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Self-transformation Strategies of Development: The Emergence of Indigo-dyed Textile Entrepreneurs in Sakon Nakhon, Thailand

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Abstract

The field of development studies is to a large degree oriented towards institutional policy and intervention. A post-development approach, concerned with fostering the self-transformation of communities on their own terms, is lacking. This paper aims to address the " practicing development" of indigo-dyed textile producers and entrepreneurs in Sakon Nakhon, Thailand, using an actor-oriented approach. The main finding of this research suggests that indigo-dyed textile producers subjectively responded to external forces such as government and markets while developing their businesses. These entrepreneurs created their own projects of development, contributing to economic improvement at the local level, and impacting policy at the national level. This case presents a dynamic transition of the local where different actors are mediated by indigo-dyed textile. Subsequently, some local actors transformed themselves from objects of development, understood as being passive and the receiver of state policy to be the subjects of development, where this condition has been overcome. However the emergence of entrepreneurship in villages is also stimulating inequality in rural society.

Keywords

Actor-oriented approach, Self-transformation, Post-development, Entrepreneur-ship, Indigo-dyed textile

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Introduction

This paper argues for a questioning of mainstream modalities, agencies, and procedures of development. It shifts the focus of local development processes from structural change to actor-oriented perspectives. Local development should be redefined as the "sequence of transformations" of local actors that leads from an external agents-driven process to one that is more internally driven.

This paper attempts to apply an actor-oriented analysis to the post-development approach, with the objective of introducing a new dimension to understanding local transformations. This is achieved by examining the encounters of locals with state interventions and the free market, as they take place in the course of their individual development and life projects (Blaser, Feit, & McRae, 2004; Kiely, 1999). This allows for a kind of microanalysis that studies individuals and social groups. Based on their experiences, our actors transform themselves from being "objects" of "development" to achieving social positions from which they can control their own developmental destinies. These counter-works of local groups and individuals are performed through ideas and practices that are appropriated into their local life-world, presenting diverse "developments" or "modernities" (Arce & Long, 2000a, p. 1).

In the national Thai imagination, places like Sakon Nakhon, a province in the country's northeast region, are where rural villagers conduct "traditional" life trajectories, working mainly in rice fields and dedicating their free time to traditional practices like weaving and indigo-dyeing. This stereotype, like all stereotypes, obscures more than it illuminates. New social and economic phenomena directly tied to economic development are emerging. Numbers of local entrepreneurs are on the rise, driven by experiences with development-oriented state interventions and integration with the global, borderless market system. In this context, the transformation of indigo production from a traditional practice to a modern industry serves as a case with which to gain insight into the different implications of this kind of process. Hence, the three main questions I ask are: how do local indigo-dyed textile artisans transform themselves into entrepreneurs? How do these entrepreneurs engage in the development process? And, what price is the localsociety paying for this "development"?

Development Through Actor-oriented Perspectives

From the 1950s to the 1980s, economic progression was the focus of mainstream development theory, planned economies based on state-interventionist and external-intervention approaches (Robertson, 1984, pp. 33-45). This model served as a framework for state-directed "modernization" of the 'new nations' (Rejai & Enloe, 1969). In this model, development was the process of change that leads the political economic structures of

underdeveloped countries to imitate the "qualities" of the developed Western countries (Baran, 1962, pp. 265-277).

In the 1980s, the rise of neoliberalism challenged the interventionist approach. The theoretical attention paid to internationalization through neoliberal economics was referred to as the "counter-revolution" of economic development (Toye, 1993, pp. 93-117). Mainstream developmental theory focused on globalism, leading to the developmental ideology that implied the need to build a global market (Edelman & Haugerud, 2005, pp. 3). Neoliberalism has increasingly penetrated and dominated national economies, and the globalists have criticized the interventionists as proposing "too much government intervention" (Hettne, 2008).

At the end of the twentieth century, several developmental theorists expressed their anxieties and criticized the field of development studies itself. They called for a reconsideration of key approaches such as history and context, and notions of objective, content, and agency in a reconstituted field (Arce & Long, 2000a; Escobar, 1995; Kothari & Minogue, 2002). Escobar (1995, pp. 3-20) critiques that the development discourse was linked to a system of power through which the global north managed to create forms of knowledge and subjectivity, and exercise power over the Third World. He proposed a post-development era in which subaltern people are able to overthrow the Western ideology of development to create their own futures (Escobar, 1995, pp. 212-226). In other words, Escobar suggests the possibility of a different development regime, a model where people who were previously objectified by development theory and initiatives—people openly described as "objects of development" under the old regime—can create their own forms of development (Goodale, 2006).

During the 1990s and 2000s, these post-development ideas were widely debated. Kiely (1999) outlined a theory that asserts heterogeneity of cultures and worldviews but neglects the heterogeneity of development projects of local people. Lie (2007) pointed out that this microanalysis is weak since the power of development discourse overlooks individual agency. As a result of this critique, Lie brings into this debate the actor-oriented perspective as introduced by Norman Long (Lie, 2007).

In essence, the "actor-oriented approach" shifts the focus of development studies onto the human instead of the economic aspects of development. Long (2001) describes development processes as the "making and remaking of society through the on-going self-transforming actions and perceptions of a diverse and interlocked world of actors" (p. 2). He suggests that external interventions enter the life-worlds of individuals and social groups in many forms, and their experiences are therefore affected by different phenomena often beyond their control and outside of their full comprehension. These actors and structures mediate and transform. In addition, large-scale and "remote" social forces work to determine

the life-chances and behaviour of individuals and social groups. These forces can directly or indirectly shape the life experiences and perceptions of individuals and groups (p. 13).

Definition of "Entrepreneurship"

Appling actor-oriented methodology, this research suggests that the "entrepreneur" is the key actor. Therefore, some basic concepts of entrepreneurship theory need to be understood. Entrepreneurship is individuals' capacity for founding of new businesses in given socio-economic and historical contexts, and as their ability to carry out business and will to compete in the market (Schumpeter, 1961, pp. 66). According to Schumpeter (1961, pp. 86-94), based on personal will, individual types of personal capacity can limit or create chances to embark on new endeavours, in this case a new indigo-dyed textile business. For example, knowledge related to indigo-dyed textile production, education, occupational background, entrepreneur family history, social origin and mobility, advantages of wealth and privilege, and gender all are taken into account, constituting determining factors for success or failure (Nafziger, 2008).

Methodology

This paper is drawn from 17 months of multi-sited ethnographic fieldwork (Marcus, 1995) that I conducted for my PhD project studying the commoditization of indigo-dyed textiles, the resulting rural transformation process, and the representation and branding of indigo-dyed textile products in Sakon Nakhon Province, Thailand. I conducted this fieldwork from 2010 to 2014. In 2010, I spent two months conducting preliminary fieldwork, followed by nine months of intensive fieldwork in this province during 2011. In 2012, I followed studied cases to extended sites. Finally, in 2014, I revisited the field in order to confirm and update my information. Specifically, the ethnographic material for this paper derives mainly from my stay at Ban Tham Tao village, which was my main research site, together with connected sites within Sakon Nakhon. Living with villagers in Ban Tham Tao enabled me to conduct personal participation and observation, and provided an ideal perspective from which to work toward developing an understanding of villagers' "development experiences," and how ideas and practices of diverse nature and origin are adopted by the indigo-dyed textile industry. Further to this, I engaged with the entrepreneurial activities of other entrepreneurs and I interviewed government officers involved in development projects concerned with the indigo-dyed textile economy.

The Emergence of Indigo-dyed Textile Entrepreneurs in Sakon Nakhon

Indigo-dyed clothing constitutes the traditional attire of many of the ethnic groups settled in the mountain ranges of Southeast Asia (Legrand, 2013, pp. 151). In Thailand, indigo-dyeing techniques have been practiced for many generations among members of diverse local ethnic groups, especially among those located in the north-eastern part of the country (Kaewklaikhajornsiri, 2011, pp. 37-43). For much of the second-half of the twentieth century, indigo-dyed textile production gradually declined in its regions of origin. This decline can be attributed to different aspects and dynamics of the modernization processes taking place at the time. However, beginning sometime in the 1990s, the indigo industry began experiencing a revival, notably from the demand side in international and national schemes (Department of Industrial Promotion, 1998, pp. 34-36).

The Thai government has deployed an entrepreneurial-based development strategy since Prime Minister Thaksin Shinawatra's first period in office, which began in 2001. The government established "entrepreneur development units" under the Ministry of Industry, which aimed to stimulate the emergence of 50,000 entrepreneurs per year (Than Setthakit, 2003) .

A pioneering project of the Thaksin administration was the New Entrepreneur Creation (NEC) initiative started in 2002. In addition to working in concert with poverty reduction and rural development schemes, the "One *Tambon*[1] One Product" (OTOP) project was designed to stimulate entrepreneurial engagement among rural people (Hunt, 2006). Since its initiation, the outcomes of the project have been unsteady due to the country's political conflict and economic decline. However, in 2012, the Global Entrepreneurship Monitor (GEM) research program reported that the northeast ranked first in terms of percentage of Total Entrepreneurial Activity (TEA) in the country (Akrathit, Sapprasert, Guelich, & Aksaranugraha, 2012, pp. 2-5).

In Sakon Nakhon, where the local economy traditionally relies heavily on the trading and agricultural sectors, the flourishing of entrepreneurship has significantly impacted the regional economic outlook. The province reported in 2012 that OTOP entrepreneurs play a crucial role in the industrial structure of the province, accounting for 16.99% of total industrial output (Sakon Nakhon Provincial Office, 2012a, p. 21). The number of registered OTOP products in the textile and clothing section totalled 126 in 2012, with 23 of them belonging to indigo entrepreneurs (Community Development Department, 2012). In the same year, the province's revenue from OTOP products totalled 870,289,620 Baht. Indigo-dyed textile products accounted for 258,000,000 Baht of this total (Sakon Nakhon Provincial Office, 2012b, p. 3).

[1] *Tambon* means sub-district, a local governmental unit.

Entrepreneurial Trajectories: Market Competition and State Support

Since 2001, the Thai Government has actively supported those involved in the indigo industry, especially through OTOP. OTOP has actively promoted cultural commodity trading and local entrepreneurship development. Government authorities at all levels from the national, provincial, and *tambon* have encouraged villagers to produce products that have their origin in local knowledge. Each *tambon* has selected a product as its "representing product." Every year the government organizes showcasing events for representing products from throughout the country. One of the largest events is the national OTOP fair, which has taken place twice a year since 2001 at Muang Thong Thani Exhibition Centre in Bangkok.

In response to the government's encouragement, many villages in Sakon Nakhon have produced hand-woven indigo-dyed textile products as the "representing products" of their communities. According to Phunsee Khunnatham, an officer at the Department of Community Development (CDD) in Sakon Nakhon, each year there are about 100–120 village producer groups or community enterprises and entrepreneurs who register for the OTOP project with indigo-dyed textile products. In practice, only 20% of applicants have their products selected.[2] Although there are many people involved, only a small number of village producer groups and entrepreneurs survive to meet the demand of consumers, link to the markets, and continue commercializing indigo-dyed textile products. Many community enterprises are forced to halt their business operations and are left in debt.[3]

A weak point of the OTOP project has been that organizers have not been sensitive to the fact that the majority of village producer groups or village enterprises consist of local people who do not have experience with product development, management, and marketing. Furthermore, there have not been explicit plans or structures put in place to support businesses whose products are not selected. For example, the Ban Song Pluaey Tailoring Group (กลุ่มแปรรูปผ้าบ้านสงเปลือย) was one of the community enterprises that failed to be accepted as part of OTOP. The group was founded by 22 local women in 2003. Investment fund was borrowed from the Village Fund Project, or *Kong Thun Moo Baan* (กองทุนหมู่บ้าน). The members lacked managerial, product development, and marketing skills. Ultimately, their products were not selected as OTOP representing products. Because the group was not successful in selling their products, it failed to generate income for members and was unable to pay back the borrowed funds. Later, in 2004, the Sub-District Administrative Organization (SAO) financially supported the group to produce items with tailoring equipment. Again the group was unsuccessful in sustaining a business.

[2] Phunsee Khunnatham, interviewed by the author, March 14, 2012, transcript.

[3] Praphaiphan Deangjai, interviewed by the author, May 15, 2009, transcript.

The group was resurrected again in 2006. Deang, a successful local woman, lent 50,000 Baht of her own money to the group. She suggested the group produce household textile products, such as curtains and table covers. During this time, the group started to become more concerned about the quality and design of their products. The same year, the group was selected to participate in the national OTOP fair and was successful in selling its products.[4]

In the early years of the OTOP project, nascent rural entrepreneurs faced two primary difficulties. Firstly, in relation to their products, many village producer groups from the province produced hand-woven textiles. Many similar products saturated the market and the basic supply-and-demand imbalance resulted in low prices. Product development knowledge, including design and quality control, was unfamiliar to themand these qualities were essential for their products to qualify in the eyes of the OTOP organizers. Secondly, in relation to their management structures, many village producer groups experienced problems in managing their business. Local developers provided ideas for group construction that consisted of leader, accountant, secretary, and members. This sort of arrangement was inherited from cooperative business models, but community enterprise, has a "cooperative character" in that all members control equal parts of the business. However, village producer groups have to deal with current business competition in the market.

Yome Seangnaso, an indigo-dyed textile artisan from Ban Tham Tao, took charge of marketing when her group participated in the first national OTOP fair. She relates her experience as follows:

> In the first year of 2002, we were very excited and did not know how to deal with the situation. Our shop was filled with many customers. They asked so many things, like "What are the products made from?", "How are they made?", "What is the price?" Customers scrambled for the products like they were all free for the taking. All the indigo-dyed textile that we brought were sold out within a few days, well before the fair was over. We made income of more than 100,000 Baht. We were so happy coming back home, but we found out later that even with that big amount of income, we had very little left after deducting the costs. Our members gained very little money from working the whole year to produce the textiles.[5]

One problem related to product pricing, common among indigo entrepreneurs, is that they fail to calculate their labour in the price of their products. Producing indigo-dyed

[4] Teerayuth Khamphoon, interviewed by the author, July 29, 2014, transcript.

[5] Yome Seangnaso, interviewed by the author, November 23, 2011, transcript.

textile requires a long period of time and extensive labour. If the labour costs are not accounted for, obviously the results are net losses. Another problem was that they had a rather weak approach to communicate the uniqueness and inherent value of their products to customers. Indigo-dyed textile is unique in its production procedure and cultural characteristics, but when the sellers cannot describe the stories and special qualities, the customers are unable to see the real value of the textile and focus on the price.

This being said however, OTOP has been successful in its objective of stimulating local entrepreneurship, and through OTOP endorsements, local heritage has the opportunity to be restored, and traditional skills and local knowledge can be handed down to new generations. Within the indigo-dyed textile industry in Sakon Nakhon, every year there are a number of entrepreneurs who fail and cease business operations while at the same time the number of "new" entrepreneurs is rising. Some of them are young newcomers, and others are elderly, but few have developed the ability to effectively run a new business. This situation can be interpreted as local people gradually developing a certain level of entrepreneurship.

The indigo industry for local people now means business; indigo paste and indigo-dyed textile mean a source of income for local people. In August 2011, I joined some guests, including Thais and foreigners, on a visit to Ban Tham Tao village. While we were there, local people were harvesting and fermenting the indigo tree. As the visitors came out from the van, the smell of the fermenting process engulfed them, and one of the guests asked, "What is that smell?" The answer from one villager was, "The smell of money." After, there was a big laugh from the villagers.

Government development projects have pushed indigo producers to produce indigo products, and have also pushed them to compete in the free market. The condition is essentially "market selection Darwinism" (compared to "natural selection"): some entrepreneurs fail, some survive. Many people must face a trajectory with debt. Those who can sustain themselves in the market achieve their positions because they manage to develop diverse business tactics.

Transforming into Entrepreneurs: Diverse Capacity and Variety of Tactics

Entrepreneurial opportunities for indigo-dyed textile entrepreneurs are promoted by three factors. The first is state policy and development projects. The most impactful project is OTOP, while other government units have also implemented a variety of projects with similar goals. The second is local authority support. In 2004, the Sakon Nakhon Provincial Governor designated indigo-dyed textile as the "provincial symbol." Development projects from local authorities support indigo-dyed textile entrepreneurs, as well as the production and marketing of indigo-dyed textile products. The third is transportation and worldwide communication

systems. Local people are expanding their networks, especially with people outside their local milieus. Through these expanding networks they are able to access a variety of materials and a wide range of market channels.

Even though there are opportunities, only some individuals and village producer groups with "entrepreneurial capacity" manage to benefit from them, since it is necessary for them to be able to see and take advantage of such opportunities. At the junction of opportunities and entrepreneurial characteristics, some people in Sakon Nakhon have transformed their way of living, articulating them with entrepreneurial practices. This confluence of worlds has resulted in a series of practices and approaches to local entrepreneurship and transformation. These can be understood by grouping observations into four main approaches. These four approaches to transformation are described below.

Approach 1: From Farm Women's Group to Village Producer Group

This approach focuses on a primary form of local entrepreneur: the "village producer group." This type of business entity is developed by a group of villagers typically from the same village. The transformation of a social group to an entrepreneur group is informed by the transformation of a variety of actors, and of the interactions among them through the transitioning context.

Somkid Phromjak is the village headwoman of Ban Tham Tao. She plays important roles within the village producer group. Somkid left the village to pursue education in Sakon Nakhon city and Bangkok when she was young. After she finished her undergraduate degree in 1986, she gained experienced with different kinds of jobs. In 1995, she had the opportunity to work in Hong Kong as a domestic worker for three years. In 1998, Somkid returned to Ban Tham Tao with a vision to develop her home village.

In 1998, the Farm Women's Group, or *Glum Mae Ban* (กลุ่มแม่บ้าน), locally called simply "*glum"* was reformed after ten years of relative inactivity. In this year, the *glum* was selected by the "Silapacheep Project" to be part of a training project at the Chitralada Villa Royal Residence. The event brought together traditional textile-producing groups from many areas. As Somkid was seen as a villager who is educated and has experience in external societies, the group members appointed her as the leader. Somkid and six older women who were skilful in indigo dyeing and weaving took their equipment to participate in the workshop. At the event, the *glum* met with other groups and established knowledge exchange networks.[6]

In 1999, the *glum* began its economic activities. In this year, Somkid was selected as the village headwoman. She actively encouraged woman in the village to participate in the

[6] Silapacheep Project or the SUPPORT Project is a project of Her Majesty Queen Sirikit aiming to preserve traditional arts and crafts.

glum. Later, the *glum,* drawing on the skills of the members produced traditional hand-women textiles. In 2001, villagers formed a village producer group from the old structures in response to the implementation of the OTOP project. In 2002, the *glum* was quite successful in producing and selling their products at the national OTOP fair.

However, in 2005, the *glum* was dissolved. Somkid explained that 'OTOP, while it was good in making the *glum* well-known and they benefited from marketing products, it also led to disunity in the village.[7] After the *glum* became well-known, the number of customers and traders rapidly increased, and some customers began to contact group members directly. The marketing of indigo-dyed textiles in the village became disorganized, as indigo producers began selling their products separately.

This incident has created a conflict between Somkid and the *glum*'s remaining members and the former members. Villagers express different views regarding this conflict. Some villagers were thankful for Somkid's efforts in developing the *glum*. Others accuse her of taking control of the *glum* for her own benefit. In seeking to understand this conflict, it became evident to me that Somkid has a degree of "power" over a number of villagers. They expressed their negative feelings toward Somkid, but they avoided more in-depth explanations.

From 2008–2009, three additional village producer groups were established. However, these new groups were not successful. One of them was the Indigo-Dyed Tailoring Group, or *Glum Prae roop Pha Yorm Khram* (กลุ่มแปรรูปผ้าย้อมคราม), of which Patcharin Khaikham was the leader. Patcharin commented that, 'Most producers—including group members—sold indigo-dyed textiles by themselves. In that way they could receive higher profits and faster money, except for some whose products were *mai ngam* (not beautiful) and could not be sold. They would then bring those products to the *glum*. Therefore, the *glum* could not be successful in marketing.[8]

The entrepreneur as a glum form or village enterprise has been extensively supported by local authorities, and it is also a channel for unskilled villagers to participate in the indigo industry and gain knowledge by becoming a group member. Village producer groups present interesting opportunities for participants, but are also structurally flawed in two main ways: they tend to disrupt inter-group relationships, and they are vulnerable to abuse by participants themselves, who often choose to take more than they contribute by conducting their most profitable business interactions outside the group.

[7] Somkid Promejak, interviewed by the author, May 24, 2012, transcript.

[8] Patcharin Khaikham, interviewed by the author, June 4, 2011, transcript.

Approach 2: Entrepreneurship Based on Village Producer Groups

This approach consists of cases in which particular leaders or the marketing persons of village producer groups develop their own businesses while they participate in the groups. After working for village producer groups for a period of time, leaders and marketing people learn management skills; they acquire marketing experience, and build connections with customers. Many have developed marketing services for private entrepreneurs. Some of these entrepreneurs have separated from their groups, while others continue to co-operate.

The success of village production groups means job creation for local people. Production capacity is a main concern in producing indigo-dyed textiles, given that the production procedures require extensive skills and labour. Therefore, most indigo entrepreneurs increase production capacity by creating production networks, or *kruakai* (เครือข่าย). After the conflict, Somkid renamed her new village producer group Glum Nakhon Tham Tao. This *glum* has 372 members from within the village and from neighbouring villages in its production network, including 16 village producer groups from throughout Sakon Nakhon and nearby provinces.[9]

Since 2008, the Glum Nakhon Tham Tao has been a successful endeavour. Together with the village producer group, Somkid runs three companies: Nakhon Tham Tao, Pha Thai, and Wung Pha. These companies trade indigo-dyed textiles in both domestic and international markets, while the *glum* serves as a production base. The market price paid for the products is distributed in the following way: 50% of the revenue is designated for Glum Nakhon Tham Tao, with the remaining 50% for the three companies. This 50% portion for the companies is then divided as 20% profit return to the company and 30% commission for marketers. From the *glum*'s 50% portion, 10% is ear-marked to cover the material costs, 10% for consumption cost, 10% for management, 10% for fringe benefits of members, and 10% for labour costs, which covers all production processes.[10]

This information reveals an imbalance in a ratio of 5 to 1; while the companies' profit and commission altogether is 50%, indigo producers gain only 10% of the market price of the products. This situation, on the one hand, can be seen as exploitation of group model. On the other hand, the groups are reducing their risk of over-stocking. Besides, it can be argued that there is strategic value in the work of the companies, given that this type of entrepreneurship makes market operations more effective, raising the overall income to begin with. The advantage of this type of entrepreneurship is that it can receive the support from the OTOP project as well as other government units that support private businesses.

[9] Somkid Promejak, interviewed by the author, May 24, 2012, transcript.

[10] Somkid Promjak, interviewed by the author, June 22, 2014, transcript.

Approach 3: Individual Producers and Capitalists

This approach identifies local capitalists who choose to invest in the indigo industry. These people have a different way of engaging in the business. In order to produce indigo-dyed products, they hire other villagers or loan them money. Then these entrepreneurs benefit from the work of individual producers. The business characteristics of this type of entrepreneurship vary depending on the relationship between the capitalists and local producers.

In general, Ban Tham Tao does not look considerably different from other rural villages throughout Thailand. Villagers cultivate rice, cassava, rubber trees, and indigo plants. In 2010, as I walked around the village, I came upon a scene that illustrates what makes this village unique. May and June are normally considered rice-farming months; villagers in other locations usually spend the majority of their time working in their rice fields, leaving the villages nearly empty, but what I found in Ban Tham Tao were hand looms operating on the ground floor of almost every house, with some villagers weaving while others prepared thread.

In the middle of the hot day, I stopped at a large shop full of spools of thread, textiles, and weaving instruments. A signboard displayed the name of the shop: Prem Phanish (เปรมพานิช). The owner of the shop was Premjai Keawbuasa. She had just returned from her rice field, andshe removedthe large hat that had provided protection from the strong sunshine. She said, “This morning I hired more than 40 workers to transplant paddy sprouts in my field. My rice field is about 15 *rai*.[11] They finished the work before noon”.[12]

What is remarkable about this is that villagers here strive to finish working in their fieldsas quickly as possible, driven by the benefits of a different line of work. They undertake labour in the rice fields in record time so they can dedicate more time to the production of indigo-dyed textiles. Premjai added, “The wage for working in the field is 200 Baht a day. People in this village prefer weaving. The wage for weaving is 80–200 Baht per meter. In a day, normally they can weave 2–4 meters”.[13]

Premjai’s shop opened about 20 years ago. Her husband was a driver for a rice mill in Sakon Nakhon city. He drove to Bangkok to transport rice. On the way back, he brought back remnants of cloth and rejected threads from garment factories. Premjai sold them to villagers as materials for weaving. Now her shop supplies all kinds of weaving materials and instruments for indigo-dyed textile production. There are some spinning machines on the second level of the shop, and a section of the ground floor doubles as a small thread factory.

[11] *Rai* is a measurement equal to 1,600 square meters.

[12] Premjai Keawbuasa, interviewed by the author, May 29, 2010, transcript.

[13] Deang Keawphai, interviewed by the author, May 29, 2010, transcript.

The income from the business is approximately one million Baht per year. The customers are local people and those who travel from nearby provinces.

The shop was very busy, and had five employees. Some worked with thread reels, while others sorted different varieties and colours of thread. Premjai and her husband took care of selling. Customers walked through the shop or sat on the floor to select threads for purchase. Two middle-aged women entered the shop. Each of them carried a bucket full of indigo paste. Sai and Deang had come to sell the indigo paste and buy thread with which tomake textile. The two ladies cultivate indigo plants and make indigo paste. Deang said,

> We do not know how to dye with indigo, so we have to hire some artisans or *chang* (ช่าง) to make ikat or *mutmee* (มัดหมี่) patterns for 70–300 Baht per *hua* (a pattern with an approximately two-meter long length). Then we hire some *chang* to do indigo dyeing for 300–400 Baht per kilo, but sometimes by giving them our own indigo paste the price can be reduced to 250–300 per kilo. Lastly, we do the weaving by ourselves, and sometimes we are hired to weave for 80–200 Baht per meter. [14]

There are three main shops doing business related to indigo-dyed textiles in the village. In addition, there are some wealthy people from inside and outside the village acting as capitalists. They sometimes loan money to villagers in need, or give out thread. After the villagers produce indigo-dyed textiles, they will sell the pieces back to them, deducting the debt. Sometimes these people invest in thread and hire villagers to perform separate aspects of the indigo-dyed textile production process. These capitalists have their own shops or networks where they can sell the products. Hence, they have access to the money required to produce (i.e. capital) and to market channels. This gives them a privileged position from which they can exploit other villagers.

In Ban Tham Tao, villagers tend to do the job that they are particularly skilled within the long process of indigo-dyed textile production. Therefore, the production system is based on the division of labour. However, since the wages for indigo-dyed textile production are higher than the wages of rice farming, the indigo-dyed textile producers are able to hire villagers from other villages to work in their rice fields.

[14] Patcharin Keawphai, interviewed by the author, March 6, 2012, transcript.

Approach 4: Household Entrepreneurship and Adaption of Traditional Practices

This approach consists of the adaptation tactics of local families to be household entrepreneurs. Alsos, Carter, and Ljunggren (2013) refer to studies on households that focus on economic activities, work, and residence. Hence, entrepreneurship of a household considers its dynamics of economic activities, work, and kinship relations, as well as the ability of the household to recognize business opportunities (Alsos et al., 2013). This paper defines a household entrepreneur as an indigo-dyed textile business that is operated by a household.

In the past, traditional textile production was considered the work of women. Knowledge was passed on in a restricted way, typically from a mother to her daughter or daughter-in-law. Nowadays, indigo-dyed textiles are produced in a more commercial way. Men are more engaged in the process and help with some aspects of the labour. However, very few men execute the actual indigo dyeing and weaving processes.

During the school break in early March 2012, while children were playing around, the scene of two boys sitting on hand looms and weaving attracted my attention. Sathit, aged 13, and Yongyos, aged 10, are brothers. They grew up in a big family. Parn and Khampun Keawphai are the grandparents of the boys, who live in the same house with their parents. There are four houses settled within the same compound. The houses belong to the four children of Parn and Khampun.

Towards the end of the 1990s, this large family started their own indigo-dyed textile business. At the beginning, Parn was the main person to produce the textile, as she is one of the *chang* [ช่าง, skilled person or expert] who is able to do indigo dyeing and make *mutmee* patterns, which are key parts of indigo-dyed textile production. Later, when demand increased, she recruited her own family members to assist with the work. Weaving is considered simple work, so the young boys can help with this process. It is interesting thing is that Parn transferred the indigo dyeing knowledge to her son-in-law, the father of the boys.

Referring to the gender specific roles in indigo-dyed textile production, Parn made the point that, 'I don't adhere to what our grandparents' generations used to restrict. This is what we do to live our lives, so everyone must help in whatever way they can."[15]

Cases like this entrepreneur family are on the increase in the village. Starting from only one or two women producing indigo-dyed textile for sale, these businesses often grow, and other family members are recruited to work. In this case, Parn acts as the leader who manages this household's entrepreneur-driven operation. This particular household has

[15] Parn Keawphai, interviewed by the author, March 6, 2012, transcript

advantages over other households. The non-traditional assignment of duties demonstrates that Parn has adjusted the traditional practices to increase the production capacity of her family. Moreover, Parn is a well-known indigo-dyed textile artisan who is able to attract a significant number of orders from customers.

Discussion: Self-transformation, Inequality, and "Agent of Development"

Self-transformation and Heterogeneity of Development Projects

From the 2000s on, the most influential development trend in the indigo-dyed textile industry has been an entrepreneurial-based development strategy. The objectives of development have shifted from state-based modernization between 1960–1980, to a neoliberal approach during the 1990s. Development shifted towards entrepreneurial-based development strategy, which promotes active local economic activities. This development strategy activates economic roles for local people.

The different cases of self-transformation present the heterogeneity of development projects of local people (Kiely, 1999). Even though business opportunities in the indigo-dyed textile industry have opened to local people, the state has also supported local people to produce local products and to subsequently compete in the market. The present research, focused in a local development framework, shows that local people have moved on different trajectories.

There are two main conditions that determine success in the indigo-dyed textile business. The first one is entrepreneurial capacity, which includes knowledge on indigo-dyed textile production, education, occupation background, family experience with entrepreneurship, social origin and mobility, advantage of wealth, and networks. Villagers who possess higher levels of entrepreneurial capacity tend to gain better opportunities. For example, villagers who have knowledge of indigo-dyed textile production have more potential to create a business, while villagers who do not have the knowledge typically must sell their labour. However, each person or social group can have diverse capacities.

The second condition determining success is business tactics. Regarding entrepreneurial capacity, indigo-dyed textile entrepreneurs develop different tactics to strengthen their competitiveness. *Glum Nakhon Tham Tao* has built-up its production network in order to increase its production capacity. Parn Keawphai adjusts the traditional practices of indigo-dyed textile production in order to increase her workforce and production capability. In addition, individual entrepreneurs implement branded strategies to market their products to a clear target group.

From 'Objects' to 'Agents' of 'Development'

Studies on entrepreneurship in rural development, this research argues, tend to overlook one of the most important aspects: the transformation process of local peoples into entrepreneurs. Brinkman (1995) states that economic development refers to "a process of structural transformations" which leads to a higher trajectory of overall growth. Entrepreneurs are the agents of change that spur economic development (Acs & Virgill, 2003). They become agents of the local development process.

The increasing number of indigo-dyed textile entrepreneurs serves the economic objectives of Sakon Nakhon Province. Textile entrepreneurs have the potential to be engines of economic growth. Since 2001, when the national government's entrepreneurship-based development strategy was implemented, government development projects have been oriented towards entrepreneurs, increasing the number of new entrepreneurs and support for established businesspeople. According to the 2012 Strategy Plan for Sakon Nakhon Province, the increasing number of local entrepreneurs contributes to economic development in three main ways: increasing Gross Provincial Product (GPP), increasing income per capita, and enhancing quality of life (Sakon Nakhon Provincial Office, 2012b, p.7).

The transformation of some local people into indigo-dyed textile entrepreneurs fosters a degree of cultural and economic autonomy. This presents the possibility for some local people to move from being "objects" of conventional "development" to becoming "agents" of change of their own life-worlds, contributing to mainstream transformations. Because the emergence of indigo-dyed textile entrepreneurs has occurred in the midst of state interventions and a neoliberal market, this paper examines the potential of some local people to exploit state interventions and market forces, given that their business goals are in a accord with state development objectives and global markets. Their entrepreneurial actions at the same time are their own ways of "practicing development" that lead to "development objectives" from the state's perspective.

Inequality: Hierarchies and Exploitation

On one hand, entrepreneurship is transforming a number of specific villagers into businesspeople; they become active agents in bringing about economic improvements in their local milieus. On the other hand, entrepreneurs often draw upon state interventions (oriented towards development) to exploit indigo producers. These indigo entrepreneurs often become the new elite in their villages, consolidating inequalities among community members. Throughout the research it was observed how commercialization of indigo-dyed textile has resulted in hierarchical relationships and exploitation among rural people where there

previously was community and a level playing field. Rutten (1990, pp. 223-233) found a similar relationship between artisans and entrepreneurs in the rural areas of the Philippines.

Entrepreneurship enables some local people to accumulate capital. Some people who are successful in business become more capable of exploiting their peers, gaining more benefit for their labour. In Ban Tham Tao, some villagers become traders or entrepreneurs, gaining disproportionate benefit from their activities in the field of the indigo industry. Some villagers who have skills in indigo-dyed textile production serve as producers and make money, while some villagers who are not involved receive no benefit. In addition, indigo-dyed textile producers in this village exploit wage labour from other villages for production processes not requiring skills and in agricultural work.

Hierarchical relationships exist within the indigo-dyed textile industry. Non-skilled producers who work as wage labourers occupy the lowest levels. Entrepreneurs in the village become the new local elites, and some of these successful entrepreneurs can further gain acceptance as elites at the provincial level.

Actor Oriented of Local Development Process

Figure 1, below, shows actor oriented of local development process. It illustrates the development trajectories that local actors in the case study experience, portraying the transformation process of local people from indigo-dyed textile “artisans” into “entrepreneurs.” The diagram also maps relationships with and among larger-scale political and economic forces, such as development projects and market demand that create business opportunities.

The latter are based on the life experiences and capabilities of some indigo-dyed textile artisans, who utilize them to develop their own businesses. The main business forms are village producer groups (V.P.) and entrepreneurs (En.). These actors are supported by the government. They interact directly with development practitioners where they can participate in some local development projects. V.P. and En. both cooperate and compete with each other at the same time, while they also compete with other businesses in the market. However, as the diagram demonstrates, these actors base their production on local producers. Lastly, at the end of the process, while attempting to attain their businesses’ goals, these entrepreneurs incorporate the development goals of the state.

In essence, this figure describes the economic mechanisms, or processes of change, at the local level that take place in the context of rural Thailand. This ‘interlocked world of actors’ present the “indigo industry network” through the on-going self-transforming actions and perceptions of individuals and social groups.

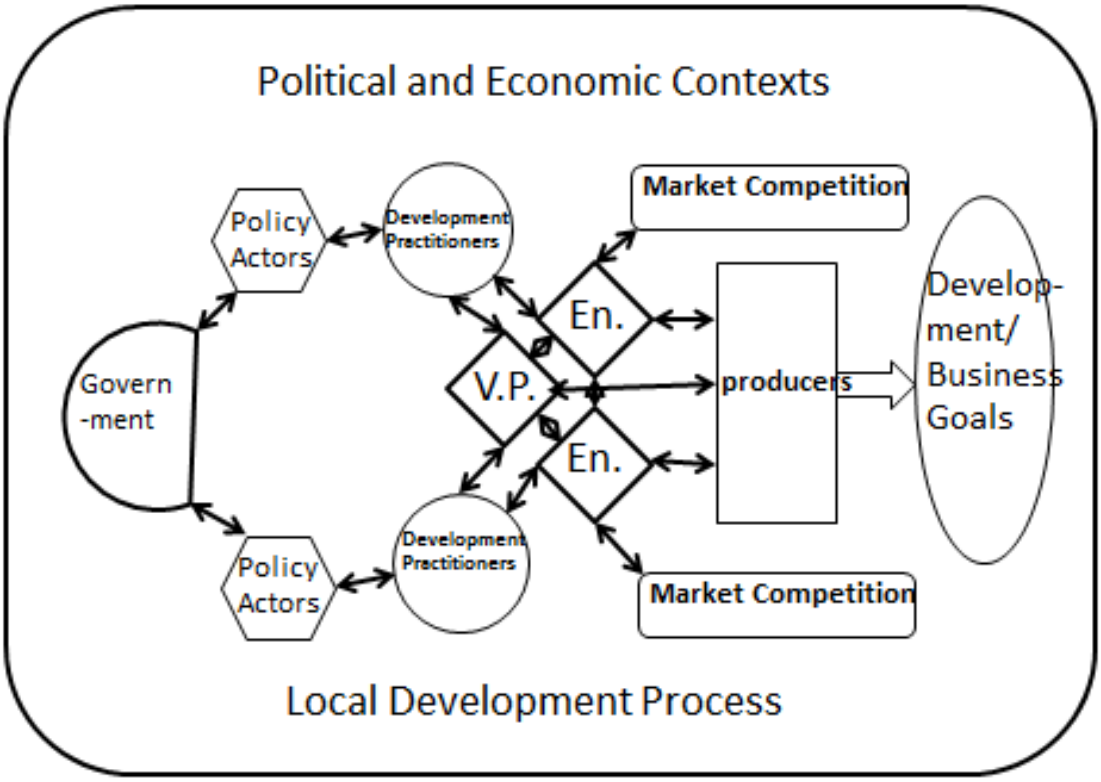

Figure 1 The local processes of change

Conclusion

Following the actor-oriented approach (Arce & Long, 2000b), this paper considers indigo-dyed textile entrepreneurs as the main actors of the local transitioning process. Throughout the "development history" of the country, local people have experienced many forms of external intervention. In the case of Sakon Nakhon Province, they have accumulated entrepreneurship experience while commoditizing indigo products. In the 2000s, when the state implemented entrepreneurial-based development strategies, business opportunities were opened for them. Some people transformed themselves into entrepreneurs prepared to face market competition.

This paper argues that indigo-dyed textile entrepreneurs transform from being "objects of development" to becoming determinant actors able to influence the very nature of their local communities. What we see here can be described as a " sequence of transformations" that leads from an external-agent driven "development" process to one that is driven more internally. This sequence begins with the deployment of state initiatives

designed for the benefit of entrepreneurs. These entrepreneurial projects provide key experiences of different natures to local individuals, leading to a new kind of actor, the local empowered entrepreneur. In the final stage of the sequence, these new actors-given their increased agency-play a more active role in determining the meaning of "development" itself, leading to a more internally-driven and autonomous development process. In this way, Sakon Nakhon shows how, in the face of the pressures of contemporary external contexts, it is possible for a local community to retain some autonomy, avoiding the fate of being eternal "objects" of "development," by forging their own way into subject-hood.

Each of the actors in the field of indigo-dyed textile production possesses their own social, cultural, and economic backgrounds, as well as unique life experiences and current life-world events, so through observation and microanalysis of development processes, this paper argues that this diversity leads to equally diverse constructions of development led by local actors.

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