

*“ In the context of sufficiency,
it would imply a sufficient possession of
basic necessities for living, and avoid
extravagance. This would be deemed
sufficient. Some luxurious activities
would be acceptable so long as they are
affordable and bring happiness to oneself.”*

*Birthday Address by His Majesty the King
December 4, 1998*



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Deputy Prime Minister Urges District and Provincial Administrations to Promote Well-Beings among Grassroots Communities

During March - June 2007, **Mr. Kosit Panpiemras**, Deputy Prime Minister and Minister of Industry, visited districts and provinces in every region all over the country to monitor progress in actions under well-being strategies. He prescribed a policy guideline that every Provincial Governor place emphasis on the development of grassroots people, which

would be a firm foundation for national development in the long run. The provincial administration, he added, should encourage local people to participate in a brainstorming process to analyze local problems and launch joint actions to address the problems, based on the community database. People in communities should participate in the efforts to seek out proper

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Siam Cement and Pursuit of Sufficiency Economy towards Sustainable Growth amid Crisis



Mr. Roongrote Rangsiyopash, Vice President of the Siam Cement Public Company Limited, gave an interview, recently, that the Sufficiency Economy approach, as currently adopted by Siam Cement, could be viewed in two perspectives. First is a business perspective, and another human resource management. The results were evident for the company, when it encountered the national economic crisis.

During the pre-crisis period, Siam Cement had recorded an average annual profit of over Baht 4-5 billion. We had been positive that the Thai economy would grow at an average of 15-20 percent a year, so we had talked about a possibility to retain a remarkable growth rate at 20 percent each year. *This is a lack of appropriateness.* I think other companies should have had this sweet dream. We would grow by five fold in ten years. By that time, we had ten business lines, never hesitating to participate in any joint venture, thus resulting an imprudent jumpstart.

Another point is that we had neglected *to safeguard ourselves*. Safeguarding would imply risk management. By that time, our income was in Baht term, and all debts were in US Dollar term. Then, the exchange rate doubled from Baht 20 per 1 US Dollar to Baht 40 per 1 US Dollar, thereby increasing our US-currency loans from billions to trillions Baht. Meanwhile, the economy shrank by half, and we had to rely solely on domestic market. Our immunity became zero.

Siam Cement had to spend many years for recovering, through concerted efforts of our people, so we thought there is a good side of the economic crisis. Without the crisis, we would not have had a chance to rethink about our business, especially how to make our business growth sustainable. We had to look back at ourselves.

In terms of human management, by that time, we had expedited business expansion both at home and abroad. We had spent billions of Baht in several in-

vestment projects, but been unable to develop our manpower. The projects would be too big for us. After the crisis, we had a chance to look back at ourselves and to study the Sufficiency Economy philosophy. *We started to think about the definition of sufficiency, appropriateness, reasonability and immunity, to reposition ourselves in the market.*

Luckily, Siam Cement has developed a unique organization culture to emphasize *capable and ethical manpower*. Some capable persons might make some mistakes, especially in certain things not accustomed to them. These would be acceptable, but we could not accept unethical behaviors. It is acceptable that some people might be good in cement business, not pulp and paper or petrochemical industry. *Ethics are the key.* We do not accept a capable but unethical person. Some ethical persons would not have sufficient capability, but they are ready to learn. We accept and think that their capability can be upgraded.

Under the Sufficiency Economy concept, we emphasize business ethics, and *it is a fundamental culture at Siam Cement to emphasize learning and ethics*, which can be further developed as suitability, reasonability and immunity. These can be implanted easily because a major component is human. Our human resources are ready for such a concept. Then, we have to find proper management to materialize it. For instance, we have to adopt sound risk management in certain project proposals, which have been approved. Both pros and cons should be identified. Such a culture should be promoted within an organization, by urging our employees to get involved with some new investment projects, etc.

In a large business conglomerate, business management should focus on *sustainability or long-term existence*. Now we are focusing on an environmental consciousness, including corporate social responsibility (CSR). Many firms have made jumpstarts in their businesses, but the history has shown to us that only a few of them would survive in the long run, without proper preparation in terms of resources, especially knowledge, capital and machinery. They would stagnate if capability of their employees cannot be upgraded to the level as required for advancements in their businesses. At a certain point of time, some of them would be unable to carry on their businesses, or grow slowly. Most large businesses would prefer a humble but steady growth pattern, or growth with quality. Our employees do not work 20 hours a day. Some would be able to do so for a few days, not two or three consecutive weeks. The same is true for a large organization. Previously, we emphasized the most rapid movement, regardless of the truth.

Appropriateness and suitability help sustain our business. Previously, we had liabilities over Baht 200-300 billion, with total income of four billion Baht a year. Now, our profits were over Baht 30 billion during the last few years, while liabilities dropped to Baht 100 billion, or a drop by three fold, while income increased by almost ten fold.

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Cabinet Approves Establishment of R&D Institute for Sufficiency Economy

On June 12, 2007, the Cabinet granted approval for the establishment of an R&D Institute under the Sufficiency Economy philosophy, as proposed by the Office of the National Economic and Social Development Board (NESDB). The Institute would create common understanding and develop knowledge based primarily on the integration of modern knowledge and local wisdom to promote effective implementation of the Sufficiency Economy. Some proper development frameworks would be sought for both social and economic development of the country.



Dr. Ampon Kittiampon, Secretary General of the National Economic and Social Development Board (NESDB), said in a press interview that the Institute for Sufficiency Economy Research and Development (ISERD) would be established under Pattana Thai (Thai Development) Foundation, of NESDB. It would serve as a neutral and independent organization for soliciting all concerted efforts among development partners, especially the civic sector, people's organizations, private sector organizations, educational institutions and government agencies, in R&D activities. It would also provide supports for the creation of new knowledge and common understanding towards implementation under the Sufficiency Economy principles, for the sake of sustainable development of the country.

NESDB Secretary General added that the main functions and responsibilities of ISERD would be as described below:

1) Creation of R&D Network: It would promote common understanding and the development of knowledge, based primarily on modern knowledge and the local wisdom concerning the adoption of the Sufficiency Economy philosophy for economic and social development. Cooperation would be sought from both local and overseas educational institutions, and through the venues of discussions and exchange of knowledge both at home and abroad.

2) Coordinating Center with Development Partners: It would promote a venue for exchange or knowledge and experience of successes in the national economic and social development, including the natural resources and environmental rehabilitation. These would provide access for both public and private sectors concerned, including the civic sector, to some proper implementation guidelines under the Sufficiency

Economy philosophy. Moreover, it would disseminate information on achievements in this respect to the general public.

3) Provision of Supports to Civic and Private Sectors:

It would recommend some guidelines for project implementation under the Sufficiency Economy philosophy. It would also promote and launch activities to stimulate the movement of development under the Sufficiency Economy philosophy for the sustainable development benefits.

In terms of administrative and organizational structure, ISERD would be an organization under the Pattana Thai Foundation, under management by ISERD Executive Board, to be appointed by the Pattana Thai Executive Board. Each member of ISERD Board would be in office for a 4-year term. The Board would be responsible for policy setting, approval of plans and budgets of ISERD, appointment of ISERD executives, as well as deliberation and setting of rules and regulations for ISERD administration.

NESDB Secretary General said, finally, that ISERD establishment stemmed mainly from brainstorming sessions among all involved parties for movements of the Sufficiency Economy philosophy. They had unanimously agreed that the philosophy had been promoted broadly among the general public, but there were greater diversities in public perception of the philosophy. There were many networks involved in the moves, so there should be an independent institution to move forward the Sufficiency Economy continuously with flexibility and efficiency. This is, in fact, in line with the targets, as set by the Sufficiency Economy Movement Sub-committee, whose tenure would end in 2007. ♦♦

Sufficiency Economy Watch (from page 2)

During the crisis, our D/E ratio was 10-11 fold, but now dropped below 2 fold. We are much readier and more comfortable for continuing expansion. We have sound immunity and suitability for future expansion.

Now we are trying to promote competitiveness. In the petrochemical and cement industry, our products are not too expensive, unlike some luxurious items, such as fashion and watches. There is increasing competition in prices, so we have to make sure that we manage our costs well. We have to remain reasonable and suitable. There would be room for business expansion, but at an appropriate cost to remain viable in the market. Salary adjustment should be appropriate and reasonable. We promote ethical and capable persons, and avoid head hunting, which would result in higher personnel expenses.

Another interesting point is to seek out the link between suitability, reasonability and immunity. We have to look ahead to see the actual market competition, and meanwhile, we have to seek proper ways to find some value added for the new products. When we talk about value added, we have to focus on training for the existing manpower. Our employees would be able to follow the clear production standard, but now we have to focus on creativity and marketing perspectives, especially the proper ways to raise value added for our customers. ♦♦

Movement of Overall Eco



Since early 2006, the Thai economy had been slowing down continuously. The Government issued a Directive of the Office of the Prime Minister No. 74/2007, dated March 12, 2007, establishing the Overall Economic Movement Committee, headed by Deputy Prime Minister **Kosit Panpiemras**.

Members of the Committee were representatives of related government agencies, the private sector and experts. The Committee would monitor the national economic situation, as well as both internal and external factors likely to affect the Thai economy. This is to ensure appropriate movement of the economy, under a sustainable and suitable approach, according to the Policy Statement of the government as delivered to the National Legislative Assembly.

The Overall Economic Movement Committee (OEMC) organized five meetings during March - June 2007, and enforced some key measures, under approval by the Cabinet on March 27, and May 15, 2007. They were, for instance, (1) to urge all government agencies to adjust their budget disbursement plans to meet the 93-percent target of FY 2007 expenditures. (2) There was additional budget allocation for well being strategic project at a provincial level, totaling Baht 5,000 million, on top of the existing budget of Baht 5,000 million, or the total of Baht 10,000 million. (3) State enterprises should expedite their investment projects in order to meet the 90-percent target for budget disbursement, especially investment projects of PTT Plc., holding total investment of over Baht 58,000 million. (4) The government approved FY 2008 budget over Baht 1,000 million to formulate the tripartite action plan in the local area, i.e., community, industrial plants and government agencies in order to reduce and dispose of pollution from petrochemical industries in Map Taphut district, Rayong province. (5) The government agreed to establish a Committee to Expedite Expenditure Budget Disbursement, headed by Deputy Prime Minister Kosit Panpiemras, with Director General of the Comptroller General's as secretary. (6) The Ministry of Transports has been assigned to hasten preparation of rail transportation projects in Bangkok Metropolitan Region (BMR) and development of logistic systems, for approval by the Cabinet for short-listing process of some investment projects with sound viability in August 2007. And, (7) there would be a request for budget, totaling Baht 1,100 million from FY 2008 in advocate to actions under the master plan to increase efficiency and productivity of Thai manufacturing, under cooperation with private sector in 13 areas.

Besides, OEMC passed some key resolutions for the overall economic movements, under public and private sectors'

cooperation, in line with the Sufficiency Economy philosophy, which would contribute to long-term quality and stability of the economy in the long run. They were, i.e., (1) periodical monitoring of foreign exchange and interest rates, including foreign capital movements in order to ensure stability of the Baht and local interest rates, (2) investment in some mega projects, and (3) credit extension by SME Bank for grassroots economic stimulation. Other major resolutions included (4) setting of measures to stimulate property development and construction business, and (5) creation of public understanding towards negotiations and signing of the Japan-Thailand Economic Partnership Agreement (JTEPA), enforcement of retail and wholesale trading law, and amendment of the foreign business law. (6) The government would consider amending some of its rules and regulations pertaining to the environment, which would become the main hurdles for investment, especially the conditions for environmental impact assessment (EIA), which would take a long consideration period, thus moving foreign investors away to other destinations. And, (7) there would be measures for assisting the private sector in three southernmost provinces, through reduction of corporate income tax, to be lower than the one enforced in the special economic zones of Songkhla and Satun provinces, from 3 to 1.5 percent. These included the allocation of budget of Baht 80 million to accommodate reduction of insurance premiums for entrepreneurs for running their investments in these areas. The government would also provide some special promotional measures for them. In addition, the government would especially expedite disbursement of budget in these areas, and the setting of soft loans under relaxed conditions of Baht 5,000 million for new or additional investment projects in the three southernmost provinces.

However, OEMC was of the view that, in the past, the Thai economy had been growing with stability, as evidenced from an average growth rate at 4.3 percent in the first quarter this year, despite slowdown in private investment and consumption. Expansion in exports, as high as 18.2 percent, was seen as the main thrust of growth. Other contributory factors for continuing expansion of the Thai economy in the following period included (1) expedition of budget disbursements, thus resulting in actual budget disbursement of Baht 965,616 million, or 61.65 percent of total budgets, during October 2006 until June 8, 2007. (2) Thailand's investment situation tended to improve. During January - May



2007, the value of investment projects submitted for BOI promotions increased from Baht 115,000 to 200,000 million, with an increase in foreign direct investment from Baht 90,000 to 123,000 million, from the corresponding period of last year. (3) Imports of capital goods, machinery and raw materials, previously showing the negative growth rate at 12.6 percent since December 2006, showed the positive growth rate at 6.3 percent in April 2007. (4) Forward orders of goods from overseas were still growing healthily, which would lead to higher confidence among local entrepreneurs. And, (5) The government would launch some other economic movement measures, i.e., gradual reduction of lending rates among financial institutions to 7.00-7.25 percent (MLR), according to the MPC rate (Monetary Policy Committee) of the Bank of Thailand at 3.5 percent. Others were, i.e., alleviation of environmental problems in Map Taphut Industrial Estate, investment in Eco Car, and increase in waivers of income tax for purchase or hire-purchase, or construction of houses, etc. These would increase investments in quarters 3-4, this year.

Despite some positive signals in the overall economic indicators and implementation under the overall economic movement measures, they had not clearly resulted in rising confidence among private business and the general public, due to three major reasons. Firstly, the government public relations and provision of information on the overall economic indicators had been unable to create common understanding among business sector and the general public, so they had not received the right and clear information on measures and signals which would contribute to the national economic expansion. Secondly, the public worries over domestic political situation would result in slower consumption and investment. It is expected that public confidence would be restored, when there are some clearer factors that would lead to general election by the end of this year. Thirdly, some business and industrial productions had increasingly lost their competitiveness, both at home and abroad, so they would need a change in innovations, which would differentiate their products in the market, and meanwhile, enhance their competitiveness. These would lead to stimulation of consumption and investments in the market, through review of business potentials and closer cooperation between public and private sectors in business and industrial restructuring in line with market demand.

Consequently, the creation of public confidence and increase in purchasing power in domestic market would have some impacts on the Thai economy. The government would have to promote proper restructuring in some key sectors, likely to boost the Thai economy in the latter half of the year, such

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NEWS through Lens



Prof. Dr. Prawes Wasi presides over 1st Civic Discussion on Well-Being Strategies

On June 18, 2007, **Prof. Dr. Prawes Wasi** presided over Well-Being Civic Discussion on Area-based **Well-Being Strategies and Community Planning** No 1/2007, at the Office of the National Economic and Social Development Board. It was a venue for an exchange of knowledge, experience and ideas among the government sector, educational institutions and Pattana Thai (Thai Development) Foundation. It was a movement process of well-being strategies in the local areas and community planning. Major issues brought up for discussion were the community planning process, community empowerment, holistic effort among the government sector, communities and the local areas, including budgeting and the next operational process.



NESDB holds talk to Malaysian Ambassador to Thailand

On June 15, 2007, **Dr. Ampon Kittiampon**, NESDB Secretary General, greeted H.E. Dato' Shaarani Ibrahim, Malaysian Ambassador to Thailand and his delegates, in order to discuss **Thai-Malaysian Cooperation under the Joint Development Strategies for Border Areas (JDS)**.



Promotion Thailand Tourism on Top of the World

Recently, **Mr. Thanin Pa-Em**, Policy and Plan Adviser to NESDB, presided over a workshop on **"Tourism Development Strategies in 10th Plan (2007-2011)"**, at the Royal Princess Hotel, Bangkok. The Meeting raised some useful comments on the draft development strategies, as proposed by NESDB, focusing on the application of the Sufficiency Economy philosophy in tourism development for sustainable and competitive equilibrium for further concrete actions.

solutions for the local problems, while provincial and district administrations should be the focal points in supporting initiatives by the local area, to be linked with the role and budget supports from other sources in the local area.

Mr. Kosit Panpiemras said that well-being strategies would be based on the popular participatory approach, seen as a main thrust for success in Thailand's national development. There were two major issues for consideration. First is community participation in setting a development position by themselves, based on demand of people in the community. This should be considered appropriate for the local specialization, similar to positioning of products in the market. Given the difference in available capital in the local area, each community should be urged to select an appropriate development alternative for the respective community. Secondly, the community would have to carry out the development by themselves, which would result in higher income and better quality of life for the community.

According to the Deputy Prime Minister, well-being strategies are seen as the tools to replace some popular strategies, which were aimed at responding to the needs of people and find proper solutions for them. Now, emphasis would be shifted to the Sufficiency Economy that promotes a learning process for self-reliance, step by step. However, to implement well-being strategies, successfully, Provincial Governors should find some tactics to promote popular participation through different partnership networks in the local areas, notably government agencies and the local administrative organizations, etc.

Dr. Ampon Kittiampon, Secretary General of the National Economic and Social Development Board (NESDB), said in a press interview, after a Meeting of the Well-Being Strategy Movement Committee, on June 29, 2007, presided over by **Prime Minister Gen. Surayud Chulanont**. He said that the Meeting had approved 65,813 projects, under total budgets of Baht 4,946 Million, which had been already transferred to every project in the local area. Of these budgets, the total amounts of Baht 1,700 Million had been disbursed, or 35 percent of all projects. Of these projects, 40 percent of them were in the Sufficiency Economy Sector, as followed by 26 percent for Community Development and Empowerment, and 19 percent for the basic public service deliveries. Approximately 12 percent of them were for community rehabilitation, and 3 percent for welfare service for the underprivileged.

Redundancies in operations, said NESDB Secretary General, were seen as the main hurdles for later and lower disbursements than the prior schedules. Some

projects would have to enter an official procurement process and training, and related budgets would be disbursed at the end of these activities. Now, every province was expediting implementation, according to the plans.

According to the recent visits by Deputy Prime Minister and several Ministers to the local areas, most people were enthusiastic in participating in the local initiatives for the local development projects, which had been increasingly linked up with partners in the central, regional and local areas. Due to the limited implementation period, however, some communities would require certain time for preparation of the local areas, and creation of common and clear understanding towards the principles, objectives and action plans under well-being strategies.

From the above success, the Cabinet had recently approved the additional FY 2007 budgets over Baht 2,000 Million, and the Bureau of the Budgets had transferred the budgets to



the Ministry of Interior on June 19, 2007. Then, they would be allocated to provinces in July this year. The Well-Being Strategy Movement Committee had assigned all involved parties to hasten the budget disbursement process to the local communities. Then would be the project approval process by the local communities, which would not take much time because the project proposals had been prepared since the first budget allocation of Baht 5,000 Million.

For FY 2008, the Cabinet had approved the budget limit over Baht 1.5 Billion for continuous movements of the well-being strategies at provinces. The previous implementation results of 2007 should be taken into consideration for revising the principles, objectives and plans for the much clearer movements. Still, emphasis would be placed on popular participation in occupational training and development of quality of life. The local communities should play a key role from the outset, through assessment of potential available in the local communities to find a proper position of each community in the planning process and the setting of development direction to achieve the sustainable self-reliance of each community.

NESDB Secretary General continued as saying the next phases of operation would focus on improvements in three areas. **First** is to ensure clarity in five project frameworks for (1) occupational training under the Sufficiency Economy philosophy, (2) development of community products, (3) rehabilitation of natural resources and environment, (4) supports for community in welfare provision for the underprivileged, children and the elderly, and (5) basic education service.

Secondly, in 2008, emphasis would be placed on the learning process within a community for project preparation, in line with changes in the local community.

Third would involve revamp in budget disbursement regulations, especially at the community level in order to ensure greater flexibility in budget disbursement.

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NESDB Hastily Searches Proper Ways to Minimize Externalities of —Automobile Industry on Natural Resources and Environment



The Office of the National Economic and Social Development Board (NESDB), in cooperation with the Good Governance for Social Development and Environment Foundation (GSEI), had undertaken a case study on Automobile Industry, concerning **“Guidelines for Minimization of Externalities from Development of Automobile Industry on Natural Resources and Environment”**. The study was aimed at assessing economic value of externalities from the development of automobile industry and parts thereof on environmental quality, as well as health conditions of workers and local stakeholders. It would also focus on the calculation of direct resource costs (DRC) of automobile industry, waste disposal costs as well as recommendations on guidelines, policies and measures for reduction of pollution from the industry.

Ms. Juthamas Barameechai, NESDB Deputy Secretary General, said that, under the imbalances in the previous national development, NESDB had come up with an idea to conduct a study of proper ways to minimize impacts from national development. This would lead to contributory development. Automobile industry had been cited as an example, which is a primary target industry in economic development, under the government policy to promote Thailand as the regional production hub. Some hazardous waste from its production might have some considerable impacts on the environment, as well as health of workers and nearby communities. The study results showed that:

- In 2005, production in automobile industry generated total value added of Baht 67.7 billion, and production of auto-part industry of Baht 68.2 billion, or the total value added of Baht 135.9 billion. Some social costs included expenses for hazardous waste disposal of Baht 873.96 million, and health care expenses of Baht 80.21 million.

- The calculation of Domestic Resource Cost (DRC), based primarily on social costs, as said, would reflect cost-effectiveness in resource utilization. It would also, include some impacts on the environment and public health. DRC stood in a range of 0.83-1.22, as the value greater than 1 would generally show an increase in economic benefit on top of the expenses or costs of natural resources, environment and health. In this study, however, the DRC value, greater than 1, stemmed from

higher use of foreign contents than local contents. When an assembly tended to invest more in pollution control, DRC value would drop.

- In summary, although most auto assemblies had been operating under ISO 14000 (environmental standard), they generated a certain type of pollution as some rapid volatile organic components (VOCs), especially in coloring process and release of wastewater to surface water sources. Most of them had been in great needs of landfills for some hazardous waste, but there were only a few operators in this respect. However, most of them had tried to act in accordance with the international environmental standards, aiming to minimize waste from their production lines (Zero Waste) for lower requirements for landfills (Zero Landfill).

There were two major recommendations for policy implications and measures derived from the study. The overall pollution control measures would include promotion for pollution reduction among entrepreneurs through improvement in production technology, and proper oversight through legal enforcement and promotion of popular participation in nearby communities in environmental management. Another would be support for R&D activities to seek out knowledge for pollution control. There were some exclusive measures for automobile industry, i.e., proper zoning regulations, cluster development, and cooperation among Tier-1, Tier-2 and Tier-3 entrepreneurs, as well as promotion for a single location of automobile assemblies for the effective pollution control. ♦♦

Movement of Overall Economy *(from page 5)*

as construction and property development, and production of some durable goods, such as automobile, as well as electrical and electronic appliances, etc. The local banking sector, moreover, should adjust itself to remain competitive in the market. The government, in this regard, would have to expedite budget disbursements in the last two quarters for the national economic movements. OEMC had, therefore, established a sub-committee to promote restructuring of some business sectors, in order to analyze and assess requirements for business restructuring of each business sector in the latter half of 2007. The sub-committee would be pleased to accept some useful comments and recommendations by the private sector. These would be under two major principles, i.e., (1) being the clear cooperation schemes between the public and private sectors for the national economic movements, and (2) emphasizing elimination of bottlenecks for business expansion and investment, without impacts on implementation of some long-term economic policies and measures. The sub-committee held its first meeting on June 29, 2007, passing a resolution to assign related agencies, i.e., the Ministry of Industry, Ministry of Finance and the private sector to consider some movement measures for six business sectors. They were, i.e., (1) automobile industry, (2) electronic and electrical industry, (3) textile and garment industry, (4) furniture and home decoration, (5) food industry, and (6) pharmaceutical industry. ♦♦



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Q&A on Sufficiency Economy

Q: Under the Sufficiency Economy, would it mean Thailand have to stop trading with international community?

The Sufficiency Economy philosophy would be just a means to sustainable development and equilibrium in national development under a globalizing era, *not to urge Thailand to shut down its door, or to turn its back against the global trend or rules.* Instead, attention should be paid to all issues in general, and wisely make use of the globalizing trend. People should learn how to develop themselves to catch up with the world, and to keenly expose themselves to all inputs for their personal benefits and the society in the long run.

The Sufficiency Economy philosophy would not imply a closed and autonomous economy. Neither would it mean that Thailand has to stop trading nor exporting. Under the Sufficiency Economy, it would not imply that there would be no more production for trading or exchange. Nonetheless, the Sufficiency

Economy principle would emphasize a development process on a solid and balanced foundation, with an initial step to achieve self-reliance. Then would move to self-development for betterment in life, which would be a source of help for others, and eventually a contributory society. On June 28, 1975, His Majesty the King had delivered an address to members of Hupkrapong Agricultural Cooperatives, stating that:

“First is sufficiency for living, and then to stand by yourself, and finally, to think about others”

National development under the Sufficiency Economy philosophy focuses on *a development process that emphasizes suitability and appropriateness on the Golden Middle Path*”. There is no more extremity in this context. Everything should be done systematically, without jumping and hastening. It should be based on actualization of oneself, being able to select many options for use wisely, suitable and compatible for the environment for justifiable results. Then would be a move to safeguard oneself and the community, from any unexpected turbulence in this globalizing world, especially during crisis.

“..... The Sufficiency Economy, in this regard, should be consequently implemented, step by step. It is impractical to note that the Sufficiency Economy would be solely sufficient for oneself. There should be an exchange and sharing. “Sufficiency” in the royal context would mean practical.”

(His Majesty the King’s Address on his birthday on December 23, 1999)