Chapter 1: Introduction

1.1 Statement of the Problem

The Association of Southeast Asian Nations' (ASEAN) agreement to form an ASEAN Economic Community (AEC) by the year 2015 had created impacts on ASEAN countries as they ready themselves for this next new step in economic integration. The field of education is of no exception in being a recipient of this impact, and ongoing steps are being undertaken by ASEAN member states in meeting the challenges that lie ahead.

- 1.1.1 Phenomenon of interest. English is ASEAN's working language ("What is ASEAN's working language". 2010) and the free movement of ASEAN citizens scheduled for 2015 would increase enrolments in institutions of higher learning that offer International Programs taught in English (Das. 2013). Higher education has the highest enrolment of international students worldwide, particularly in more popular destinations in developed countries such as the United States, Canada, the United Kingdom, and Australia, to name a few (Jones. 2006). With the opening of ASEAN doors to free movement in 2015, increased enrolments of international students in Higher Education Institutions (HEIs) in ASEAN should be of no surprise.
- 1.1.2 Background and justification. With the upcoming AEC in 2015, there are many challenges for Thailand in the field of education. Deputy Director-General Busadee Santipitaks of ASEAN-Thailand, Ministry of Foreign Affairs, covered the following information in the conference on June 24, 2013, entitled "Creating Networks that Deliver". An emphasis was made in preparing the Thai youth for the ASEAN Community to be in alignment with the ASEAN 5-Year Work Plan on Education (WPE) 2011-2015. Adopted by ASEAN member countries, the WPE:

Clarifies ASEAN's role as a regional partner in the education sector and supports ASEAN Programmes that raise awareness of regional identity; promote access to and improve the quality of primary, secondary and tertiary education; support regional mobility programmes for students, teachers, and faculty and strategies for internationalization of education; and

support for other ASEAN sectorial bodies with an interest in education. ("ASEAN 5- Year Education Work Plan". 2012, para. 1)

With that in mind, it provides the rationale and justification for the researcher to find out the impacts of the AEC on BBA International Programs.

- 1.1.3 Deficiencies in the evidence. As the AEC and its impacts on higher education are new and recent developments, very minimal research had been conducted in this particular area, thus resulting in a deficiency in literature. Moreover, there is a scarcity of literature pertaining to exchange and foreign students among ASEAN countries. The knowledge gained from this study would not only contribute to the existing literature, but also provide invaluable insights for other institutions with the same program.
- 1.1.4 Scope of the Research. As this research was more exploratory in nature, a qualitative study had been selected as the research methodology design that requires only small samples. Using the grounded theory (GT) as the chosen qualitative research approach, the sample size for this study was a total of 14 subjects. This research sought to investigate the impacts of the AEC on Bachelor of Business Administration (BBA) International Programs (IPs) in Thailand. Therefore, the appropriate sample group needed to be in the position to provide relevant information for the study. The heads of the 14 BBA International Programs best qualified as respondents as they had both the ability and capacity to fulfill the requirements of the study.
- 1.1.5 Audience. This research would greatly benefit academic institutions of higher learning, particularly those in ASEAN that have similar BBA IPs as they are also adapting to the AEC, face new challenges and threats, and follow the WPE. The BBA IP at HCU would probably stand to benefit the most from this study as the completed project is a compilation of invaluable information from other BBA IPs. Respondents who had requested for a copy of this research would be part of the major audience of this paper as well.

1.2 Definition of Terms

For the purpose of this study, the following terms are defined.

1.2.1 ASEAN. Also widely known as the Association of Southeast Asian Nations, it was established in 1967 by five Southeast Asian countries, and is currently represented by the 10 member

countries in Southeast Asia: Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Thailand, Singapore, and Vietnam ("ASEAN Member States". 2014; Chia. 2011; "Know Your ASEAN". 2010).

- 1.2.2 ASEAN Blueprint. The ASEAN Blueprint was adopted on November 20, 2007 in Singapore by ASEAN Leaders during the 13th ASEAN Summit. This would "serve as a coherent master plan guiding the establishment of the ASEAN Economic Community 2015" ("ASEAN Economic Community". 2014, para. 3).
- 1.2.3 ASEAN Economic Community. This community is commonly referred to as the AEC that is scheduled to be effective in 2015 and is represented by the 10 member countries of ASEAN ("ASEAN Economic Community". 2014).
 - 1.2.4 ASEAN Scorecard. According to Das (2013), an AEC Scorecard is defined as:

A regional economic scorecard expected to serve as an unbiased assessment tool to measure the extent of integration among its members and the health of the region. The scores are expected to reflect the true nature of implementation of the measures stipulated in the Blueprint and not just the ratification by all member countries. (page 2)

- 1.2.5 Bachelor of Business Administration International Program (BBA or B.B.A.).

 An undergraduate degree in Business Administration conducted in English.
- 1.2.6 Economic Integration. Member countries in the integration would coordinate their efforts in linking the economic policies amongst themselves. The reduction in trade barriers and a higher degree of harmony in their monetary and fiscal policies would result in a greater degree of economic integration (Blink and Dorton. 2007).
- 1.2.7 Free Trade Agreement (FTA). This is an agreement signed by countries to remove trade barriers so that there would be free movement of goods and services between/among them (Blink and Dorton. 2007).
- 1.2.8 Higher Education Institutions (HEI). These institutions offer education at a higher level beyond high school or pre-university level, and are referred to colleges or universities, and in some instances, schools.

- 1.2.9 International Students. Overseas students who seek admission to study in abroad.
- 1.2.10 Memorandum of Understanding (MOU). This is a document of mutual understanding that is established between two universities.
- 1.2.11 Ministry of Education (MOE). The ministry that oversees education in the country of Thailand.
- 1.2.12 Office of the Higher Education Commission (OHEC). The OHEC is responsible for higher education in Thailand, and oversees up to 170 higher education institutions at undergraduate and graduate levels.
- 1.2.13 Pillar. This term is used to describe the four objectives or pillars of the AEC Blueprint (Das. 2013).
- 1.2.14 Target Measures. This is the terminology used in measuring each of the four pillars of the AEC blueprint. Targets measures have been established for each pillar and are measured in terms of percentage as to how many targets have been met.
- 1.2.15 Transcribe. The act of making a full typewritten or written copy of the material dictated during the interview.

1.3 Purpose of the Study

The purpose of this study was twofold. It was to investigate both the present and current impacts of the 2015 AEC on the BBA IPs in Thailand. In the investigation of the current impacts, it was more generalized, while the exploration of the future impacts was more diverse and subcategorized into the opportunities, challenges, and threats.