

CHAPTER 1

Introduction

This chapter introduces the historical background, research objectives, scope, including the benefits of the study entitled, “Analysis of Farmers' Happiness under Levels of Sufficiency Economy.”

1.1 Historical background

In the past decades, considerable evidence and empirical studies have reported that the Thai government policy that encourages economic growth generates numerous problems. Despite the increase in average income and reduction of poverty at the national level, Thailand continues to address social and economic inequality problems (Thailand Future Foundation, 2014). Furthermore, Thailand faces social and institutional problems, such as cronyism, bribery, and corruption (Monataraphadung, 2012), as well as stress, crime, and suicide. Such evidence indicates that the policy encouraging growth does not induce happiness (see Table 1.1).

The Happy Planet Index (HPI) is a new measure of progress, focusing on the factors that matter (i.e., sustainable well-being for all). The HPIs of Thailand in 2006, 2009, 2010, and 2012 were 55.39, 50.90, 50.90, and 53.50, respectively. The HPI was apparently constant; meanwhile, the GDP growth of Thailand in 2006–2012 was relatively high. GDP per capita showed a 23% increase from THB 149,367 in 2006 to THB 183,712 in 2012. This finding may raise questions concerning the unclear relationship between happiness and growth. Moreover, the Royal Thai Police reported that the incidence of crime in Thailand increased by 125.9% from 2006 to 2013; simultaneously, the suicide rate of Thai people has significantly increased as well (Paris, 2014).

Table 1.1 GDP, GDP per capita, Happy Planet Index, and crime rate in Thailand

Year	GDP at constant price (Billion baht)*	GDP per capita at constant price (Baht)*	HPI**	Crime (Case)***
2006	9,623	149,367	55.39	316,341
2007	10,175	157,039	-	342,464
2008	10,316	158,219	-	388,575
2009	10,347	157,870	50.90	412,699
2010	11,214	170,112	50.90	426,657
2011	11,300	180,360	-	500,051
2012	11,992	183,712	53.50	521,099
2013	-	-	-	714,675

Source: * NESDB (2013), ** The Happy Planet Index: 2012 Report (2012), *** Royal Thai Police (2014)

A new development model has focused more on happiness and the path to happiness. A concrete example is that the UN has identified the pursuit of human well-being and happiness as the global development goal for the post-2015 development agenda (WHO, 2013). This agenda will be launched after the expiration of the Millennium Development Goals in 2015. The post-2015 development agenda will focus on economic growth measured by well-being indicators, such as the Gross National Happiness and index of social and economic welfare beyond GDP (Kumar et al., 2014). Moreover, the UN declared the first International Happiness Day on March 20, 2014 to encourage country leaders to support the pursuit of happiness as a universal objective. Several countries such as Canada, France, Britain, Japan, and Thailand have further added measures of happiness to their official national statistics.

The development of Thailand under conditions of rapid economic growth has generated numerous problems, ultimately creating an unhappy society. After the economic crisis in 1997, Thailand changed its development paradigm from economic-led growth to a new concept of alternative development based on the “Sufficiency Economy Philosophy” (henceforth SE) to pursue balanced and sustainable development in a globalized world

(Naipinit et al., 2014). This philosophy was developed by His Majesty King Bhumibol Adulyadej, and originated from his lifelong accumulation of knowledge and experience (Bunnag, 2013).

The essence of this philosophy is inspired by the Buddhist doctrine, a middle-path approach toward the goal of attaining perpetual happiness (Supadhiloke, 2010); this philosophy emphasizes human development by putting people and their well-being at the center of development and providing an alternative to traditional beliefs and practices. The philosophy is based on three major components, namely, moderation, reasonableness, and immunity; its two underlying conditions are knowledge and morality (Naipinit et al., 2014). Sufficiency Economy also denotes moderation, reasonableness, and the need for self-immunity that provides adequate protection from the effects of both internal and external changes (Ubonsri and Pannum, 2013).

Since the Eighth Economic and Social Development Plan, SE has become the principle of the country's development strategy, and it is adopted in all levels of Thai society (Bunnag, 2013). The significant application of SE to agricultural sector is called, "The New Theory", which aims to solve the problems of poor farmers in rural areas. Farmers who adhered to SE do not only farm following The New Theory, but also at the most basic level, they follow SE as a guide to everyday life.

The farmers' perspective will be shaped anew as regards their livelihood and their value of living. Finally, it will change livelihood or behavior going along with the middle way, enoughness, giving, and sharing. After the new constitution has been adopted, farmers who follow SE now enjoy better lives and continue to conserve the environment (Mongsawad, 2010).

The agricultural sector plays an important multi-dimensional role and remains the backbone of the Thai economy (Lertdhamtewe, 2011; Thaiprasert, 2004). Although it can generate only 8% of GDP, whereas the manufacturing sector accounts for 38% of GDP (BOT, 2015), the majority of land area and labor forces involve the agricultural sector. A total of 40% of the labor force is employed in this sector, and 40% of the land area is

engaged in this sector (Panuwet et al., 2012). Moreover, 87% of the poor in Thailand are farmers and workers in rural areas (UNDP, 2007). Thus, the main sources of income of the Thai rural people come from the agricultural sector (Panuwet et al., 2012); however, these people are considered poor (NESDB, 2011). Furthermore, the importance of the Thai agricultural sector can be observed from the economic crisis in 1997, which made the agricultural sector a major absorption sector for numerous laid-off laborers (FAO, 2000).

However, quantitative studies that demonstrate the magnitude of SE effect on the happiness of farmers remain scarce. Hence, this dissertation aims to provide a significant answer and address the lack of knowledge in Thai society concerning the potential of SE to optimize human well-being.

1.2 Research objectives

- 1.2.1 To classify farmers by levels of Sufficiency Economy.
- 1.2.2 To evaluate the levels of subjective and objective happiness of farmers.
- 1.2.3 To analyze the effect of Sufficiency Economy and other factors on farmers' happiness.

1.3 Scope of research

This study focuses on the farmers who live in the upper north of Thailand including Chiang Mai, Chiang Rai, and Lampang provinces; these three provinces have the most agricultural households in the Upper North of Thailand (NSO Agricultural Census, 2013). Furthermore, this study uses the meaning of “happiness,” “well-being,” and “satisfaction” interchangeably.

1.4 Benefit

The results are important and useful for Thai government agencies, academicians and other policy makers to make and drive Sufficiency Economy with suitable policy to stimulate sustainable happiness for all people.



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