

Thoughts on Sufficiency Economy

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What are the key components of Sufficiency Economy?

When we think about the purpose that His Majesty bestowed with the Sufficiency Economy to Thai people and the people of the world, we have to go back to his words at the coronation in 1946; that he “*will reign the kingdom with righteousness for the benefit and happiness of Thai people and of the whole country.*” So this principle — the SEP — fits in with his overriding goal to reign the country. But how we can together help create benefit and happiness for everybody? This comes with the Sufficiency Economy Philosophy (SEP).

Benefits and happiness of all people is the ultimate end that we are going to talk right now. But we have to have a set of principles to make decisions and to conduct our behavior towards that goal. And we have to start from thinking in the right way.

Now, what should we think? What we should do or should not do? From the SEP perspective, in what ever we do, we should try to keep balance among four dimensions in our life.

First, **Material**. Say we’re going to drive or buy a car, how much we can spend. How much we should consume. How much we should save. It’s all about a question of limited material that we are facing all the time.

And human beings don’t live on materials only. We have society to think about. We have **social dimensions** because we don’t live alone. If I drive too fast, if I don’t obey the traffic rule, if I drink and drive, what would happen to other people on the road? We have to think about an impact of our actions on others and society.

Third, **Environment**. Because we — human beings — have to live with nature. So whatever we do has an impact on the environment. Should we use bio-diesel or gasohol instead? Does the way we consume cause any burden on the environment?

Last, **culture**. Human beings have dignity. The dignity came from the cultural heritage that each of us has received from our ancestors. All of us have different cultural backgrounds and we try to find ways to live together in a harmonious way.

So, the way to live our life that creates benefit and happiness for the majority of people, we have to mindfully consider the causes and effects of our actions in four dimensions: material, society, environment, and culture.

And now how to manage that to happen?

First of all, **moderation**. If consuming too much, we can create waste and suffer at the end. Too less, maybe we can’t reach our objectives of doing things. We should consume just enough for the right purpose or necessity.

Second, we have to have reason for whatever we do which based on the truth. whatever we do, we shall contemplate on the result of what will occur; the result upon others and society. We have to be prudent, think about what would happen in the short term and long term. So the second principle is **reasonableness**.

Third is based on the Buddhist principle that teaches about impermanence. Everything changes all the time, so we have to **be mindful, prudent and well-prepared for the changes, both expected and unexpected, all the time**. What will happen tomorrow? For example, we may have the majority share of the market now, but what will happen tomorrow? How to survive if we can't sell products as before?

In short, there are three principles. First, moderation; second, think about cause and effect in everything that we do. Third be mindful and prepared for changes in whatever we do. And to keep up with these three principles to live in a sufficiency way, we need two basic prerequisites.

We need to be well prepared with knowledge — which is wisdom — and morality. These two have to go together all the time. Without morality, knowledge may cause harm; and without knowledge, we may not do things proper nor progress. Honesty, integrity, perseverance, mindfulness and spirits of learning are basic requirements to lead a sufficiency life.

In conclusion, there are three steps of principles. First, balance our life and well prepared for changes in four dimensions. To do so, we need to manage our life and resources along the three principles. And third, equip ourselves well with wisdom and morality.

How is this new philosophy different from and similar to such practices as corporate governance (CG) and corporate social responsibility (CSR)?

It's similar, and I think it adds some complementary perspective on CSR and CG. CG is about system. You have to do good balances, be transparent and accountable. CG related rules make people do business and behave in an honest way. SEP talks about human beings who practice the CG and CSR, and their behavior. How can we ensure that each manager comply with CG and do CSR with right understanding. Do they have right knowledge and truly understand the benefits of CG and CSR, linking back to the benefits for themselves.

I think CSR concept is very close to the Sufficiency Economy. CSR activities make companies think about society and environment. But how to do CSR in a sufficiency way? With limited resources, living in an interconnected world and society, and with respect of the cultural-diversity, Sufficiency economy guides us that we need to be moderate, reasonable and prudent in whatever we do. Above all, we need to be wise and moral to do CSR in a genuine way.

Then come back to human again. It's about changing human behavior. To use His Majesty's (phrase), "*burst from within*." It has to come from inside. Humans can change from inside. It's about value. CSR and CG are about rules and institutions. But yes, it's similar in terms of wanting to make the world better. But different in terms of the way to do it. SEP starts from human beings; from within.

How does Sufficiency Economy go with free trade and globalisation?

Free trade and globalisation is there. We cannot reject it. And we don't have to accept everything of it, because free trade is choice. You can have free trade or not or at any level with some other countries. It's your choice.

Now, how does it go with Sufficiency Economy? The principles make us prepared to live in a globalized world by endowing us with wisdom and morality. Make a choice that fits well with your conditions, with consideration of all causes and effects, and with preparedness for coming-changes. Then in the end, we can protect ourselves and we can share benefits with society too.

Thailand is a capitalistic country like a western country. If this philosophy supports sustainable development, how much room is there for the liberal market-oriented policies that Thailand seems to advocate? How can they go hand in hand?

They can go hand in hand, and SEP will lead the market-oriented policies towards sustainable development path. Why? The world has been talking about sustainable development for about 20 more years. We are still discussing about how to achieve it. We talked much about rules and regulations. But we still do little on making ordinary people realize or think about the consequences of our actions upon society and the world. We work much on institution, but too less on valuation.

I think we cannot neglect human beings as one major factor in the whole theme. We always talk about the system, rules and everything, but human. The Sufficiency Economy says wait a minute; what do people think and truly understand about sustainable development, and what should we do from anyone standpoint to make our world progress in a sustainable way.

In a wider context, Sufficiency Economy is about thinking global, thinking about the world, thinking about other human beings and then acting from the smallest point; starting from ourself. In the end, people have to take responsibility for their actions.