

Topic           A study of strengths and weaknesses of Islamic cooperative in Thailand

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### Abstract

Islamic cooperative includes savings and financial services for helping to grassroots level of financial institutions and enterprise community. It helps labor classes, farmers and small economic groups and to promote development of economy and society of the country. The country like Thailand, there is 7 % population are Muslims and majority are in living in southern part of the country and there are restrictions to use of financial services according to Islamic principles. During the operations of transaction, joint venture partnership use profit with deposit incentives to conduct the transactions. Islamic cooperative is an opportunity for development of operations in term service to the Muslims. This study analyses the strengths and weaknesses of the guidelines for the operations and to guide the development and strengthen the joint investments to reduce risks that are outside of the principle of Islam and creates policies to develop correct system based on Islamic financial principles.

The result of this study shows the implementation of Islamic cooperatives in both services and savings leads to know the facts of financial transactions. The transactions under Islamic framework laws clearly show in the management system from small to large. By studying the weakness of joint operation, leads to offense which gives to a business to make a profit under weak Islamic moral values.

Due to some faults in management, it requires educational information for benefiting of this research. Through educational information and in-depth interviews on financial system provide legal administrative support to cooperatives. The cooperative research operations promote by the primary data on Islamic financial system and on the transaction system of joint venture, partnership and joint venture management in financial institutions. For the data

analysis based on survey is synthesis to crystallize the idea of education in order to understand the contents of the strengths and weaknesses while implementation of cooperative leadership's reply on the questions of co-management.

The advantages of cooperatives are clearly shown in the study of interviews of executives from small to large departments. The results show Islamic cooperative remains weak in operations but as such Islamic cooperatives are the most profitable business. But there is weakness arrives if operations go out of principles. Cooperative departments should be promoted and checked the operations.

Under the Islamic principles, cooperatives operate in wrong way while in the transaction of it. In order to check and register through listing to those cooperatives which technically misuse the services. The cooperatives duly registered under the Cooperative Act 2511 (2542) being co-founder at the initial stage.

The objectives of the operation of cooperatives are to create unity in the implementation of strict Islamic principles and to create a network of support and cooperation and exchange of academic experiences to function business. Data and information with the use technological tools related to financial institutions use for operation and also use academic activities for preparation of documents for publications.

Public relations and other activities give better perform of quality and reduce the costs of producing for a cooperative network. With the collaboration with Islamic principles, cooperatives can protect the interests of the cooperative members to support and sustain a cooperative network. For this, it needs to make a mutual framework for research and collaborative studies on combination of cooperatives. In the initial interviews, cooperation among Islamic cooperatives for financial assistance grows with Islamic cooperatives of extension of level of interests. The capital structure of amount of 100 million to 600 million baht is to use potentially for services with profitable way. During small amount of time while in operations make benefit from occupied services on the reliability of financial international aids despite the risk in cooperatives. The money use for depositors and investors may have some credibility but almost it is good for operations.

However, most of the individuals still have lack of ability to operate operations with financial discipline, integrity and adhering of Islamic principles which cause the error in the operations of cooperatives. Islamic principles are foundation of Islamic cooperatives which are essential for a financial discipline. This research study deals with the analysis for marketing expertise on the strengths and weaknesses of the Islamic cooperatives and provides information of operations size to the people and kept them informed about the budget of operations. Through SWOT analysis, to better understand the operation, development, and implementation errors and the Islamic financial transactions this can help the economy of the Muslims and develop large financial institutions in the future.