
How do ethics and transparency practices work in Thailand's local governments?

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Abstract: Maintaining good governance practices regarding ethics and transparency in Thailand's local governments is very challenging. The lack of ethics and transparency are due to the abuse of power and misconduct by local politicians and officials and loopholes in the rules and regulation. This mixed-method study was conducted in the northeastern municipalities of Thailand. The research found that the factors of accountability, persons and structure were significantly associated with good governance practices of ethics and transparency with correlation levels of 0.88, 0.88 and 0.81, respectively. In-depth interview results indicated that good governance practices in local governments were not improved, although the military had seized power in May 2014. During this time, the abuse of power, misconduct and allegations of fraud committed by local politicians and officials continued.

Keywords: good governance; ethics; transparency; practices; implementation; Thailand; local government; municipalities.

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1 Introduction

The integrity of public officials is a key determinant of public trust in government and a central concept in good governance (OECD, 2009; Six and Lawton, 2013). In January 1991, the Royal Thai Government agreed to create a free trade area and to reduce tariffs among the members of the Association of South East Asian Nations (ASEAN) and the following year, Prime Minister Anand Panyarachun introduced economic reforms and streamlined several government bureaus (Dana, 1999, 2014). In order to open competition, Thailand put a great deal of emphasis on the concept of ‘good governance’ after the severe economic crisis of July 1997. Upon receiving US \$17.2 billion of International Monetary Fund loan assistance, Thailand was determined to institute good governance in state agencies (Raj-arsa et al., 2015). Therefore, some scholars pointed out that Thailand had adopted the concept of good governance for its economic recovery, but on the other hand, others were critical of Thailand being dominated by the International Monetary Fund and Western capitalist countries (Siriprachai, 2009)

The term ‘good governance’ was first translated into Thai as ‘*dham-ma-rat*’ by Sadha-Anan (Kongkarai, 2017), part of a group of Thammasat University academics who wrote an open letter called ‘National Dhammarat suggestions’, demanding the government take responsibility for administrative failure and endorsement of the new constitution (Siriprachai, 2009). Thus, good governance indexes such as ‘transparency’, ‘accountability’ and ‘participation’ were incorporated into the Thai Constitution of 1997. Moreover, the National Economic and Social Development Plan Version No .8 (1997–2001) and No. 9 (2002–2006) both focused on ‘good governance’ in order to solve chronic national problems. In the Thai Constitution of 2007, the codes of ‘good governance’ in Article No. 74 (first paragraph), stated that “civil servant, staff, employees of state agencies, or state enterprises or other public officials had to conduct themselves and perform in accordance with a code of good governance” (Pongpattanasil and

Chobnamtal, 2010). Furthermore, Article No. 55/1 of the Public Management Procedures Act of 2007 (Version 7), initially instituted the ‘provincial good governance boards’ (*‘kor tho jor’*) in each province in order to supervise and recommend public agencies using ‘good governance’ (The Office of Prime Minister, 2016). Finally, the principle of good governance has also been included in the Thai Constitution of 2017.

However, the situation of good governance practices in Thailand’s public agencies, particularly transparency and ethics gradually worsened. After the political crises and coups of September 2006 and May 2014, there were a large number of bribery and fraud allegations linked to politicians and public officials exposed in the mass media. The 2007 report of the Political and Economic Risk Consultancy (PERC) disclosed that Thailand was ranked third on the list of the most corrupt countries in ASEAN (Puang-ngam, 2015). Similarly, the report by the Research and Consultancy Institute of Thammasat University summarised the seven causes of corruption and fraud in Thai local governments: incorrect budgeting and accounting, abuse of power, loopholes in rules and regulations, lack of understanding, ignorance and political influence (Puang-ngam, 2016). The Corruption Perceptions Index’s report of 2016 showed Thailand as ranking as 101st of 176 countries and as fifth among the most corrupt countries in ASEAN (Transparency International, 2017). Moreover, research studies revealed wide-ranging misconduct, fraud and bribery within Thailand’s local governments. Khuethep and Suwanmala (2010) quoted the speech by Mr. Phisit Leelawachilopas (of the Office of Auditor General) revealing two causes of problems in local governments: unwise budget spending and mistakes in performance. A. Hunsawadikul (of the Administrative Court) summarised a number of lawsuits against local government’s politicians and staff, categorising them into three groups:

- 1 illegal drug cases
- 2 wrongdoing regarding personnel management
- 3 high-level officials’ misconduct and illegal actions.

Recently, a scandalous fraud and bribery case was exposed in the press concerning 32 Tambon Administrative Organization’ chiefs in Mahasarakham Province. The persons involved were dismissed from their duties, after being accused of fraud and bribery in personnel recruitment (Thairath, 2016). Against this backdrop, this paper aimed to investigate the causes of problems in ethics and transparency practices, explore the factors affecting them and verify the causal-relations model of factors affecting ethics and transparency practices in Thailand’s local governments: using the case of municipalities in the northeastern provinces.

2 Theoretical reviews

Ethics are defined as “standards of right and wrong that aids a specification of what individuals should do.” These are shaped from principles that form the basis of behaviour, from the rationality of considering potential harms and benefits prior to undertaking action and from the qualities of what constitutes a ‘good’ person (Ribando, 2016). Furthermore, ethics are also worded to be the rules or principles that claim the

authority to guide how we ought to act and how we ought to live (Singer, 1994; Rose, 2016).

In short, ethics theory uses teleological and deontological ethics theories, virtue ethics and dialogic ethics (Boatright, 1997). Teleological theory departs from a functional and rationality that is based basically on the calculation of the costs and benefits of different options, with the maxim of choosing the one with the greatest utility (De Vries, 2002). Deontological theories judge ethical behaviour not according to its consequences but according to the nature of these actions; a virtue is a personal trait, valued and admired for its own sake (De Vries, 2002). Dialogic ethics are made clear in rules, imposed by sanctions, demonstrated by superiors and made visible in the recruitment of public servants (De Vries, 2002). However, the study of ethics in local governance over the past decade is challenging (Frederickson, 2016). The American Society for Public Administration (ASPA) developed two intertwined values of ethical standards: public service and the public interest. Public administrators should “serve the public with respect, concern, courtesy, and responsiveness, recognizing that service to the public is beyond service to oneself” (1984) and “with dedication to high standards” (2013).

In the conduct of government affairs, ethics is an essential aspect that must be upheld and observed. It is through the process of ethics that public trust is kept intact and public services are best delivered in accordance with the principles of good governance through the ethical competence of public servants. However, commitment, political skills, status within an authority and the relationship of the local officer have a significant impact on the ability and the willingness of the monitoring officer to pursue an ethical agenda (Lawton and Macaulay, 2004; Wardhani et al., 2017). In this context, commitment, political skills and authority are individual factors and relationships are an organisational factor. At the individual level, ethical behaviour and high integrity are more likely to be of ‘high quality’ if officials are able to satisfy their basic psychological needs of autonomy, competence and relatedness (Six and Lawton, 2013). Through exemplary behaviour, political leaders and managerial leaders can set a maintained good conduct over long periods of time (Downe et al., 2013). On the other hand, unsuccessful leaders are perceived as having poor behavioural integrity and ethical conduct (Taamneh et al., 2017).

Transparency is defined as the publicity of all the acts of government and its representatives in order to provide civil society with relevant information in a complete, timely and easily accessible manner (i.e., online) (da Cruz et al., 2016). Local government transparency practices in many countries in the context of sustainability do not necessarily relate to the level of development of a country and/or its quality of governance (Galera et al., 2014). In the case of environmental information from China’s local governments, Zhang et al. (2016) demonstrated that environmental information transparency has been challenged by the authoritarian political system. In English local governments, the transparency mechanism has been transformed from a top-down regime for performance accountability to a bottom-up mechanism (Murphy et al., 2016).

Moreover, we also considered ethics and transparency practices in local governments as a ‘policy implementation’. So, the research applied a policy implementation approach as a conceptual framework and considered the principles of ‘good governance’ as ‘regulative policy’, a type of public policy that E. Hargrove (Chandarasorn, 2009) regarded as the ‘policy of human behaviour control’.

2.1 Accountability, ethics and transparency

Accountability factors included the following variables: increasing volunteer motivation and management, enhancing citizen participation, resource allocation appropriate to the organisation's mission, establishing expertise in human service provision, vision sharing and providing quality programs (Jeong, and Kearns, 2015). Accountability and participation were also essential variables affecting ethics and transparency practices, as confirmed by Watthana et al. (2001) who found that the factors promoting good governance in Thailand's local governments included support of decentralisation and civil-society power. Other studies included some types of interactions between local governments and non-state actors (Bramwell, 2010), some patterns of civil associations playing a vital role in local agencies' practices (Kobayashi, 2011; Nurmandi and Jovita, 2017). Welch (2012) considered participation as being positively associated with transparency. Sancino et al. (2017) suggested that good governance with an awareness of integrity and transparency could only exist under independent scrutiny and councillors and external stakeholders without formal authority. Case studies from the USA and South Korea found that citizen participation can lead to better governance and a closer distance between government and citizens (Kim and Schachter, 2013). The level of organisational commitment and willingness to report ethical problems was greater for managers than for non-managers (Hassan et al., 2015). In the UK local governments, the public, however, does not engage with an ethical framework that disseminates on their website (Downe et al., 2013).

In other words, the accountability process by identifying subjects, accountability demands, equity implications and value dimensions can ease the realisation of a holistic performance measurement system able to capture both the economic-financial and the social-environmental results (Manes-Rossi et al., 2016).

2.2 Persons, ethics and transparency

Moreover, ethics and transparencies practice also relied on a policy's stakeholders, especially local leaders, politicians and public officials (Phomphakping et al., 2012) and knowledge and understanding of good governance principles by chief and executives in the Tambon Administrative Organizations (Prasert, 2014). These studies were in accordance with Thanachala (2017), who considered some characteristics, attributes and leadership qualities of local governments' leaders as prominent factors affecting good governance practices. Also, Kratudnguen and Tiesuthikul (2016) found that personality and leadership factors affected good governance practices in the municipalities of Muang District, in Prathum Thani Province. However, Bureekul et al. (2004) found that Thai bureaucrats rarely emphasised the importance of transparency and accountability.

Foreign studies, that confirmed the significance of person's factor included that of Elmore (2011), who found that ethical leadership, executive support and practitioners' participation were the key factors for promoting ethical behaviour among employees. Piotrowski and Ryzin (2007) revealed that people's demand for government transparency depended on political ideology, confidence in the government's leaders and their frequency of contact with the government.

2.3 *Structure, ethics and transparency*

How does structural reform affect transparency? In Spanish decentralisation, policy obviousness for functional decentralised agencies, especially public companies and foundations, have positively impacted the levels of public transparency aimed at good governance and accountability (Cuadrado-Ballesteros, 2014). Workplace rules can help improve the attitude and behaviour of workers who perform emotion work (Jin et al., 2015). In Israel, local corruption arose from structural factors at three levels: the central-local level (relations between local authorities and the central government), the local-local level (competition between local authorities) and the intra-local level (factors relating to the performance of local councils and local democracy) (Beeri and Navot, 2013). Other studies confirmed the significance of structure factors including Brewington (2013) who revealed that the mandatory ethical training program of agencies and sanctions of confirmed misconduct and fraudulent activity had a statistically significant relationship. In other research on e-government transformation, organisational structuring and cultural and behavioural change in the city of the Philippines and Indonesia are very important factors affecting government employee behaviour (Batara et al., 2017). Almasan and Reinhardt (2009) pointed out the obligated legislations as a main factor in actively encouraging civil-society powers to maintain good governance practices. Also, Bhasin (2006) suggested that strong law enforcement was the main recommendation for good governance in Asian countries. Furthermore, a number of Thai studies indicated that ethics and transparency practices in local governments depended on the standard of conduct and performances of officials and staff (Kulbunma and Thongprasert, 2016), administrative resources, the Municipality Act (Petbodi et al., 2015), the policy's goal and objectives and the organisation's potentiality (Janthima, 2014):

- H1 Structure factor is positively associated with person factor.
- H2 Structure factor is positively associated with accountability factor.
- H3 Accountability factor is positively associated with person factor.
- H4 Structure factor is positively associated with good governance practices of ethics and transparency.
- H5 Person factor is positively associated with good governance practices of ethics and transparency.
- H6 Accountability factor is positively associated with good governance practices of ethics and transparency.

Based on related studies, we considered the factors affecting good governance practices of ethics and transparency in local governments included three groups of factors:

- 1 structures
- 2 persons
- 3 accountability.

The research model is shown in Figure 1.

Figure 1 The research’s conceptual framework or research model

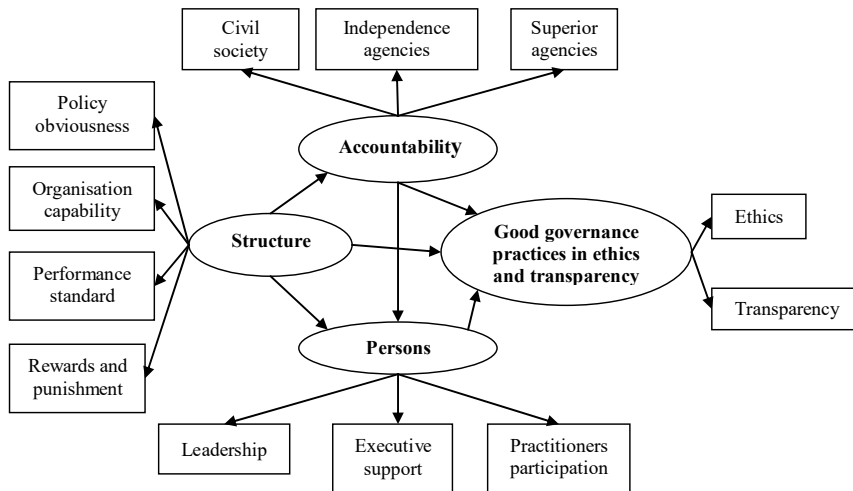


Table 1 Factors affecting ethics and transparency’s practices

<i>Research and studies</i>	<i>Factors affecting ethics and transparency</i>		
	<i>Structure</i>	<i>Persons</i>	<i>Accountability</i>
Sancino et al. (2017)			✓
Bramwell (2010)			✓
Welch (2012)			✓
Brewington (2013)	✓		
Kobayashi (2011)			✓
Bhasin (2006)	✓		
Howlett et al. (2017)	✓		
Almasan and Reinhardt (2009)	✓		
Piotrowski and Ryzin (2007)		✓	
Elmore (2011)		✓	
Phomphakping et al. (2012)		✓	
Watthana et al. (2001)			✓
Kratudnguen and Tiesuthikul (2016)		✓	
Janthima (2014)	✓		
Kulbunma and Thongprasert (2016)	✓		
Yuthanayothin (2007)	✓		
Prasert (2014)		✓	
Sathienthai (2003)			✓
Bureekul et al. (2004)		✓	
Petbodi et al. (2015)	✓		
<i>Total</i>	8	6	6

Source: Previous foreign and Thai research and studies

3 Research methods

This research applied a mixed method, using 586 respondents and 18 key informants in the six selected provinces representing the northeast of Thailand. A multi-stage cluster sampling was applied for a quantitative analysis. The main reasons to select the northeast of Thailand is the previous research by Punyaratabandhu (2012), which found that citizens living in the poorer and less developed northeast region are less supportive of good governance than citizens living in the more affluent north. A structural equation modelling (SEM) technique was used to verify the model of causal-relations factors affecting good governance practices in local governments, specifically the case of municipalities in the northeast. The research sampled the municipalities' officials and councillors and the committee of Provincial Good Governance Boards. The six selected provinces representing the northeast were Udon Thani and Loei (the north zone), Khon Kaen and Kalasin (the central zone) and Nakhon Ratchasima and Amnat Charoen (the south zone). The sample size's calculation was applied using the Taro Yamane formula (Srisantisuk, 2009) and compared with R.V. Krejcie and D.W. Morgan's sample table (Punyaratabandhu, 2003). Key informants were selected from the representatives of the related agencies:

- 1 the Office of National Anti-Corruption Commission in the province
- 2 the Office of Auditor General in the province
- 3 the Provincial Good Governance Boards (civil society only)
- 4 the Office of the Provincial Election Commission
- 5 the provincial Office of Local Administrative Promotion
- 6 the editor-in-chief of the local newspaper in the province.

A set of well-constructed questionnaires was provided for quantitative measurement, which included a number of check-list questions. Rating scale questions comprised of five choices (most, much, moderate, little and least) with a score from five points to one point. The questionnaire was tried out using 30 respondents and assigning expert teams from both inside and outside the university to examine and analyse the questionnaire. The index-objective congruence (IOC) required was up to 0.60 and Cronbach's alpha coefficient was 0.9653. The fundamental descriptive statistics included percent (%), mean (\bar{X}) and standard deviation (SD). The analytical technique included Pearson's correlation and SEM, which was calculated using the LISREL program, version 8.30.

4 Findings

The analysis of data includes an explanation of the preliminary descriptive statistics of the variables, in-depth interview result, the testing of the relationship between variables by Pearson's correlation, the result of testing the hypotheses and verification of the research model.

Table 2 The sample's size of the municipalities' staff and councillors in Thailand's northeastern provinces

Zones	Provinces	Municipalities	Councillors		Officials		Total
			Population	Sample	Population	Sample	
North	Udon Thani	Nakhon Udon Thani	24	15	265	43	58
		Tambon Bandung	18	11	53	9	20
	Loei	Tambon Nong Wau Sor	12	7	34	6	13
		Mueang Loei	18	11	120	20	31
		Tambon Chiang Khan	12	7	46	8	15
Central	Khon Kaen	Tambon Phu Ruea	12	7	31	5	12
		Nakhon Khon Kaen	24	15	302	50	65
	Kalasin	Mueang Pol	18	11	100	16	27
		Tambon Nong Ruea	12	7	55	9	16
		Mueang Kalasin	18	11	147	24	35
South	Nakhon Ratchasima	Yang Talas Tambon	12	7	45	7	14
		Tambon Haui Pueng	12	7	35	6	13
	Amnat Charoen	Nakhon Nakhon Ratchasima	24	15	465	76	91
		Mueang Pak Chong	18	11	122	20	31
		Tambon Dan Khun Thod	12	7	45	7	14
Total		Tambon Lue Amnat	18	11	85	14	25
		Tambon Prathum Rachvongsa	12	7	57	9	16
			288	168	2,037	334	502

Source: Collected from the provincial Office of Local Administrative Promotion's records

In Table 4, the level of observed variables was between 3.30 and 3.70. The highest levels included the factor of standard of performances (3.70), independent agencies (3.69), the organisation's capability (3.63) and leadership (3.63). The levels of ethics and transparency practices in the municipalities of northeast Thailand were moderate (3.47) and high (3.54). The average value was moderate (3.50). The values of skewness and kurtosis were not different from zero with level of significance of 0.05, so the observed variables' curve was a normal distribution, compatible with a requirement of the SEM technique.

Table 3 The sample's size of the provincial Good Governance Boards in Thailand's northeastern provinces

Zones	Provinces	Committee of provincial Good Governance Boards		Number of samples
		Number of districts	Number of committees	
North	Udon Thani	20	18	14
	Loei	14	16	13
Central	Khon Kaen	26	20	16
	Kalasin	18	18	14
South	Nakhon Ratchasima	32	20	16
	Amnat Charoen	7	14	11
<i>Total</i>		<i>117</i>	<i>106</i>	<i>84</i>

Source: Adapted from the Office of Provincial Governors' records

Table 4 Descriptive statistics

Observed variables		\bar{X}	SD	SKEW	KUR	Chi-square	p-value	Level
STRU	POLA	3.56	0.66	-0.02	-0.05	0.07	0.96	High
	ORGC	3.63	0.67	-0.03	-0.10	0.27	0.88	High
	STAP	3.70	0.68	-0.05	-0.14	0.73	0.70	High
	STAR	3.30	0.80	-0.01	-0.12	0.31	0.86	Moderate
ACCO	CIVI	3.42	0.84	-0.03	-0.13	0.47	0.79	Moderate
	INTA	3.69	0.79	-0.05	-0.17	0.97	0.62	High
	SUPA	3.56	0.76	-0.04	-0.10	0.39	0.82	High
PERS	LDS	3.63	0.77	-0.06	-0.16	1.00	0.61	High
	EXES	3.40	0.79	-0.02	-0.07	0.11	0.95	Moderate
	STFR	3.40	0.71	-0.01	-0.03	0.02	0.99	Moderate
POLI	ETHI	3.47	0.73	-0.02	-0.13	0.38	0.83	Moderate
	TRAN	3.54	0.77	-0.03	-0.14	0.57	0.75	High

Note: * $p \leq .05$.

In Table 5, all of observed variables were significantly associated ($p \leq 0.05$), which indicated that all variables were correlated by linear, positive and causal relations. The level of correlation's coefficient ranged from 0.37 to 0.85 and the highest level of correlation included leadership and superiors' agencies ($r = 0.85$), interdependent agencies and civil society ($r = 0.76$) and civil society and the standard of punishment and

rewards ($r = 0.75$). The highest level of correlation between causal variables and ethics and transparency practices in Thailand's local governments (effect variables) included civil society agencies and transparency ($r = 0.72$), superiors agencies and transparency ($r = 0.66$) and executives' support and ethics ($r = 0.66$).

The result of in-depth interviews with 18 key informants indicated that the situation of good governance practices in Thailand's local governments was not improved, although the military, which took power in May 2014 had strictly suppressed fraud and corruption in state agencies. During this time, the abuse of power, misconduct and fraud allegations against local politicians and officials had not decreased. An estimated 70%–80% of the fraud and bribery complaints against local governments were related to the public procurement process and personnel management. The obstacles to good governance practices in Thailand's local governments, in the case of northeastern municipalities, were:

- 1 Abuse of power and wrongful actions by politicians in procurement procedures and in personnel management.
- 2 Many loopholes in the rules and regulations for performances and practices, particularly regarding budget spending and personnel management.
- 3 Inefficiency in bureaucratic management plus a lack of knowledge and understanding of rules and regulations.
- 4 Ignorance and neglect in supervising by superior agencies.
- 5 Lack of civil-society organisations involved in monitoring and inspecting local performance, particularly that of local politicians and officials.
- 6 Lack of people's participation in monitoring to protect their benefits and interests.
- 7 That some of the social values and cultural and traditional beliefs found among rural people were not aligned with good governance principles.

One interviewee said:

“In terms of assistance for decision-making, I do not consult the codes. The only thing that I may be concerned with is what is in the local government charter. Like there are prohibitions against dealing with or contracting with the local government.”

Another local government council member said:

““You have to depend on your own sense of right and wrong and you have to consider the policies of the council or the local government manager.” It was surprising that one-third of all participants indicated that the codes of ethics were not useful as a source of guidance.”

Most of interviewees of 18 key informants confirmed three groups of factors that affected ethics and transparency practices in Thailand's northeastern municipalities:

- 1 structures
- 2 persons
- 3 accountability.

Table 5 Pearson's correlation coefficient between the observed variables

Variables	1	2	3	4	5	6	7	8	9	10	11	12
1 POLA	1.00											
2 ORGC	0.70*	1.00										
3 STAP	0.66*	0.71*	1.00									
4 STAR	0.61*	0.65*	0.63*	1.00								
5 CIVI	0.69*	0.61*	0.64*	0.75*	1.00							
6 INTA	0.70*	0.61*	0.63*	0.62*	0.76*	1.00						
7 SUPA	0.67*	0.67*	0.66*	0.76*	0.74*	0.69*	1.00					
8 LDS	0.66*	0.68*	0.62*	0.70*	0.67*	0.64*	0.85*	1.00				
9 EXES	0.63*	0.59*	0.61*	0.65*	0.71*	0.67*	0.68*	0.62*	1.00			
10 STFR	0.37*	0.44	0.41*	0.48*	0.41*	0.44*	0.47*	0.43*	0.53*	1.00		
11 ETHI	0.56*	0.52*	0.54*	0.58*	0.59*	0.58*	0.56*	0.54*	0.66*	0.55*	1.00	
12 TRAN	0.58*	0.52*	0.55*	0.66*	0.72*	0.65*	0.66*	0.61*	0.65*	0.44*	0.62*	1.00

Note: *p ≤ .05.

This finding reaffirmed the correlation between the causal factors and ethics and transparency practices in Thailand's local governments, in the case of municipalities in the northeastern provinces, with coefficient levels of 0.88, 0.88 and 0.81, respectively. Also, these causal factors were significantly associated with the coefficient levels of 0.92, 0.91 and 0.85, respectively. So, the research hypotheses were accepted (see Table 6).

Table 6 Results of the testing of the hypotheses

<i>The research hypotheses</i>		<i>Testing's results</i>	
		<i>Coefficient (r)</i>	<i>Interpreted</i>
H1	Structure factor is positively associated with persons factor	0.91*	Accepted
H2	Structure factor is positively associated with accountability factor	0.85*	Accepted
H3	Accountability factor is positively associated with persons factor	0.92*	Accepted
H4	Structure factor is positively associated with good governance practices of ethics and transparency	0.81*	Accepted
H5	Persons factor is positively associated with good governance practices of ethics and transparency	0.88*	Accepted
H6	Accountability factor is positively associated with good governance practices of ethics and transparency	0.88*	Accepted

Note: * $p \leq .05$.

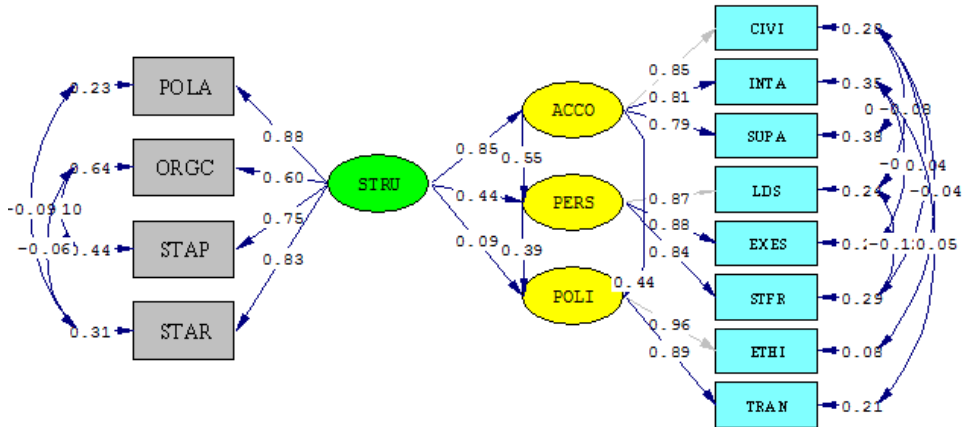
The goodness-of-fit between the research model and the empirical data was matched with the following statistical values:

- 1 chi-square was 28.68 with probability of 0.58 (not significant)
- 2 the GFI was 0.99 (higher than 0.90)
- 3 the AGFI was 0.98 (higher than 0.90)
- 4 the root mean square of error approximation (RMSEA) was 0.00 (lower than 0.05)
- 5 the root mean square residual (RMSR) was 0.01 (lower than 0.05)
- 6 the critical n (CN) was 1,058.70 (higher than 200) (see Figure 2).

Based on a path analysis, the factors of accountability, persons and structure directly affected (DE) good governance practices of ethics and transparency in Thailand's local governments with coefficient levels of 0.44, 0.39 and 0.09, respectively. The factor of structure indirectly affected (IE) good governance practices of ethics and transparency with a coefficient level of 0.72, by passing through three paths: accountability, persons and both accountability and persons with coefficient levels of 0.37, 0.37 and 0.18, respectively. Also, the accountability factor IE good governance practices of ethics and transparency by passing through the person's factor with a coefficient level of 0.22. In short, the factors of structure, accountability and persons totally affected (TE) the good governance practices of ethics and transparency of Thailand's local governments in the case of municipalities in the northeastern provinces, with coefficient levels of 0.81, 0.66 and 0.39, respectively. So, these causal factors could collectively explain the ethics and

transparency practices of Thailand’s local governments in the case of municipalities in the northeastern provinces as 80%.

Figure 2 The linear structural relationship model of the ethics and transparency practices of Thailand’s local governments: the case of municipalities in the northeastern provinces (see online version for colours)



Note: Chi-square = 28.86, df = 31, p-value = 0.57647 and RMSEA = 0.000.

5 Discussions

Based on the findings, we can say that the result of the in-depth interviews was in accordance with a quantitative result. The most of the problems of good governance practices of ethics and transparency in Thailand’s local governments in the case of northeastern municipalities included the abuse of power and wrongful actions by local politicians and officials, loopholes in rules and regulations and a lack of inspection and supervision by independent agencies and civil society. Furthermore, almost all of the interviewees indicated that the factors affecting good governance practices of ethics and transparency in local governments included structure, persons and accountability, which was compatible with the factor correlation analysis’s result.

5.1 Accountability

The research found that the accountability factor was significantly associated with good governance practices at the highest level (0.88) and most DE on good governance practices of ethics and transparency in local governments, with a coefficient level of 0.44. These findings confirmed those of Watthana et al. (2001), who found that the factors promoting good governance in local governments included supporting decentralisation and civil society’s powers for local development. Sathienthai (2003) suggested that the public policy regarding the industrial environment was a process lacking in good governance principles, because the government was mainly in favour of businessmen and merchants, ignoring and neglecting people’s participation and civil society. Moreover, the findings affirmed many foreign studies including that of Welch (2012), who found

that participation was positively associated with transparency. This confirmed that good governance of integrity and fairness could exist under independent scrutiny and councillors and external stakeholders or actors without formal authority (Sancino et al., 2017). Moreover, Kobayashi (2011) pointed out that some patterns of civil associations played a vital role in preventing ethnic group conflicts. On the other hand, the result of the in-depth interviews found that civil society and people's participation were rather inactive. Therefore, the powerful mechanism of checks and balances did not actually work.

5.2 Persons

Based on the persons approach, it was regarded that the policy's success or failure mainly depended on the 'persons' or 'practitioners'. The research found that the person's factor was significantly associated with good governance practices of ethics and transparency in Thailand's local governments (0.88) and DE good governance practices of ethics and transparency with a coefficient level of 0.39. The findings were in accordance with Elmore (2011), who found ethical leadership to be a key factor for promoting ethical behaviour among employees. The findings confirm previous Thai scholars' studies (Bureekul et al., 2004; Phomphakping et al., 2012; Prayote, 2017). Samram (2011) considered practitioners' attitudes to be the main factor affecting policy implementation in local governments. However, those findings contrast with those of Panday and Rabbani (2014), who found that the lowest level of officials within local agencies could not facilitate or promote good governance and democracy in a country.

5.3 Structures

The findings indicated that the structure factor was significantly associated with good governance practices of ethics and transparency (0.81) and DE good governance practices of ethics and transparency with a lower coefficient level (0.09). On the other hand, it IE good governance practices at a higher level (0.81). However, the result of the in-depth interviews found that the immediate rules and regulations of local government were not an obstacle, although many were quite obsolete or inappropriate and in need of change or adaptation, for instance, the presence of loopholes and rules and regulation regarding local executives' discretion. This confirmed the findings of Almasan and Reinhardt (2009), who found that both the vertical and horizontal dimensions of working were key factor for good governance implementation in local government. Bhasin (2006) considered strong law enforcement to be the main recommendation for good governance in Asian countries. And Brewington (2013) found that mandatory ethical training program for agencies, with sanctions for confirmed misconduct and fraudulent activity, were statistically significantly related. These findings could prevent misconduct and fraudulent activity in local government. Thai studies included that of Phuapongsakorn et al. (2000), who found that the starting point of state corruption was caused by two sides of power: first, the power to approve the exemptions from mandatory rules and regulations, called 'loopholes' and second, the powers to allocate privileges and benefits. Yuthanayothin (2007) discovered that the factors affecting a policy's success included the clarity of the policy and the organisation's characteristics. Janthima (2014) suggested

that the factors affecting success included the policy's goal and objectives and the organisation's capability.

6 Conclusions

In conclusion, the essential problems facing good governance practices of ethics and transparency in Thailand's local governments, in the case of municipalities in the northeastern provinces, included the following: the abuse of power by and misconduct of local politicians and officials while pursuing their own interests and benefits; rules and regulation loopholes, particularly regarding budget spending and personnel management; ignorance and neglect in supervision and control by superior agencies; and a lack of civil-society participation in monitoring and inspecting local performances, particularly the practices and behaviour of local politicians and officials. The factors affecting good governance practices of ethics and transparency in the northeastern municipalities comprised accountability, persons and structure, which were significantly associated with good governance practices of ethics and transparency (0.88, 0.88 and 0.81, respectively). The verifying of the structural relationship model of factors influencing good governance practices of ethics and transparency in the northeastern municipalities fit with the empirical data. These three causal-relations factors could collectively explain good governance practices in Thailand's local governments in the case of municipalities in the northeastern provinces by 80%.

7 Limitations and implications

There are two limitations to this research: locations and content. The restriction to only the northeastern provinces of Thailand was due to the largest size of the area and that they had the greatest population; and a great number of fraud and corruption allegation. The content restriction to good governance indexes only regarding ethics and transparency was because these can cover other indicators, such as morality, legitimacy, participation and accountability. By practical implication, this paper surely confirmed the significant role of social participation, accountability, civil society and independent agencies. Therefore, two main solutions can be recommended: first, to promote and strengthen civil society and independent agencies with more power to investigate and monitor local government practices and behaviour in terms of good governance; second, to adjust and correct local laws and regulations to cautiously screen for ethical leaders for local government, to restrict political power and to revoke those laws' and regulations' loopholes.

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