

Philosophy of “Sufficiency Economy”

- “Sufficiency Economy” is a philosophy conceived and developed by His Majesty King Bhumibol Adulyadej of Thailand over 60 years of tireless development work to improve the lives of the Thai people and bring them a genuine and lasting happiness.

- The **goal** of implementing the Sufficiency Economy Philosophy is to create a balanced and stable development, at all levels, from the individual, family and community to society at large by developing the ability to cope appropriately with the critical challenges arising from extensive and rapid changes (i.e. globalization) in the material, social, environmental, and cultural conditions of the world.

- The **principle** of Sufficiency Economy stresses the importance of following/adopting **the middle path** for appropriate conduct by the population at all levels of society (individual, family, community and nation) in terms of development and administration in order to modernize in line with the forces of globalization. In other words, we should try to avoid extreme thoughts, behaviors and actions.

- **Sufficiency has three components:** moderation, reasonableness, and self-immunity, **with two accompanying conditions:** appropriate knowledge and ethics & virtues.

1. **Moderation** within reason, in the sense of not too much or not too little, is an Eastern concept. As His Majesty the King has stated: *“Being moderate does not mean being too strictly frugal; consumption of luxury items is permitted... but should be moderate according to one’s means”* (Royal Speech, given at Dusit Palace, 4 December 1998)

2. **Reasonableness** requires that the choices we make be justifiable by using academic approaches, legal principles, moral values or social norms.

3. **Self-immunity** emphasizes the need for built-in resilience against the risks which arise from internal and external changes by having good risk management; Sufficiency Economy recognizes that the circumstances and situations that influence our lives are dynamic and fluid.

- Immunity to changes in material circumstances implies having enough savings, being insured against financial risks, and making long-term future plans.

- Immunity to social changes signifies unity among the people, along with their contentment and feeling at peace.

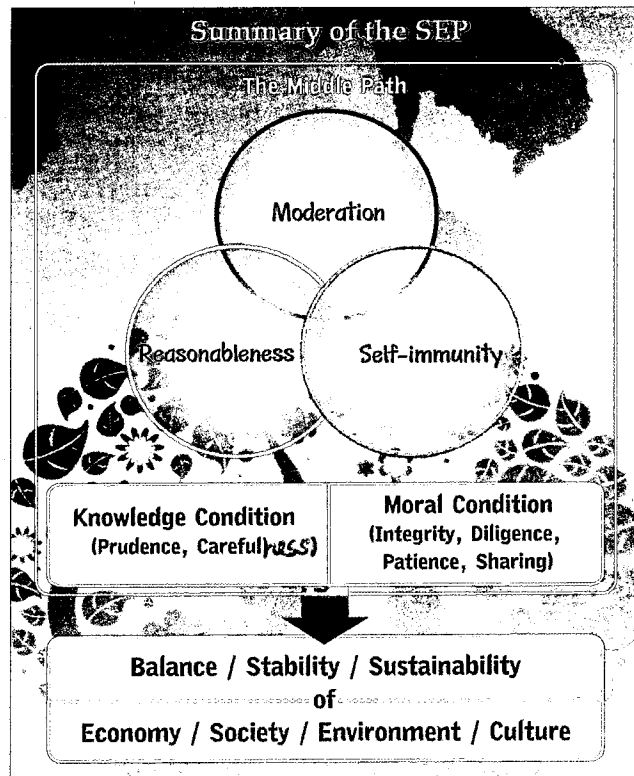
- Immunity to environmental changes prompts individuals and their communities to be aware of the impacts their actions may have on the environment, and subsequently their livelihoods, an awareness which leads them to live in harmony with nature.

- Immunity to cultural changes means that the people appreciate and value their culture and heritage and do not waver in their determination to uphold them. They also understand and have a positive attitude towards cultures of others.

- **Knowledge** is a necessary condition for Sufficiency Economy to work, as comprehensive knowledge and academic approaches play important roles at every stage of planning and implementation.

- **Ethics and virtues** are vital and will **foster human development** in a way that is successful and sustainable. These values ought to be embraced by all, particularly by civil servants, intellectuals and business people. In recent years, good corporate governance has been guided by ethics as a core value.

- **Foundation-building** as a crucial first step to development. *“The development of the country must proceed in stages. First of all, there must be a foundation with the majority of 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 adequate and ready, then it can be gradually expanded and developed to raise prosperity and economic standards to a higher level by stages.”* (His Majesty the King’s Royal Address, given at Kasetsart University, 18 July 1974)



- **Accomplishments**

- Sufficiency Economy is central to alleviating poverty and reducing the economic vulnerability of the poor.

- Sufficiency Economy is a means towards community empowerment and the strengthening of communities as the foundations of the local economy.

- Sufficiency Economy takes corporate responsibility to a new level by strengthening the community so it can embrace practices conducive to long-term profitability in a competitive environment.

- Sufficiency principles are vital for improving standards of governance in public administration.

- Sufficiency Economy can guide national policy to immunize a country against shocks, to craft better policies, and to plan strategies for more equitable and sustainable growth.

- **Sufficiency thinking demands a transformation of human values, and a revolution in the mindset, both of which are necessary for the advancement of human development.**