

FROM
KING BHUMIBOL ADULYADEJ
A Life's Work

MORE FROM LESS

Sufficiency Economy thinking was formalised in the aftermath of the 1997 financial crisis that rocked economies in Thailand and the region. Embracing Buddhist principles and drawing on King Bhumibol's many decades of hands-on research and work in development, the theory is a vision of sustainable development in the global era. Under the Sufficiency Economy thinking, the push for growth precipitated by capitalism is balanced by moderation and ethical behaviour. While focused on creating a model under which farmers may enjoy sufficiency, and which mitigates some of the risks posed by the environment and marketplace, its principles can also be applied on a larger scale in the public and private sectors.



Sufficiency Economy, or *Sethakit Pho Phiang*, is the title King Bhumibol Adulyadej gave in 1998 to his thinking on development. *Sethakit* is the Thai word for “economy”, in the sense of the national economy; *pho* is the common word for “enough”; and *phiang* means “only” or “just”. The linking of *pho* and *phiang* displays a typical Thai love for alliteration, and the result means “just enough”. So the phrase means “a just-enough economy”.

The spur to formalise, brand and publish the king’s ideas on the economy came from the financial crisis of 1997, which had originated from the collapse of the Thai economy and spread throughout the global financial system. In his birthday speech in December 1997, the king argued that aiming to become a “tiger” economy was folly. He said it was much more important to develop “an economy where people are more self-reliant and have an adequate livelihood for themselves”. Many Thais believed the crisis was the result of a reckless and extravagant pursuit of economic growth, so the king’s call for moderation and restraint brilliantly captured the national mood at the time.

A working group of officials, academics and palace staff distilled the king’s thinking on the economy from his public utterances over prior decades into a kind of manifesto, in both Thai and English, which the king reviewed. The government of the day adopted this statement as a guide to overcome the crisis. The national planning board made it the theme of the next three five-year economic and social plans. Major companies embraced the concept. Teaching on the principles of the king’s ideas was incorporated into the school curriculum. Books, pamphlets, feature articles and websites were created to teach the principles of the Sufficiency Economy and publicise the successes of those who followed its dictates. In 2007, the United Nations Development Program (UNDP) devoted its *Thailand Human Development Report* to explaining the evolution and application of the Sufficiency Economy in the public and private spheres.

Sufficiency Economy is not an analysis of how an economy works or a blueprint for development planning. Rather it is a set of maxims for practical use in planning and implementing any project or human endeavour. At the heart of this approach are three principles: moderation; wisdom or insight—and the need for built-in resilience against risks which arise from internal or external changes. Although the term Sufficiency Economy was coined in 1997, the thinking had evolved over earlier decades. Its roots lie in the knowledge and practical experience the king had gleaned from his many development projects, and also in some basic tenets of Buddhist philosophy.

Far left The king surveys a farm during one of his upcountry visits. These trips inspired the formulation of his Sufficiency Economy thinking.

Left The Sufficiency Economy encourages farming families to grow enough food for themselves, thereby avoiding debt, excessive risk and exploitation by others.

“Many Thais believe the 1997 financial crisis was the result of a reckless and extravagant pursuit of economic growth. The king’s call for moderation brilliantly captured the national mood.”

Lessons from Development

When the king ascended the throne, over four-fifths of his subjects were small agriculturists including both rice growers and hill farmers. His coronation oath to “reign with righteousness, for the benefit and happiness of the Siamese people” implied a commitment to them. Beginning in the early 1950s, he travelled widely in the countryside and hills, observing changes and asking people about their problems and hopes.

This was an era of rapid and jolting change as Thailand embraced the alluring idea of “development”. The country was growing richer as never before but not without other costs that fell especially hard on small farmers. The farmers were often exploited by others who were better versed in the ways of an expanding capitalist economy, and they faced higher risks from market volatility. The natural environment on which the farmers depended was taking a beating—some felt they were losing control over their lives; and many were falling further and further into debt and becoming disgruntled as a result.

King Bhumibol’s Sufficiency Economy maxims evolved in part from his personal efforts to address these problems. The king’s early development projects had three main themes:

- Water management
- Simple technology
- Sensitive manipulation of the environment

The region around the king’s seaside palace at Hua Hin is very dry because it lies in the rain shadow of nearby hills. When the king was surveying this area in the early 1950s, his jeep got stuck on a coastal mudflat and had to be pulled out by local villagers. He conceived the idea that a simple dam could turn this tidal marsh into a lake useful to the local villagers for fish farming, irrigation and drinking water. The lake, completed in 1953, serves these purposes to this day. In addition, it hosts an annual longboat competition which brings added income and entertainment to the locality. In nearby Hup Kapong, another simple bulldozed dam converted a poor village into a centre for growing high-value produce. These two projects became the model for hundreds of small-scale tanks and reservoirs over future years.

The king saw the benefit of simple technologies which small-scale farmers could understand and operate to great benefit. He founded projects inside the grounds of Chitralada Villa in



Bangkok to develop some devices such as a simple water aerator and a small-scale rice mill. He promoted the wider use of other technologies and practices such as buffalo banks, small tractors and methods to convert rice husk into fuel. Later, he discovered E. F. Schumacher's 1973 classic, *Small is Beautiful*, which gave the world the concept of "appropriate technology". Recognising a kindred spirit, he personally translated one of the book's chapters into Thai.

During this period there were glaring examples of how more intensive use of natural resources were changing the environment for the worse: soil erosion, deforestation, increased flooding and deterioration of the soil, among other problems. The king promoted simple methods to combat these changes by working in harmony with nature. Planting vetiver grass restrained soil erosion. Check-dams distribute water from rivers into nearby fields. Seeding hilltops hastened natural regeneration of forests. The king favoured techniques which were simple, economical, self-sustaining and already proven in traditional practice. In a speech on reforestation, he noted, "The farmers ... have practised this for many generations, and done it well too. They are the experts."

Buddhist Basis

Besides learning from practical experience, Sufficiency Economy thinking drew on the ethical teachings of Buddhism. Two elements of these teachings have special prominence in the theory. The first is the idea of moderation or the middle way. Any action which deliberately aims for a middle course and avoids extremes on either side has a better chance of achieving success. The second idea is about intention and consequence. In Buddhist teaching every person accumulates *karma* through life as a result of good and bad actions, and the balance in this account helps determine that person's subsequent births and progress towards enlightenment. Behind this teaching is the idea that every action has a consequence that depends on the intention that willed the action. An action that is undertaken with good intent, founded on a basis of knowledge and pursued with honesty and perseverance has the highest chance of enjoying success.

The king explained these ideas to Chulalongkorn University students on several occasions in the early 1970s: "I want everyone to bear in mind the law of cause and effect. A result arises because of a cause, an action. Whether that result is good or bad depends on whether

For left Monks offer prayers to mark Makha Bucha day. Sufficiency Economy thinking echoes many Buddhist principles.

Left The rice fields of Ang Thong province stretch out beyond the 92-metre sitting image of Buddha at Wat Muang.

“The farmers ... have practised this for many generations, and done it well too. They are the experts.”

the action was good or bad. So to achieve any aim, you first have to study what is the appropriate means, and then proceed according to the law of causation with honesty and determination. Then everyone's work will have a good outcome, and taken together will result in the desired progress and security of our country.”

“Everybody must continually subject their own actions to thorough analysis to ensure they are correct, based on rationality, wisdom, and self-awareness, in order to overcome all kinds of evil and to be able to achieve true success in both work and life.”

Public Reflections

In public speeches, especially to students, the king conveyed the lessons gleaned from his projects. The learning he related was not about how to design a dam or regenerate a forest, but about the principles behind planning a project and bringing it to a successful conclusion.

One of the key principles concerned the importance of knowledge. No project was likely to succeed unless it was founded on a basis of knowledge. Development was not about new techniques but about equipping people with the knowledge to *use* new techniques. He set out this principle at length in 1974 at Kasetsart University: “One thing being strongly promoted at present is increase in production, in the belief that production is the source of income. Everybody should be able to see without difficulty that production is related to demand, distribution and business organisation as well as the extraction of income and profit to be used for consumption. Thus, the correct approach to increasing production is not through application of agricultural techniques to increase the value of production for its own sake. Rather, agricultural and other techniques should be applied to help the producer to receive returns for the labour, thinking and capital he has used in full measure, so he can use those returns to raise his standard of living to a more secure level.”

A second principle was about prudence, working slowly, proceeding by stages, growing from an internal dynamic, achieving a level of competence and self-reliance before proceeding further, and taking care not to overreach one's capabilities. “It is extremely important to encourage and help people to earn their living and support themselves with adequate means, because those who are gainfully employed and self-supporting are capable of meaningfully contributing towards higher levels of development,” he lectured the Kasetsart students. “As



regards the concept of gradual progress with caution and economy, it is to be followed if only in order to prevent failure and ensure certain and complete success; for if done without caution, it would be hard to expect any full benefit."

In 1975, he addressed Chulalongkorn University students on a third principle concerning the importance of perseverance, hard work, honesty and integrity: "The happiness and prosperity that people seek can be achieved, but by actions that are ethical in intention and execution, not by chance or by fighting and grabbing from others. True prosperity is something creative because it gives benefit to others and to people in general as well."

Macro Sufficiency

The king applied these principles not only to individual development projects but to the development of the national economy as a whole. "Development of the country must proceed in stages," he told Khon Kaen University students in 1973. "First of all, there must be a foundation with the majority of the people having enough to live on by using methods and equipment which are economical but technically correct as well. When such a secure foundation is adequately ready and operational, then it can be gradually expanded and developed to raise prosperity and the economic standard to a higher level by stages."

In his birthday speech at Dusit Palace in 1974, he wished everyone in Thailand "sufficient to live and to eat", and re-emphasised the need to sacrifice speed for prudence. "It is especially important to first build a foundation in which people have an occupation and the ability to make a living, as those who have an occupation and a reliable living can then progress upwards to higher levels of prosperity," he said. "The promotion of progress must proceed in stages with care, economy and foresight to prevent mistakes and disasters ... if one focuses only on rapid economic expansion without making sure that such a plan is appropriate for our people and the condition of our country, it will inevitably result in various imbalances and eventually end up as [a] failure or crisis, as found in other countries."

The following year, speaking at the King Mongkut Institute of Technology, King Bhumibol pondered the growing enthusiasm for industrialisation on a world scale and the resulting pattern of unbalanced growth: "Economic and social conditions in many countries have changed; that is, a great deal of effort is harnessed to construct advanced technology



Far left Fish are a valuable source of protein and the Sufficiency Economy idea encourages farming families to set aside part of their land as a pond for raising fish.

Left Farmers harvest rice using time tested, traditional methods.

and great efficiency in the production process, leading to the rapid increase in products to the level of luxury. At the same time, unemployment increased because machinery has taken away jobs from humans. This caused economic downturns as the unemployed became poorer and the producers of goods went bankrupt because they were not able to sell their products. Thus, theoretical and practical adjustment to industrial development ought to be promoted to create a balance in other sectors in order to survive.”

Model Farms

In 1994, the king revealed how his ideas should apply to agriculture. His scheme was based on a self-reliant family which through progressive stages was integrated with the local and national economies. The press promptly dubbed this the “New Theory”. While the name was perhaps misleading, as several NGOs, academics and local wise men had advocated similar schemes, it stressed how much the king’s scheme flew in the face of the orthodox quest for growth through higher investment and large-scale development.

The first stage of the scheme was a farm on a 15-rai holding, which is about six acres and the median for smallholders in much of the country. This holding was divided into four zones: 30 percent for digging a pond to store 19,000 cubic metres of water to irrigate cultivation in the dry season and to raise fish; 30 percent for rice cultivation sufficient for year-round home consumption; 30 percent for other crops and fruit; and 10 percent for housing, animal husbandry and other activities. Soil fertilisation, weed control and pest control used natural methods. The production system maximised synergies between livestock and crops in order to make the household self-reliant as well as provide some surplus for exchange on the local market. The king stressed that this was a basic model which could be easily modified to suit holdings of larger or smaller sizes, and to different regions where soil, water and cropping conditions varied. On this farm, a family could provide everything for themselves and avoid debt, excessive risk and exploitation by others. The king admitted that this model “was not easy to implement, because the one who uses it must have perseverance and endurance”.

The second stage of the New Theory aimed to create self-reliance at the community level by increasing the production and availability of local goods and services through mobilising the surplus resources of households within a community. This might be done through



cooperative forms of production, community savings groups, community health centres and community forms of social safety nets. The idea was to increase the local provision of goods and services by introducing some division of labour to achieve economies of scale and scope, while still relying principally on the community's own capacity and resources. Exchange with the outside should increase, but local exchange was always preferable because it saved on transport and other transaction costs.

At the third stage, the community could then engage with the economy beyond the village to sell its excess products, to gain the technology for such projects as founding its own rice mill, to tap the services of banks and other economic institutions, and to negotiate with corporations for mutual advantage. Although the king presented this theory as just these three stages, progress towards an ever broader and more complex economy was implied. In another birthday speech, he explained: "Progress is not just about planting enough rice to eat. There must be enough to create schools, even works of art, so that Thailand prospers in every way, with no hunger or poverty, [enough] food for body and soul, and many other things."

The New Theory exemplified the king's conclusions about how to achieve real development with real benefits for ordinary people. Progress had to be achieved by stages, without unrealistic expectations. Before moving to another stage, there first had to be a firm foundation of self-reliance or else there was a strong chance of failure and loss of independence. The driving force for development had to come from within and be based on the accumulation of knowledge, honest commitment and perseverance. The New Theory model was welcomed by like-minded academics and development workers. Relevant government agencies undertook to provide support for such schemes. But the theory did not shift the government's agricultural policies or reorient the majority of farmers. On a broader level, it prompted only minimal debate. Thailand was in the throes of a spectacular economic boom based on industrial exports. Few paid much attention to agrarian economics.

Step Back to Progress

However, the economic crisis that hit three years later transformed the context of the debate. By December 1997, the currency had lost 40 percent of its value, consumption was dropping by a fifth, most of the nation's firms were technically bankrupt, and two million people had



Far left A billboard near the Thai-Cambodia border advertises easy credit.

Centre A luxury car show near Bangkok. Moderation is a key principle of Sufficiency Economy thinking.

Left The urban sprawl of Bangkok. After the boom of the 1990s, a financial crisis brought the city back to earth and triggered more interest in the king's sufficiency economy ideal.

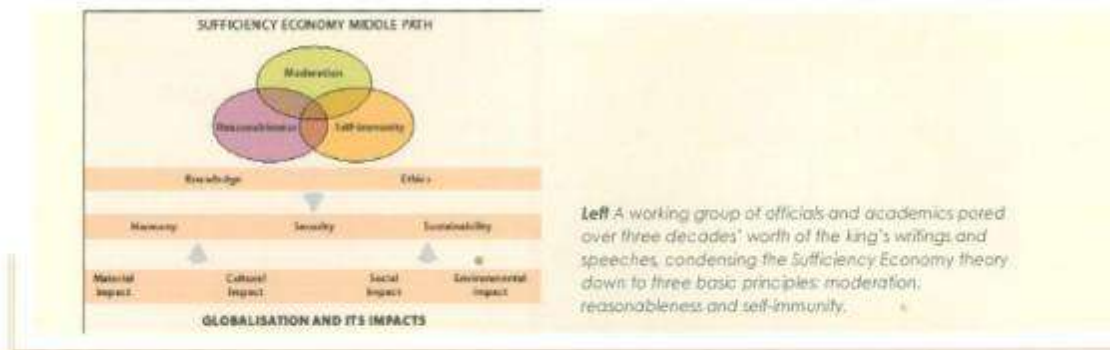
fallen out of work. In this context, the king's words drew more attention.

In his birthday speech, he told a nationwide television audience: "Recently, so many projects have been implemented, so many factories have been built, that it was thought Thailand would become a little tiger, and then a big tiger. People were crazy about becoming a tiger ... I have often said to an audience such as this one that to be a tiger is not important. The important thing for us is to have a Sufficiency Economy. A Sufficiency Economy means to have an economy where people are more self-reliant and have an adequate livelihood for themselves ... It doesn't have to be complete, not even half, perhaps just a quarter, then we can survive ... Those who like modern economics may not appreciate this. But we have to take a careful step backwards."

The government immediately announced it would adopt the king's approach to guide the country out of the crisis. The central bank, armed forces and many private companies undertook to follow the king's approach. Quotations from the speech were relayed nationwide on television fillers and billboards. A year later, the king used his birthday speech to make clarifications and corrections. He stressed that his approach should be termed "sufficiency" rather than "self-sufficiency". He addressed some other misconceptions: "I may add that full sufficiency is impossible. If a family or even a village wants to employ a full Sufficiency Economy, it would be like returning to the Stone Age ... This sufficiency means to have enough to live on. Sufficiency means to lead a reasonably comfortable life, without excess or overindulgence in luxury, but enough. Some things may seem to be extravagant, but if it brings happiness, it is permissible as long as it is within the means of the individual..." He added: "Some people translate 'sufficiency' from English as: to stand on one's own feet ... This means standing on our own two legs planted on the ground, so we can remain without falling over, and without asking others to lend us their legs to stand on."

Crystallisation

Soon after this second birthday speech on sufficiency economy in 1998, a project was launched to make the king's ideas available in a more systematic and accessible form. A group of officials and academics helped to draft a formal exposition of the Sufficiency Economy, which the king officially approved in November 1999:



"The Sufficiency Economy is an approach to life and conduct which is applicable at every level from the individual through the family and community to the management and development of the nation.

"It promotes a middle path, especially in developing the economy to keep up with the world in the era of globalisation.

"Sufficiency has three components: moderation; wisdom or insight; and the need for built-in resilience against the risks which arise from internal or external change. In addition, the application of theories in planning and implementation requires great care and good judgement at every stage.

"At the same time, all members of the nation—especially officials, intellectuals, and business people—need to develop their commitment to the importance of knowledge, integrity and honesty, and to conduct their lives with perseverance, toleration, wisdom and insight so that the country has the strength and balance to respond to the rapid and widespread changes in economy, society, environment and culture in the outside world."

Another working group assembled all the relevant passages from the king's speeches and pronouncements over the prior three decades. They then subjected these writings to linguistic and content analysis to distil the key elements of the king's thinking. This group condensed the Sufficiency Economy down to three components:

- Moderation
- Reasonableness
- Self-immunity

The three components are explained here for greater clarity: "Moderation" is closely linked to the idea of sufficiency. In Thai, as in English, the word for sufficiency has two meanings: enough in the sense of not too little, and enough in the sense of not too much. It conveys the idea of a middle way between want and extravagance, between backwardness and impossible dreams. It implies both self-reliance and frugality. "Reasonableness" means both evaluating the reasons for any action, and understanding its full consequences—not only on oneself, but on others, the society and the environment; and not only in the short term, but the long term as well. This idea of reasonableness thus includes accumulated knowledge and experience, along with analytic capability, self-awareness, foresight, compassion and empathy. The need



Left A community learning centre in Pho Tak district of Nong Khai province offers farmers a chance to learn more of the king's ideas.

of "self-immunity" means having built-in resilience, the ability to withstand shocks, to adjust to external change and to cope with events that are unpredictable or uncontrollable. It implies a foundation of self-reliance, as well as self-discipline.

Besides these three components, two other conditions are needed to make these principles work: knowledge and integrity. "Knowledge" is almost akin to wisdom in English. It encompasses accumulated information, the insight to understand its meaning, and care or prudence in putting it to use. "Integrity" means virtue, ethical behaviour, honesty and straightforwardness, but also implies tolerance, perseverance, a readiness to work hard and a refusal to exploit others.

This formalisation of the Sufficiency Economy theory was disseminated through books, radio and television programmes, newspaper features on successful applications of the approach, websites and in other ways. In 2004, a sub-committee was set up within the planning agency to disseminate the king's ideas through seminars and various media. In parallel, a sub-committee in the Ministry of Education incorporated Sufficiency Economy ideas into the school curriculum on society, religion and culture, and it was taught at all levels from primary to higher secondary from 2009 onwards. In 2009, the army promoted a campaign under the banner Moderation Society ("a society of moderation where people live their lives just right") to propagate the king's ideas, especially among youth.

Appeal

Many different organisations publicly embraced the Sufficiency Economy. Each drew inspiration from a particular aspect of the theory. The managers of the national economy, for example, focused especially on the theory's call for prudence and built-in immunity against external shocks. Beginning in 1998, the authorities undertook a thorough overhaul of macroeconomic management with the aim of preventing another crisis like that of 1997. The national reserves were increased; inflation targeting was adopted to introduce more discipline into monetary policy; government debt was subject to strict controls; and a battery of risk indicators was compiled. Thailand's comparative success in surviving the international downturn of 2008 was cautiously attributed to this overhaul.

In 1999, the national planning agency, the National Economic and Social Development

“Reasonableness and moderation must be used to create a balance between material and mental dimensions, between self-reliance and competitive capability in the world market, and between rural and urban society.”

Board, adopted the Sufficiency Economy as the guiding principle for future plans. For this agency, the key message of the Sufficiency Economy was that Thailand had to move towards a more balanced, sustainable and inner-driven pattern of growth. The Tenth Plan for the years 2007 to 2011 set out the application of Sufficiency Economy principles in this way: “Thailand must reorient its development paradigm to have greater self-reliance and resilience by following the Sufficiency Economy philosophy in conjunction with a holistic approach to people-centred development. Development policy and national administration must follow a middle path which balances and integrates all dimensions of development, including the human, social, economic, environmental and political. Reasonableness and moderation must be used to create a balance between material and mental dimensions, between self-reliance and competitive capability in the world market, and between rural and urban society. A self-immunity system must be built into economic systems through risk management in order to handle the impact of changes both inside and outside the country.”

For many people in business damaged by the 1997 crisis, the key message of the Sufficiency Economy was the need for prudence. Others focused on corporate social responsibility (CSR). In 2007, 100 businessmen pooled ideas on how the king's ideas could be used to stimulate CSR initiatives in *Sufficiency Economy: A New Philosophy in the Global World*. For others in government, business, agriculture or elsewhere the attractive element of the theory was its emphasis on the role of ethics. On 26 May 2006, the UN Secretary-General Kofi Annan presented a Human Development Lifetime Achievement Award to King Bhumibol. “His Majesty's Sufficiency Economy philosophy ... is of great relevance to communities everywhere during these times of rapid globalisation,” said the UN secretary-general. “The philosophy's ‘middle way’ approach strongly reinforces the United Nations' own advocacy of a people-centred and sustainable path toward human development. His Majesty's development agenda and visionary thinking are an inspiration to his subjects, and to people everywhere.”

Crossed Wires

The most common misunderstanding of the approach is to read sufficiency as self-sufficiency, and to imagine the theory advocates independent family farms and a national economy shielded from the world as in Myanmar or North Korea. The misunderstanding has arisen

Right United Nations Secretary-General Kofi Annan presents the Human Development Lifetime Achievement Award to King Bhumibol at Klai Kangwong Palace on 26 May 2006



in part because of some careless early translations. In the New Theory, even at the first stage, the farm is expected to create a surplus for sale. Also, this stage should not be read in isolation from the subsequent two stages which prescribe progressive integration with the outside world. At the national level, the king clarified that “self-sufficiency is not a Sufficiency Economy, but a Stone Age Economy ... There must be some gradual development, some exchange and cooperation between districts, provinces and countries, something beyond sufficiency.”

Another common misunderstanding is that the Sufficiency Economy amounts to a rejection of globalisation. Again, King Bhumibol clarified his thinking. “As we are in the globalisation era, we also have to conform to the world,” he said. The word globalisation was included in the formal statement of the approach to avert confusion.

A larger problem arises over interpretation. As the Sufficiency Economy is a set of maxims for practical action rather than a tightly reasoned and encompassing theory, these maxims can be used to support varying agendas. One example will illustrate this.

In 1999, Thailand’s leading economists discussed the Sufficiency Economy over a two-day conference. They concluded that the approach was consistent with market capitalism based on competition and that the main result of adopting the approach would be to introduce more caution into economic management.

However, some proponents of Buddhist economics have proposed a very different interpretation. In their view the principles of competition and profit maximisation at the heart of capitalism are a source of anxiety rather than happiness. Buddhist economics aims to overcome selfishness by nurturing compassion, fairness and generosity. Advocates argue that the Sufficiency Economy, with its strong emphasis on moderation, amounts to a rejection of capitalist competition. They point especially to the king’s birthday speech in 1998: “Sufficiency is moderation. If one is moderate in one’s desires, one will have less craving. If one has less craving, one will take less advantage of others. If all nations hold this concept ... without being extreme or insatiable in one’s desires, the world will be a happier place. Being moderate does not mean to be too strictly frugal; luxurious items are permissible, but one should not take advantage of others in the fulfilment of one’s desires. Moderation, in other words, living within one’s means, should dictate all actions. Act in moderation, speak in moderation; that is, be moderate in all activities.”

The theory has come under criticism from many angles. Here are three examples: Some



believe the New Theory is simply irrelevant to the realities of rural Thailand today. They suggest that the vast majority of farmers have become so enmeshed with markets that the image of a relatively self-reliant smallholding can exist only in the imagination. A majority of farmers also no longer have access to large enough plots to attempt the allocation of resources the theory advises. To manage their risks, farmers prefer to diversify their activities, strengthen their links with the market and multiply their sources of credit, rather than retreating to greater independence.

At a broader political level, the approach has been criticised as an elitist attempt to diminish pressure for any change in the stark inequalities and injustices underlying Thai society. In this view, the underlying message of the theory is that "the wealthy can enjoy their wealth so long as they do so within their means. For the poor, the advice is to do better with what they have; [to] make do." These critics believe the theory encourages people to overcome their difficulties by exploiting themselves rather than by fighting for their rights and demanding greater justice from society at large. Some contend that Sufficiency Economy can be used to justify conservative opposition to government policies that help the underdog.

A third criticism is that the theory has simply failed to attract mass support because it does not offer people a clear and attractive benefit. Partly, this may be a matter of presentation. The theory is complex. Some of the concepts, especially the notion of self-immunity, use a Thai vocabulary which many people struggle to understand. But partly, this may be because the theory is not properly tuned to the ambitions and aspirations of most people.

Looking Forward

The Sufficiency Economy came to prominence in 1997 in the midst of the worst economic crisis for Thailand in the modern era. It helped to focus attention on switching to more prudent practices in economic management and business practice, though the crisis itself was education enough. It was adopted by the planning authorities as the touchstone for a decade of structuring the national economy. For many corporations, Sufficiency Economy helped to guide their corporate social responsibility projects. For many businesses and individuals, it provided a source of inspiration. For a core group of enthusiasts, Sufficiency Economy was a guide to a more ethical approach to business practice and public service.



Far left "Sufficiency Economy For All" announces a promotional poster.

Centre Inside the classroom of a provincial school, students are taught the basics of Sufficiency Economy as part of the national curriculum.

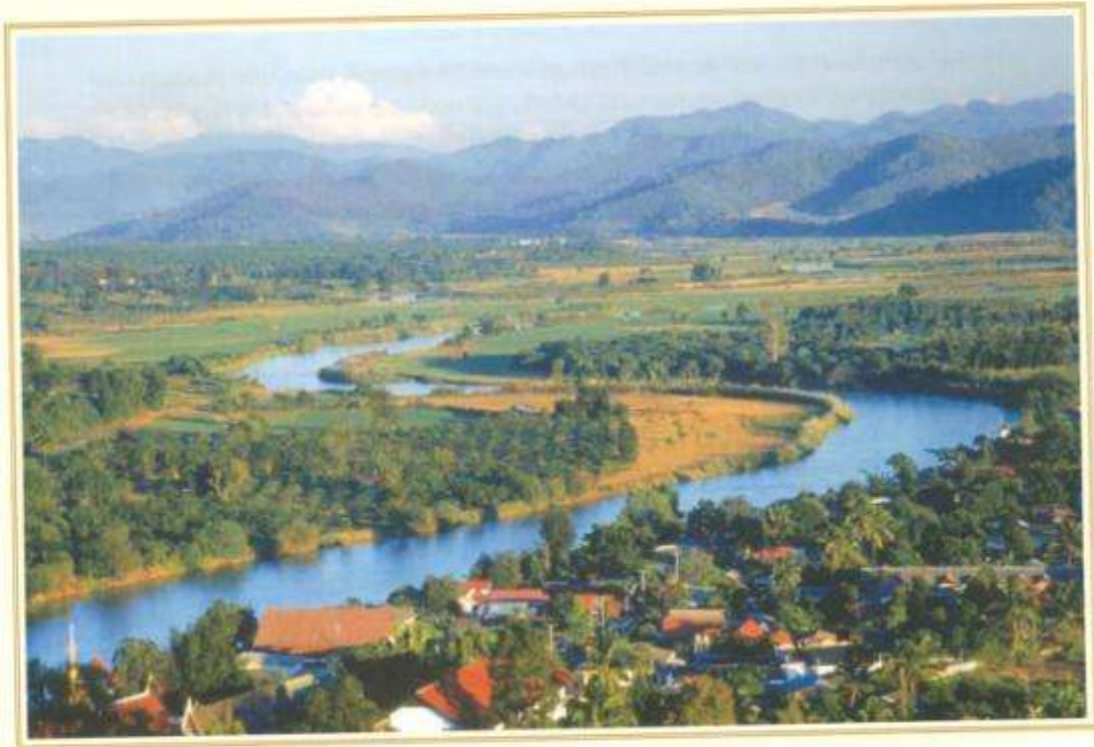
Left Students plant saplings as part of a school field trip. Sufficiency thinking promotes the idea of sustainable development.

Yet, after the 1997 crisis eased and the cycle trended upwards again, the government returned to the policy of prioritising rapid growth, and managing the resulting social fallout through more government spending to help the vulnerable. Many businessmen rediscovered their old recklessness, leading to eccentric swings in speculative markets such as stocks and property. Corruption showed no sign of decline, and the building of a new international airport for Bangkok became a focus for accusations of malfeasance on a massive scale.

More than a dozen years after the Sufficiency Economy was launched as a kind of national agenda, it is questionable how much affect it has had on the major trends in economy and government. The economy has continued to become more open and hence more vulnerable to wayward outside forces—though the management of the economy has so far proved to be more prudent. There has been almost no shift towards a more balanced, inner-driven, and sustainable growth pattern. Instead, over-reliance on exports, inefficiency in the use of energy and damage to the natural environment have persisted. There has been no trend towards more sufficient agriculture. Indeed, there has been a net shift from food to cash crops, and from small-scale farms to large-scale plantations.

The call for people to be more self-reliant and less dependent on government welfare measures has faded into the background because the popular demand for better social provision has become too loud and the political risks of ignoring this demand too high.

The enthusiasm for consumption—especially of luxury goods—has not been noticeably blunted by any calls for moderation. Corruption persists in politics, business and the bureaucracy. Indeed, surveys consistently show that most people believe corruption to be on the increase. But perhaps a mere handful of years are too few to assess the impact of the Sufficiency Economy. Advocates of the theory stress that what is needed is a comprehensive change in the national mindset. That might already be under way, but it will have to await the rise of a generation educated in the Sufficiency Economy at school.



Above The Kok river winds through a classic northern Thai landscape in Chiang Mai province. Efficient water management, simple technology and sensitive manipulation of the environment have always been central to King Bhumibol's work in development, and are important foundations for his Sufficiency Economy thinking.