# ECONOMIC DEVELOPMENT MODEL BASED ON SUFFICIENCY ECONOMY PHILOSOPHY, BAN CHAN THUNG, TAMBOL NAM OM, AMPHOE KHO WANG, YASOTHON PROVINCE.

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#### ABSTRACT

This is a mix-method research where qualitative and quantitative methods are undertaken. The objectives are to 1) study the life-style behavior based on sufficiency economy philosophy of people living in Ban Chan Thung, Tambol Nam Om, Amphoe Kho Wang, Yasothon Province, 2) study the way of economic development based on sufficiency economy philosophy of people living in Ban Chan Thung, Tambol Nam Om, Amphoe Kho Wang, Yasothon Province. For the qualitative research, the in-depth interview is conducted with officers at the local organization, community leaders, governmental officers, local politicians, and academicians. Meanwhile, by using Yamane's formula, the quantitative research method utilizes a sample size of 400 individuals who live the field of study. The statistical descriptive data is used to reveal an appropriate development model based on sufficiency economy philosophy, Kho Wang District, Yasothon Province.

The results indicated that the people living in Ban Chan Thung, Nam Om Sub-district, Kho Wang District, Yasothon Province lead their life on sufficiency economy philosophy. There is a 85 percent of the people who have participated in the sufficiency economy philosophy training program with the provincial network. Most of them have been supported from the community leaders, officers, as well as educators to participate into the economic development program based on sufficiency economy philosophy, Ban Chan Thung, Tambol Nam Om, Amphoe Kho Wang, Yasothon Province, such as organizing a seminar, publicizing and studying at a sufficiency economy philosophy learning center, and joining a training program in the community supported by public and private units. People living in Kho Wang District have a knowledge and understanding toward sufficiency economy philosophy at the high level. Each family uses the knowledge on sufficiency economy philosophy obtained from the training and put it into practice. For instance, there are an arrangement of income and expenditure statement, reduction of expenses and increase the earnings, and a special attention on savings for the future. The research results help the people to profoundly understand the way of life based on sufficiency economy philosophy in which it leads to economic development, network building, and establishment of a prototype learning center supported by public and private sectors.

Keywords: Development, Economic development, Sufficiency economy philosophy

#### **INTRODUCTION**

The king's philosophy that belongs to His Majesty King Bhumibol Adulyadej The Great is a body of knowledge concerning the sustainable development in which it embraces every facet in terms of economic, social technology, and environmental perspectives. His Majesty's will is to develop and improve the quality of life, living, as well as the mentality of the Thai people as a main objective. Regarding the economic development dimension, the government humbly apply the sufficiency economy philosophy toward national development under the conceptual framework of key areas of self-reliance, moderation or middle path, avoidance of possible risk factors in the operation, building balance, and creating immunity by holding on to the principles of ethics and morality. The application is based on the transparency, justification, frugality, and efficiency. These are believed as regulating factors leading to unity where a happy society can be expected. In this respect, there is a promotion of local economy based on sufficiency economy philosophy, participative development, and people-centered development.

Based on the Tom Yum Kung economic crisis happened in Thailand in B.E. 2540 (A.D. 1997) His Majesty the King had given an advice of a solution to the Thai people under the headline of "sufficiency economy" in which it becomes a foundation for living and behavior of the people at every level stating from individual, family up to the state basis. The national development and administration are conducted based on a middle path concept in order to rescue all of the Thai citizens from economic breakdown and to be able to live their lives stably and sustainably under the verge of change. In this regard, the Royal Speech given to the audience of well-wishers on the occasion of the Royal Birthday anniversary at the Dusidalai Hall, Chitralada Villa, Dusit Palace on Friday, December 4th, 2541 as follows:

".... To be able to become a tiger is not important. The important thing is for us to have a sufficient economy. A sufficient economy means to have enough to support ourselves. As it has been mentioned before, a sufficiency does not mean that every family must produce its own food, or weave its own cloths, these are exaggerated. But every village or district must be relative self-sufficient. Something that is produced more than self-consumption, the excess amount can be sold. But they must be sold in a nearby area in order to prevent a high transportation cost. In this respect, some economists might say that it is an archaic concept. True, it may be out-of-fashion concept. Most of the people need a vital economy in which there are a lot of exchanges and it is called commercial economy. This has nothing to do with sufficiency economy. Some people expect an extravagance. Thailand is blessed with the ability to produce for her own consumption.

.... If we can change into a sufficiency economy, not in a thorough aspect, may be just only one-fourth of it, we can survive ....." [1]. The sufficiency economy will enhance a national development but there must be a perseverance, patience, not talking too much, and not to quarrel. If everyone understands the concept, it is believed that everyone will be happy.

His Majesty the King has continuously mentioned about the sufficiency economy in many possible occasions. He tried to emphasize the guidelines for development based on self-reliance, adequacy, moderation, reasonableness, and self-immunity, and also to warn his subject not to be careless. There must be a systematic way of development based on academic principles as well as an ethical framework for leading life [2].

Thailand has set up the Sufficiency Economy and Sustainable Development Committee in which the Prime Minister is the president. The sais committee has a consensus to apply the three principles of moderation, reasonableness, and a decent self-immunity as a process and, on top of that, to add knowledge and morality into this process resulting in a balance, stable, and sustainable economics, society, environment, and culture. The philosophy of sufficiency economy together with the King's philosophy or knowledge are

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derived from the royal duties of King Bhumibol Adulyadej and are used as guidelines in the 20-year national strategy. Moreover, the 12th National Economic and Social Development Plan (B.E. 2560-2564) has graciously brought sufficiency economy philosophy as an operative principle in national development by focusing in the economic, social, natural resources, and environmental capital management in an integrated manner. This is undertaken in relevant to way of life of the community resulting in a sustainable development by having the local area and community as a key. It is expected to build a strengthened community where it becomes a solid foundation of the country. Its concept and perspective are aimed at the importance of balance condition as a result from a perfect, right, and balance blend among appropriate factors. The desired development must be under dhamma principle in which the actions will lead to a balance of co-existence in every level of concern. In this regard, the 12th National Economic and Social Development Plan introduces national development by focusing on the "philosophy of sufficiency economy," "sustainable development," and "human-centered development" following from the previous 9th-11th Plans. It is also focused on the economic prosperity based on the reduction of inequality and the growth of productivity based on local wisdom and innovation. This is in relevant to the national strategy framework noting that "Thailand possesses stability, wealthy, and sustainability" and becomes a developed country by utilizing philosophy of sufficiency economy. Meanwhile, the designation of goals and key performance indicators in the plan are attached with the future goals of Thailand B.E. 2579 [3]. The long-term goals are 1) Thai people lead their lives on sufficiency economy base, 2) Thai society enjoys a cooperative network of sufficiency economy, and 3) the development is done under the concept of sufficiency economy. All of these are of relevance to the philosophy of sufficiency economy.

Yasothon province has acknowledged the royal initiative projects and expanded it especially in the Kho Wang district. The Royal Initiative Projects Learning Center, Amphoe Kho Wang is located at Bann Siri Pattana, Moo 10, Tambol Nam Om, Amphoe Kho Wang, Yasothon Province. It is considered as a learning center at the district level. It is expected to be a live center and to transform relevant knowledge among neighboring villages and to bring about the philosophy of sufficiency economy into practice in the community. It is hoped to enhance the capability of self-reliance in a systematic process by avoiding the risk of economic fluctuations with the moderation, reasonableness, and sustainable self-reliance methods. For example, planting an edible vegetable garden fence in order to reduce the expenses or to sell or exchange among neighboring villages to earn an income [4]. The project has been continuously developed into a building of an honest livelihood in the community based on sufficiency economy philosophy B.E. 2561 project and there are as many as 832 households to join the project. This project is organized in relevant to the governmental policy to develop economy towards stability and sustainability [5].

In order to proceed with the government policy, the King's philosophy has been applied as guidelines in the national management and administration, especially on the application of sufficiency economy philosophy in every sector in the country, saying, public and private sectors. In this manner, Kho Wang district, Yasothon province is one of the mentioned sectors that applied sufficiency economy philosophy into practice [6] and more interestingly, the researcher has a chance to set up the philosophy of sufficiency economy learning center on behalf of Tan Khun Paen Din (showing gratitude to the land) Club in which it is located at No. 1, Moo 6, Ban Chan Thung village, Amphoe Kho Wang, Yasothon province. This learning center provides economic development activities for the community in order to encourage people in the community to live life based on sufficiency economy so there would be an economic stability in the community. This research is aimed to study the application of sufficiency economy philosophy towards economic development in which it produces an impact upon way of life behavior of people in the community regarding

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economic aspect. The said behavior will create a pattern in which it can be used as guidelines in the economic development of the country where prosperity can be expected.

#### **RELATED THEORIES**

Kornkanok Sarapirom and Hiren Sarkar [7] claimed that by the current world, a capitalist economy is the main economic system that countries around the world use aws a compass for developing their countries to reach a desirable growth and wealth. This fashionable mainstream is pretty influential based on its principle and focus of a full freedom for running any desirable economic activities, therefore, the private sectors could play their potential roles for benefit-based aim that contributing to rapid economic growth at the time. Critically, establishing new forms of economic system such as Social Market Economy in Germany so called a Green Economy and participatory economics is extremely required to terminate this exploitation. Thailand as well, His Majesty King Bhumibol Adulyadej had graciously given the Thai people with frameworks of thought, planning and practicing for their nation socio-economic development and growth of all sectors particularly creating a full peace in Thai society. Consequently, since the past 2 decades, Thailand has adopted the Sufficiency Economy Philosophy, a philosophy of living a balance life that can bring the world of change to sustainable economic growth.

Suppasit Sornsri [8] argued that the Sufficiency Economy Philosophy is initiated by His Majesty the King Bhumibol Adulyadej of Thailand. The philosophy reflecting the principle of Thai culture and is a method of development on the three foundations of moderation, reasonableness, and self-immunity. These three bases are performed with the provision of knowledge and integrity as well as the intelligence and perseverance leading to the true happiness or progress of the organization. The philosophy has been increasingly recognized. Thailand's Eleventh National Economics and Social Development Plan (2012-2016) has included this philosophy as a guideline for private and public sectors. Noticeably, there are many studies and research on the Sufficiency Economy Philosophy in various areas including individual levels, public and private sector levels.

Natika Chaiyanupong [9] proposed that Sufficiency Economy Philosophy is a philosophy that presents an alternative to Western approaches of sustainability, was developed by King Bhumibol Adulyadej, the king of Thailand, from his experiences working with farming families in rural areas in Thailand. Sufficiency Economy Philosophy was developed with the expectation that it would provide a key tool for Thai people to manage both internal and external forces resulting from globalization. The core of sufficiency economy philosophy is the Buddhist teaching of a middle path, which means a path of moderation. Sufficiency economy philosophy has been implemented in both small and medium size (SMEs) businesses and communities in Thailand.

### **OBJECTIVES OF THE STUDY**

1. To study way of life behavior based on the sufficiency economy philosophy of the people living in Kho Wang district, Yasothon province.

2. To study guidelines for economic development based on the sufficiency economy philosophy, Kho Wang district, Yasothon province.

#### **RESEARCH METHODOLOGY**

This is a mixed-research method in which the quantitative and qualitative research styles are utilized in the study.

The quantitative research method: By using Yamane's formula, the sample size is derived at 400 individuals who are the local residents of Kho Wang district, Yasothon province. The questionnaires are used to collect the data. The descriptive statistical data of percentage and mean are used to confirm the appropriate developmental model based on sufficiency economy philosophy, Kho Wang district, Yasothon province.

The qualitative research method: The data are collected by using an in-depth interview from 20 relevant key-informers who are well-verse of the subject of study. These informers include officers at the local government organization, community leaders, officers, local politicians, as well as academicians. The focus-groups are also undertaken based on the specific type of enquiry pertaining to the problems and obstacles in applying sufficiency economy in economic development in the community. The data analysis includes data categorization and content analysis. The data are also verified by using the triangulation method.

#### **RESEARCH FINDINGS**

1. The study the way of life behavior based on the sufficiency economy philosophy of the people living in Kho Wang district, Yasothon province.

The research results indicate that most of the respondents are females. They have age between 35-45 years old. Most of them receive a high school education. They have an average monthly income of 10,001-15,000 baht. The majority of the respondents are married. They receive an information from television. There are 278 persons who participate in the sufficiency economy philosophy training program. For those who participate in the program, most of them have a chance to learn about sufficiency community project. Most of the sample are the members of village fund and savings group. They receive social support from the academicians and community leaders. In this respect, the social support covers information services and usable products.

2. The guidelines for economic development based on the sufficiency economy philosophy, Kho Wang district, Yasothon province.

From the research, it was found that the sample population have knowledge and understanding towards sufficiency economy philosophy and the populist policy utilized by the community leaders. The mean value for the knowledge and understanding on sufficiency economy philosophy is at the highest level. When consider each item separately, it was found that 1) an investment on any activity must be undertaken based on thorough information and careful planning (96.32 percent), 2) any expense is made based on necessity not on squandering (96.23 percent), 3) the use of household account or income-expense account as a plan for oneself and family in leading life towards the future (96.20 percent), 4) the search for information from various sources in order to build an intelligence and prudence needed for a good decision making as a knowledge condition (95.98 percent), 5) any investment must be done based on one's competency (95.68 percent), 6) the regular conduct of oneself based on honesty as a moral condition (95.23 percent), 7) the utilization of free-time in order to create benefits for both oneself and community (95.20 percent), 8) the shared activities in the community or society are based on altruism (94.97 percent), 9) the crucial moderation principle based on austerity (92.46 percent), and finally, 10) the reasonableness based on the thinking, planning, analyzing, and synthesizing on what should or should not be done.

#### DISCUSSION

The study of the way of life behavior based on the sufficiency economy philosophy of the people living in Kho Wang district, Yasothon province found that most of the respondents are females. They have age between 35-45 years old. Most of them receive a high school education. They have an average monthly income of 10,001-15,000 baht. The majority of the respondents are married. They receive an information from television. There are 278 persons who participate in the sufficiency economy philosophy training program. For those who participate in the program, most of them have a chance to learn about sufficiency community project. Most of the sample are the members of village fund and savings group. They receive social support from the academicians and community leaders. In this respect, the social support covers information services and usable products. Regarding the guidelines for economic development based on the sufficiency economy philosophy, Kho Wang district, Yasothon province, the study found that the people have knowledge and understanding towards sufficiency economy philosophy and populist policy of the community leaders. The mean value for knowledge and understanding on sufficiency economy philosophy is at the high level. When consider each dimension separately, it is found that 1) the investment activity with thoroughgoing information and appropriate planning is at the highest level (96.32 percent), then follows by 2) the expenses based on the necessary subsistence and frugality (96.23 percent), 3) the establishment of household account or income-expense account for oneself and family planning in the future (96.20), 4) the urge to obtain information from various sources in order to build knowledge and to carefully make decision as a knowledge condition (95.98 percent), 5) the investment in any kind of activity is not too far outside from one's wheelhouse (95.68 percent), 6) the honest behavior as a morality condition (95.23 percent), 7) the use of free-time to benefit oneself and community (95.20 percent), 8) the community or social activities should not be based on exploitation of others or colleagues (94.97 percent), 9) the saving and thrifty that are fundamental principles of moderation (92.46 percent), and 10) the reasonableness condition as expressed in forms of thinking, planning, analyzing, and synthesizing on thing that should or should not be done (92.22 percent). The results of this research is in accordance with the work of Kanda Taekkhanmak [10] on "Factors Related to Behavior of Leading Life in line with the Philosophy of Sufficiency Economy by Households: the Case Study of Lopburi Province" in which it found that the members of the households are encouraged to participate in the operative training of sufficiency economy philosophy 2 times, having field trip 1 time, an exchange of information 1 time, knowledge propagation 1 time, having support from the related official units 2 times, and having an encouragement/ compliment 1 time. Moreover, there is a linkage for other household networks outside the community. Last but not least, the local people have a great deal of knowledge on sufficiency economy philosophy and be able to give a correct answer on the concept at the high level (83.60 percent).

This research is also in line with the work being conducted by Sumet Tantivejkul [11] on Sufficiency Economy: the Beginning of Sufficiency Economy Concept in which it is written that sufficiency economy philosophy can be applied for every level in the society starting from individual level up to family level, community level and finally at the national level. The national development and administration is proceeded in a middle-path manner and it is obviously clear that one does not necessary to follow the global trend. The important thing is to maintain consciousness and intellect by using reason in choosing one's life. The research findings are in accordance with the work of Nattapong Thongpakdee [12] entitled Sufficiency Economy Philosophy: Historical Background and Interpretation where he concluded that sufficiency economy is a philosophy that guides way of existence and self-practicing of people in every level in the society. The development and management of the

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country is based on a moderation approach especially on the economic perspective. Meanwhile, the work of Prissana Tanjarern [13] on "Sufficiency Economy," Principle, and Practice for Building Success in Living Life claimed that there must be a moral enforcement based on ethical standard, virtue, honesty, and having appropriate attainments. To lead life patiently, perseveringly, and having consciousness, wisdom, and prudence leading to sustainable development with determined goals in terms of balance, stability, sustainability in life, economy, society, culture and environment.

This research paper is in relation to the work being done by Barua and Tejativaddhana [14] on the Impact of Application of Sufficiency Economy Philosophy on the Well-Being of Thai Population: A Systematic Review and Meta-Analysis of Relevant Studies where it was concluded that there is a positive correlation between sufficiency economy philosophy interventions and well-being across six emerging themes, say, education, society, economics, agriculture, environment, and health. Meta-analysis of two studies also confirmed this relationship. This research has summarized the effect of the philosophy of sufficiency economy on the well-being of Thai population based on the selection and revision of twenty electronic stored data of relevant research articles in English. In coming into the conclusion, the two researchers applied narrative synthesis and meta-analysis for qualitative and quantitative data analyses.

### SUGGESTION FROM THE FINDINGS

1. The study of the guidelines towards sufficiency economy philosophy in Amphoe Kho Wang, Yasothon province, found that the local people possess a knowledge and understanding concerning the sufficiency economy principles because they are continuously practicing the concept. This becomes a good example for the way to lead life, community leaders, and any other related units. In order to strengthen what is already good in the community, there should an invitation of lecturers, experts, local philosophers, experienced-individuals, including those who become successful in applying the said philosophy in leading their lives to come to share their ideas and practices from time to time.

2. The government should support the roles of community leaders, academicians, as well as the local politicians in developing the sufficiency economy in their respective district or province. This activity can be done by applying learning activity guidelines on integrated sufficiency economy philosophy, training, and field-trip and adjusting them according to the need of each particular context.

#### SUGGESTION FOR FUTURE RESEARCH

There should be a study on way of life based on sufficiency economy philosophy and the quality of life of the people pertaining to other aspects such as economic, social and political aspects. Besides, the future study may focus on the local culture that has an influence on the success upon the application of sufficiency economy.

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