





Towards a Sufficiency Economy:

A New Ethical Paradigm for Sustainability

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Introduction



This publication presents the discussions during the UNESCO Future Lecture on the theme "Towards a Sufficiency Economy: A New Ethical Paradigm for Sustainability - In Homage to the Philosophy on "Sufficiency Economy" by His Majesty King Bhumibol Adulyadej of Thailand" held on 11 June 2012. UNESCO was honored to co-host this Future Lecture with the Permanent Delegation of the Kingdom of Thailand, which coincides with the celebration of the 84th Anniversary of His Majesty the King this year.

For UNESCO, it is a privilege to contribute to discussions of the Sufficiency Economy. Over the years, this distinctive model has provided guiding principles for Thailand's development. Given the current backdrop of multiple crises - economic, financial, social and environmental, the international community is constantly seeking new models and approaches to address these problems, and at the same time search for new avenues to foster sustainable development. The Philosophy of the Sufficiency Economy is one of these paradigms.

UNESCO has already been involved in activities related to the Sufficiency Economy. The UNESCO Asia-Pacific Regional Bureau for Education in Bangkok is working closely with the Office of Her Royal Highness Princess Maha Chakri Sirindhorn's Projects, or OPSP, on activities rooted in the Sufficiency Economy Philosophy. The UNESCO-OPSP collaborative project covers Cambodia, Laos PDR and Viet Nam, and is currently expanding to Indonesia. The project implementation is centred on the "Total School Development" model which addresses various aspects of development - food and nutrition, health and hygiene, education, training in vocational skills and cooperatives, as well as environmental and cultural conservation. In cooperation with UNESCO National Commissions and Ministries of Education of each county, teacher training has been conducted in areas such as food and nutrition, health, agricultural production, schools cooperatives, heritage conservation, among others (See Annex).

For recently concluded United Nations Conference on Sustainable Development, or Rio+20, held in Rio de Janeiro from the 20th to the 22nd of June, UNESCO had been a major player in setting up a new vision for sustainable development which optimizes the transformative power of education, the sciences, culture and media. Our Director General, Madame Bokova believes that to achieve sustainable development, we will need to consider not only new frameworks for defining the goals of economic and social well-being but also the importance of local capabilities and preferences in how to achieve these new goals. The Philosophy of the Sufficiency Economy offers the world insights into how Thailand has defined the relationship between goals and methods. This is a question that is at the core of debates about the future and I am confident that this publication will enrich the discussions for the follow-up to Rio+20 and our on-going efforts to think more deeply about the future.

Hans d'Orville

Jaces d'Orvilla

Assistant Director-General for Strategic Planning

Message from Orachart Suebsith



On behalf of the Permanent Delegation of Thailand to UNESCO, I would like to express my sincerest gratitude to the Bureau of Strategic Planning, headed by Mr Hans d'Orville, and his team, for having co-organized the successful UNESCO Future Lecture "Towards a Sufficiency Economy: a New Ethical Paradigm for Sustainability: In Homage to the Philosophy on 'Sufficiency Economy' by His Majesty the King Bhumibol Adulyadej" held on 11 June 2012 and the Exhibition from 11 to 15 June 2012. It

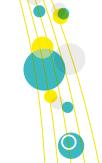
was indeed an honor for me to work with UNESCO to pay tribute to this philosophy, especially during this auspicious occasion, as we mark the 84th anniversary of His Majesty the King of Thailand. The invaluable support and longstanding cooperation shown by UNESCO colleagues by reflect the commitment of the Organization to continue promoting intellectual exchanges and provide the opportunity to discover new ways of thinking.

I also wish to thank deeply General Prayuth Chan-o-cha, commander in chief of the Royal Thai Army, Ms Suwannee Kamman, Deputy Secretary-General, National Economic and Social Development Board, and Ms Churairat Sangboonnum, Secretary General, Thai National Commission for UNESCO, for their contribution to this event. My gratitude also goes to the Royal Thai Army, the National Economic and Social Development Board, the Ministry of Education, the Vocational Education Commission, Vocational Education College of Surin and Rajamangala University of Technology Thanyaburi.

I hope that this UNESCO Future Lecture is only the beginning of ushering in a new path towards thinking of alternative forward-looking models for the holistic development of resilient and sustainable societies.

Orachart Suebsith
Deputy Permanent Delegation of Thailand to UNESCO

Message from Sukhan Rattanaloeadnusorn





Rajamangala University of Technology Thanyaburi (RMUTT) is extremely pleased to co-organize the exhibition and lecture at the Headquarters of UNESCO from 11 to 15 June 2012 on the theme of "Towards a Sufficiency Economy: a New Ethical Paradigm for Sustainability in Homage to the Philosophy on "Sufficiency Economy" by His Majesty the King Bhumibol Adulyadej". The topic that we presented was the Biofertilizer from Stock Fungus and Natural Materials for Sufficiency Economy Philosophy aiming to promote

Community Development.

To celebrate the 84th Birthday Anniversary of His Majesty the King, a research project whose purpose is to conserve the natural environment and foster community development has been established based on the Sufficiency Economy Philosophy. This effort has resulted into a sustainable community development project with the biological product of our university called "Fungal Pellets" that help in conserving the environment. The product is being used over the last five years to reanimate the mangrove forest. Moreover, our university also promotes this technique to a community at Khok Kham, SamutSakhon province to produce the Kidad salt pellets using the Fungal Pellets. This type of fertilizer is distinguished from other types of biofertilizers in such a way that it can help control the fungi and also induce the growth of plants two- or three-fold.

Lastly, we would like to thank UNESCO for giving us this great opportunity to present our work. We really appreciate your kind support.

> Dr Sukhan Rattanaloeadnusorn Rajamangala University of Technology Thanyaburi (RMUTT)

Message from Chamaiporn Toompong



Sufficiency Economy is a philosophy bestowed by His Majesty King Bhumibol Adulyadej for more than 30 years. The concept of Sufficiency Economy is based on the fundamental principle of Thai culture that guides the livelihood and behavior of people at all levels concerning national development and administration. It is based on the middle path and precaution, moderation, reasonableness and self-immunity leading to the

use of knowledge and morals that are the basics of life. Moreover, they are concepts and ways to develop Thailand macroeconomics contained in the National Social and Economic Development Plan Volume 10 (2007-2011), the so-called "Green Society". The Ministry of Education proposes to integrate this philosophy of Sufficiency Economy into the school curriculum and school activities at all levels. The goal has been set for schoolchildren completing basic education to have better knowledge and understanding about this philosophy and to be able to apply it in their daily lives.

The mission of the Vocational Education Commission, established under the Ministry of Education, is to manage vocational education to teach students so that they acquire the knowledge, abilities and vocational skills required in the labor market and that they are able to contribute to the economic and social development of the country. The Vocational Education Commission performs its mandate using the Sufficiency Economy Philosophy, aiming to improve education for Thai teenagers, using the slogan "Good, Intelligent, Happy".

The Surin Vocational College received the award for teaching and management using the Sufficiency Economy Philosophy academe model from the Vocational Education Commission of the Ministry of Education. We are proud to be the representative of Thailand to showcase the exhibition on the Sufficiency Economy at UNESCO Headquarters in Paris, France, as a homage to His Majesty King Bhumibol Adulyadej.

Ms Chamaiporn Toompong Director of Surin Vocational College

Concept note

The world is confronted with multiple global crises that encompass the economic and financial crisis, an environmental and ecological downturn, which includes climate change and biodiversity loss, and food shortages. All these crises entail a deficiency of social cohesion marked also by growing intolerance, exclusion and violence – the hallmarks of a world experiencing a crisis of values. The international community's ineptness to address as yet the 21st century's problems has paved the way for the emergence of paradigms that provide alternatives for socio-economic approaches and governance models.

The Philosophy of Sufficiency Economy, propounded by His Majesty King Bhumibol Adulyadej of Thailand, has been recognized as the guiding principle for the country, and it is gaining wider international acceptance as a new development paradigm. The Sufficiency Economy is an approach that advocates taking the "middle path" in life and the optimal route for conduct at the grassroots, as well as at the micro- and macroeconomic levels. In the pursuit of economic growth, it also seeks to strengthen the "moral fiber of a nation". Providing a framework for "living within one's means", the philosophy points the way for a recovery that will lead to a more resilient and sustainable economy that is better able to meet emerging challenges of a globalized world. The core elements include moderation, reasonableness and self-immunity. According to the 2007 UNDP Sufficiency Economy and Human Development Report, moderation refers to an adequate conduct that does not adversely affect one's self and others. Sufficient production and consumption are examples. Conveying the idea of a middle ground between want and extravagance, moderation also denotes self-reliance and frugality. Reasonableness (or rationality) means examining the reasons for any action, and understanding its full repercussions in the short- and long-terms. This idea therefore also includes foreknowledge and experience, analytical capability, selfawareness, foresight, compassion and empathy. *Self-immunity* refers to the ability to be prepared for possible changes ("internal and external shocks") in both the near and distant futures; it thus implies a foundation of self-reliance and self-discipline.

The unfolding of the 1997 financial crisis in Thailand – which was considered to be an illustration of the country's disregard for moderation by indulging in over-consumption and reliance on foreign debt – has paved the way for the rapid acknowledgement of the Sufficiency Economy philosophy. The third pillar "self-immunity", it was believed, could have provided the social safety nets necessary in times of crisis. The King's statements zeroed in on the need for all members of the nation – government officials, intellectuals and business people – 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".

The philosophy parallels complementary ideas brought forward by traditional economic theories. Some scholars have defended the argument that the Sufficiency Economy is not compatible with mainstream economics because contrary to autarky, it recognizes trade and globalization. Moreover, harmony is being sought between efficiency and economic growth, as well as security and stability.

While drawing on the Buddhist thinking of the "middle path", the philosophy is not exclusively grounded in one thought, but has also found Muslim and Catholic proponents in the country. It has likewise gained appreciation as an approach in line with humanist economics that emphasize humanity and happiness above economic priorities.

A balanced strategy for long-term growth is a principal aim of the Sufficiency Economy. It therefore raises questions about the linkages to issue areas such as the environment, the national and international markets and overall development. Integrating the Sufficiency Economy thinking in school curricula is an ongoing task and this model promises to provide a gateway for other education systems to adapt and replicate.

While models and interpretations of the Sufficiency Economy from different societal perspectives and sectors have emerged over the years, there is a need to study its various applications more systematically. It is particularly important to analyze how the approach can be translated into viable strategies, concrete policies and plans of action. Building on its humanist and ethics-based foundations, the Sufficiency Economy can be viewed as a modality to transform values and mindsets paramount for human development in today's world. Bringing it forward as a tool for empowerment - both individual or national - this philosophy can contribute to attaining genuine sustainable development.

Statement by H.E. Ms Katalin Bogyay President of the General Conference



"With our thoughts we make the world," teaches us Buddha. UNESCO is built on the belief that through our thoughts we can transform ourselves and the world around us. We, the humans, are using our thoughts and ideas to follow an exponential trajectory of scientific and technological progress, taming the forces of nature around us and achieving what has been for centuries thought unachievable; but at the same time, we the humans, in blind pursuit of material growth, place enormous stress on our

environment, and tolerate crippling conditions of poverty, illiteracy, lack of health care and lack of basic human rights around the world.

I firmly believe that the solutions to the social, economic and environmental challenges lie with us, and our ability to think innovatively, think boldly and think ethically. The philosophy of the Sufficiency Economy, espoused by His Majesty King Bhumibol Adulyadej of Thailand is an excellent example of the type of ethical and innovative thinking that we need to counter those negative forces and influences that the globalizing world economy is exerting on vulnerable societies.

Very recently, during my trip to Thailand to take part in the World Buddhist Assembly and the Celebration on the 80th Birthday of His Majesty, I had a pleasure to see myself the challenges facing the Thai population, and the vigor with which the government endeavors to improve the livelihood of its population, through the focus on economic

stability, sustainable development, sound macro-economic policies, and the equitable sharing of the benefits of economic prosperity.

The basic principles of sufficiency economy emanate from the need to be moderate in the pursuit of wealth, living within one's means, and refraining from the exploitation of other people. It is based on the idea of inclusiveness, where all members of a community join forces and participate in decision-making and developing mutually-beneficial knowledge.

I would like to welcome all of you here today to an event dedicated to the reflection about this Philosophy, organized in the framework of UNESCO Future Lectures. I would also like to thank my dear colleagues at the Delegation of Thailand, as well as the Secretariat, the Bureau of Strategic Planning and Personally Mr. Hans d'Orville for organizing this insightful conference and the exhibition.

Statement by

Ms. Churairat Sangboonnum,
Deputy Permanent Secretary, Ministry
of Education, Thailand and
Secretary-General of the Thai
National Commission for UNESCO



It gives me great pleasure to welcome you all to the Future Lecture on the Theme "Towards a Sufficient Economy: a New Ethical Paradigm for Sustainability", which has been organized by the Permanent Delegation of Thailand to UNESCO in cooperation with UNESCO with the support and assistance from both the Thai Ministry of Education, and the Assistant Director-General for Strategic Planning, Mr. Hans D'Orville and his team. This intellectual forum commemorates the 84th birthday of His Majesty King Bhumibhol Adulyadej of Thailand. It aims to raise awareness and understanding of His Majesty's Philosophy

of Sufficiency Economy as a means to address these challenges. We are very proud to have this opportunity to share His Majesty's vision with our friends in Paris. As you will discover, it is through a lifelong commitment to research and experimentation that His Majesty King Bhumiphol has built a vast body of knowledge to promote more balanced and sustainable development.

May I begin by extending my sincere thanks and appreciation to all those at UNESCO, Paris, and distinguished guest speakers, including Ms Suwanee Khamman, Deputy Secretary-General, National Economic and Social Development Board of Thailand, and the Permanent Delegation of Thailand to UNESCO who have contributed to this success of the important event.

His Majesty King Bhumibol Adulydej acceded to the throne in a coronation ceremony which took place on 5th May, 1950. As the new King, he swore to improve the lives and well-being of his people. The King took this commitment to his people very seriously and in the early years of his reign, he travelled to even the more remote corners of the Kingdom to meet with his subjects and learn about their problems. In the process, he recognized that the existing pattern of Thailand's development carried great risks, especially for certain groups within the population. His major concern was how to ensure that even the poorest and most vulnerable members of society had enough to live on.

His Majesty's research and experimentation on sustainable alternatives, led to the development of a New Theory for Agriculture and to guidelines for small scale farmers on self sufficiency. Later however, it was realized that the three basic principles underpinning these recommendations, namely moderation, responsible consumption, and proper risk-management, could be applied over a wide range of rural problems and situations. Thus, the King's initial ideas grew into what is now seen as a whole approach to life which is known as the Philosophy of Sufficiency Economy.

Today, Sufficiency Economy is seen as an approach to life and conduct which can be applied at every level of society, from the individual, to the family, community and even to the management and development of the nation. Moreover, the Philosophy of Sufficiency Economy was acclaimed by the international community at the Tenth United Nations Conference on Trade and Development in February 2000, which expressly recognized His Majesty King Bhumibol as the "Developer King". And in terms of UNESCO, I am sure you would agree there are many synergies and linkages between the Philosophy of Sufficiency Economy and the UN Decade for Education for Sustainable Development (2005-2014) for which UNESCO is the lead agency. We are delighted therefore to have this opportunity to share our King's ideas and achievements with you all.

Keynote Lecture by Ms Suwanee Khamman Deputy Secretary-General of the National Economic and Social Development Board (NESDB) and Secretary-General of the Research and Development Institute of the Sufficiency Economy Foundation (RSEPF)



Ms Suwanee Khamman has been Deputy Secretary General of the National Economic and Social Development Board (NESDB) since 1975. She started to be involved in the national plan formulation since the Fourth National Economic and Social Development Plan. She became a key person in the Eight National Economic and Social Development Plan formulation, which shifted the plan focus to "people-centered". In addition, she is appointed Secretary General of the Research and Development Institute of Sufficiency Economy Philosophy Foundation (RSEPF), whose main task is to be a center for collaboration and facilitation for national agencies to apply the Sufficiency Economy Philosophy.

Ms Khamman has expertise on national planning formulation particularly in the social sector. She has initiated many strategies for human quality and social protection, linking various agencies to work together in translating the national plan into implementation based on the Sufficiency Economy Philosophy. At the RSEPF, she is responsible for supporting the application and monitoring the progress of the Sufficiency Economy Philosophy in the education sector, youth groups, private sector and community groups.

My task today is to present to the distinguished audience the Sufficiency Economy Philosophy (SEP) from the point of view of a planner. My presentation will cover 3 parts. Firstly, I will offer a brief definition of SEP. Secondly, I will discuss the application of the Sufficiency Economy Philosophy (SEP) and refer to some examples of how we integrate the Philosophy in the national planning process and also other partners who practice SEP. My last part is about the way forward – how SEP offers a secure foundation for the future of the Thai people.

The Thai people first heard of Sufficiency Economy Philosophy more than 3 decades ago, when His Majesty King Bhumibol Adulyadej spoke about it in 1974. He stated that the development of the country must start with the construction of infrastructure and the provision of food and basic necessities for the people using methods which are economic-cautious and conforming with principles. Once the foundations are firmly established, progress can be continually, carefully and economically promoted. Although it is quite a simple statement, it has taken us more than 3 decades to practice, and we are still facing the challenges of globalization and rapid changes in the global environment. NESDB, with the collaboration of academics, drafted the definition of SEP, after which the King permitted its dissemination to all Thai people, and also its integration into the planning process.

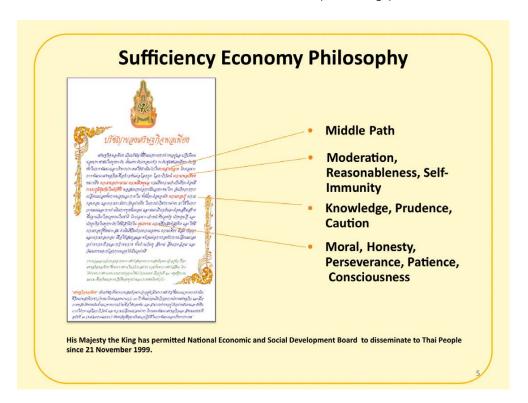


"... The development of the country must be fostered in stages. It must start with the construction of infrastructure, that is, the provision of food and basic necessities for the people by methods, which are economic, cautious and conforming with principles. Once the foundation is firmly established, progress can be continually, carefully and economically promoted. This approach will prevent incurring mistakes and failures, and lead to the certain and complete achievement of the objectives."

H.M. The King's Address delivered on Kasetsart University

Commencement Ceremony on 19 July 1974

There are five key words in the SEP definition of the Middle Path: moderation, reasonableness, self-immunity, knowledge and moral honesty. These key words are guite abstract if we do not translate them into the planning process.

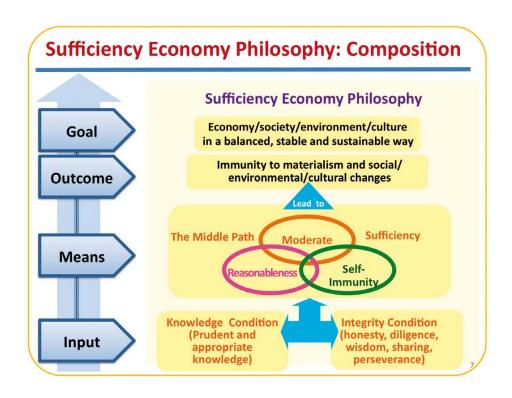


His Majesty's Philosophy of Sufficiency Economy aims to help people better meet the challenges arising from globalization and work towards achieving sustainable development.

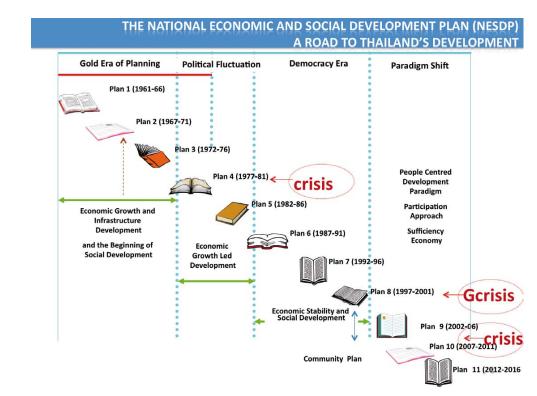
Within the philosophical framework, there is a choice of balanced development strategies for the nation in line with the forces of globalization, with the need for adequate protection from internal and external shocks.

Therefore, the country's economy becomes more resilient and sustainable. SEP stresses the 'middle' path as the overriding principle for Thai people's conduct and way of life at the individual, family, and community levels.

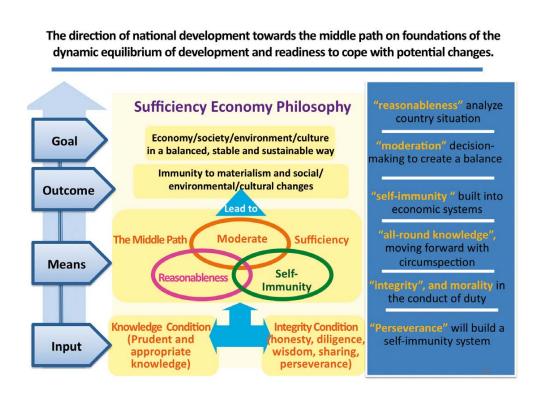
In applying the Sufficiency Economy Philosophy in project planning, we have to start with two conditions. The first condition is to have knowledge, i.e. prudent and appropriate knowledge. The second condition is to have integrity – honesty, diligence, wisdom, sharing and perseverance. Without knowledge or integrity, a decision cannot reach the "Middle Path" that depicts moderation, reasonableness and self-immunity. This process will lead to the outcome: immunity to materialism and social/environmental and cultural changes. Our ultimate goal is sustainable development, the same direction that UNESCO would like to take, in order to create balance and address critical challenges arising from extensive and rapid changes in the global environment.



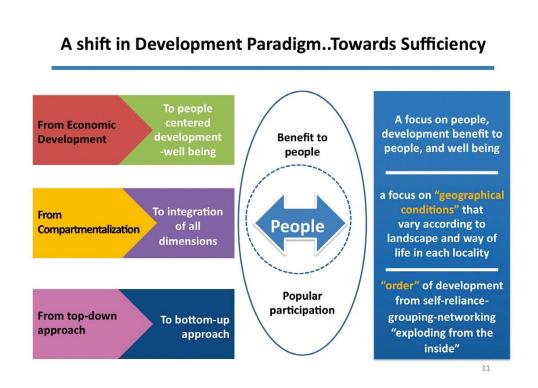
In Thailand, the first National Economic and Social Development Plan was established for the period 1961-1966. We faced a crisis in 1997 whose roots was the weakness of the financial sector and over-investments in the economy. At this time, we were well aware that we had to use the Philosophy. The King encouraged the Thai people to use it which led to a very short period of recovery. The social capital at the community level was very strong. When we faced the shock from the tsunami in the southern part of Thailand, the financial and private sectors adopted and adapted the Philosophy in their management.



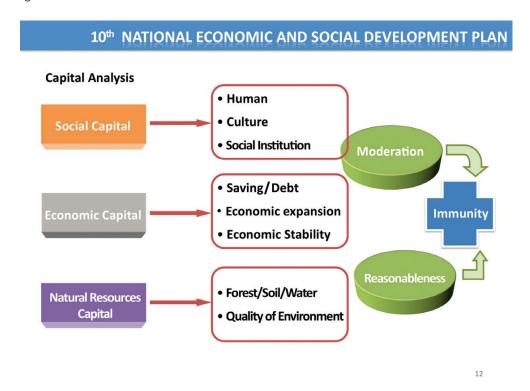
In the national planning process, we integrate the Sufficiency Economy Philosophy into the national plan by using the same pattern. The knowledge condition refers to the potentiality of our country; we then moderate our decision making to create a balance of development strategy or we use a holistic approach. Integrity and morality in the conduct of duty, or good governance, will be taken into account. So these are the directions of national development toward the Middle Path towards building a dynamic equilibrium of development and readiness to cope with potential changes.

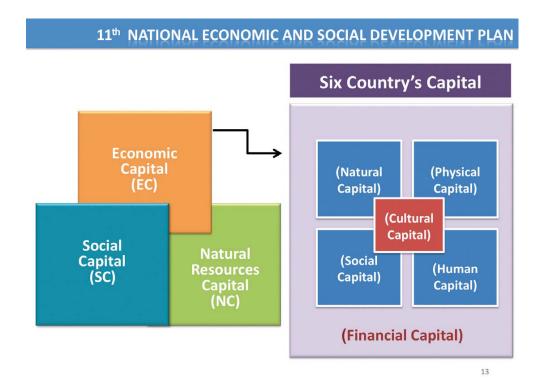


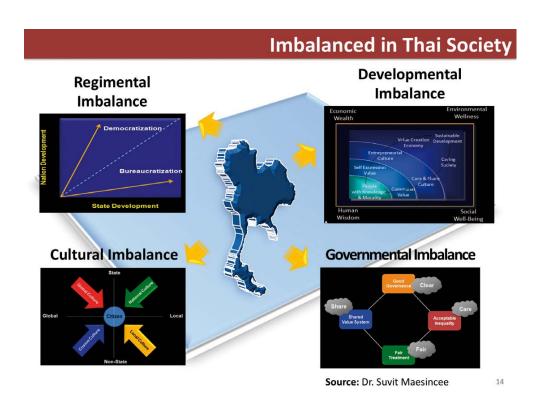
Before the eighth national plan, we focused on the economic growth of the country, but since 1997, we seek to strengthen the Philosophy in the planning process. We changed the development paradigm from economic development to people-centered development. The King has always involved people in all his endeavors. In analyzing the capital of our country, we start from the social capital, economic capital and natural resources capital. For the social capital, we aim to increase the human quality through the educational and cultural aspects. Economic capital refers to the economic expansion of infrastructure and economic stability. Natural resources capital means forest, soil, water, quality of the environment. After analyzing these areas, we then come up with the strategy to make decisions with the moderation and reasonableness.



As rapid changes in the global environment occur, we analyzed the three capitals and linked them to six capitals. We found out that there was imbalance in the Thai society in terms of democratization and bureaucratization. There was also an imbalance in the areas of economic growth, environmental wellness, human wisdom and social well-being.



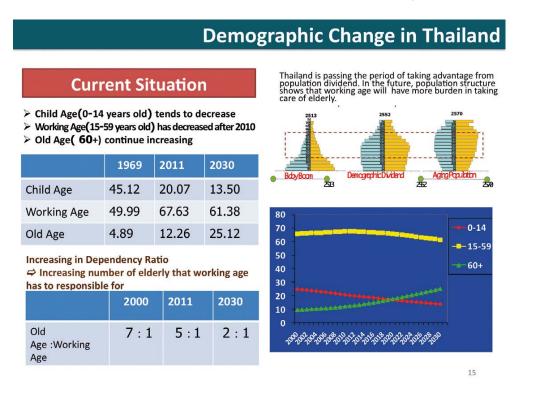




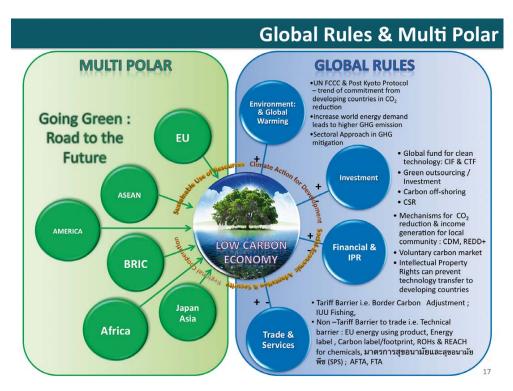
To rebalance these factors, we have to set up a strategy. Culture imbalance is a key factor that we are now facing. In the past, we did the planning process using divisions between the rural and urban areas; but now we have to include the virtual society into the planning process, which is a product of rapid cultural change.



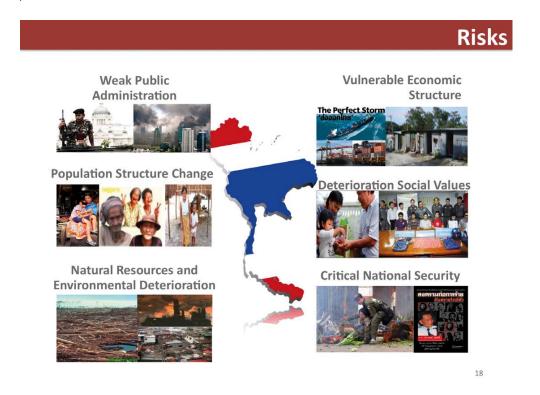
We are now entering the aging structure, a demographic change in Thailand. Our society will have an older population compared to 2000. The challenge in our development process is how to increase quality human capital within this context. Another challenge is that cultural flow in a borderless world could create inappropriate behavior and materialism which could lead to cultural instability.



The multipolar world presents many global rules. The direction for the future is towards green societies. We therefore have to understand how to encourage and establish a low carbon economy. Other factors to be taken into consideration are trade barriers and social protection for the vulnerable groups. We have to anticipate external and internal changes; otherwise, we cannot have self-immunity.



What are the risks in our country? The first one is the weakness in public administration. I have to admit that this is the thing that we have to think about: how to restructure our government services sectors. As we are facing the aging structure in the near future, the gap between the young and old officers becomes wider, so we need to have more communication. Population structure change, natural resources and environmental deterioration, a vulnerable economic structure, social values and critical natural security are all risks that we have to take into account when we set the vision of the national plan.



The King has affirmed that in order to establish a vision for the country, we have to conduct brainstorming starting down from the village level up to the country, regional and provincial levels. This is the shared vision of the national plan that we apply for 2012-2016. We aim to have a happy society with equity, fairness and resilience. Our objectives for the national plan are: 1) to promote a peaceful society with good governance, 2) to promote sustainable development through restructuring the economy, society and politics and nurturing natural resources and environment, and 3) to prepare the people and the community to be resilient to changes. Our strategy is divided into three groups of developmental areas.

Vision of the 11th Plan



Vision of the Plan (2012-2016)
"A happy society with equity, fairness and resilience"

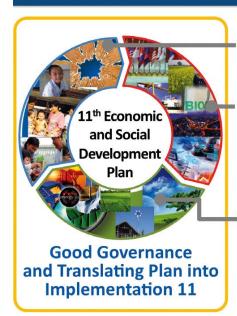


Objectives:

- To promote a peaceful society with good governance.
- To promote sustainable development through restructuring the economy, society and politics, and nurturing natural resources and environment.
- To prepare the people and the community to be resilient to changes.

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Developmental Areas



☐ Develop quality human and society

- promoting the just society
- developing human resources to promote lifelong learning society

Economic restructuring

- balancing food and energy security
- creating the knowledge-based economy and enabling economic environment
- strengthening economic and security cooperation in the Region

☐ Managing natural resources and environment towards sustainability

- conserving and restoring natural resources
- harnessing the production and consumption patterns towards the environmentally friendly
- gearing up for the climate change adaptation

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In order to achieve sustainable development, SEP focuses on human development, starting with the right mindset

The Sufficiency approach begins and ends with people. They are the agents and the beneficiaries. That is the approach's strength, but also its difficulty.

Successful practitioners of the Sufficiency approach seem to share certain personal characteristics.

They are not especially materialistic and are aware of the need for sustainable consumption. They have high respect for nature

We have to first enhance social and economic security for all citizens. We give the opportunity how to cultivate, how to have the skills for their jobs and how to find and use resources. Ensuring social inclusion includes local and immigrant workers. We need to empower all citizens to make choices and have the ability to participate in the social, economic and political spheres with dignity. Enhancing social cohesion is the key strategy to fill the gap between the rich and the poor.

Guideline for Promoting the Just Society



Enhance socio-economic security for all citizens

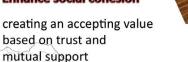
strengthening the grass-root Economy, expanding the coverage of the social protection system, promoting a fair allocation of resources



Ensure social inclusion to generate opportunity for all to gain access to social services

Generating opportunity to gain access to social services for the underprivileged group in an equitable and thorough manner

Enhance social cohesion





Empower all citizens to be able to make choices



Developing all citizens to have ability to participatewith dignity in social, economic and politic activities

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To develop human resources and promote lifelong learning, the strategy has five areas.



A holistic approach has to be used for economic restructuring. Here, we link human development that includes creativity, to economic development.

Guideline for Economic Restructuring in the 11th NESDP

Guideline for human resource development that inline with Economic Restructuring. To be a quality and sustainable economy, it requires knowledge, wisdom, science and technology, innovation, creation with the concern on friendly to environment

Service Sector Development

Increase competitiveness of potential businesses, broaden production bases and market, strengthen the enabling environment to induce more investment, rehabilitate deteriorating tourist attractions, strengthen capacity of parities related.

Agricultural Sector Development

Enhance the agricultural productivity and value creation with eco-friendly technology, improve soil quality and Water resource management, develop safety standards

Science, Technology, Research, and Innovation Development

Creating enabling environment, develop adequate infrastructure and facilities on science and technology, research, and innovation via collaboration between the government and the business circles

Creative Economy Development

Develop enabling factors in relation to the creative economy, strengthen potential of creative profession persons to apply creativity to add value in goods and services, encourage R&D for the hipotential creative products

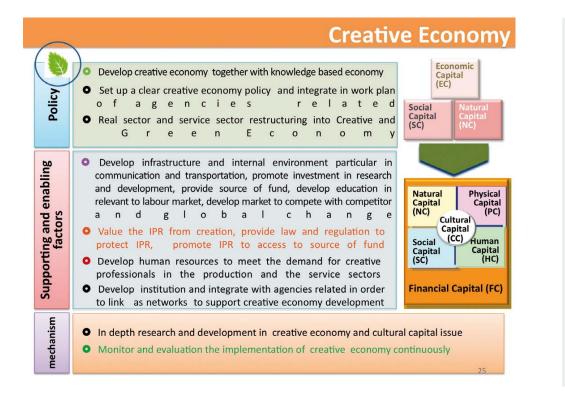
Industrial Sector Development

Develop eco-industrial towns, restore the deteriorated environment in the major industrial areas, develop new hi-potential clusters, continue increase the productivity and support innovation, promote linkages of the large companies and SMEs, and relocation of industrial bases to the regions

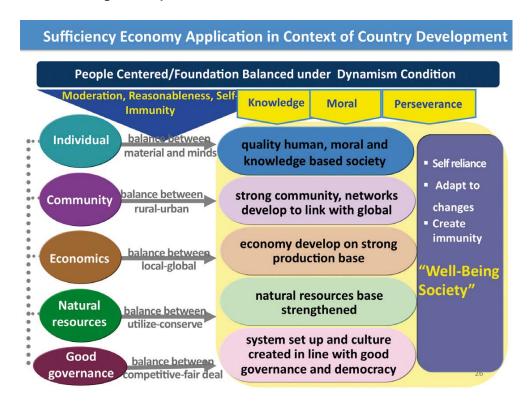
Competitiveness Development

Develop financial and capital market to facilitate real sector's restructuring, improve human capital through the better educational and retraining system, and the provision of new knowledge and know-how, revising existing laws and regulations to protect the intellectual property rights (IPR); develop infrastructures and logistics systems and Develop energy security

To promote a creative economy, we use knowledge and integrity.



In applying the Sufficiency Economy Philosophy, a balance between various factors has to be sought from the individual level, up to the level of good governance. We also seek to enhance the inputs at the different levels: quality human, moral and knowledge-based society, strong community networks, and so on. The goal is to achieve a "well-being society".



How can the Sufficiency Economy Philosophy be applied to different sectors: agriculture, business, press and media, political institutions, public sectors and educational institutions? The "new theory" encourages the agricultural sector to observe self-reliance, reduce expenditure, and thus create more income. In the classroom, the students are guided to better understand the Philosophy. The NESDB is a key actor to facilitate synergies. For example, in designing and implementing mega projects, we balance infrastructure with community development projects, as well as the public health and education sectors. Budget allocation is decided with the focus on balance between investment and poverty consideration. Press and media disseminate best practices of the SEP application which inspires the Thai people, especially the youth. During the crisis in 1997, one of the oldest and largest firms in Thailand, Siam Semen, decided to adopt SEP as a guiding principle. Attention was focused on strong competitiveness, risk management and human resource development.



Some successful cases of SEP application can be seen in the education, business and individual levels.



After more than three decades of using SEP in the planning process, we have proved that the application of the SEP, we can reap benefits.

Sufficiency Economy Philosophy

the means to...

- 1. Knowledge Based Economy
- 2. Ethnic Economy
- 3. Happiness Economy
- 4. Sustainable Economy

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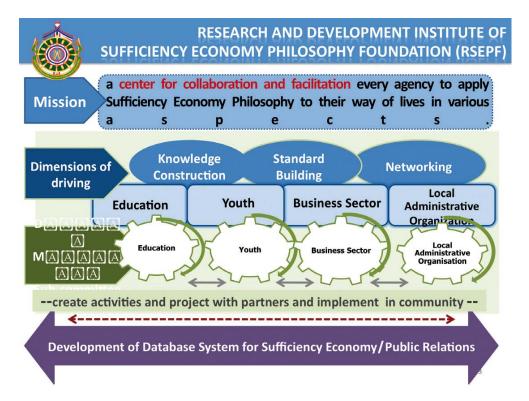
To take SEP forward, six messages are elaborated from the Human Development Report published in 2007.

SIX MESSAGES FOR TAKING SEP FORWARD

- 1 SEP: a central to alleviate poverty and reducing the economic vulnerability of the poor
- 2. SEP: a central to community empowerment and community strengthening to be a foundation of the national economic
- 3. SEP:CSR
- **4.** SEP: improve standard of governance in public admin.
- 5. SEP: proved to suggest country against Shock/crisis sustainable dev.
- 6. SEP thinking demands a tranformation Of value and revolution in the mindset both neccessary for the advancement of human development

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In the Research and Development Institute of Sufficiency Economy Philosophy Foundation, our key tasks in the near future are to create knowledge and standards for the education, youth, business and local sectors while encouraging them to create networks. We will also focus on the development of a database for the Sufficiency Economy.



In conclusion, I encourage the practice of the Sufficiency Economy Philosophy which, as I have demonstrated, has proven to be applicable in various sectors with a wide range of partners.

SEP can be the way of life of an organization whose own particular view of the world should be moderate, based on reason, with a through understanding of causes and effects; it will prepare of changes by creating self-immunity through practicing morality and utilizing knowledge prudently.

Discussant text Laurence Tubiana



Laurence Tubiana is founder of the Institute for Sustainable Development and International Relations (IDDRI) in Paris. She is also professor and director of the Sustainable Development Center at Sciences Po Paris and professor at the University of Columbia in New York. She was recently asked to set up the new direction of Global Publics Goods of the French Ministry of Foreign and European Affairs. She follows and participates in the international negotiations on climate change, in which IDDRI is highly involved.

From 1997 to 2002, Laurence Tubiana served as senior advisor to the Prime Minister, Lionel Jospin, on environmental issues and conducted a number of international negotiations on this subject. She was also member of the French Council of Economic Analysis and research director for the French National Institute for Agricultural Research.

It is of course a very broad and comprehensive philosophy so, in a way, one is shy to comment. I will mainly try to equal what I understood and learned from your presentation and in the questions that arise in economies like European economies or more broadly to the preparation of the Rio+20 discussions. One aspect which struck me is this new vocabulary in the economic discussion. When you talk about ethical and social cohesion, inclusion and dignity, we feel that even in mainstream economics, the feeling that the necessity to enlarge the concept with efficiency is there. The economies are struggling with trust, confidence or inclusion. They are now more and more aware of the inequality aspects. Ethics was a big discussion on climate change discussions: for example, how much should we protect future generation prospects compared to our present needs? So we see a community which has a wonderful period until now, very dominant with the thinking of the government and the economy. Mainstream economics has the idea that we could have a homogeneous vision of what the economy and efficiency should be. We now have to gradually bring in from all the domains all the public thinking and disciplines to be able to repair the crisis of the economic thinking.

So I was struck by all these new terms that we should involve in economic thinking. I'm not sure the economic academy for the moment is entirely able to include them but I think it is very interesting. Looking at the UNDP Report and today's presentation, there are very interesting notions like reducing craving for demand which is very different. It is not a utility, it is somehow a desire for consumption. Maybe we go over the idea of just satisfaction of needs. You really feel that sometimes consumption is about extending or comparing with others and not only the basic needs; and that you just need to survive and to live in peace. I think that this is an enormous contribution you are making in shaking traditional language and that you have to look at a broader perspective.

I would like to try to use the principle of the Sufficiency Economy to actual questions and I take that moderation, resilience, immune system, knowledge and moral integrity are the key principles. It is interesting that this idea has bloomed after the 1997 crisis in Asia and it is now appearing in the midst of an ongoing crisis in major economies. Crisis has played a role in shaking conventional thinking. Corruption and lack of transparency in corporate governance can be seen everyday in Europe or in the United States. We see the shortcomings of state management capitalism and private management capitalism, too. There are shortcomings in the international capital markets. The same questions for Asia in 1997 are the same questions now in Europe or in the US. The response of the government for the 1997 crisis was a short view of the solutions. It finds an echo with the discussion that we have in Europe nowadays on how we try to solve the euro crisis. It is all about short term, it is all about how we

use the sovereign debt without understanding what the society could respond to that, and how we can survive and even develop within this straitjacket vision. We see that it is not only about sound economies but it is also about vision and sometimes ideology: what you have to do in front of a crisis.

We now have different discussions on that. We have recently discussed in the UK about prosperity without growth. There is also the Chinese discussion about the circular economy. We see that in a number of countries, there is an attempt to find the right concept. There are similarities and differences. One of the lessons that I learned is that we need something very different in the world where the idea was to have a common homogeneous concept of the global economy, with the same understanding of efficiency as a driving concept. We see now that this is in a way failing when we integrate the problem of physical limits of the planet and all inequalities that we already have been describing. Can we have one response or can we have different responses? And that is a big question.

When I see the difficulties in Rio+20 about having a common understanding and a common acceptance of the green economy, we basically agree on the diagnosis of the crisis and the physical limits of the planet. But we cannot agree for the moment on the common solution and the common concept. I was struck by all these concepts - from Bhutan on the happiness index and the UNDP report on Thailand. I had a long discussion with Jeffrey Sachs, who represents classical macroeconomic thinking. He is very interested now in the economics of happiness and I think that he is visiting Thailand very often these days. So we see that there is an effort to find something new.

Maybe my first remark is: we need something new, maybe the different cultures will produce different concepts of the way out. My question will be: should we maybe improve the understanding of the different concepts? With a very big question mark, do we have to produce one integrated concept or can we afford to have several and then design new thinking about trades, economic integration, and norm-setting which can be compatible with this different culture of views of the new systems? I don't know, I have no response, but it's a very important question.

On the planet boundaries issue, I think your concepts are very efficient. Moderation is of course very important. What we learned from this discussion, the reports and analysis over the last five or ten years is that even in Rio in 1992, we were suddenly convinced that it was possible to have new ideas within the actual economic framework. There was no idea of changing of frameworks at that time. The idea was we can decouple economic growth from an increased use of natural resources. And we know that we don't know how to do that in the classical framework. The unique capacity of producing economic growth is by using more natural resources and not really less. So the decoupling was a nice view but it appears unreal, not at the level we need. So what does moderation mean? Does it mean that we can invent and create new technologies that we are able to decouple really seriously? Do we have a view of the concept of welfare or well-being so as to obtain decoupling?

On resilience I think this is a strong argument, we saw the shocks in the food, energy and financial markets. We see that it is really putting a normal shock on the societies. Certainly society adapts to the shocks but at certain levels it can be stressful when societies cannot absorb the shocks and cannot adapt. That is why the resilience concept is a very important one. We may need more self-reliance, not autarky, to be able to be more resilient to external shocks that we cannot control.

Your statement about the centrality of knowledge is I think the major message I take out from your contribution. Knowledge represents different things like innovation, understanding what the others are doing, creating confidence and sharing information. It has to empower people to conduct their lives and to make the right choices. So knowledge is everything. All inclusive programmes that can develop, produce and share knowledge may be central. Nobody knows what exactly the system will be so we need to learn. Integrity is very important because as we can see, even in the market economy, when there is no more confidence, everybody goes to the short-term benefits. And because there is no confidence in the others' behaviour, greed begins to be a very natural attitude. That's where philosophy is central. An economic system cannot be deprived of a philosophy behind it. Now we see that individualism, which was a really strong factor of progress in our societies, has to be balanced with something else which is the collectivity. We see that on the macroeconomic imbalances.

We see excessive consumption, credit and asymmetry between workers and capital owners. We see that the only way out was to provide more credit to have the machine continue working. So the economy of credit was out of an asymmetry and imbalance in a relationship between the owners of capital and the people. Because of this excessive credit-based consumption we cannot have a consumption-led recovery in Europe. It was a way out for the 1930 crisis; we cannot rely on that today, so we have to invent something very quickly and very different. That is really striking because the traditional macroeconomics say you should really push consumption to recover but we know that will not produce the effects for a number reasons. The low carbon economy is the only credible growth story over the next few decades. It can offer for example a prospect of intense creativity and innovation. So if we apply the principle of the Sufficiency Economy to these major economies of Europe, these low carbon economies are certainly the response. In the macroeconomics dimension, to be able to have resilience in the system, we really need a huge institutional reform.

We cannot have a private sector, private benefits and social cost only. That is where the institutional reform is necessary. Can we do that without the rethinking of the philosophy behind? I don't think so. So we may learn from you on how you do that. Again knowledge and integrity will be a part of these macroeconomic discussions.

We can really apply all these principle to the discussion of the Summit. In Rio+20 there is a big misunderstanding on why green economy is good or why green economy is bad. We feel that it is basically because we don't have the same view of the future system and we are not confident that one country will not try to benefit from the others. So there is no collective trust to change. At the same time, there is a very huge perception that we cannot follow the same path. I'm struck by this atmosphere around Rio+20. That's not because countries, governments and societies are unaware of the risks, they are aware but they don't trust common solutions. Maybe my final remark will be: we solve the failure of the one principle around economic efficiency as a global mechanism to allocate resources at the global level. We see that failure in particular because of the physical limits of the planet which are not involved in this view and apparently we don't have the resources or even the thinking. I'm sure Dr. Anantha Duraiappah will bring some new elements on that. If we don't have a common view, can we start working, each country by itself to try to make a new concept? What you are proposing is very practical. When we fix the agenda in Rio, we should organize a meeting where we will discuss our trials, our new concept and try to see how compatible they are and what we need as a common framework to make them efficient. I think it's very important you deepen even more and you disseminate the discussion around the Sufficiency Economy. It's good that other countries make different trials and maybe after Rio+20, we could call for a meeting in 2 or 3 years' time where these different thinking can be presented. We can then discuss about the global framework to make them efficient and really productive. These are basically my comments in trying to apply your concept to the situation we are living in.

Discussant text Anantha Duraiappah



Prof. Anantha Duraiappah is the Executive Director of the International Human Dimensions Programme on Global Environmental Change (IHDP) in Bonn, Germany. He is an experienced environmental-development economist whose work largely focuses on the equity of access and use of ecosystem services. Prof. Duraiappah received his PhD in economics from the University of Texas in Austin, USA and currently holds a visiting professorship at Beijing Normal University, China in coupled systems modelling.

He has published books on environmental and developmental issues as well as numerous articles in peer reviewed journals, and is presently an associate editor for "The Journal of Human" Development and Capacity". In his previous post as Chief of the Ecosystem Services and Economics Unit of the United Nations Environmental Programme (UNEP), Prof. Duraiappah was involved in the initiation of the Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES) and has since then played a pivotal role in its approval process. He initiated the Inclusive Wealth Report and continues to successfully incorporate his expertise in fields related to the Green Economy, science-policy interaction, economics, development and ecosystem services into his work at IHDP.

I was impressed when I first came across the concept of sufficiency economy. Impressed because it has very similar principles and ideas to those discussed presently in the wake of the environmental, social and economic crisis we see around the globe. This includes the Green Economy, deGrowth and of course "growth without prosperity" that Laurence Tubiana just mentioned.

I do have to take my hats off to the King of Thailand for being a thought leader who basically questioned this economic paradigm that we are so linked with – this neoclassical economic paradigm that has been growing in strength since the end of the World War II. He questioned it at a time when economic prosperity was thriving, according to the traditional indicators. He was already questioning then whether this progress was sustainable, while people usually won't start questioning until things go bad as the rest of the world is doing now.

Looking at the situation we are in right now, it seems like it is leading up to "the perfect storm". We have the triage of crisis: The environmental crisis, hitting us one after the other in different parts of the world. The social crisis – above all manifesting itself in what is called the "the Arab Spring", where people are really fighting for democracy after a long time of oppression – and even taking place in many parts of Asia. The third one is the economic crisis – which sees the economy completely collapsing. People are simply not being able to respond to it. As Laurence was saying, much of the discussion concerning the responses to the crises is following a very traditional, fiscal, Keynesian approach where all that is needed is stimulus and spending based on consumption. Using this particular model is still very common. However, having been trained in that model for many years, I think it has been rather misused. We are looking at the wrong part of the equation rather than the right one.

I very much liked the presentation because it was broad and comprehensive, so it is difficult to have a discussion about that within a 15-minute time frame. But I am happy to see that the Thai Sufficiency Economy model is focussing on relevant factors, one of them being the growing inequality. Growing inequality seems to be one of the most destabilizing factors for much of our societies around the world. I will talk a little bit about growing inequality, not just in the space of income but also in a much broader space – a multidimensional space.

The second one are diminishing choices which are, again, driven by growing inequalities. Choices of how to lead one's life, drawing from philosophers, some of them economists and some of them mainstream philosophers.

Then, there is the growing environmental degradation, which does not only refer to climate change but also to the alarming loss of biodiversity. If you look at the

Millennium Ecosystem Assessment, it found that the decline we have seen over 100 years has never been seen before in modern memory. So that is another destabilizing factor for our planetary systems.

However, I would like to bring out three key concepts that I thought were extremely important. One is the notion of "agency", since people are the centre of this whole framework. Agency, at the individual level, is extremely important. But how do you set up the institutions that foster agency? The one aspect that I felt was missing, but is alluded to in many parts of the presentation, is the role of institutions. Institutions are defined not only as organizations but as the triage of three things: 1) the norms and rules that govern the way we behave; 2) organizations; and 3) economic instruments (taxes, fiscal policy, monetary policy). The real challenge for our current institutions is that they have been built on an ad hoc basis. When we have a problem, we have an institution. But of course those institutions evolve over a long period of time. There is recent literature on the dichotomy between institutions at different levels. There is vertical and horizontal nesting of institutions – the former meaning how an institution that plays relatively well at the local level clashes with an institution which has developed at a national level. Various case studies have highlighted this: a local community gets together, does many good things, but there is a national policy which interferes and leads to a breakdown. There is a process of making sure that there are alignments, which is rather complex because there are always conflicts of interest.

Then there are the horizontal institutions, those that govern agriculture, the social sectors and the industry. Those are not aligned either. When we were establishing IPBES, a new panel on biodiversity and ecosystems similar to the IPCC, we conducted an analysis about alien invasive species. Six multilateral environmental agreements were dealing with this and all of them had different rules. Some of them actually contradicted each other on the same issue of invasive species. So how do we realign these? Granted, this is just a simple example but there is a lot more dichotomy and conflict taking place, especially in the institutions that oversee economic and social aspects.

I will not go into details, but I would recommend the work done by Amartya Sen who talks about five instrumental freedoms and how those play in terms of broadening the term used quite a bit in the presentations: "capabilities". It comes from the human development literature on capabilities and how the freedoms are essential. The five freedoms, which are extremely important, are basically covered in one way or another in the presentation. Now the challenge is to get this into the institutions, without them clashing with each other.

The second area that I was very interested in looking at is that many of the key principles and characteristics that have been put out in the Sufficiency Economy philosophy are things that all of us will agree with, such as justice and people being key issues. These are all things we take for granted. I think the difficult part is the decision-making process, the deliberation process, the democracy, and the notion of freedoms even moving beyond democracy. Amartya Sen talks about democracy but he really emphasizes freedom: the freedom to lead the life that we have reason to value, not following somebody else telling us how we should do it.

The next key concept takes me from the individual to the national level, which is what I call the "productive ways". "Resiliency" is also extremely important, so the instrumental freedoms that we talk about are very closely related with improving the resiliency of individuals against shocks. The next one is a "productive base" at the national level which relates to capital. This appears in some of the work that has been done by Sir Partha Dasgupta looking at how you maintain the productive base of a nation such that it is non-declining. The productive base means all the capital assets that a nation has, which is very similar to what was described earlier: capital – natural capital, social capital and produced capital which is your economic capital. The challenge is to keep that productive base positive. The minute it declines you are undermining your productive assets and are no longer going to be able to maintain the well-being that people have had before.

Now the third crucial concept is going from the national to the global level: The notion of "global sustainability", which is where the green economy is hitting barriers. Due to national boarders, we are moving away from the notion of sustainable development towards sustainability on a global level. This concept provides an extensive research area within the scientific community. In fact, the launch of a 10-year research programme on global sustainability run by the global change programmes will take place in Rio.

Linked very closely with global sustainability is the notion of "responsibility", and this is where the problems begin: Responsibility denotes nation-states being collectively responsible for global public goods like climate, fisheries, water regulation, education and human security. As a global society, we are responsible for providing every citizen not just with environmental but also social public goods. This is the main challenge for Rio: how do we come to grips with global sustainability and global responsibility?

I would now like to move on to the issue of how we measure progress. We talk a lot about the green economy but how are you going to measure the success of a green economy or a low carbon economy if you revert to using GDP per capita? It is time to look beyond GDP, to move on. I have stopped watching CNN and BBC due to the fact

that, half of the time, they are talking about GDP per capita having gone down by 4%. This is not relevant anymore. We need to look at something more holistic because GDP is just about production and consumption. We need to talk about well-being. While many people are already talking about it, we are still stuck with GDP. We thus need to find another indicator both at the individual level, which is more problematic, and on a macro level. We need a new macroeconomic indicator that goes beyond GDP. The Human Development Index is one but it does not capture the environment and sustainability. A lot of people have been asking for a new indicator but we are still falling short of or shying away from having one. The old management is saying "manage what we can measure", and I guess that is the limitation of the human brain. We can go beyond that, maybe till much later when we actually refine our telepathic powers. The International Human Dimensions Programme (IHDP) hosted by the United Nations University (UNU) intends to release the Inclusive Wealth Report (IWR 2012) at the upcoming Rio+20 summit which reports on these capital assets bases.

Finally, the reward system has to change. The fact that we are facing a financial crisis these days proves that the reward system is based not on the risks that are being taken by individuals, but it is a risk that is being taken by society. A mortgage broker is rewarded based on how much he can sell, and not based on the risks that he is going to take in the long term. When we talk about reward systems, instead of asking what your income is, why not ask about how much one has contributed to society, or how many papers they have published? In my field, that is more important; otherwise we perish. It does not matter how much I make; yet in most cases the reward system is still very income-driven. We might want to think about a more holistic, merit-based system. Finally, in terms of moving the shift, one of the things to think about is that we are basically talking about a social transformation process. We should not be thinking about a one-generation process but about what I call a three-generation process: It is about our grandchildren and our great-grandchildren.

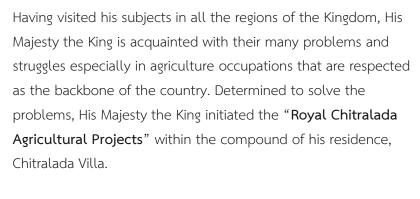
There are a lot of things that we have to look at and address in Rio, but it is not really coming up to that promise. Yet, many of these things were discussed in the Secretary-General's recent report by his high-level panel on global sustainability, entitled "Resilient People, Resilient Planet". For the first time, people are not shy of saying that we need a new economic system, one that has never been put on the table. United Nations Secretary General Ban-Ki-moon has been calling again and again for a new economic paradigm. I think this is a good signal. We are not saying we only need new measures, but he is saying that we need a new economic paradigm. The sufficiency economy as conceived by the King of Thailand offers one perspective for the future.

ANNEXES

ANNEX 1 Royal Projects on the Sufficiency Economy



The Royal Chitralada Projects



Since 1961, the Royal Chitralada Projects have been implementing a diverse range of activities for experimentation and research purposes, aimed at solving various problems concerned with agriculture. Once they yield results, the projects are used for demonstration purposes so that those interested members of the general public could visit and study them and make use of the knowledge thus gained for their own purposes. In addition, the projects operate on a non-profit basis.

In the implementation of the Royal Chitralada Projects, emphasis is placed on implementing His Majesty the King's initiatives called "Sufficiency Economy" that encourage the villagers to become self-sufficient and improve their long-term quality of life. Moreover, issues regarding optimal utilization of the natural resources and agricultural input available in Thailand as well as agricultural byproducts and wastes are also emphasized. The projects rely on scientific and technological progress in conducting studies, research and experimentation. They are fully operational in order to promote and disseminate the knowledge by demonstration of simple methods suitable for individual farmers and all people who are interested





- 1. Organic Fertiliser Plant
- 2. Grassland
- 3. Chitralada Diary Farm
- 4. Experimental Rice Fields
- 5. Demonstration Forest
- 6. Electricity Generation by Wind Power
- 7. Solar Energy House 2 and

Solar Cell-Powered Water Pumping System

- 8. Wind Mill
- 9. Culture of Nil Fish
- 10. Solar Energy House 1
- 11. UHT Plant
- 12. Milk Collection Centre
- 13. Cheese Plant
- 14. Suan Dusit Milk Powder Plant
- 15. Suan Dusit Milk Tablet Plant
- 16. Paddy Storage (wooden style)
- 17. Experimental Rice Mill
- 18. Silo (New Zealand style)
- 19. Rice-husk Grinding Plant
- 20. Plant Tissue Culture
- 21. Plant Genetic Conservation Project
- 22. Upland Rice Plantation
- 23. Experimental Fuel Production Unit
- 24. Mahamonkol Reception Hall
- 25. Research and Development Unit
- 26. Souvenir Shop
- 27. Royal Candle Factory
- 28. Fruit Juice Pasteurisation Plant
- 29. Cannery Fruit and Vegetable Juice Plant
- 30. Honey Plant
- 31. Bakery Production
- 32. Dried Fruit and Vegetable Production
- 33. Sa Mulberry Paper Production
- 34. Culture of Spirulina species
- 35. Mushroom Culture Plant
- 36. Cold Water Production by Means of Heat

Energy from Husk



"Dairy Farming - His Majesty the King's Given Occupation"

Beside Fish, easily-produced good quality protein, His Majesty the King gave his own personal funding to build a dairy farm in the palace area, aiming to be a laboratory for piloting studies on dairy cattle rearing as an alternative for Thai farmers, as well as to promote milk-drinking in Thailand.

In 1962, the **Chitralada Dairy Farm** was established. Later, during the 1969 crisis when the milk market was over-supplied, as His Majesty prompt rescue to Thai dairy farmers, raw milk from farmers was bought, pasteurized and distributed to the public at a low price in order to promote fresh milk consumption.

More importantly, with his usual far-sightedness, His Majesty the King gave his personal funding to build **Suan Dusit Powder Milk Factory** to explore possibilities of powder milk production. It is become the first powder milk plant in Thailand, all of which is designed and constructed by Thais.

Recently, in the Royal Chitralada dairy industrial units, there are also studies about the production of other dairy products such as **Powder Milk Tablets**, Cheeses, Ice creams, Yoghurt, Condensed Milk, and UHT Milk.



"There is Fish in the Water and so is Rice in the Paddy"

Out of concern for the health of the population with lowincome, His Majesty the King has undertaken the study of fish culture with the aim of providing a source of easily-produced good quality protein.

In 1968, the Japanese Emperor Akihito, then the Crown Prince, presented His Majesty with fingerlings of *Tilapia nilotica*. His Majesty subsequently named that fish species *Nil*, which is derived from the word *nilotica* in its scientific name, and gave the fish to the farmers for further propagation and consumption.

While visiting the people in various parts of the country, His Majesty the King had witnessed the problem of the farmers' poverty. His Majesty revived in 1960 the Royal Ploughing Ceremony, an ancient royal tradition, which continues to be performed to this day, in order to boosting the morale of the farmers and giving them encouragement.

He also undertook an **Experimental Paddy**, within the compound of Chitralada Villa, for the conduct of studies on rice cultivation methods, including crop rotation for soil improvement and the optimum utilization of the fields. The results obtained were then disseminated to the farmers.

Consequently, His Majesty initiated rice farmer union, with their own collective rice barns and rice mills. In the Royal Chitralada Projects, then there are **Models of Rice Storages and Rice Mill** demonstrating since 1971.



"Renewable Energy - a Solution of Energy Crisis"

Agricultural projects aside, His Majesty the King's vision also extends to the country's energy concern. Therefore, there are studies on renewable energy in the Royal Chitralada Projects.

In 1985, His Majesty explored the viability of producing alcohol from sugar cane, as he foresaw a future of oil crisis and a possible market price drop in sugar cane. Experimental Fuel Production Unit was then established from His Majesty the King's private funds.

Later on, molasses, waste from sugar production is used to produce alcohol, so-called ethyalcohol, which is then mixed with benzene or gasoline to produce **Gasohol**. The alcohol can also be processed into many different products such as solid alcohol, facial cleansing gel, hand gel and perfume. There is also an experiment to produce **Bio-diesel**, to replace diesel oil, from used cooking oils.

Some projects involve cooperation from various agencies, both governmental and private sectors. For instance, **Windmill**, **Solar Energy House** and **Wind Turbine** are presented to the King for his interest in studying about solar and wind energy.



"Maximizing the Uses of Agricultural Byproducts and Wastes"

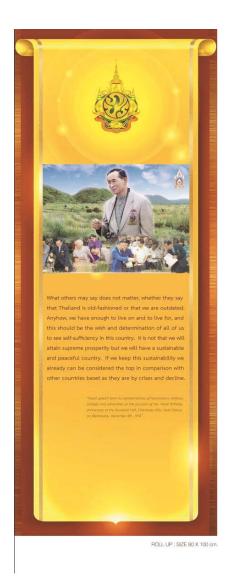
Following His Majesty the King's concern, within the Royal Chitralada, there are also other research activities aimed at the maximum utilization of agricultural byproducts and wastes. Many studies in the projects make a particular focus on the recycling and uses of waste and by-products.

For example, rice husks that are by-products from rice-milling can be utilized in many ways. Rice Husks can be grounded and processed into Solid Fuel. They can be used in place of charcoal and fire-wood. In addition, left-over rice husks are used to Produce Heat Energy and Cold Water for the air-conditioning of Mahamongkol reception Hall that serves as visitor centre, as well as for the experimental cultivation of mushrooms from the temperate zones.

Rice Bran can be mixed with saw dust from rubber wood to make food bags for Mushroom Cultivation.

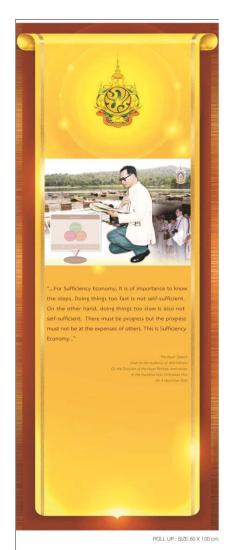
Not even cow dung from dairy farm, fermented solution from the Dung Fibrous Remain is used to cultivate Spirulina Alga – a high protein source. The alga is made into fish-feed. Later when progress is made to enable spirulina cultivation in clean water, the alga can be processed into different lines of Health Food Supplements and Snacks.

Other Agricultural Remains are made into Organic Fertilizers.



What others may say does not matter, whether they say that Thailand is old-fashioned or that we are outdated. Anyhow, we have enough to live on and to live for, and this should be the wish and determination of all of us to see self-sufficiency in this country. It is not that we will attain supreme prosperity but we will have a sustainable and peaceful country. If we keep this sustainability we already can be considered the top in comparison with other countries beset as they are by crises and decline.

"Royal speech given to representatives of Associations, religious, colleges and universities on the occasion of the Royal Birthday anniversary at the Dusidalai Hall, Chitralada Villa, Dusit Palace, on Wednesday, December 4th, 1974"



"...For Sufficiency Economy, it is of importance to know the steps. Doing things too fast is not selfsufficient. On the other hand, doing things too slow is also not self-sufficient. There must be progress but the progress must not be at the expenses of others. This is Sufficiency Economy..."

> The Royal Speech Given to the Audience of Well-Wishers On the Occasion of the Royal Birthday *Anniversary* At the Dusidalai Hall, Chitralada Villa On 4 December 2003

Philosophy of Sufficiency Economy

Philosophy of Sufficiency Economy

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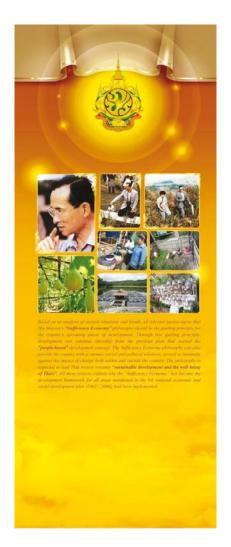
"Sufficiency economy" is a philosophy that stresses the middle path as the overriding

principle for appropriate conduct and way of life of the entire populace. It applies to conduct and way of life at individual, family, and community levels. At the national level, the philosophy is consistent with a balanced development strategy and excesses that may arise as a result of globalization. "Sufficiency" means moderation and due consideration in all modes of conduct, and incorporates the need for sufficient protection from internal

and external shocks. To achieve this, the prudent application of knowledge is essential. In particular, great care is needed in the application of theories and technical know-how and in planning and implementation. At the same time, it is essential to strengthen the moral fibre of the nation so that everyone, particularly public officials, academics, business people, and financiers adhere first and foremost to the principles of honesty and integrity. A balanced approach combining patience, perseverance, diligence, wisdom, and prudence is indispensable to cope appropriately with critical challenges arising from extensive and rapid socio-economic, environmental, and cultural change occurring

as a result of globalization.

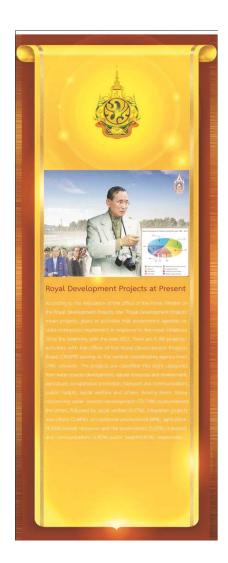
The Office of National Economic and Social Development Board in the formulation of the Ninth Plan invited experts in economics and other fields to work jointly in compiling and synthesizing His Majesty the King's royal remarks given to his subjects on sufficiency economy on various occasions. The synthesis of sufficiency economy was then submitted to His Majesty for royal consideration. His Majesty gracious made a final revision and royal approval has been granted for further dissemination.



Based on an analysis of current situations and trends, all relevant parties agree that His Majesty's "Sufficiency Economy "philosophy should be the guiding principle for the country's upcoming phase of development. Through this guiding principle, development can continue smoothly from the previous plan that started the "people-based" development concept. The Sufficiency Economy philosophy can also provide the country with economic, social and political solutions, as well as immunity against the impact of change both within and outside the country. The philosophy is expected to lead Thai society towards "sustainable

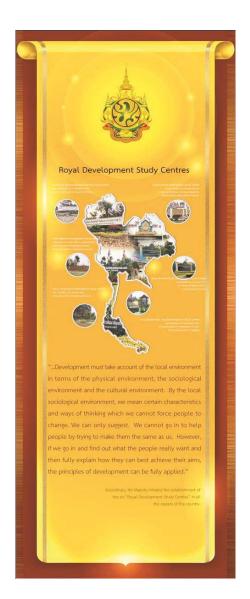
development

and the well-being of Thais". All these reasons explain why the "Sufficiency Economy" has become the development framework for all areas mentioned in the 9th national economic and social development plan (2002 - 2006), had been implemented.



Royal Deployment Projects at Present

According to the Regulation of the Office of the Prime Minister on the Royal Development Projects, the "Royal Development Projects" mean projects, plans or activities that government agencies or state enterprises implement in response to the royal initiatives. Since the beginning until the year 2011, there are 4,100 projects/ activities with the Office of the Royal Development Projects Board (ORDPB) serving as the central coordinating agency from 1981 onwards. The projects are classified into eight categories from water sources development, natural resources and environment, agriculture, occupational promotion, transport and communications, public health, social welfare and others. Among them, those concerning water sources development (70.73%)outnumbered the others, followed by social welfare (9.07%), integration projects and others (5.64%), occupational promotion(4.68%), agriculture (4.00%), natural resources and the environment (3.22%), transport and communications (1.85%) public health(0.81%), respectively.



Huai Hong Khrai Royal Development Study Centre was established on 11 December 1982, at Doi Saket District in Chiang Mai Province

Huai SaiRoyal Development Study Centre

established on 5 April 1983, is situated within the compound of Mrigadayavan Palace at Cha-am District in Phetchaburi Province

Pikun Thong Royal Development Study Centre was founded on 6 January 1982, at Mueang District in Narathiwat Province

Puparn Royal Development Study Centre was founded on 25 November 1982, at Ban Na Nok Khao, Huai

Yang Subdistrict, Mueang District, Sakon Nakhon Province.

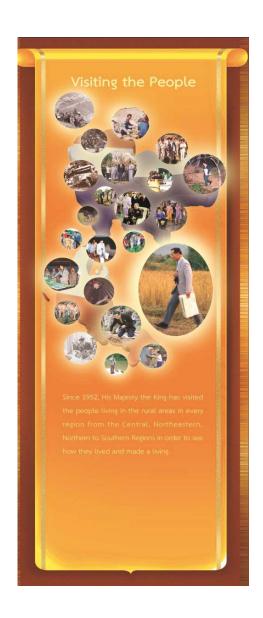
Khao Hin Sorn Royal Development Study Centre was founded on 8 August 1979, at Phanom Sarakham District in Chachoengsao Province.

Kung Krabaen Bay Royal Development Study Centre was founded on 28 December 1981, at Tha Mai District in Chanthaburi Province on the eastern coast of Thailand.

Royal Development Study Centres

"...Development must take account of the local environment in terms of the physical environment, the sociological environment and the cultural environment. By the local sociological environment, we mean certain characteristics and ways of thinking which we cannot force people to change. We can only suggest. We cannot go in to help people by trying to make them the same as us. However, if we go in and find out what the people really want and then fully explain how they can best achieve their aims, the principles of development can be fully applied."

Accordingly, His Majesty initiated the establishment of the six "Royal Development Study Centres" in all the regions of the country.



Visiting the People

Since 1952, His Majesty the King has visited the people living in the rural areas in every region from the Central, Northeastern, Northern to Southern Regions in order to see how they lived and made a living.



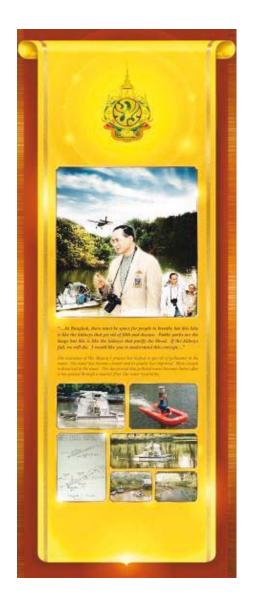
Air Filling by the Chaipattana Aerator

His Majesty the King proposed the design and promoted the development of the prototype of a slow-moving, floating machine for air filling at the water's surface or the "Chaipattan Aerator". The machine consists of water propellers and water receptacles that spray the water in order to expose it to the air. This enables the oxygen in the air to be speedily dissolved into the water. When the wastewater which is lifted to expose to the air returns to the water's surface, it will create air bubbles that sink into the water, creating the circulation of oxygen. The Chaipattana Aerator is useful for air filling, creating a type of churning and creating air circulation in the specified directions.

The Ministe J. Chabert Trophy awarded by the Minister of the Economy of Brussels. The Grand Prix
International awarded
by the International
council of the World
Organization of Periodical
Press for the most
outstanding invention

The Prix OMPI Femme Inventeur Brussels EUREKA 2000 and certificate for world class invention awarded by the International Council of the world Organization of Periodical Press.

The Yugoslavia Cup given as a tribute to His Majesty the King's genius by countries in the Yugoslavia federation. The Gold Medal with Honorable Mention for His Majesy's effective use of technology from the committee of Brussels Eureka 2000

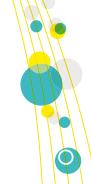


"...In Bangkok, there must be space for people to breathe but this lake is like the kidneys that get rid of filth and disease. Public parks are the lungs but this is like the kidneys that purify the blood. If the kidneys fail, we will die. I would like you to understand this concept..."

The execution of His Majesty's project has helped to get rid of pollutants in the water. The water has become cleaner and its quality has improved. More oxygen is dissolved in the water. This has proved that polluted water becomes better after it has passed through a natural filter like water hyacinths.

ANNEX 2

Improving the Quality of Life of Children and Youth in the Asia-Pacific Region



A collaborative project between the Office of Her Royal Highness Princess Maha Chakri Sirindhorn's Projects and the UNESCO Asia-Pacific Regional Bureau for Education under the patronage of UNESCO Goodwill Ambassador, Her Royal Highness Princess Maha Chakri Sirindhorn of Thailand

Background

Since 1980, Her Royal Highness has undertaken numerous projects to develop the well-being of especially disadvantaged children and youth in remote areas of Thailand. The implementation of the projects has focused on "Total School Development" by addressing multiple dimensions of development – food and nutrition, health and hygiene, education, training in vocational skills and cooperatives, as well as environmental and cultural conservation. The emphasis has been put on education to provide life skills and occupational skills. The philosophical concept behind this approach is to use the school as the centre of learning for the community and to use the community as the learning resources of the school. The royally-initiated projects have yielded a positive impact in enhancing the potential of many children, reinforcing their self-sufficiency, and improving their quality of life.

Project Philosophy

The guiding principle of the Her Royal Highness' projects is based on the Philosophy of Sufficiency Economy envisaged by His Majesty King Bhumibol of Thailand to help the Thai people to cope with economic adversity and withstand future economic insecurity.

Her Royal Highness' projects have focused on improving nutrition and health of school children using small-scale farms and traditional methods with a view to bettering their educational outcomes and overall well-being. Products from the school farms are mainly used for the school meals for all students rather than being sold for profits. This approach aligns with His Majesty's sufficiency notion of "sufficient to live and to eat". Using a school-based sufficiency economy approach, the project encourages schools to become a hub in the community, with activities being actively supported by parents and local officials, and the knowledge generated from school-based activities going home with children to their families. All activities are embedded in the local culture.

Expansion to the Greater Mekong Sub-region

With over 30 years of implementation, Her Royal Highness's work has reached the most disadvantaged group – children and families living in remote locations and under difficult living conditions, as well as marginalized groups due to cultural or religious differences – throughout the Kingdom of Thailand.

In order to expand the benefits to excluded children, youth and society in other countries throughout the Asia-Pacific region, the Office of Her Royal Highness Princess Maha Chakri Sirindhorn's Projects (OPSP) and UNESCO Asia-Pacific Regional Bureau for Education in Bangkok have initiated this collaboration project entitled "Improving the Quality of Life of Children and Youth in the Asia-Pacific Region" in 2005 for children and youth in the Asia-Pacific region, beginning with the Greater Mekong Sub-region. After its inception, the project has been implemented in 21 schools in Cambodia, Lao People's Democratic Republic, and Viet Nam. In late 2012, this collaboration has been expanded to 7 elementary schools in Indonesia. The scope of the project includes the following interventions: school agriculture; school nutrition services; school health services; nutrition, health and hygiene education; school sanitation; vocational training; natural resources and environmental conservation; cultural conservation; and quality basic education. Project implementation has been carried out in cooperation with the Thailand International Development Cooperation Agency of the Ministry of Foreign Affairs, the Ministries of Education in each country, the National Commissions for UNESCO of the participating countries, and UNESCO Field offices in Cambodia, Viet Nam and Indonesia.

Teachers from pilot schools received training to set up the project in schools for children. Teachers and principals from the participating schools took part in workshops and study visits to Thai schools. The training aimed to strengthen the teachers with knowledge and skills in the following areas:

- Food and nutrition
- Health and hygiene
- Techniques of agricultural production, animal husbandry, fish raising, mushroom cultivation, use of organic fertilizer for soil management and use of biological controls for pests
- Schools cooperatives
- Growth monitoring
- Local wisdom and heritage conservation
- Project planning and management
- Monitoring and evaluation system

Funds, equipment and other supplies needed for implementing the project have been provided by Her Royal Highness, such as:

- Water supply systems
- Separate latrines for boys and girls
- Agricultural inputs such as agricultural tools, vegetable seeds, fruit trees, animals and animal food

- Cooking utensils
- Scales and equipment to measure height and weight
- Medicines and basic medical needs

To date, there are 15 participating schools in the Lao PDR, and three participating schools in each of Cambodia and Viet Nam, and seven participating schools in Indonesia, a total of 28 schools.

- In Cambodia, the project has reached over 2000 children in three pilot primary schools. These schools are situated in rural areas of Kampong Cham, Kampong Speu, and Prey Veng provinces where the poverty rate is high.
- In Lao PDR, the project has reached more than 3500 children from two types of schools: ethnic minority boarding schools and primary schools in six provinces, including Vientiane, Khammouan, Oudomxai, Houaphan, Sekong and Attapue.
- In Viet Nam, the project has reached over 1800 children from three remote schools in three different geographic and cultural settings: a mountainous ethnic minority village in Hao Binh province, a lowland village in a flood plain in Quang Ninh province and a sea-based village in Ninh Binh province.
- In Indonesia, the project has officially launched in November 2012. Seven elementary schools locating in mountainous areas in Bogor district of West Java province were identified as participating schools. In May 2012, school principals and teachers from participating schools as well as representatives from the central and local government undertook a study trip to Thailand to be acquainted with the project and visit Thai schools adopting the "Total School Development" model. The exposure visit has provided an opportunity for exchange of knowledge and experience between Indonesian delegates and project implementation partners in Thailand.

The project ensures sustainability by establishing small-scale agriculture in participating schools. These schools grow their own fruit and vegetables, raise livestock, and build toilets, water storage and hand washing facilities, and a canteen. These help sustain the provision of school meals and improve students' sanitation, health and nutrition, which, in turn, contribute to increased quality of life and better learning outcomes for the students.

ANNEX 3 PHOTO GALLERY



UNESCO Future Lecture at the UNESCO Headquarters 11 June 2012



United Nations Educational, Scientific and

> Organisation des Nations Lines pour Technision la spierce et la culture

Organización
de las Naciones Unidas
para la Educación
la Carros y la Guitara

Организация Объединенных Наций по вопросии образования

مطلبة الإسرائيسية التربية والطرر الثقاة

> 联合国教育。 科学及文化组织

The Bureau of Strategic Planning
and
the Permanent Delegation of the Kingdom of Thailand to UNESCO
present the latest edition of the



UNESCO Future Lecture

Towards a Sufficiency Economy: a New Ethical Paradigm for Sustainability

In Homage to the Philosophy on "Sufficiency Economy" by His Majesty King Bhumibol Adulyadej of Thailand









Inauguration of the Exhibition on the Sufficiency Economy organized by the Permanent Delegation of the Kingdom of Thailand to UNESCO UNESCO Headquarters, 11 June 2012

Officially opened by **General Prayuth Chan-o-cha** (Commander-in-Chief of the Royal Thai Army), **H.E. Ambassador Katalin Bogyay** (President of the UNESCO General Conference) and **Mr Hans d'Orville** (Assistant Director-General for Strategic Planning of UNESCO)

Master of Ceremonies: **Ms Orachart Suebsith**, Deputy Permanent Delegate of Thailand to UNESCO

















Photos from the Princess Project Improving the Quality of Life of Children and Youth in the Asia-Pacific Region



Cambodia



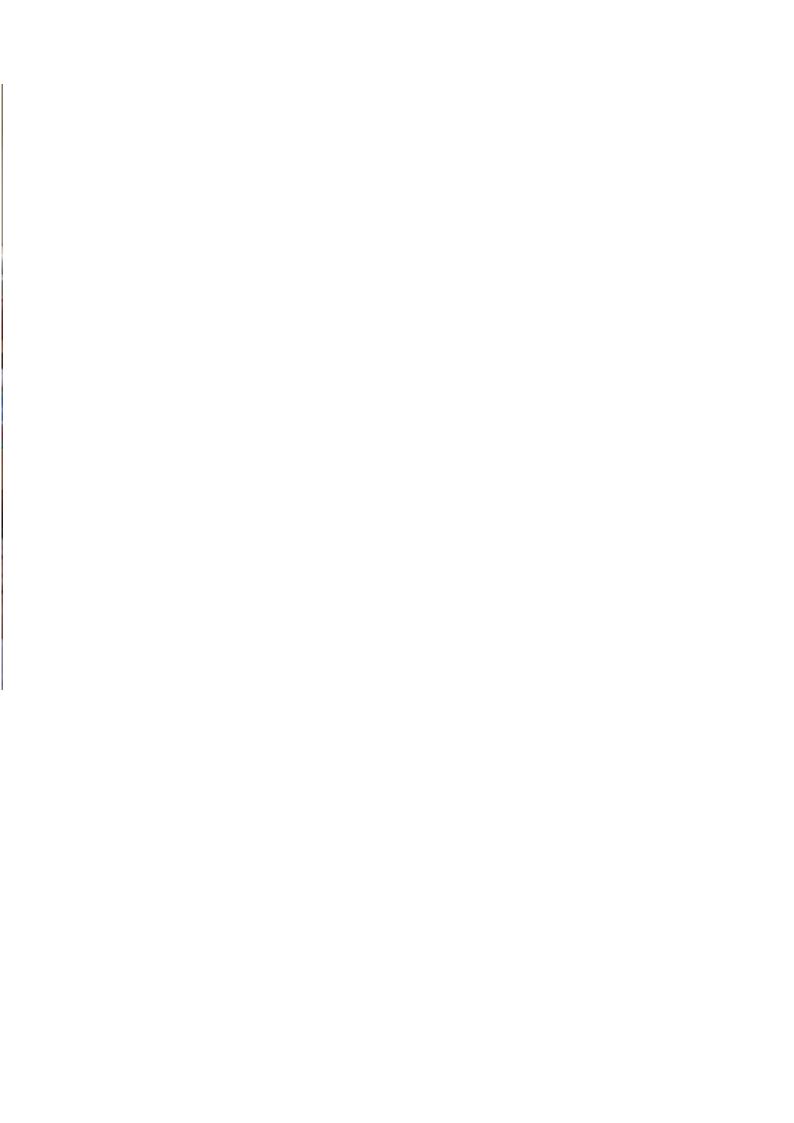
Lao People's Democratic Republic



Thailand



Viet Nam



In collaboration with the Permanent Delegation of the Kingdom of Thailand to UNESCO, the Foresight Section of the Bureau of Strategic Planning organized a UNESCO Future Lecture and an exhibition on the Philosophy of Sufficiency Economy of His Majesty King Bhumibol Adulyadej of Thailand on 11 June 2012 at the UNESCO Headquarters. Mr Hans d'Orville, Assistant Director-General for Strategic Planning, opened the Future Lecture. Welcome remarks were delivered by H.E. Ms Katalin Bogyay, President of the General Conference, and Ms Churairat Sangboonnum, Deputy Permanent Secretary, Ministry of Education, and Secretary-General of the Thai National Commission to UNESCO. Ms Suwanee Khamman, Deputy Secretary-General of the National Economic and Social Development Board (NESDB) and of the Research and Development Institute of Sufficiency Economy Philosophy (RSEPF) presented the keynote lecture. Invited discussants included Professor Laurence Tubiana, Director of the Institute for Sustainable Development and International Relations (IDDRI) in Paris and Professor Anantha Duraiappah, Executive Director of the International Human Dimensions Programme (UNU-IHDP) in Bonn. The discussion was moderated by Mr Hans d'Orville.

The Sufficiency Economy is an approach to life and conduct applicable at every level, from the individual through the family and community, to the management and development of the nation. This philosophy promotes a middle path based on three components, namely moderation, reasonableness and self-immunity leading towards the development of a more resilient and sustainable economy. It also seeks to generate outcomes that are beneficial to the development of the country in order to better cope with the challenges arising from globalization and other changes in today's society.