

# The Role of Local Government in International Relations: A Case Study of Friendship City Agreements between Khon Kaen City and Nanning City

Yang Fenglian

Master degree student in Public Administration, College of Local Administration,  
Khon Kaen University

Pennee Narot

Associate professor, College of Local Administration, Khon Kaen University  
Researcher, Research Group on Local Affairs Administration

**Received:** April, 9 2017 **Accepted:** May, 16 2017

## Abstract

This qualitative study investigated the role of local government in friendship relations between Khon Kaen and Nanning City. It aims to 1) study the development of the friendship city agreement between two cities, 2) summarizes the achievement of the friendship cities' communication, and analyze the existing problems and obstacles, and determine the local government functions in the international relation, 3) put forward the corresponding countermeasures and solutions. Documentary analysis and field survey using in-depth interview were conducted in this research. It was found out that: 1) The bilateral relations of two cities have developed rapidly, especially in the field of cultural, education and youth exchanges, the regular high-level visit and large conference activities effectively promote the exchanges. 2) Although the exchanges between the two cities have achieved certain results, the existing problems included insufficient substance and language communication problem, narrow restriction of communication and insufficient non-governmental exchange which still impeding further exchanges between the two cities. And 3) the corresponding counter measures and solutions should consider various level of functions; concept level, non-government level and input level. So the future implementation should begin from the currently existing projects, combined with the characteristics and strengths of the two cities. Furthermore, the focal focus should be on education field to create "exchange students" projects. One of the mechanisms that will help the success of this policy implementation is through the use of joint cities special fund which will be utilized primarily for student scholarships. The outstanding students will be selected to attend educational institutions of each other's city.

**Key words:** friendship city, local government, international relationship

# บทบาทขององค์กรปกครองส่วนท้องถิ่นในด้านความสัมพันธ์ระหว่างประเทศ: กรณีศึกษา

## ความร่วมมือระหว่างเมืองขอนแก่นและเมืองหนองหนัน

หยาง เพ่งเหลียน

นักศึกษาคณะศึกษาปริญญาโท สาขาวิชาการปกครองท้องถิ่น วิทยาลัยการปกครองท้องถิ่น มหาวิทยาลัยขอนแก่น  
เพ็ญณี แวนอฟ

รองศาสตราจารย์วิทยาลัยการปกครองท้องถิ่น มหาวิทยาลัยขอนแก่น  
นักวิจัย กลุ่มวิจัยการบริหารท้องถิ่น มหาวิทยาลัยขอนแก่น

ได้รับบทความ: 9 เมษายน 2560 ตอบรับตีพิมพ์: 16 พฤษภาคม 2560

### บทคัดย่อ

งานวิจัยฉบับนี้ศึกษาบทบาทขององค์กรปกครองส่วนท้องถิ่นในด้านความสัมพันธ์ระหว่างประเทศ ระหว่างเมืองขอนแก่นและเมืองหนองหนัน โดยมีวัตถุประสงค์ 1) เพื่อศึกษาพัฒนาการของความสัมพันธ์ระหว่างสองเมืองนี้ และสรุปการติดต่อสื่อสารของสองเมือง 2) เพื่อวิเคราะห์ปัญหา อุปสรรค และประเมินบทบาทในด้านความสัมพันธ์ระหว่างประเทศ 3) นำเสนอข้อเสนอแนะและมาตรการในการแก้ปัญหา การวิจัยดำเนินการโดยการวิเคราะห์เอกสารและสำรวจภาคสนาม

ผลการวิจัยพบว่า 1) ความร่วมมือของทั้งสองเมืองมีพัฒนาการอย่างรวดเร็วโดยเฉพาะอย่างยิ่งด้านวัฒนธรรมการศึกษาและแลกเปลี่ยนเยาวชนมีกิจกรรมการเยี่ยมเยือนและประชุมแลกเปลี่ยนในกลุ่มผู้บริหารระดับสูง 2) แม้ว่าความร่วมมือจะประสบความสำเร็จระดับหนึ่งแต่ปัญหาที่คงมีอยู่ คือ ความไม่เพียงพอของประเด็นความร่วมมือ ปัญหาการสื่อสาร การสื่อสารถูกจำกัดอยู่ในวงแคบและขาดการแลกเปลี่ยนในระหว่างองค์กรพัฒนาเอกชน ซึ่งสาเหตุมาจากการจัดการของรัฐบาลและระบบการบริหารที่แตกต่างระหว่างประเทศจีนและประเทศไทย บรรยายกาศแวดล้อมด้านความสัมพันธ์ระหว่างประเทศ เศรษฐกิจของประเทศไทย รวมถึงการเปิดกว้างด้านสภาพแวดล้อมทางสังคม ซึ่งล้วนเป็นประเด็นที่ไม่อาจละเลยได้ และ 3) แนวทางในการแก้ปัญหาการพิจารณาในหลายระดับของการดำเนินการ นับแต่ระดับแนวคิด ระดับองค์กรพัฒนาเอกชน และระดับปัจจัยป้อนเข้า ดังนั้น การดำเนินการในอนาคตควรเริ่มจากสภาพของโครงการในปัจจุบัน ประสานกับลักษณะและความเข้มแข็งของเมือง นอกเหนือนี้จุดเน้นควรให้ความสำคัญกับด้านการศึกษา โดยสร้างโครงการแลกเปลี่ยน กลไกที่ช่วยให้การขับเคลื่อนโครงการสำเร็จได้โดยความร่วมมือจัดตั้งกองทุนของเมืองทั้งสอง เพื่อให้ทุนสนับสนุนผู้เรียนที่มีผลการเรียนดีที่ได้รับการคัดเลือกให้เข้าศึกษาในสถานศึกษาของแต่ละเมือง

## Introduction

### 1.1 Background and Rationale of the Research

Over the past few decades, globalization has increased interdependence among countries and also altered the dynamics of international relations. In each country, the national government was no longer the primary actor in foreign affairs (Jain, 2006). Sub-national authorities, non-state actors, and firms have also emerged as key stakeholders in the formulation and implementation of each country's foreign policy. Local government actors, in particular, have become actively involved in developing and strengthening many aspects of foreign relations.

In recent years, local government has emerged as a rich laboratory for self-government (Wei, 2000). In decentralized countries, citizens are offered ample opportunities to participate in the policy-making process in their local communities. Through participation, the citizens have gained civic virtues and an understanding of how to live peacefully with their neighbors. Thus, the local self-governing bodies are essential to their communities' political development process. In addition, public economists argued that the local government agencies can help increase the efficiency and accountability of public resource allocation by matching government spending priorities with the citizen preferences (Oates, 1999). Musgrave (1959) posited that local government should only be responsible for local public service delivery. The other two essential functions of government namely, macroeconomic stabilization and socioeconomic welfare distribution, should be reserved for the national agencies. In addition, economists proposed that pure public goods, particularly national defense and diplomacy, should not be localized because they have important consequences for everyone in a country, not just those residing in a specific locality (Local Government Forum, 2008).

Generally speaking, local government has the following characteristics: 1) limited power: both in internal and external relations, local governments do not have sovereign powers; 2) the authority in the jurisdiction: although local government does not have the sovereign power, it has the authority over matters within its jurisdiction in the scope authorized by the Constitution and laws; 3) the hierarchical structure: In general, the level of local government and administrative divisions are closely linked, showing a feature of hierarchy; 4) locality of goals: local governments pay much more attention to local and short-term development goals within their regions; however, central government puts more emphasis on global and strategic macro objectives; 5) the division of functions: local governments and the central government have a certain division of labor in function. Local governments bear the primary responsibility in the area of resource allocation in the economic functions, while the central government will deal with

the problems which local governments are unable to solve. In other words, local governments “perform those functions that the central government considers are more conveniently [managed] at the local level; those functions that most, to some degree, necessarily be administered locally” (The Encyclopedia Americana, 1980)

However, disjuncture always exists between theory and the reality. Local government units in China have been active actors in bringing in foreign capital assets and investments to their jurisdictions (Jakobson & Knox, 2010). Many Chinese provincial governments, such as in the provinces of Guangxi, Jiangsu, Jiangxi, and Heilongjiang, have formed corporations the International Economic and Technological Cooperation Corporations (IETCCs) to attract foreign capital in the form of construction and development contracts. Apart from the IETCCs, provincial and municipal governments have heavily invested in overseas businesses over the past several years, reflecting the economic aspect of local government function in China.

However, economic and business activities are only one aspect of international relations. Setting the large-scale economic and investment story aside, cities and provinces in China and elsewhere have engaged in intercultural learning and exchanging. Nanning International Folk Song Arts Festival (NIFSAF) of Guangxi Zhuang Autonomous Region and Hangzhou International Sister City Mayors Conference of Zhejiang province are held annually, aiming to promote cultural exchanges between city and city, city and country, and further improve the international influence. The city of Khon Kaen in Thailand is in the process of integrating hotel, tourism, catering and other resources, aiming to establishing itself as the regional conference center city.

Among many locally-initiated international activities, the friendship city partnership is a common practice for cities around the world. From 1992, Khon Kaen City (KKC) and Nanning City (NNC) have begun to visit each other and have formalized this relationship through the signing of an on-going friendly partnership, and designated each other as a ‘friendship city’ in 2002.

NNC, as the capital of the Guangxi Zhuang Autonomous Region of China, has natural geographical advantages since it is in the geographic center of China-ASEAN free trade zone, and is the hub city of Southwestern China with access to the sea. At the same time, with the establishment of the China-ASEAN free trade zone, NNC, as the bridgehead of Guangxi, provides an ideal place for Southeastern Asia countries and China to engage in direct trade, as well as bilateral, multilateral, transit trade, and export processing. Moreover, the China-ASEAN expo and China-ASEAN Business & Investment Summit has been permanently settled and held in NNC, offering an internationalization stage to develop itself (Chairman’s Statement of 7<sup>th</sup> ASEAN-China Summit).

KKC, the capital of Khon Kaen Province in Thailand, is the Northeastern Thailand's center of politics, economy, transportation, education and medical care. Many of Thailand's main and central government departments have set up their offices or branches in KKC. KKC is also the center of East-West Economic Corridor (EWEC), which intersects with the South-North Economic Corridor (SNEC). This transportation network radiates to five more countries, and has become an important window of Thailand's access to Southwestern China (Ishida, 2007).

However, little is known in the literature about the effectiveness of the friendship city partnership in terms of socioeconomic, cultural, and political development. What have local authorities and their residents gained from the intercity partnership? Most importantly, what activities have been implemented following the establishment of the friendship city partnership agreement? Answers to these questions will contribute to an existing body of empirical and theoretical work on the appropriate roles of local government.

## 1.2 Research Objective

1.2.1 To study the development of the friendship city between KKC and NNC, and summarize the achievements of the friendship cities' communication.

1.2.2 To analyze the existing problems and obstacles in the process of local government managing the partnership between two cities, and determine the local government functions in the international relations.

1.2.3 To put forward the corresponding countermeasures and solutions which are envisioned to give remedy to the existing management problems and obstacles.

### Foundation of local government functions

The United Nation Office for Public Administration describes local governments as a set of political and administrative divisions of a country which is constituted by law and has substantial control over their community affairs, including the power to impose taxes and to allocate resource for legally specified purpose (Adediji, 2013).

Generally speaking, local governments lack the sovereign powers to forge diplomatic relations with other nation-states. However, they typically have authority to influence and direct the development process within their jurisdictional boundaries as prescribed by each county's constitution and bylaws.

Regardless, local governments in many countries are creature of the central governments. Thus local officials serve dual roles, first as representation of their local residents and, second as subordinates to the national official.

The central governments are in charge of macro-strategic national development, including fastening diplomatic relationships with trading partners. In the political science literature, local governments are not expected to interfere in international relations due to the national security reason. Therefore, local governments can perform only those functions that the central governments consider efficient and appropriate at a local level (Jiang, 2011).

In recent years, there emerges a new developmental trend in the functions of local government in developed countries, they are: more attention were payed in to the daily life of the residents; more diversified to the service objects; effects of the third sector is increasing; increasing citizen participation; and, information showed its important influence to the realize the function of local government (Li M. , 2010). However, different countries have different functions in local government.

#### Local government structure in China and Thailand

In China, apart from two special administrative regions (Hong Kong and Macau), there are three tiers of local government. The first tier includes provinces, autonomous region, and four metropolitan areas (Beijing, Chongqing, Tianjin, and Shanghai). The second tier covers cities and counties. The third-tier local governments are townships and towns. In practice, however, there are also prefectures that serve as liaisons between the provincial and county government. Thus, although China's constitution specifies only three tiers of local governments, there are actually four levels of governments below the national level (Figure 1).

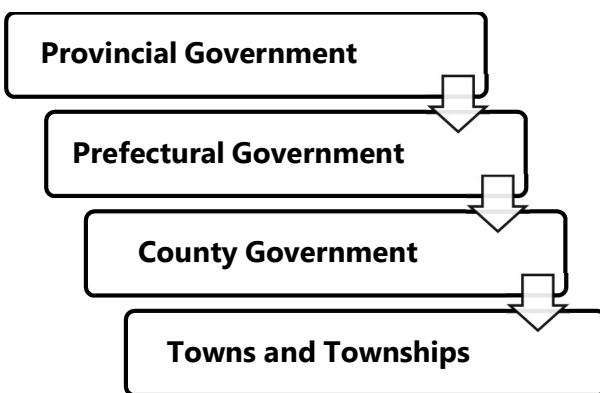


Figure 1 China's Local Government Structure

Apart from the higher levels of government, local governments in China are held accountable to the Chinese Communist Party (CPP) headquarters within their jurisdictions (Landry, 2008). The

provincial governors, mayors, and local government heads serve for the same length of time as their CPP councils.

Thailand's local governments are divided into two types: the general-purpose and special local governments (Sudhipongpracha, 2011) (Figure 2). The general-purpose local governments are provincial administrative organizations (PAOs), municipalities and sub-district administrative organizations (SAOs). The municipalities are divided into city municipalities, town municipalities, and sub-district municipalities. The Bangkok Metropolitan Authority (BMA) and Pattaya City are two special local governments.

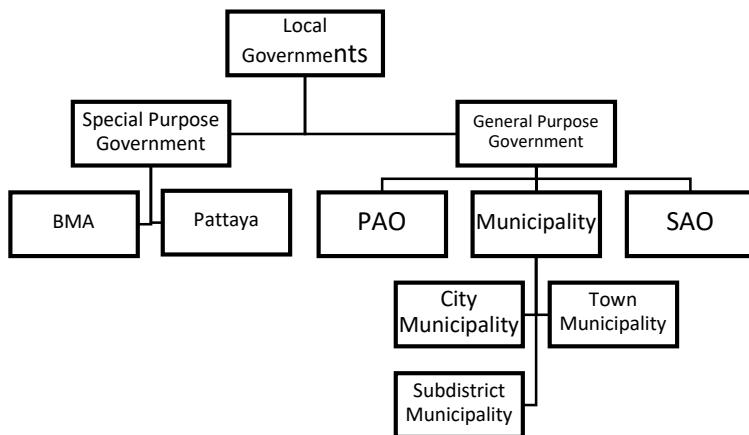


Figure 2. Thailand's Local Government Structure

### Dynamics and Vitality of International Relations

Since time immemorial, the sovereign states have been actively interacting with one another in the international arena. Beyond their national boundaries, these states have developed bilateral and multi-lateral relationships in many policy areas, including economic development, transportation, and cultural exchanges (Brown & Kiesten, 2009). Local governments are left out of the international area due to their lack of sovereign power. However, Zhiming (2001) sees the potential roles of local governments in international relations. If the central governments cannot effectively take advantage of their resources and sovereign power to reap benefits from the international area, it is necessary for the local governments to assume the informal leadership role in diplomatic issues.

In recent years, international diplomacy has grown more complex. The world's unprecedented economic growth, regional economic integration, and proliferation of multinational corporations complicate the relationships among nation-states. At the global level,

a number of supranational agencies, such as the World Trade Organization (WTO), the European Union (EU), and the Association of Southeast Asian Nations (ASEAN), are now important actors in international economic matters (Cooley & Spruyt, 2009).

It is difficult to deny the effects of the dynamics of international relations and national government actions on local governments and communities. Even though decentralization has been adopted in many countries to empower these local governments, it has also become a common phenomenon in many situations that local jurisdictions find themselves crippled by national bureaucratic regulations and fiscal stress. While government or government reforms are expected to foster local autonomy and enable local governments to play an active role in community development, the reform process is subject to politicking at the national level (Giddens, 2008).

Almost all local governments have narrow revenue bases and must always scavenge for resources to fulfill their devolved functions. Forging diplomatic relationships with local governments in more advanced countries can be beneficial with regard to the technological and financial assistance. In many countries, local governments have started to exert more influence in the international area by hosting important sports events, such as the World Cup and the Olympics (B.Bilder, 1989). Together with their devolved administrative responsibility, local and city governments have found themselves involved in international diplomacy (Wang, 2012).

In general, local governments play different role in the globalization process, and they constantly open up new space for development, by integration of development resources to maximize the pursuit of development and progress in the new situation

At present, the main purpose of the local government to participate in international exchanges is the local public affairs management cooperation. In response to the problems that a single country city cannot effectively deal with, such as environmental protection, transnational river pollution control, adjacent area resource management, international transportation, regional industrial construction, transnational investment and financing, international labor cooperation, international trade , even transnational crime prevention etc.. (Gao, 2010)

### **Objectives of international relation of local government**

After a long-term observation and study of the foreign laws and trends of changes of Western countries, Hocking (1993)found that civil society, local politics, state politics, and international politics were under the influence of the dual trend of domestic political

internationalization and international politics domestication, increasingly integrated into a multi-level political arena. Among them, any one of the actors to achieve their own policy objectives, must be act at the local, national, international level at the same time; Secondly, Hocking (1993) argues that the complexity of foreign policy must be recognized, namely that the policy process will have different characteristics depending on the problem domain and that the actors' roles and impacts will differ at different stages of policy formulation

With the economic globalization and the further opening up of the country under the new situation, the economy and society got development for all-round. The degree of openness of China's society is far more than that of any other time in the world (Hu, Wang, & Zhou, 2003). During this period, the economic and social fields gradually formed an all-dimensional, multi-level and wide-ranging pattern of opening up to the outside world, forming a pluralistic diplomatic objective in economic, political, cultural, social and security fields. And this also reflected in international relations work.

### **Research Methodology and Instrument**

This study is a qualitative research using documentary analysis and questionnaire survey using in-depth interview with semi-structured programming method to collect data.

The documentary analysis studies some correlative data of city diplomacy theory, theory and practice of international exchanges and friendship city, the government administrative system.

The second methodology is in-depth semi-structured interview which was guided by the interview guide conducted directly with both respondents and key informants. This study emphasized receiving the primary data from individual responds and key informants who were officials in charge of the friendship city program including:

Officials in charge of the friendship city program of KKC (2 persons)

Officials executing the friendship city program in KKC (2 persons)

Officials in charge of the friendship city program in NNC (1 person)

Officials executing the friendship city program in NNC (1 person)

Others involved in the friendship city program

Consuls of PRC consulate in KKC (2 persons)

Chinese persons who contributed to the establishment of the agreement (1 person)

Businessman who participated in the exchange program (2 persons)

The key informants were selected by purposive sampling based on the database of Chinese People's Association for Friendship with Foreign Countries (CPAFFC).

For the comprehensive analysis data collected by in-depth semi-structured interview and documentary research, most of the data was analysed by descriptive approach. According to Thematic analysis method, data were divided into several major themes or major patterns, and subdivided into several sub themes and categories again, and finally classified and summed up. Meanwhile, for gathering reliable, rigor, comparable qualitative data, inter reflection was used in every step in the process of implementing the in-depth semi-structured interview.

### Results and Findings

#### Basic Situation of Exchange between the Friendship Cities: KKC and NNC

First, bilateral relations have developed rapidly since two cities' high-level visit each other frequently. By 2015, the two sides visited each other by sending delegations in total of 20 groups which a total of 8 NNC groups visited KKC, and 12 groups of KKC delegations visited to NNC. Since the signing of the MOU between two cities, they organized friendly visit activities every year, and the friendship delegations generally composed of government officials, representatives of business and education, teachers and students for more continuous and efficient work. In 2005, both sides even established mechanism that draw up the next year cooperation and exchange project during the period of visiting.

Second, the two sides continue to establish cultural exchanges. Starting of 2004, NNC Folk Art Troupe visited KKC Ethnic school with a wonderful feast of national culture, that begun the cultural exchange between two cities. During the exchange period, the two cities held large-scale cultural exchange 5 times, most were conducted in the form of theatrical performance. Garden construction exchanges have been conducted 3 times.

Third, the two sides' education and youth exchanges continue to warm up and bloom. Education exchanges have become the highlight of the annual official visits. Youth exchange performed in difference forms including sending teachers to each other for teaching language and culture; education delegation visiting; summer camp; inter-school MOU signing; scholarship awarded and cultural competition and so on.

Fourth, large conference activities became a powerful 'booster' on bilateral exchanges. The two sides use the annual large-scale meetings and activities as an opportunity to further promote the exchange between the two cities. KKC was invited to participate in the meeting

every year with NNC being the host city of China-ASEAN Expo, China-ASEAN Business & Investment Summit. It provided good opportunities to KKC goods and products to enter China market. NNC was also invited to KKC's large-scale ceremony every year.

**The existing problems and obstacles in the process of local government manage the friendship city communication work between KKC and NNC**

The existing problems and obstacles were summarized as the following: insufficient substance and non-smooth communication; narrow restriction of communication field and insufficient non-government exchange.

Because of the differences in the structure, culture, habits and other aspects, the phenomenon of insufficient substance communication were shown during the exchanges mainly manifested in: firstly, it's hard to implement in the specific project after reached agreements. Secondly, although the two sides established a mechanism for regular mutual visits, but the exchange results showed that, substantive exchanges insufficiently, exchange field narrow, exchange progress slowly and other problems are still obvious. Thirdly, on account of halfway understanding of each other's national or locale-related policies, irreparable loss in the process of communication have been caused.

At present, the characteristic of the exchanges of KKC and NNC is more political exchange visit, more emphasis on friendship relation, less industry contact, few enterprise visits. The communication is also limited to education, culture and garden fields. And rarely involved economic and trade, science and technology, health, taxation, finance, environmental protection, security and other fields of communication. As well as horizontal contact between governments, enterprises and citizens between the two cities.

Non-governmental exchanges are insufficient due to the fact that ordinary citizens, enterprises and non-governmental organizations have little knowledge about international non-governmental exchange activities and have few opportunities to participate in them.

**Analysis of the causes of KKC and NNC friendship city exchange problems**

It was found that there were four reasons for causing the friendship city exchange problems; they were institutes reasons, unsatisfying information exchange environment reasons, economic and social reasons and culture difference reasons. Every reasons as follow:

For the institute reasons that includes: Firstly, inefficiency of government organization. Due to lack of competition, government departments and managers lack the pressure and awareness of competition. For instance, government officials lack business management concept, do not have motive to reduce the cost and there is no incentive mechanism, thus ending up with a low efficiency of government operation. Secondly, the shortage of staff and manpower. In recent years, with the expansion of exchanges between two cities on the depth and breadth, the two cities exchange activities became frequently increased, as well as the scope of work extended further, but the insufficiency of the number of related stuffs brought inconvenience to the foreign affairs and friendship city exchanges. The related friendship city's work of NNC was the main liability of the NNC Municipal Foreign Affairs Office. This office is composed of 8 departments-- each department has a minimum number of 2 staff and the maximum of 13. Thirdly, the asymmetrical job function is a common reason causing the friendship city work far from a smooth process. In the setting of functional departments, KKC lacked a special 'friendship city organization'. Moreover, with frequent contact personnel fluctuation, the communication channels have got full instability, let alone the strong impetus taking effect the exchanges. In the meantime, shortfalls in government budget lead to shortage of exchanging motive. The friendship city work budget of KKC municipal for 2015 was only 40,000 dollars (forty thousand dollars) subdivided into 28,900 dollars (twenty-eight thousand and nine hundred dollar) for visiting abroad and 11,000 dollars (eleven thousand and one hundred dollar) for reception of foreign visitors. For NNC, the budget on friendship city communication is relatively sufficient. The total was about 3,532,200 dollars (three million five hundred thirty-two thousand and two hundred dollars). Blaming to the lack of substantial and operational projects between two cities, the result was the limited budget used for visiting, reception and scholarship and some other aspects.

For the unsatisfying information exchange environment reasons it was noticed that most of computer equipment were just used to routine typing and online search due to lack of computer professionals. Many departments just upload some government policies, rules and regulations to the website, and ignored to combine the traditional government affairs handling to the E-government software, which led to the malfunctioning departments, unable to provide full range of services.

The NNC foreign affairs office developed its own portal to release the foreign affairs information. But it still ended up with the following disadvantages: first, lacking of E-government affairs system; second, the language of website was only in Chinese that brought inconvenience to the foreign users; third, related interlinkage was less, most were vertical links, like the provincial

or national foreign affairs office websites, ignored the horizontal link, such as the foreign trade and investment, customs policies and so on.

For KKC municipal government, foreign affairs were only a small part of the government portal, and most of newsfeed about friendship city were released on Facebook or other social platform. In this point, it goes against the development of the friendship city's work.

For the economic and social reasons that includes: Firstly, the economic strengths of both cities were not strong enough; the capability and strength to international investment was deficient. In China's 100 major cities GDP rankings of 2014, NNC ranked in posterior segment which was 55<sup>th</sup>; in the rankings list of the significant, regional characterized competitiveness cities located in the East, West and Middle area of China, NNC's comprehensive competitiveness ranked 28<sup>th</sup> in total 40 cities, and among this, the economic development competitiveness ranked 36<sup>th</sup>, in the bottom half of the list. In 2014, GDP of KKC province was ranked 15<sup>th</sup> in total 77 provinces in Thailand, ranked relative highly as well as in good developing trend. Yet, it still was considered a small economic dimension when compared with NNC.

Secondly, the city's extent of economic openness was low in recent years. Due to restrictions of regional condition, economic basis and policy factors, the opening degree of NNC still lags behind the same area of traditional international city –Kunming. It clearly showed that export-oriented economy in NNC is in a lower-leveled when compared the statistics of foreign trade and the utilization foreign capital in recent three years.

The third is the difference of economic industry of two cities. KKC is famous for the agriculture, planting industry in Thailand while quantity of manufacture, large enterprises and well-known enterprises is less. On the other hand, NNC was most focused on strengthening and fostering the development of the manufacture, furthermore absorbing foreign investment. Thus, it can be seen that the two cities have a weak complementarity on the field of economic and trade. The composition of GDP of NNC in 2014 showed that the proportion of the three industrial respectively were 11.28:39.75:48.97. The competitive industries in NNC were heavy industry and manufacturing industry, the superior products are automobile and engineering goods. The composition of GDP of KKC province in 2014 showed that the proportion of the three industrial respectively were 12.65:45.58:41.76, with little difference with NNC, and the competitive industries were eco-agriculture, clean energy, and the mainly export products are rice, rubber and tapioca starch. Thus it can be seen that the competitive industries are quite different from

each other, even though, two cities can complement each other's advantages, but seems two sides have not "moved forward".

For the Cultural differences reasons we can summarize that due to different national conditions, differences in culture, language, customs, religion and other aspects exist among international friendship cities, causing varied models of development, management, life style and thinking pattern between the two countries. For instance, during the process of promoting friendship cities, the local Chinese Thais and other non-government organizations are very supportive, but for NNC, related work are generally led by government, lacking support from NGOs. And another example from the language, since leaders on both sides cannot understand each other's language and the number of translators is limited, such exchanges are mostly formal and lack in-depth dialogue.

### Corresponding countermeasures and solutions

The corresponding countermeasures and solutions can be summed up in three levels, they were the concept aspect, mechanism guarantee level and input support level.

The local government need to set up the concept that the friendship city work will serve for the openness and economic and social development of the city. An efficiency friendship work needs full understanding of the significance of the works, get support on policy level, deepen understanding to the friendship city work of the public, and then mobilize the public to participate in the work of the friendship city. Secondly, need to improve the people to people exchange, improve the public participation on the process of carrying out the friendship city work. Guangxi province is the third largest hometown of overseas Chinese (about two million). Therefore, the deepening development of the relationship between two cities, not only the government need to play a role, but also need to ask the public especially the overseas Chinese to participate. The official communication should pay attention to the exchange quality, focus on seeking cooperation chance than a formal visiting or reception, in order that the enterprises can benefit from the good relations. However, the people to people exchanges in various forms, rich in content, fully played the role of non-government organizations and social celebrities, to consolidate the exchanges status, and create a good atmosphere for public extensive and mutual understanding.

In the mechanism guarantee level, the local government need to, firstly, complete the mechanism of annual high level visiting. As we knew that annual visiting represents strong continuity, high force, high practical and fast decision-making characteristics. The two cities should

seize the opportunity of high level exchange visiting and meeting, to promote the development of the friendship city's work. At the same time, projects of every year should strengthen research, organize, and ensure the implementation of the works. Secondly, the departments in charge of the work of friendship cities should be sensitive of capturing the information about economic cooperation, strengthen to filter, sort and feedback information. Take the initiative to connect the two sides. Meanwhile, the functional department should strengthen the tracking services to the cooperation projects have been introduced, provide the greatest help to the friendship cities' cooperation. Thirdly, the award mechanism on working of the international friendship city should be improved.

In the Input support level, we noticed that the development of friendship city work must have the sufficient material and finance guarantee, especially the budget and input. In addition to the increase in the government budget, the friendship city manage department should actively change their development model, gradually achieve "independent management". In addition to budget input, the investment in the construction of foreign affairs talent team is urgent. Beyond that, increasing investment in construction information also becomes necessary. The investment of construction of information includes two aspects: one is to strengthen the hardware facilities, as well as the computer professional talent investment. On the other hand, it is necessary to increase the investment of software development, including establishing the friendship city information database. A more important point is to provide multi-language version of the website. In the same time, the website can add introduction and advertisement of the investment regarding environment and urban development and dynamics of the cities, catching the attention of investors.

### Conclusions

The bilateral relations of two cities have developed rapidly, especially in the field of cultural, education and youth exchanges, the regular high-level visit and large conference activities effectively promote the exchanges.

Although the exchanges between the two cities have achieved some results, the problems of insufficient substance and non-smooth communication, narrow restriction of communication field and insufficient non-governmental exchange still exits and impede further exchanges between the two cities. There are many reasons for the existence of the problems in the exchanges between the two cities, including the reasons for the government management itself and the political system differences between China and Thailand, and the influence of

international environment, regional economy, openness and social environment also cannot be ignored.

In the search for the solutions of the problem, we should distinguish between controllable factors and uncontrollable factors, and clarify the responsibility of the problem object in order to find better and more effective solution to the problems. Relevant departments have been aware of these problems and obstacles, and gradually explore the solution. Whether in the conceptual level, the protection mechanism or input level, are all in its continuous progress. They also believe that the Friendship city work will be conducted better and better.

### Discussion

Most of the exchanges between Khon Kaen and Nanning city focus on high-level visits, culture, education and youth exchange, while large-scale activities promote the development of the exchange effectively. Friendship city in its initial have the original intention to enhance understanding and to eliminate hostility between cities and countries (Sha, 2005). The ability of culture to promote inter-ethnic understanding is particularly relevant in the field of educational exchanges and cultural diplomacy. And most importantly, education and youth exchanges have proved to be the simplest and straightforward entry point for two cities' communication, and it also considered to be the relatively easy way to obtain good results (Min, 2011). The two cities also make full use of large-scale of activities, such as city anniversary, culture week, international conference, and take this kind of opportunity to invite friendship cities to participate in, to achieve the purpose of promoting exchange and enhancing communication (Wang, 2012). In addition, the high level or personal visits also very important, exchange of visitors will take place on a regular basis at least once a year, but preferably more frequently (Zelinsky, 1991). (Please consider further in Pamakatae, 2015)

Among the exiting problems, the inefficiency of government organization, shortage of staff and manpower, asymmetrical job function, shortfalls in government budget and unsatisfying information exchange environment were classified as the institute reasons. And the study of Fushou (2003) has showed that the personnel reduction, institutional mergers, budget constraints will be the trend of friendship city work. Moreover, many countries have no fixed funding for friendship city work, they just only give subsidy for specific activities (Haosu, 2004). (Please consider further in Thongprasert and Choosuk, 2015)

The economic strength, capability to international investment was deficient, the city's economic opening degree was low and both cities have difference economic industry, which

were grouped into economic and social reasons. The capability and strength of economy also have effect on friendship city. The number of the friendship city relations and the level of local open economic development are positively related. The quality of relationship between friendship cities and the degree of open economic development also has a positive correlation (Xu & Xu, 2006). And according to the organization for economic co-operation and development (OECD), the open economic innovation potential is under-exploited (Krigul, 2011). Thus, the faster of city's open economy grows, the higher of the degree of opening up, the more conducive to carry out the work and to achieve tangible results on the friendship work. (Please consider further in Hicken, 2010)

For the cultural difference reason, different political and cultural setting of both side can lead differences attitudes in the friendship city exchanges (O'Tool, 2001). The present department lays much stress on official contacts than the non-governmental ones, paying more attention on management than the service (Min, 2011). At this stage, KKC and NNC have failed to give full play to the power of friendly organizations, industry associations, chambers of commerce and other civil society organizations.

### **Suggestion**

#### **Suggestion for Policy Implementation**

As result from the field data collection, some weak points and suggestions from the respondents should be considered. The weak points were about policy, management, and publicity.

At the policy implementation level in both China and Thailand, the approval authority of the friendship city is relatively concentrated and cumbersome, resulting in a waste of resources and administrative inefficiency. Therefore, we suggest that both parties should establish a friendship city agreement, if it does not involve sensitive political or inter-country relationship issues. Such an approach can be directly approved by the provincial foreign affairs department, and reported to the Ministry of Foreign Affairs for acknowledgement.

At present, the management of policy implementation between the two cities is not yet well-organized. We suggest that the implementation should begin from the currently existing projects, combined with the characteristics and strengths of the two cities. Furthermore, the focus should be on the education field to create "exchange students" projects. One of the mechanisms that will help the success of this policy implementation is through the use of a joint cities special fund which will be utilized primarily for student scholarships. The outstanding students will be selected to attend educational institutions of each other's city. Simultaneously, the grant of

student scholarships should not only be limited to the high school students, but can also cover the higher educational students or vocational students as well. This approach will be coinciding with Thailand 4.0 policy.

Lastly, if KKC future development is through tourism and investment, we suggest that when KKC launches promotion schemes in NNC, KKC should emphasize on promoting rural tourism and technological investment in construction of a transportation hub. This is because rural tourism has become very popular among Chinese tourists. Thousands of Chinese tourists are looking to spend money on new tourism hotspots rather than conventional style tourism as in the past. Henceforth, since KKC smart city planning involves the need of a variety of technological advancements, this is a good opportunity for KKC to attract the Chinese investors using this channel.

### **Suggestion for Further Research**

Future research should focus more on the following points: Firstly, comparing the friendship city management methods of the cities in the same level of development in the region. Secondly, there is a need to explore the further obstacles and shortcomings of the local governments in the friendship city management. Thirdly, future research should also emphasize on the management best practices from the other cases. Finally, methodologically, future researchers should consider the use of mixed-method techniques to improve the overall analysis of the research findings.

### **Reference**

Adediji, OyeniranBanji. (2013). *Deeper Insight into Nigeria's Public Administration*. [n.p].

Ai Gong. (2007). *The Role Analysis of Local Authorities Participations in Foreign Affairs Exchange-- A case study on Dalian's participation in the Northeast Asia Region Economic Cooperatin*. Beijing, China.

Bilder, Richard. (1989). *The Role of States and Cities in Foreign Relations*. The American Journal of International Law, 821.

Brown Chris, & Kiesten Alinley. (2009). *Understanding International Relations*. New York: Palgrave Macmillan.

Hicken, D. A. (2010). The Political and Economic Systems of Central and Local Government in Southeast Asia. *Local Administration Journal*, 3(1),1-16.

Chen, Fushou,. (2003). *An Analysis of the Foreign Affairs of Chinese Local Governments*. Administration and Law, Jinlin, 27-29.

Chen, Haosu. (2004). *Theory of Public Diplomacy*. Retreived January 5, 2016 from: <http://www.cpaffc.org.cn/content/details25-22392.html>

Chen, Zhiming. (2001). *Subnational Governments and Foreign Affairs*. Beijing: Long March Press.

Cooley Alexander, & Spruyt Hendrik. (2009). *Contracting States: Sovereign Transfers in International Relations*. Princeton University Press.

Giddens, Anthoony. (2008). Nation-State in Global Age. *Journal of Sun Yat-sen University (Social Science edition)*, 48, 4.

Gao, Shangtao. (2010). *A City Study in Internatioanl Relations*. Beijing: Long March Press.

Haosu, C. (2004). CPAFF. Retrieved January 20, 2016, from <http://www.cpaffc.org.cn/content/details25-22392.html>

Hocking, Brian. (1993). *Localizing Foreign Policy : Noncentral Governments and Multilayered Diplomacy*. London: The MacMillan Press Limited.

Hu, Angang, Wang, Shaoguang, & Zhou, Jianming. (2003). *Construction of the System in the Second Transitional*. Tdinghua University Press.

Ishida, M. (2007). *GMS Economic Cooperation and Its Impact on CLMV Development*. ERIA Research Project Report 2007-4. [n.p].

Jain, P. (2006). *Japan's Subnational Governments in International Affairs*. New York: Routledge

Jakobson, L. & Knox, D. (2010). *New Foreign Policy Actors in China*. Solna, Sweden: Stockholm International Peace Research Institute.

Jiang, Changxin. (2011). *Research of International Cooperation of Subnational Governments*. Jinlin.

Krigul, Merle. (2011). On Possibilities to Development Cross-border Knowledge Region: the case of Tallinn (Estonia) and Helsinki (Finland). *Problems and Perspective in Management*, vol 9, 24-31.

Landry, F, Pierre. (2008). *Decentralized Authoritarianism in China: The Communist of Party's Control of Local Elites in the Post-Mao Era*. The Cambrige University Press.

Li, Mingqiang. (2010). *Local Government*. Wuhan University Press.

Li, Zhengang. (2006). On the Building of Transnational Relations between Local Governments. *Journal of Guangxi University for Nationalities (Philosophy and Social Science Edition)*, 28, p. 169.

Lijun, W. (2012). *International Cooperaton between Local Goverments in China under the Backgroud of Globalization*. Shandong:Shandong university.

Li, Min. (2011). *Research on Foreign Affairs management Model Base on Open Economy*. Wuhan:Wuhan University of Technology.

Local Government Forum. (2008). *Local Government and the Provision of Public Goods*. New Zealand: Business Roundtable.

Musgrave, R. (1959). *The Theory of Public Finance*. New York: McGraw-Hill.

Oates, W. (1999). An Essay on Fiscal Federalism. *Journal of Economic Literature*, 37(3), 1,120-1,149.

Opeskin, B.& Brain.R. (2001). *Local Partnership for better governance*. Paris.

O'Tool, Kecin. (2001). Kokusaika and Internationalisation: Australian and Japanese Sister City Type Relationships. *Australian Journal of International Affairs*, 55, 412.

Pamakatae. (2015). Participatory Local Water Resource Management: A Model of Public Affairs Management. *Local Administration Journal*, 8(2), 23 – 38.

Thongprasert, S. S. and Choosuk, C. (2015). Disaster Management of Local Government Organizations and Community Organization Networks. *Local Administration Journal*, 8(4), 112 - 123.

Sudhipongpracha, Tatchalerm. (2011). *Comparative Public Professionalism in Thai and Illinois Municipalities*.

Sha,Wu. (2005). *Reseach on Problems and Strategic Choices about Communication between International Friendship Cities-take Changsha city as and example*. Beijing: National University of Defense Technology.

The Encyclopedia Americana. (1980). *The Encyclopedia Americana* (Vol. 17). New York: American Corporation.

Wei, Y. D. (2000). *Regional Development in China: States, Globalization, and Inequality*. London and New York: Routledge.

Xu Chun, & Xu Feng. (2000). *An Economic Analysis of Relationship Between Sister City Resource and Open Economic- A Case Study of Jiangsu Province*. Nanjing: Journal of Nanjing University of Aeronautics & Astronautics.

Zelinsky, W. (1991). *The Twinning of the World: Sister Cities in Geographic and Historical Perspective*. Annals of the Association of American Geographers, 1-31.