

CHAPTER 2

Sufficiency Economy Philosophy: A Concept and Literature Review

This chapter aims to introduce the core concept of the Sufficiency Economy Philosophy (SE). Furthermore, it aims to present findings of previous research and major studies, which illustrate the effects of the SE applications adopted by individuals.

2.1 Sufficiency Economy Philosophy

The Sufficiency Economy Philosophy is rooted from the Thai culture and the doctrine of Buddhism; furthermore, it has been developed based on the accumulated knowledge and long, direct experience of His Majesty King Bhumibol Adulyadej (Bunnag, 2013). The Thai people first heard of the SE during the address of His Majesty the King to the graduates of Kasetsart University in 1974, with the following excerpt from the speech:

“Economic development must be done step by step. It should begin with the strengthening of our economic foundation, by assuring that the majority of our population has enough to live on...Once a reasonable progress has been achieved, we should then embark on the following steps, by pursuing more advanced levels of economic development.” (18 July 1974) (Phukameha, 2014).

The word "enough" in the above-quoted speech is the origin of the term "Sufficiency Economy." Thereafter, H.M. the King continuously mentioned the SE in his royal speeches delivered to the public on several occasions. However, the concept of the SE failed to capture people's attention then, considering that Thailand's economy remained driven by capitalism and consumerism under the induction of globalization. Manufacturers pursued seeking maximum profits from their investment. Furthermore, they relied on funding and capital goods from abroad, focusing on maximizing short-term

profit regardless of environmental impacts caused by the production process. Consumers led a lifestyle of over-consumption filled with risks.

In 1997, Thailand was faced with a financial crisis, thereby causing extensive and widespread damage. Private companies and many financial institutions were closed down. People were crippled with debt, and the government announced the devaluation of the Thai Baht, thereby burdening the people with significantly higher debt. To counter these threatening problems, the government of Thailand sought assistance and loans from the International Monetary Fund (IMF) (Supadhiloke, 2010). This crisis was a major lesson, prompting the Thai people to realize that the previously unbalanced country development was not founded on adequate preparedness and strength.

After the economic crisis, H.M. the King recommended adopting the SE in living, production, and country development as a remedy to the crisis, through his usual birthday speech to a nationwide audience in Thailand on the eve of his birthday anniversary on 4 December 1997 with the following essence:

“...Being a tiger is not important. The important thing for us is to have a sufficient economy. A sufficient economy means to have enough to support ourselves...” (Dusit Palace, 4 December 1997) (as cited in Government Public Relations Department, 2007).

In the following year, H.M. the King elaborated the meaning of the SE during his birthday speech (4 December 1998) with the following excerpt:

“This ‘Sufficiency’ means a ‘Sufficiency Economy.’ It is satisfactory if each individual has enough to live on, but it is even better if the entire country has enough to live on. (Supadhiloke, 2010; Bunnag, 2013).

The speeches addressed by H.M. the King were highly influential and caused a significant awakening in Thai society. Diversity in the interpretation occurred regarding SE by individuals and business enterprises before the Office of the National Economic and

Social Development Board (NESDB). As a government body, NESDB intervened by inviting experts from various fields to collectively review speeches related to the SE according to H.M. the King delivered on various occasions. It aims to formulate the definitions of the SE (NESDB, 2007b), which was later released for the information of the general public. The goal is to afford all citizens proper understanding and practice based on the SE, which was defined by NESDB as the following:

“...Sufficiency Economy” is a philosophy that stresses the middle path as an overriding principle for appropriate conduct by the populace at all levels. This applies to conduct starting from the level of the families, communities, as well as the level of nation in development and administration so as to modernize in line with the forces of globalization.” (NESDB, 2007b)

Overall, sufficiency means moderation, reasonableness, and the need for self-immunity providing adequate protection from effects that arise from both internal and external changes. (Ubonsri and Pannum, 2013).

The Sufficiency Economy Philosophy is similar to but different from a general term, “self-sufficiency”¹ (Supadhiloke, 2010; Suwankitti and Pongquan, 2012). Production in accordance with the SE is oriented toward producing products for household consumption and selling the excess without rejecting indebtedness. However, debts must be controlled and not overly burden borrowers. Furthermore, the SE does not reject globalization, but requires smart management (Naipinit et al., 2014) in creating sustainable and well-balanced growth and competence to address the consequential challenges of globalization.

As regards developing the country in compliance with the SE, the development continues to strive toward creating economic growth. However, GDP is not the main goal. The core

¹ Self-sufficiency is an attribute that pertains to the capacity to adequately produce for one's own need without having to borrow anything from others or embrace globalization. However, sufficiency denotes moderation. It follows the concept of “enough” and renounces borrowing.

of development under the SE is creating happiness and stability for the people of the country.

In theory, the SE incorporates three principles, namely, moderation, reasonableness, and self-immunity, with the two underlying conditions of wisdom and moral conditions (NESDB, 2007; Suwankitti and Pongquan, 2012; Naipinit, 2014).

At the beginning of the SE adoption, wisdom and moral conditions must preexist (Wachwithan et al., 2008). After the awareness and understanding of two underlying conditions of each individual are realized, a cultivated mind is achieved; a proper change in attitude and way of thinking follow. Ultimately, such a practice will lead to a change in behavior with consistency in and reflection of moderation, reasonableness, and self-immunity. Prior to this change, however, the three interlocking principles and two underlining conditions must systematically correlate.

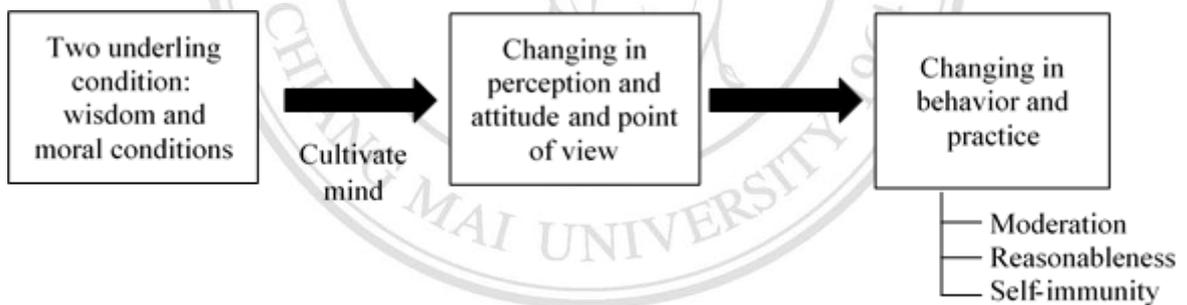


Figure 2.1 Process of the applications of the Sufficiency Economy Philosophy

Moderation correlates and shares similarities with sufficiency, suggesting that the balance maintaining the necessity and appropriateness, that is, practicing a non-extreme lifestyle by adhering to the middle path between needs and over-spending (NESBD, 2007; Mongsawad, 2010), or the balance between want and extravagance (Suwankitti and Pongquan, 2012). The level of moderation differs in each person, and the ability to recognize the appropriate extent of moderation depends on each individual's accumulated wisdom.

To live one's life in line with moderation, one must learn to recognize what is enough because such recognition is a mechanism to control and prevent greed. Living a sufficient lifestyle does not renounce indebtedness. However, any debt must be made under wisdom and moral judgment (Suwankitti and Pongquan, 2012). Any person who can control their excessive desires or appetites will find true and lasting happiness.

Moderation mentioned herein is a concept that challenges mainstream economics, which regard that the human needs are unlimited. Alternately, the middle path, according to the SE, believes that if people are trained sufficiently well, they will be able to limit and lower their own needs. The ultimate aim of humans (who are trained under SE) is no longer to maximize income or wealth; instead, their happiness will occur when they learn to embrace the concept of enough. Once people have established control over their own needs, these individuals would live a happier life despite consuming the same amount. In this regard, Calkins (2006) discussed that if people can control their own needs, they would be able to increase their happiness.

Reasonableness is defined as decision making in various issues based on theoretical grounds, laws, morality, and good ethics. The accumulation of knowledge and experience contributes to one's reasonableness, or the ability to fully and carefully analyze, synthesize, and predict the outcomes or effects that would arise from committing actions, considering both consequences to themselves and others (NESDB, 2007; Suwankitti and Pongquan, 2012; Mongsawad, 2010), including its effects to society and the environment.

Reasonableness carries wider implications and distinction than rationality, which is used in mainstream economics. The latter states that any individual considered equipped with rationality in decision-making will make their decisions based on self-interest with the aim to maximize their benefits. However, the person subscribing to reasonableness shall not consider self-interest or base their decisions on selfishness, but consider accomplishing moderate and optimal goals rather than maximizing benefits. Apart from self-directed benefits, reasonable individuals further consider their effects to others (NESDB, 2003).

In the book titled, “Economic Framework: Sufficiency Economy Philosophy,” differences between reasonableness of SE and rationality of mainstream economics have been concluded as follows:

Table 2.1 Differences between reasonableness and rationality

Aspects	Reasonableness VS Rationality	
	Mainstream economics	Sufficiency Economy Philosophy
1. Conceptual framework for development	Having very restricted boundaries under different assumption.	Taking into account the results of the actions and learning continuously
2. Time relevance	Statics and dynamics	Dynamism and flexibility
3. Levels of application	All levels on aspects of interest	All levels on all aspects
4. Restrictions in application	Having assumption and therefore limited in application	Having no restriction in application
5. Compliance with policies	Based on assumption and objectives of the subject to be applied to	Having no restriction in compliance
6. Introduction of balance and sustainability	Unstable	Contributing to peace in society and sustainable development

Source: NESDB (2003) p: 94

Self-immunity means attaining built-in resilience for oneself to be able to cope with upcoming events, which are unpredictable or uncontrollable in terms of economic, social, including cultural and environmental impacts (NESDB, 2003; Suwankitti and Pongquan, 2012). The built-in resilience further emphasizes the importance of good risk management strategies to address the uncertainties in life (Naipinit et al., 2014).

As aforementioned, these three principles are systematically interconnected, interdependent (Mongsawad, 2010) , and correlated. Specifically, reasonableness promotes a moderate lifestyle, while moderation must be attained sufficiently to develop self-immunity, a factor contributing to the dynamic and rational continuity of economic activities in the long run (NESDB, 2003).

Wisdom conditions or knowledge refers to the application of knowledge in planning and lifestyle. This knowledge must maintain a balance of local wisdom, modern knowledge, and technological advances (UNDP, 2007; Suwankitti and Pongquan, 2012). According to NESDB (2003), a set of wisdom comprises three elements, namely, stock of all relevant knowledge; connectivity of all acquired knowledge; and utilization of knowledge at any point in time with carefulness and attentiveness.

Moral conditions or morality is the ability to demonstrate compassion toward others, including promoting the equality of opportunities for everyone. It refers to integrity, trustworthiness, ethical behavior, honesty, perseverance, and promptness to work hard (UNDP, 2007; Suwankitti and Pongquan, 2012; Mongsawad, 2010). Figure 2.2 illustrates the framework of the Sufficiency Economy Philosophy.

ลิขสิทธิ์มหาวิทยาลัยเชียงใหม่
Copyright© by Chiang Mai University
All rights reserved

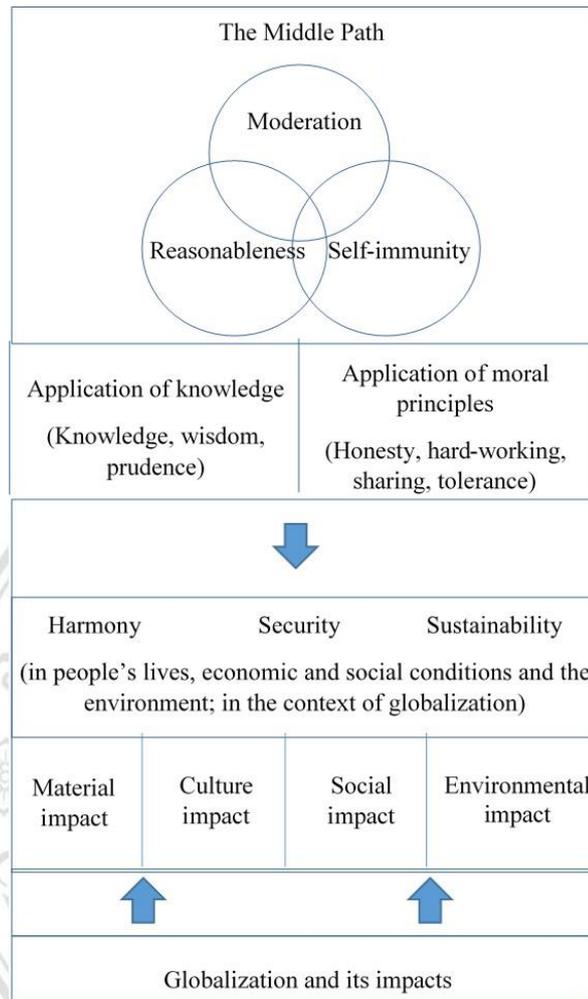


Figure 2.2 Framework of Sufficiency Economy Philosophy

Source: Thongpakde (2005)

By practicing the three principles with two underlying conditions, people would be able to achieve major goals of harmony, or balanced living, and sustainability, all of which are basic elements of happiness. Figure 2.3 illustrates a system analysis of the Sufficiency Economy Philosophy.

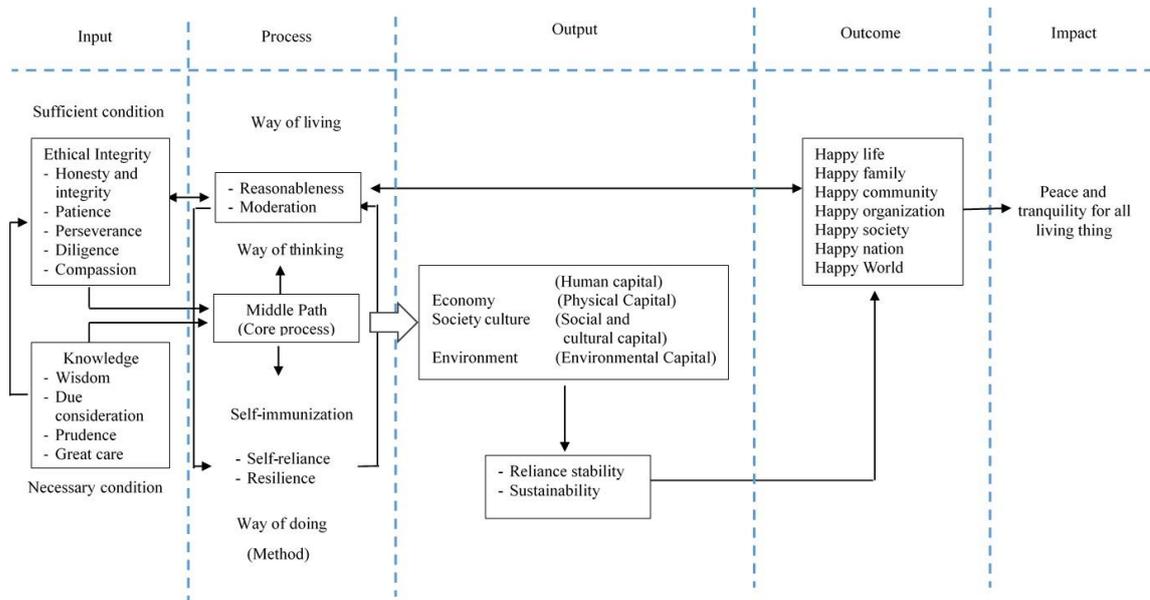


Figure 2.3 System analysis of the Sufficiency Economy Philosophy

Source: Puntasen, October 7, 2008, the 4th IUCN Congress, Barcelona, Spain
(cited in Mahakunajirakul, 2011)

NESDB (2006) and UNDP (2007) noted that livelihood development based on the SE must be stimulated in the following three stages:

1. Self-reliance: achievement of basic needs, or livelihood, and the quality of life of each community member.
2. Securities of livelihood and flexibility of livelihood choices.
3. Balance of human environment, including natural resources in institutional, economic, and social dimensions.

The above-mentioned three stages of development share similarities with the three objectives of economic development discussed by Todaro and Smith (2009), who noted that the ideal goals of economic development should have three objectives. The first objective of development is having the ability to meet basic needs or increase the availability, as well as widen the distribution of basic life-sustaining goods. The second objective aims to raise the living standards by increasing incomes, creating jobs, and improving education. The third and final objective of development is expanding the

economic and social choices available to individuals, thereby freeing them from servitude.

The agricultural sector has adapted the SE and demonstrated concrete results from the application of the Philosophy. The agricultural system in compliance with the SE is called the "The New Theory," which His Majesty King has bestowed to his people to solve the problems of poor agrarians in the rural areas (Puntasen et al., 2003).

The New Theory is a form of sustainable farming system (NESDB, 2003), which focuses on the farmers' self-reliance at different sequential levels, and consists of three phases of development.

The first phase is a step to promote self-reliance in a farmer's household with proportionate agricultural land, including resource management and effective utilization. The farmer is recommended to divide a portion of their land for digging a pond as a reservoir; this will prevent water shortage during the dry season, and promote the adoption of an integrated farming system using fewer chemical products (Seubsman, 2013). Cultivated crops are concentrated on those areas for household consumption, mainly rice, fruits, and vegetables. Animal husbandry is simultaneously practiced, involving animals such as cattle, chicken, and ducks.

The New Theory is different from the traditional agricultural system of Thailand, which is mono-cropping that focuses mainly on rice cultivation for trade with no artificial pond on farmlands. In the past, Thai farmers were subject to fluctuations in market prices and climate. The agricultural production pattern in Thailand had previously been focused on increasing crop yields and quantity from the plantation area, compelling farmers to frequently use the growing technique, which depended on agricultural chemicals such as fertilizers, pesticides, and synthetic plant hormones. Consequently, the heavy use of synthetic farm products resulted in high production costs and adverse effects on farmers, consumers, and the environment.

The concept "plant everything to eat and eat everything that [is] plant[ed]" contributes to food security in daily life. These cultivated various crops reduce the vulnerability to the fluctuations of the market, the decrease in the use of agricultural chemicals and reliance on manure, and organic farming aids in reducing health risks for both farmers and consumers, as well as lessen environmental impacts. The first phase is considered a process of establishing stability from within, leading to the Sufficiency Economy and sufficiency at the individual and household levels.

The second phase starts when the farmer has been accustomed with sufficiency and established a stable household after the first phase. The next step is to encourage farmers to collectively gather in groups, whether in the forms of cooperatives or business clusters. The gathering of farmers at this step contributes to collaborations in the production and marketing. Internal sharing of support occurs based on competency and the transfer of knowledge, including the local wisdom among farmers in a group. Furthermore, collective bargaining power exists in buying raw materials as well as in the distribution and selling of crops. This phase assists the community as a whole or any business cluster attaining sufficiency and self-reliance at the community level, apart from forming social solidarity and peace in the community (Naipinit et al., 2014).

After the first two phases, the farmer will have sufficiently made higher earnings, formed a more stable financial status, and become knowledgeable to progress to the third phase, which is to build partnerships with external institutions, such as businesses, banks, including nongovernmental and governmental organizations (NESDB, 2007). The farmer and the affiliated cooperatives or clusters will mutually benefit from obtaining the financial knowledge and technical support necessary for further development (Naipinit et al., 2014). Consequently, attaining this step will turn the country - a large social unit consisting of communities, organizations, and businesses that practices self-sufficiency - into networks of sufficient communities that do not exploit one another, but share resources and support each other. Overall, New Theory at the third phase aids the country in achieving self-reliance and self-sufficiency.

Unfortunately, no data exist on the number of farmers who have adopted New Theory and how many of them are officially in each phase of the Theory.

2.2 Studies related to Sufficiency Economy indicators.

This part presents studies relating the measurement of Sufficiency Economy intensity in Thailand. The first research that pioneered the development of SE indicators based on the interpretation of the SE principles, namely, moderation, reasonableness, and self-immunity; with two underlying conditions, namely, wisdom and moral conditions, belongs to Puntasen et al. (2003) titled, “The Application of the Royally Initiated Sufficiency Economy with SMEs.” This study focused on 329 enterprises in 6 industries consisting of food and beverage; clothing and leather products; wood, paper, and printing; rubber and plastic; metals and non-metals; machinery and transport equipment. All of them were evaluated on how the management system of each enterprise complied with the principles of SE, with given scores falling between the range of A and E. A meant most complying and E least complying.

Puntasen et al. (2003) developed the indicators measuring the compliance with the Sufficiency Economy based on the nine business principles, which are consistent with the application of the SE. These principles are as follows: 1) adopting academic technologies but with lower costs; 2) utilizing resources economically with maximum efficiency; 3) focusing on employment without replacing human labor with technologies, except in the case of preventing damages to products; 4) producing within the capacity to manage; 5) not becoming overly greedy and not focusing on short-term profitability; 6) adhering to honesty in entrepreneurship, without taking advantage of consumers nor exploiting workers or customers or suppliers; 7) concentrating on product diversification and/or flexibility in product modification; 8) focusing on low risk management, particularly not generating debts beyond the management ability; and 9) emphasizing on using local raw materials, and responding to local, regional, domestic, and international markets. These nine principles reflect moderation, reasonableness, and self-immunity with underlying wisdom and moral conditions, as defined by SE as well. The study of Puntasen et al. (2003) is regarded as a pioneering work, which has significantly contributed to the

development of the index to measure the compliance with the SE in other subsequent studies.

In evaluating the management system of an enterprise on the intensity of compliance with SE principles, the researchers allowed entrepreneurs to evaluate their management behavior and the extent to which they were consistent with SE principles. Table 2.2 presents sample questions used in the research as below.

Table 2.2 Sample questions used in the research to evaluate the compliance with SE

Issue	Behavior
Improving technology used in the production	<ul style="list-style-type: none"> - Ordering advanced and expensive machinery from abroad as replacements? - Canceling or reducing all plans on the procurement of machinery from abroad, or to a minimum? - Training technician staff to perform machinery maintenance? - Attempting to procure tools manufactured domestically as replacement for tools of high price from abroad?
Sizing the production	<ul style="list-style-type: none"> - Purchasing in bulk to obtain discounts and planning on cash flow later? - Planning to estimate indirect costs, raw material cost, including direct labor cost and forecasting sales monthly/every three months? - Maintaining inventory in the appropriate amount, neither too much nor too little, with the minimum reserve level not exceeding 3%? - Maintaining the level of production to be not lower than the breakeven point, but on the condition of being able to sell the entire merchandise?
Financial management, especially with financial institutions that provide credits	<ul style="list-style-type: none"> - Increasing marketing expenses for Sales Department to boost sales and cash flow or not? - Increasing marketing expenses for the Sales Department to boost sales and cash flow? - Attempting to reduce indirect costs, such as utility bills, materials, equipment, along with the cutting back in the working hours of ineffective employees? - Maintaining the level of production of machinery and sales as planned to gain sufficient revenue to pay back debts? - Maintaining the standard debt to equity and size of revenue to be in accordance with the plan by constantly and principally relying on own funds and resources?

Source: Puntasen et al. (2003)

Then, the answers were scored and graded from A to E; the A to E range demonstrated the degree of compliance of the business management with the principles of the Sufficiency Economy Philosophy.

A study titled, “The Factor Effect to the Level of Sufficiency Economy of SMEs” of Khunthongjan and Wiboonpongse (2010) is another interesting research based on the study of Apichai et al. (2003). The primary objective of the study was to determine the factors affecting the level of "requirement," "comprehension," and "connection" of SMEs, in the contest held by the Office of the Royal Project Board on the occasion of celebrating the 80th Anniversary of His Majesty King Bhumibol Adulyadej's Birthday on 5 December 2007. The level of “requirement,” "comprehension," and "connection" is one criterion of the intensity of SE.

Pengpinit (2013) measured the level of compliance with the SE among business units in a research entitled, “A Development of Indicators for Applying Sufficiency Economy of Community Business: a Case Study of Home Stay Village in NongKhai Province.” In this study, Pengpinit developed sets of indicators for applying the SE to a community home-stay business, comprising of 11 indicators for the middle path, 6 indicators for moderation, 11 indicators for reasonableness, 12 indicators for self-immunity, 8 indicators for wisdom, 9 indicators for morality, and 11 indicators concerning balance and sustainability.

A study that created important indicators measuring the compliance with SE related to production and agriculture belongs to Wiboonpongse et al. (2009), with indicators to assess the level of SE in the operations of the agricultural production and community enterprise system. This study added more principles to the nine business principles of Puntasen et al. (2003) totaling 15 principles. These principles are as follows: 1) using academic technologies of the appropriate size; 2) economically utilizing all types of resources with maximum efficiency; 3) running a management system without exploiting oneself and others; 4) using a management system that considers the impacts on the environment and resources; 5) adopting the appropriate production process or techniques between the labor and technologies; 6) running a production size in line with the

management capacity; 7) not becoming too greedy or focusing on short-term profits; 8) maintaining honesty in entrepreneurship without abusing consumers; 9) maintaining honesty in entrepreneurship without exploiting workers; 10) maintaining honesty in entrepreneurship without abusing suppliers; 11) sharing risks by maintaining product diversification or the ability to produce in accordance with the market demand; 12) maintaining low-risk management; 13) emphasizing the use of local materials and importing them only when necessary; but not far from the place of origin; 14) gaining an integrated knowledge management for developing self-immunity; and 15) focusing on the empowerment of members within a group or cooperative.

Linhavess (2008) studied the factors affecting the level of happiness of farmers in a work titled, “Sufficiency Economy Villages, Phanat Nikhom District, Chon Buri Province”. In this study, a questionnaire had been developed to measure the level of compliance of farmers using SE principles based on another study by the Chonburi Provincial Office of Community Development (2007) on six topics, including cutting costs, increasing revenue, saving, learning, conserving resources, and generosity. Meanwhile, Pengpinit et al. (2011), in their study titled, “Success Indicators of Sufficient Farming of Local Wise Persons and Multilateral Parties in the Northeast,” created success indicators for sufficient farming of local philosophers in the Northeast, covering 12 networks. Those indicators were part of the 11 elements, that is, 9 indicators for the middle path, 8 indicators for moderation, 13 indicators for reasonableness, 13 indicators for self-immunity, 9 indicators for wisdom, and 12 indicators for morality, and 11 indicators for balance and sustainability.

The above-mentioned research was conducted to establish the indicators for the Sufficiency Economy Philosophy in terms of manufacturing and assembly. Meanwhile, interesting studies on the indicators assessing the compliance of the lifestyle with SE include a study by Poohongthong and Uwanoo (2009), which developed a measure to assess the “living in unity” with SE through the conceptual framework of three core elements and two underlying conditions. The research team identified and processed the characteristics of individuals and the principles of Buddhism. According to Puntasen (2003), these principles were consistent with the essence of SE and the 12 ethical behavior

traits in everyday living as follows: 1) moderation; 2) reasonableness; 3) frugality; 4) honesty to oneself, the family, and the society; 5) discipline; 6) sensibility; 7) patience and perseverance; 8) gratitude toward the homeland and ancestors; 9) precaution; 10) sacrifice; 11) unity; and 12) social responsibility. Positive statements totaled 63 items, and negative statements totaled 62 items; such totals were in compliance with such behavior traits.

Khunthongjan and Onsibutra (2014) assessed the level of practice of SE of the population in the urban and rural communities in Ubon Ratchathani, Si Sa Ket, and Surin Province using a questionnaire for the respondents. They were tasked to evaluate themselves the extent to which their own behavior adhered to the three core elements and two underlying conditions.

Issues evaluated on moderation included selecting affordable and cost-effective appliances, maintaining integrity in their occupation, seeking savings in consumer products, and efficiently spending money. With regard to reasonableness, the issues comprised maintaining the uniqueness of Thailand, the popular consciousness of Thailand, and not being involved in gambling or narcotics issues. Evaluating self-immunity included investing in something useful, pertaining to the foresight to think of long-term effects, not investing beyond their own talent, and saving money.

Issues used in the evaluation of knowledge conditions included making investments to achieve additional knowledge, sharing and exchanging knowledge with other people, engaging in continuous learning activities, and considering the data from various data sources for discretionary measures. Evaluating integrity conditions incorporated the issues of being honest, being patient and persevering, being careful, being responsible, and not exploiting or hurting others.

The calculation of the means of all the elements notably demonstrated that the level of practicing according to SE was at the intermediate level, with scores ranging between 2.51 and 3.50 out of 5 points. Furthermore, when comparing the results between the level of sufficiency economy practiced by the urban society and the rural society study, the

differences between these two societies lay on the issues of self-immunity, knowledge conditions, and integrity conditions with statistical significance; whereas, no difference existed between these societies in terms of moderation and reasonableness.

2.3 Effects of Sufficiency Economy on the changing way of life

As mentioned above, the livelihood or way of life of an individual adopting SE shall become oriented toward the middle path and self-reliance. This section will present empirical studies illustrating the occurring changes of the way of life owing to SE applications.

The first two studies belong to Supthun (2012) and Kamchai (2012) who studied the behavioral changes of farmers after applying SE. Supthun (2012) investigated the farmers from Ban Huakrok, Chonburi Province, while Kamchai (2012) studied in Chiang Mai Province. Both studies yielded similar results, that is, apart from the changes in the agricultural practice, SE further altered the way of life of farmers, as Supthun (2012) discovered the following behavioral changes: 1) reducing spending; 2) generating additional incomes and increasing savings; 3) conserving natural resources and the environment; 5) helping each other; and 6) gaining a learning mentality. Alternately, Kamchai (2012) found that changes in the main behavior included 1) reducing spending; 2) increasing additional incomes; 3) increasing savings; 4) having a life or maintaining family planning; and 5) conserving and exploiting natural resources.

Moreover, studies exist on behavioral changes concerning the way of life after SE applications, which do not use farmers as subjects. The first study was conducted by Ubonsri and Pannum (2013), which concerned lifestyle changes in accordance with SE concept in three communities in Bangkok, namely, the Panditong Kor Rut Tak Wa Community, Samakk Ruan Jai Community, and Soi Sansuk Community. Interviews were conducted with household heads and community leaders comprising 365 samples. They found that the behavior changes included a change in consumption behavior to sufficient consumption, reduction of unnecessary goods, gaining extra time to discuss and plan for their household financial management, and development of better relationships.

Naipinit et al. (2014) studied SE applications with individuals and the effects on the changing way of life on three Northeastern Thai villages and one Southern Thai village. Differences existed among the four villages in terms of geography and primary activities of villagers. Using in-depth interviews and focus groups, the researcher found similar behavioral patterns, which were consistent with SE among the four sites as follows:

1. Moderation: not spending much money on luxury goods, increased incomes, growing their own backyard vegetables (80% of respondents said they had planted everything to eat and ate everything that they had planted), with the output from the backyard cultivation valued approximately at \$434 per year.
2. Reasonableness: planning for the future
3. Self-reliance: increasing savings
4. Knowledge and morality: working for community enterprises and transferring knowledge to the next generation.

Boonleaning et al. (2015) studied the effects from the project titled, “Plant Everything to Eat and Eat Everything that [is] Plant[ed] in Subsamortod Sub-District in Phetchabun Province,” and found that cultivating crops for consumption in the backyard contributed to household savings approximately \$276.5 per year, a result consistent with the study by Naipinit et al. (2014). Furthermore, backyard cultivation was also useful in terms of consuming food made from chemical-free ingredients.

In conclusion, the adoption of SE for applications in individual life, whether being farmers or not, will result in apparent changes in their livelihood or way of life. Such changes include reduced spending on luxury items or expensive products, increasing incomes from additional jobs, and savings of households as expenses decrease, as well as the strengthening of family relationship as individuals spent additional time to discuss with their families regarding the future and financial plans.

2.4 Effects of Sufficiency Economy on agricultural practice

Supthpum (2012) conducted a case study of SE applications and their effects on the changes in agricultural practice at the Ban Huakrok Community in the Chonburi Province. Prior to SE adoption, local farmers had experienced health problems caused by the use of agricultural chemicals; however, the agricultural practice was noticeably changed toward organic reliance after SE implementation. Meanwhile, Kamchai (2012) found in a study concerning SE implementation in the agricultural sector of the Chiang Mai Province that the agricultural ideas of local farmers were influenced, leading to nine significant changes in their agricultural practice. These changes are as follows: 1) reducing the use of chemicals, 2) decreasing the burning of rice stubbles, 3) employing the crop rotation method, 4) planting home-grown vegetables, 5) cultivating herbal plants and fruits, 6) raising livestock, 7) producing bio-fertilizers, 8) conducting soil improvement, and 9) modifying crop seeds.

Academic research focusing on the change in agricultural practice has been scarce. All of them were either conducted as narratives via case studies with individuals or in the form of interviews. Furthermore, no study focuses on the replacement of the agricultural system. Changes in agricultural practice from monocrop or cash crop system to the New Theory system are not available because of the lack of official statistical data and criteria to define both qualifications and concentration levels of being New Theory farmers.

2.5 Effects of Sufficiency Economy on happiness or well-being

Research directly concerning the effects of SE applications on happiness or life quality are scarce. The first study in this field belongs to Promsin (2003) who conducted a study on the correlation between self-sufficient economy living and life quality of people living in Hongcharean, Thasae District in Chumphon Province. Strong family factors are found to be the variables that could explain quality of life better than could the other factors, including sufficient income, sufficient education, and sufficiency in the four basic needs.

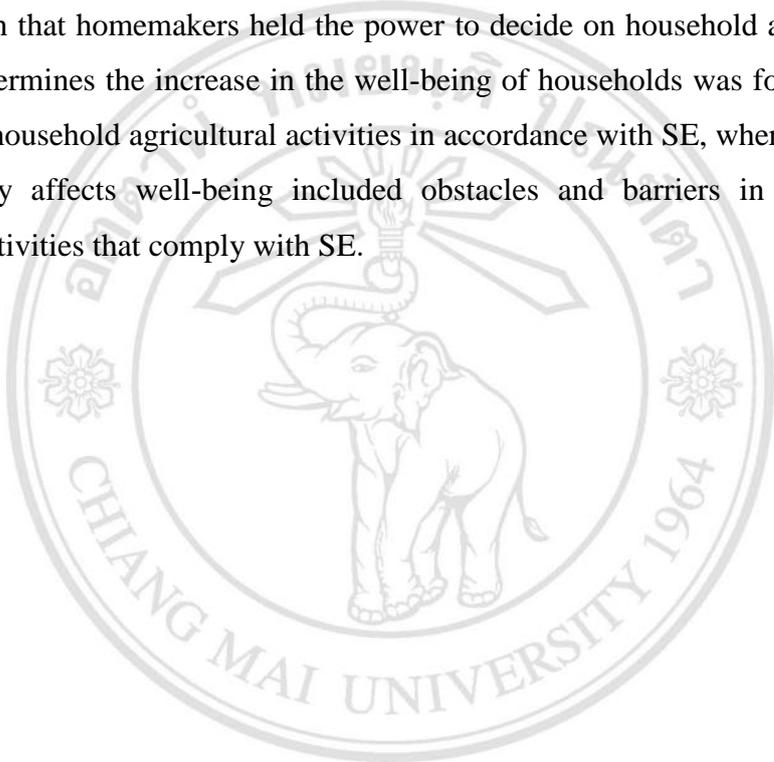
Gray and Kramanon (2007) conducted a study titled, "A Feeling of Self-Sufficiency and Happiness among Thai People," by assessing the level of happiness of Thai people and testing the correlation between external and internal factors toward achieving the feeling of happiness. One of the internal factors determining happiness used in this study was the "feeling of self-sufficiency." This study was conducted with samples in the provinces of Chainat and Kanchanaburi. External factors were not as significant as was the internal factor of the feeling of sufficiency in determining the level of happiness. The proxy variable of the feeling of self-sufficiency is the feeling when respondents compare themselves with their neighbors. When the income as well as other demographic and socioeconomic variables were controlled, this research found that respondents who feel they were not poorer than their neighbors were comparatively happier than those who feel they were poorer than their neighbors. This result could be self-interpreted as a feeling of self-sufficiency, which is likely to be influenced by Buddhism, the religion practiced by most Thai people.

However, this study interestingly asked whether feeling as poor as or poorer than their neighbors validly represents a proxy of self-sufficiency. Poohongthong and Uwanon (2009) conducted research on the correlation between subjective happiness of farmers living in the model community of Sufficiency Economy and of farmers living in a general community in Khon Kaen Province. The respondents come from two groups of farmers, with 200 SE-practicing farmers and 200 general farmers. Living with SE was found to have a significant positive correlation with subjective well-being. When using the multiple regression analysis with four independent variables, namely, living with SE, the amount of agriculture land, agricultural income, and the number of family members, only those living with SE variable was found to have a significant positive relationship with happiness.

Two studies concerning the results of SE applications of farmers created effects on happiness, namely, the works of Linhavess (2008), as well as Nayong and Sirisunyalak (2012). Both studies yielded corresponding results, that is, the SE adoption developed the feeling of happiness among farmers.

Linhavess (2008) studied factors affecting the happiness of rice farmers living in a SE-model village in Panat Nikhom District, Chon Buri Province. The factors contributing positively to the happiness level were found as follows: residing in the village that continuously encourages self-sufficiency activity, participation in self-sufficiency activity, and generation of additional incomes from other agricultural aspects.

Meanwhile, Nayong and Sirisunyalak (2012) interviewed homemakers of farmers under the assumption that homemakers held the power to decide on household activities. The factor that determines the increase in the well-being of households was found to be the total score of household agricultural activities in accordance with SE, whereas the factor that negatively affects well-being included obstacles and barriers in engaging on agricultural activities that comply with SE.



ลิขสิทธิ์มหาวิทยาลัยเชียงใหม่
Copyright© by Chiang Mai University
All rights reserved