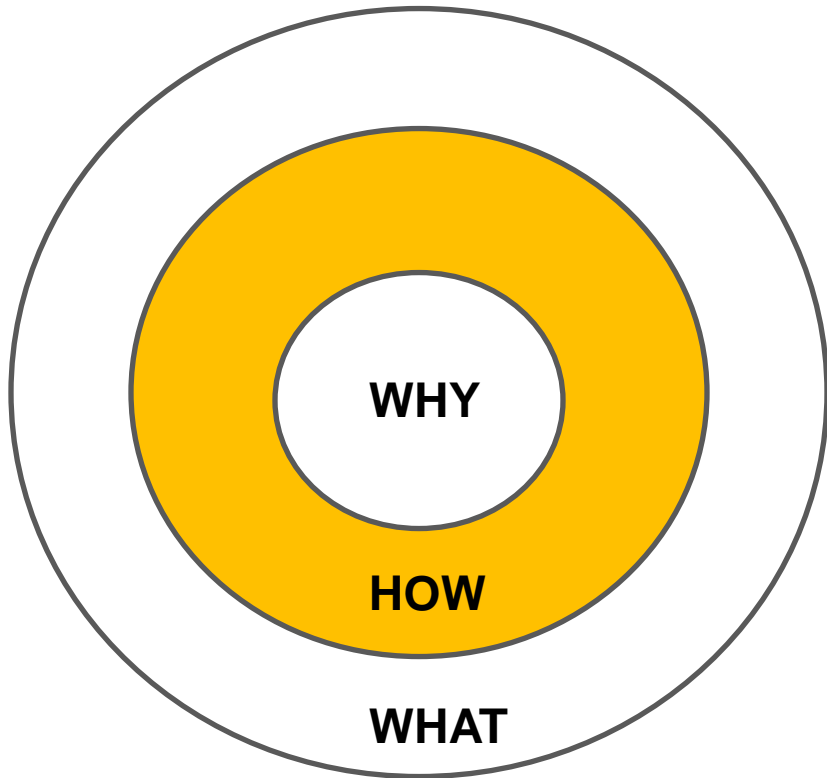
**BUSINESS / INNOVATION**

# TCDC



**The Symbol** Khanom is the name given to countless sweet or savory Thai "dumplings" imaginatively "invented" and made for generations by hand, from locally found ingredients. Khanom come in hundreds of shape, style and flavors, and are made from a myriad of ingredients.

TCDC has adopted the Khanom as its symbol because it succinctly expresses the creative attitude of the organization; that is, *"To develop and promote human imagination and creativity, creating new products of usefulness, beauty and value, based on inherent skills, local resources and cultural advantage"*



## HOW TCDC DO?

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**DIRECT\*** (*POLICY*)

**PROMOTE** (*DESIGN VALUE*)

**EDUCATE** (*PEOPLE*)

**SUPPORT** (*BUSINESS*)

# **DIRECT\*** *(POLICY)*

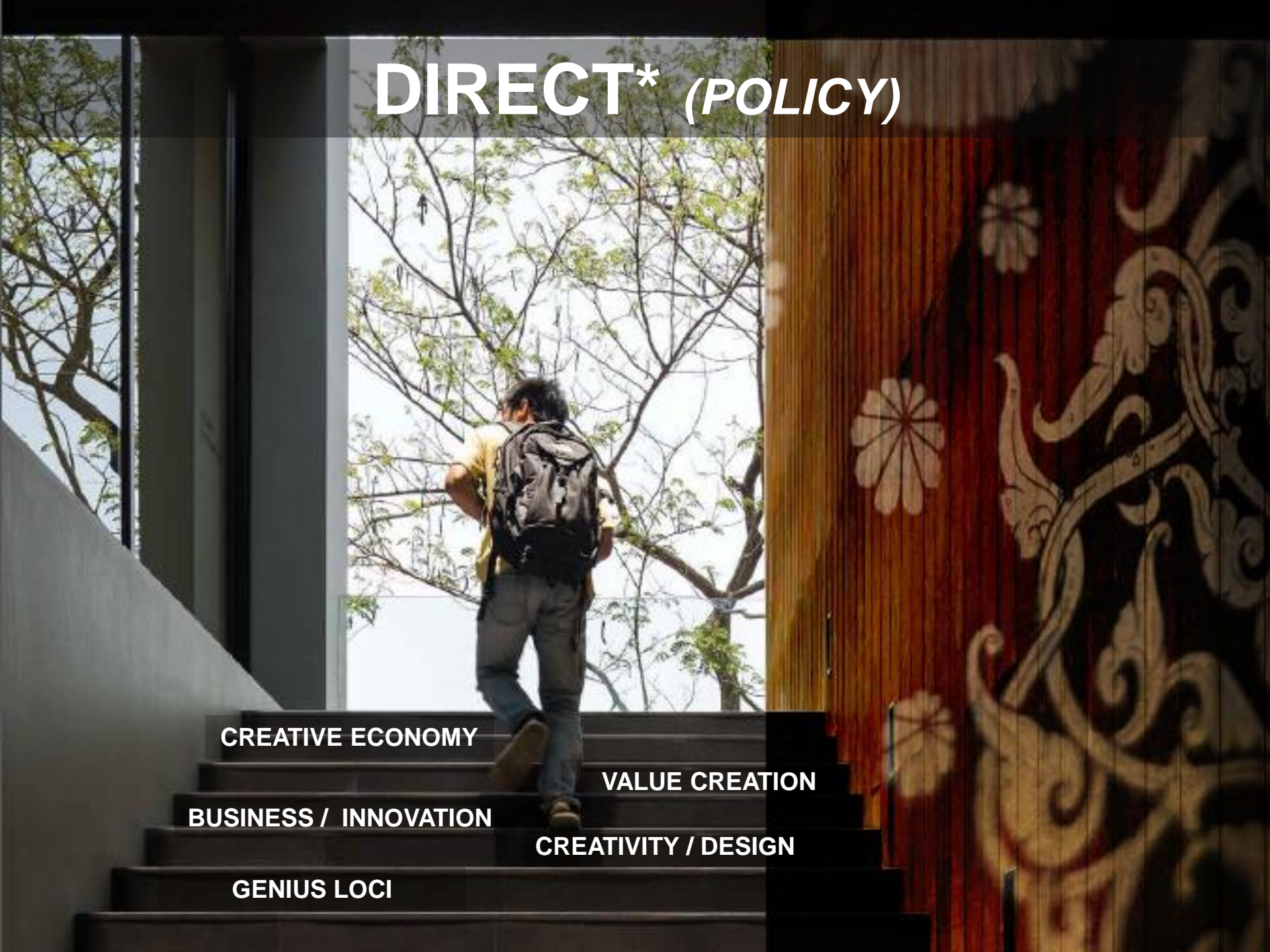
**CREATIVE ECONOMY**

**VALUE CREATION**

**BUSINESS / INNOVATION**

**CREATIVITY / DESIGN**

**GENIUS LOCI**



# PROMOTE (VALUE OF DESIGN)



# What is design?



# PROMOTE (VALUE OF DESIGN)



ay: Thai-UK Digital Festival <<<



**EDUCATE (PEOPLE)**



**DESIGN  
IS  
OPPORTUNITY**

**INNOVATION  
BUSINESS  
STRATEGY**

**EDUCATE (PEOPLE)**





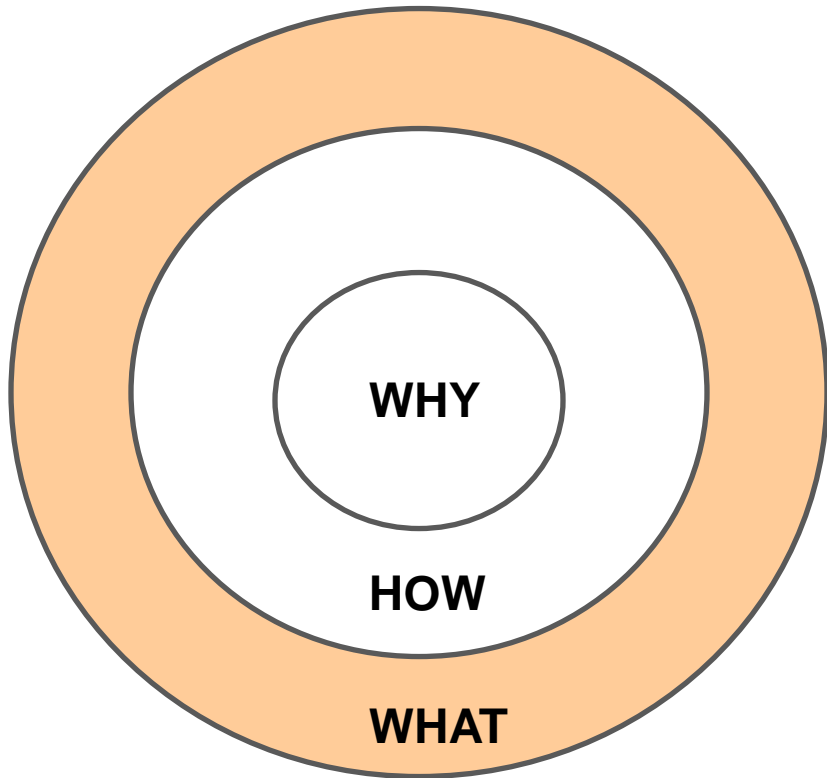
**EDUCATE (PEOPLE)**



**SUPPORT (SMALL BUSINESS)**



**SUPPORT (CORPORATE)**



## WHAT TCDC (DO)?

---

CREATIVE “.....”

QUALITY OF LIFE

CREATIVE BUSINESS

TCDDC



CREATIVE “.....”



**Creative Thailand**

Building Thailand's Economy with Creativity

**TCDC**

**&**

**CREATIVE ECONOMY**

# CREATIVE CITY / CREATIVE DISTRICTS



**CHIANG MAI  
DESIGN WEEK 2014**



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**TCDC & CREATIVE ECOLOGY**



TCDDC



**QUALITY OF LIFE**

# DESIGN FOR SOCIAL INNOVATION

*DESIGN FOR FLOOD; FLOATING TOILET*



# WHAT IS SERVICE DESIGN?

**SERVICE DESIGN IS A CROSS-DISCIPLINARY PRACTICE THAT COMBINES NUMEROUS SKILLS IN DESIGN, MANAGEMENT, AND PROCESS ENGINEERING.**

## 5 BASIC PRINCIPLES OF SERVICE DESIGN THINKING

5 หลักการสำคัญ ที่ต้องนำมาใช้เพื่อออกแบบบริการ

### USER-CENTERED

ผู้ใช้บริการเป็นศูนย์กลาง การออกแบบบริการต้องออกแบบประสบการณ์ผ่านมุมมองของผู้ใช้บริการจริง

Service Design should be experienced through the customer's eyes.

### CO-CREATIVE

สร้างสรรค์ร่วมกับทุกคนที่เกี่ยวข้องในการสร้างความสัมพันธ์การบริการคือมีตัวตนร่วมกับการออกแบบ

All stakeholders should be included in the service design process.

### EVIDENCING

เป็นชิ้นที่เป็นจับ การบริการแนวประเภทไปสามารถจับต้องได้ แต่ก็ต้องถูกมองให้เป็นการออกแบบที่สามารถถอดออกมาเป็นสิ่งที่จับได้

Intangible services should be visualized in terms of physical artifacts.

### SEQUENCING

มีต้นเป็นตอน แต่ละขั้นตอนในบริการคือจุดของเป็นภาพเกี่ยวกับเกี่ยวข้องกันและต่อเนื่องกัน

The service should be visualized as a sequence of interrelated actions.

### HOLISTIC

มองรอบด้าน ให้ความสำคัญทุกส่วนที่ส่งผลกระทบต่อบริการคือมองภาพกว้างร่วมกัน

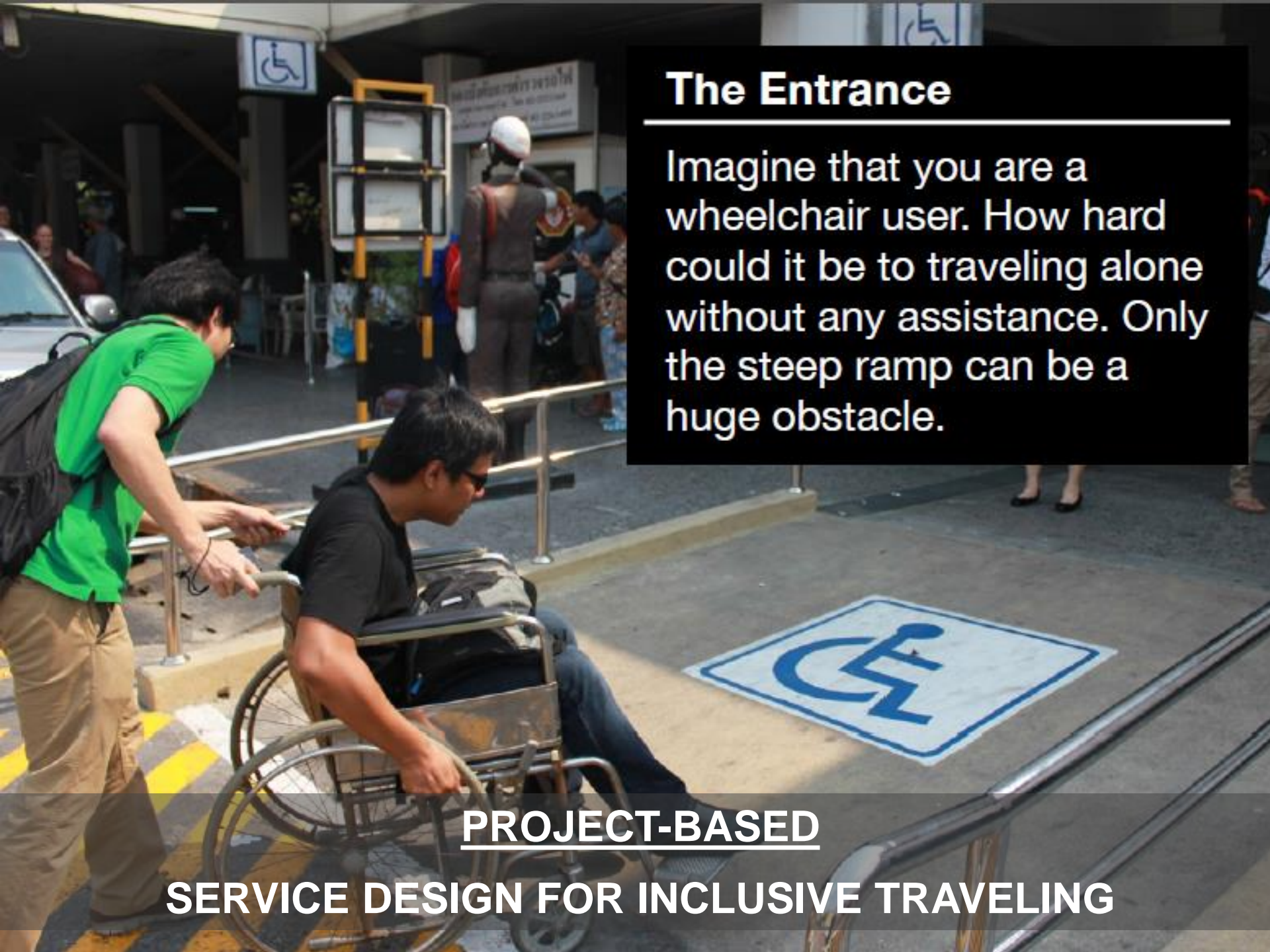
The entire environment of a service should be considered.

SERVICE DESIGN HELPS TO INNOVATE (CREATE NEW) OR IMPROVE (EXISTING) SERVICES

USEFUL

USABLE

DESIGN



## The Entrance

Imagine that you are a wheelchair user. How hard could it be to traveling alone without any assistance. Only the steep ramp can be a huge obstacle.

PROJECT-BASED  
**SERVICE DESIGN FOR INCLUSIVE TRAVELING**

# PROJECT-BASED

## TCDC-LIVework: HIGH SPEED TRAIN & SERVICE DESIGN CO-CREATION AND CONSULTING PROGRAM



<http://liveworkstudio.com/client-cases/thai-government/>

### **First the service, then the train**

Service design helped the Ministry of Transport in Thailand create a vision for the future high-speed train.

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# HUALUM- PHONG STATION

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PROJECT-BASED

## Service Design

Developing basics service  
for Hualumphong Station.

by TCDC

Collaboration with SRT-Hua Lum Phong Station to improve basic infrastructure/ service: Conceptual proposal

# PROJECT-BASED SERVICE DESIGN FOR (COMMUNITY-BASED) TOURISM



**BUILD AND SUPPORT  
“CREATIVE BUSINESS”**

**TCDC**



**TO ENHANCE THAILAND'S COMPETITIVENESS  
BY “DESIGN”**



POP

BY  
TCDC

LOVE YOU

POP MARKET

POP T

**PRODUCT DESIGN AND DEVELOPMENT  
FOR “DESIGN ENTREPRENEUR”**



1.

# “DESIGN THINKING” WORKSHOP



**2. STRATEGIC BRAND DESIGN  
FOR  
*“BUSINESS TRANSFORMATION”***



**3. “CREATIVE BUSINESS”**  
***DESIGN AND MANAGEMENT***

# A.) HOW MIGHT WE TCDC NURTURE INNOVATIVENESS?

TCDC



*WE TRY TO INTEGRATE “DESIGN” INTO THE ORGANIZATIONS / PEOPLE ..... AND WISH THEY WILL BE INNOVATIVE*

**B.)  
PAIN POINTS AND  
LESSONS LEARNED  
FROM THE  
BUILD AND SUPPORT  
“CREATIVE BUSINESS”  
PROGRAM**

# WHAT KIND OF “*CREATIVE BUSINESS*” PROGRAM AND PROJECTS

LECTURE

SEMINAR

WORKSHOP

PROJECT-BASED



**1. VISION / MISSION / POLICY**

**2. ORGANIZATIONAL STRUCTURE**

**3. PROGRAMS / PROCESS/ RESOURCES /  
PARTNERS**

*“CREATIVITY + DESIGN CAPABILITY”*

**4. ACCESSIBILITY**

**5. INDIVIDUAL ENGAGEMENT**

**6. COMMITMENT AND  
LIFE AFTER THE “PROGRAM”**

**TARGET  
GROUP**

**AUDIENCES**



## **1. VISION / MISSION / POLICY**

- **BIG GAP BETWEEN THINKING AND ACTION**
- **“PRIORITY”**
- **INSPIRE TO IMPLEMENT**

## **2. ORGANIZATIONAL STRUCTURE / RESOURCES / BUDGET**

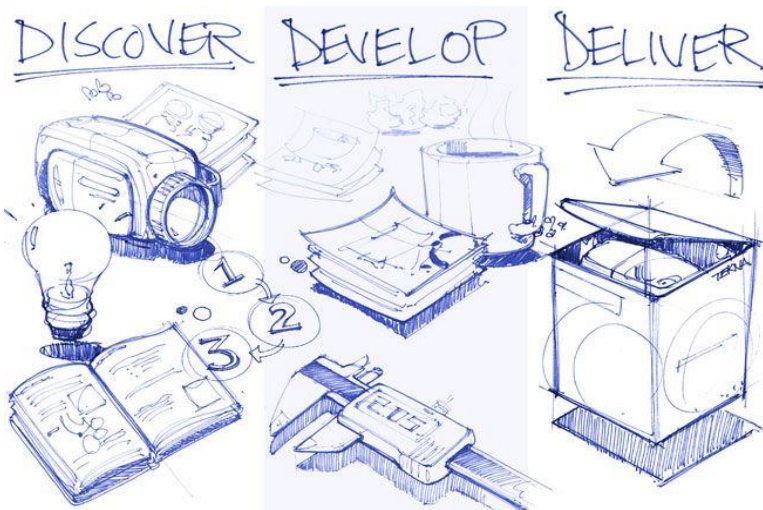
- **ALLOCATION OF BUDGET**
- **RESOURCES OF “PRACTICAL KNOWLEDGE”**
- **INTERNAL RESOURCE: PEOPLE**
- **TIME**

# 3. PROGRAMS /PROCESS/ RESOURCES / PARTNERS

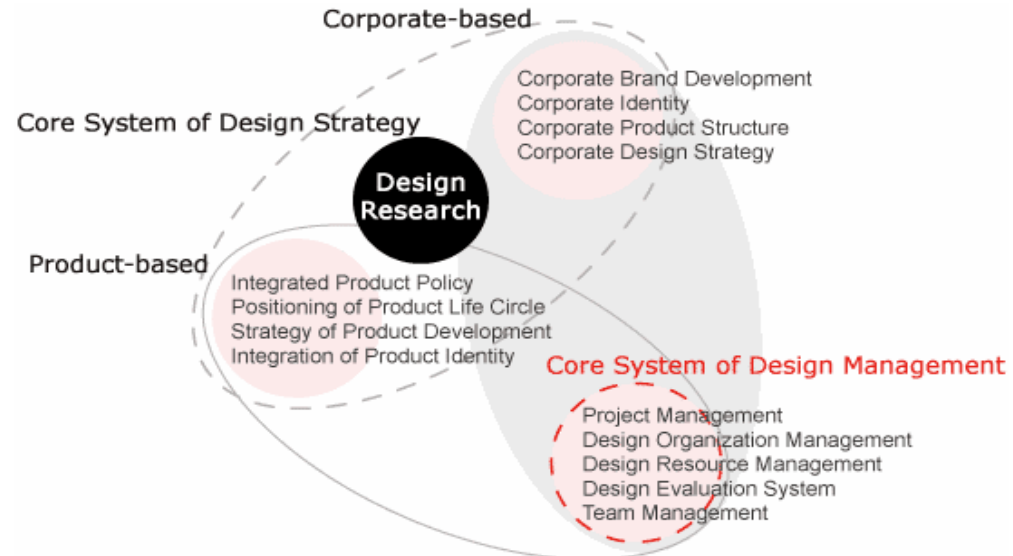
- WHAT KIND OF PROGRAM AND PROJECTS
- MATCH WITH THEIR NEEDS!
- EXTERNAL RESOURCES + PARTNERS

## PROCESS

- BUREAUCRATIC PROCESS OF MAKING PROGRAM & PROJECTS
- HOW TO RUN THE PROGRAM AND PROJECTS



<https://www.pinterest.com>



# **4. ACCESSIBILITY**

- **INFORMATION AND COMMUNICATION OF THE PROGRAM**
- **WHO RECOGNIZE TCDC AND/ OR “DESIGN”?**
- **TCDC REACHES THOSE TARGET GROUP OR AUDIENCES ?**
- **QUALITY OR QUANTITY OF ACCESSIBILITY**
- **ONLINE/ ONSITE TRAINING PROGRAM**

# **5. INDIVIDUAL ENGAGEMENT**

---

- **TARGET GROUP VS. AUDIENCES**

- **BUSINESS ENTREPRENEUR**

- **DESIGNER**

- ***“DESIGNPRENEUR”***

- **STUDENTS**

- **INNOVATOR ????**

- **DURING & AFTER THE PROGRAM**

- **LEARN FOR JUST KNOW IT**

- **LEARN TO APPLY AND PRACTICE IN REAL SITUATION**

## **6. COMMITMENT & LIFE AFTER THE “PROGRAM”**

- **MINDSET CHANGE?**
- **DO THEY REALLY UNDERSTAND WHAT THEY LEARN?**
- **DO THEY APPLY THE CREATIVE/ DESIGN APPROACHES IN THEIR JOB BY THEMSELVES?**
- **CAN THEY BE A CHANGE AGENT IN THEIR ORGANIZATION?**
- **HOW TCDC FOLLOW UP AND MEASURE THE SUCCESS?**
- **WHOSE SUCCESS?**

# C.) HOW TO IMPROVE

TCDC



**“DESIGN”..... IS A SYSTEMATIC PROCESS  
TO CREATE (NEW) VALUE FOR PEOPLE AND  
THE WORLD**

# C.) MORE TO IMPROVE

- **“TRAIN THE TRAINER” PROGRAM**
- **ON SITE EDUCATION & ON LINE EDUCATION**
- **TAILORED-MADE PROGRAM TO SPECIFIC INDUSTRIES/ COMPANY’S CONTEXT**
- **DIRECT ACCESS TO COMPANY/ BUILD THE SUCCESS CASES/**
- **EVALUATION/ FOLLOW UP & MEASUREMENT**



**THANK YOU**

**ありがとう**