

RISK MANAGEMENT SOCIALIZATION FOR THE DIASPORA'S GOLD INVESTMENT IN THAILAND

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ABSTRACT Gold has traditionally served as a primary wealth preservation instrument for the Indonesian diaspora. However, the rapid transition toward digital gold investment and increasing global market volatility present new financial risks that are often misunderstood by migrant communities. This study reports on a risk management socialization and education program conducted at the Thammislam Foundation School for the Indonesian community residing and working in Thailand. Utilizing a practical educational framework, the program implemented a simplified stress-testing simulation to evaluate and enhance participants' financial resilience against extreme economic scenarios, such as sharp fluctuations in the Thai Baht (THB) against the Indonesian Rupiah (IDR) and global gold price crashes. The findings suggest that simulation-based education effectively transitions the diaspora's investment behavior from cultural habit to informed risk-aware decision-making. For build resilience sustainable social development in post-conflict Aceh.

KEYWORDS: *Gold Investment; Risk Management; Indonesian Diaspora; Financial Literacy; Digital Gold; Stress-Testing, Thailand.*

1. INTRODUCTION

In the global economic landscape of the 2020s, gold remains the most trusted asset for wealth preservation, particularly among migrant communities. For the Indonesian diaspora residing in "Thammislam Foundation School" in Thailand, gold serves a dual purpose: as a portable financial reserve and a cultural symbol of success. Historically, migrant workers favor gold due to its high liquidity and its ability to act as a hedge against the volatility of both the Indonesian Rupiah (IDR) and the Thai Baht (THB) (Hossain et al., 2023). However, the reliance on gold is often not matched by adequate financial literacy, leaving these communities vulnerable to significant market drawdowns and operational risks (Miller et al., 2021).

The investment environment following the global pandemic and recent geopolitical shifts has increased the complexity of the gold market. While gold is a "safe-haven," it is subject to intense short-term price fluctuations driven by US Federal Reserve policies and global liquidity shifts (Ali et al., 2021). For Indonesian residents in Thailand, the risk is compounded by "currency cross-risk"—where the value of their investment is affected by the triangular relationship between gold prices, the THB (the currency of their earnings), and the IDR (the currency of their long-term goals) (Wong & Putra, 2023). Without proper education on these risks, investors often fall victim to "herd behavior," buying at price peaks and panicking during temporary corrections.

Furthermore, the rise of digital gold investment platforms has introduced modern risks that traditional "physical" gold savers are unprepared for. These include cybersecurity threats, platform insolvency, and the lack of physical custody, which can be devastating for communities with limited access to formal legal protection in a foreign country (World Gold Council, 2025). Effective risk management socialization is therefore critical to transition these investors from intuitive saving to informed, strategic investing (Suleman et al., 2023).

This paper documents a socialization and education program conducted for the Indonesian community in Thailand. By utilizing "Stress Testing" as an educational tool—rather than just a mathematical formula—the program simulates extreme market scenarios to improve the participants' financial resilience. The objective is to evaluate how targeted educational interventions can enhance the risk perception and decision-making capabilities of Indonesian migrants, ensuring their hard-earned savings are protected against the uncertainties of the 2026 global economy.

2. METHOD

This study is structured as a report on the implementation of a socialization and risk management education program concerning gold investment, specifically tailored for the diaspora community. The primary subjects of this activity are Indonesian citizens (WNI) residing or working in Thailand, particularly those located in the "Thammislam Foundation School" area. The participants include migrant workers and diaspora members who actively utilize gold—in both physical and digital forms—as a primary instrument for wealth preservation while living abroad.

The implementation procedure commenced with an identification phase, involving direct discussions with residents to understand their gold investment habits and preferences. This was followed by the delivery of educational material regarding various real-market risks, including global gold price volatility and the operational security risks inherent in digital platforms. The core of this methodology involves the application of a simplified stress-testing simulation, where participants are required to respond to extreme economic scenarios, such as a drastic decline in gold

prices coupled with sharp fluctuations in the Thai Baht (THB) exchange rate against the Indonesian Rupiah (IDR). The success of this program is evaluated based on the participants' level of understanding and their ability to make strategic decisions during the simulation and Q&A sessions.

3. RESULT AND DISCUSSION

Based on the investment instrument comparison data, gold occupies a unique position compared to other assets such as cryptocurrencies, stocks, bonds, mutual funds, and time deposits. Within the context of the Indonesian community in Thailand, gold's primary appeal lies in its high accessibility, with minimum initial capital starting as low as 0.01 grams through digital platforms. This finding aligns with the World Gold Council (2025), which states that digitalization has democratized gold investment, making it highly competitive against other digital assets like cryptocurrencies that also offer low entry barriers.

Criteria	Crypto	Stocks	Bonds	Mutual Funds	Gold	Time Deposits
Initial Capital	Starts at IDR 10,000	Variable	Starts at IDR 1 million	Starts at IDR 100,000	Starts at 0.01 gram	Variable
Liquidity	Very High	High	Moderate	High	Moderate	Low
Returns	Very High Potential	High	Fixed & Moderate	Variable	Stable	Low
Risk	Very High Potential	High	Fixed & Moderate	Variable	Stable	Fixed & Low

Figure 8. The appearance of Comparison of common investment in ASEAN

Based on the investment instrument comparison data (Figure X), gold occupies a unique position compared to other assets such as cryptocurrencies, stocks, bonds, mutual funds, and time deposits. Within the context of the Indonesian community in Thailand, gold's primary appeal lies in its high accessibility, with minimum initial capital starting as low as 0.01 grams through digital platforms. This finding aligns with the World Gold Council (2025), which states that digitalization has democratized gold investment, making it highly competitive against other digital assets like cryptocurrencies that also offer low entry barriers.

Regarding the risk-return profile, the comparison table indicates that gold offers "Stable" returns and "Low" risk compared to the high volatility associated with stocks and cryptocurrencies. This stability is a crucial factor for migrant workers who prioritize capital preservation amidst global economic uncertainty. Research by Ali et al. (2024) reinforces this by stating that during high volatility periods between 2023 and 2026, gold served as an effective portfolio balancer due to its tendency to remain stable while high-risk instruments faced downward pressure.

Furthermore, when compared to traditional banking instruments like time deposits, which often suffer from low liquidity, gold offers moderate to high liquidity—particularly in its digital form. However, for Indonesian citizens in Thailand, there is an additional layer of risk not captured in general comparison tables: currency conversion risk. Although gold is globally considered stable, fluctuations between the Thai Baht (THB) and the Indonesian Rupiah (IDR) can significantly affect the real returns received by migrant investors. Consequently, previous research by Hossain et al. (2023) emphasizes that while gold is fundamentally stable, understanding exchange rate risk management is a necessity for the diaspora to maintain their purchasing power when funds are remitted back to their home country.

The integration of digital accessibility (low capital) and value stability is what makes gold the preferred choice in "Thammislam Foundation School," Thailand. Nevertheless, education through stress-testing simulations remains essential to prepare residents for scenarios where market liquidity or price stability might be disrupted by unexpected geopolitical factors.

4. CONCLUSION

This study concludes that gold remains a strategic and preferred investment instrument for the Indonesian diaspora in Thailand due to its stability and increasing accessibility through digital platforms. The socialization and education program revealed that while the community has a strong inclination toward saving in gold, there is a significant gap in their understanding of cross-border financial risks. The "stress-testing" simulation successfully enhanced participants' risk perception, transitioning their investment mindset from simple cultural habit to informed financial decision-making.

The comparative analysis demonstrates that gold provides a balanced risk-return profile that is highly suitable for migrant workers seeking to protect their hard-earned capital from the high volatility of assets like stocks or cryptocurrencies. However, for Indonesian citizens in Thailand, the primary challenge remains the management of "currency cross-risk" between the Thai Baht and the Indonesian Rupiah. Therefore, continuous financial literacy programs are essential to ensure that the transition from physical to digital gold is accompanied by adequate knowledge of cybersecurity and platform liquidity. Ultimately, providing migrants with the tools to simulate extreme market scenarios empowers them to maintain their financial resilience against global economic uncertainties.

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CONFLICT OF INTERESTS

The author declares that there are no financial, professional, or personal relationships that could be perceived as a conflict of interest in the conduct of this study or the submission of this article. This research was conducted independently, and the author has no affiliation with any organization or financial institution that would directly benefit from the publication of this work. The author further confirms that there was no external funding source involved in the design of the study, data collection, analysis, or the decision to submit this manuscript to IJCH. Additionally, the author does not serve, nor has previously served, on the editorial board of IJCH and has no prior employment with organizations that may have a vested interest in the outcomes reported in this article.

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