

Development Strategy for Economic Status Elevation of Sri-utumporn Community Based on Sufficiency Economy Philosophy through Systematic Approach

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Doi:10.5901/mjss.2012.v3n11p483

Abstract The research objectives were 1) to construct development strategy for economic status elevation of Sri-utumporn Community, 2) to experiment the constructed development strategy for economic status elevation based on Sufficiency-Economy Philosophy (SEP) through system approach, and 3) to determine satisfaction level of experiment group for implementation of development strategy for economic status elevation based on SEP through system approach. The research design was mixed methods of quantitative and qualitative approaches. The Multi-stage random sampling was used for sampling 102 households from 499 households of Sri-Utumporn Community, Nongkrot Subdistrict, Nakhon Sawan Province for qualitative research with focus group discussion for construction development strategy for economic status elevation based on SEP through system approach. The purposive sampling was employed for selection of experimental and control groups for Quasi-experimental research. The results were as followings: the constructed economic status elevation based on SEP comprised 4 system units included 1) raising more income, 2) reducing expenses, 3) increasing saving, and 4) paying debt gradually and regularly. The mean scores of knowledge and understanding, and acceptance of development strategy for economic status elevation based on SEP was higher than the control group at statistically significant level of 0.01. Their satisfaction level as a whole was at good level.

Key Words: Development Strategy / Economic Status Elevation / Sri-utumporn Community / Sufficiency Economy Philosophy / Systematic Approach

1. Introduction

Thailand is the geographical heart of South-East Asia and tropical rain forest climate. Its location and climate favors for cultivation all types of grains, fruit and vegetables, moreover along from north to middle parts, there is important river called Cha Phra-ya River which is the main water supply for agricultural activities, therefore during half century, the majority of economic development based on the agricultural sector, although the government paid attention for industrial development for more than three decades. However, Thailand still the main exporter of rice grain and other agricultural products, therefore majority Thai people in rural are still in agricultural sector (The National Economic Development Board Office of the Prime Minister, 2007). Thailand experienced rapid economic growth between 1985 and 1996, and is presently a newly industrialized country and a major exporter. Tourism also contributes significantly to the Thai economy

(The World Bank, 2011). The World Bank has upgraded Thailand's income categorization from a lower-middle income economy to an upper-middle income economy in July 2011. This is due to Thailand's progress in social and economic development, despite facing a number of financial, economic and political challenges. As such, Thailand has been one of the great development success stories, with sustained strong growth and impressive poverty reduction. In the decade that ended in 1995, the Thai economy was one of the world's fastest growing at an average rate of 8-9% per year. After recovering from the Asian Crisis of 1997-1998, the Thai economy took off again, with growth averaging about 5% per year in the period 2002-2007. Primarily due to the high rates of economic growth, poverty has been falling steadily since the late 1980s. Over the last decade, poverty has been reduced from its recent peak of 21% (a result of the 1997 crisis) to about 8% in 2009. Poverty in Thailand is primarily a rural phenomenon, with 88% of the country's 5.4 million poor living in rural areas. Furthermore, in 2010, Thailand's economic growth slowed because of global economic conditions and political uncertainty. However, Thailand's economic activity is gradually returning to normal, with quarterly economic growth rates now closer to the levels often seen before the global financial crisis began in 2008. For 2011 as a whole, the World Bank is predicting economic growth in Thailand of over 3.5% (The World Bank, 2011 and Wikipedia, 2012).

In Thailand, "Sufficiency Economy is a philosophy that directs the livelihood and behavior of people at all levels, from the family to the community to the country with regarding national development and administration. Its concept is similar to "Middle Path" which is one of four Buddhism principles as "Four Noble Truths". Especially in pursuing economic development in keeping with the world of globalization, Sufficiency means moderation and reasonableness, including the need to build a reasonable immune system against shocks from the outside or from the inside. Intelligence, thoughtfulness, and extreme care should be utilized to guarantee that all plans and every step of their implementation are based on knowledge. Simultaneously, they must build up the spiritual foundation of all people in the nation, chiefly state officials, scholars, and business people at all levels, consequently they are conscious of moral integrity and honesty, hence they struggle for the suitable wisdom to live life with tolerance, diligence, self-awareness, intellect, and thoughtfulness. Finally, it should sustain the balance and be ready to manage rapid physical, social, environmental, and cultural changes from the outside world (Krongkaew, 2003 and Thiengkamol, 2007).

Household debt in system, majority was occurred from house and land purchases. It might caused by measurement of real estate stimulation with promotion of tax decreasing for buying. On the other hand the household debt outside system was occurred from consume product buying. Therefore, considering from income, expense, and debt of household in term of region, it was revealed that Metropolitan Region (covered Bangkok and 3 provinces of Nonthaburi, Pathumthani, and Samutprakarn) had household income with 37,732 Bahts that higher than other region but it was discovered that the expense and debt per household was higher that other region as well. However, comparing among income, expense and debt per case, it was found that overall country since 2007-2009, the average of income was more than essential expense for living and it was also disclosed that income and expense were still gradually increased and proportion of household debt per income has declined while amount of debt has increased from 68,405 to 134,699 Bahts. Analysis of income distribution, it was found that unequal income per individual per month had decreasing trend with average increasing from 5,494 Bahts in 2007 to be 6,319 Bahts in 2009 in every group of society (National Statistics Office, 2009).

The concept of Thai lifestyle with Middle Path of Buddhism was introduced to meet self-dependent after economic crisis in 1997-1998, particularly, economy sufficiency comprised increasing income, decreasing expense and living with adequate status according to personal status by adopting the Sufficiency Economy Philosophy from remarks made by His Majesty King Bhumibol Adulyadej throughout his 58 years of the throne (NESDB, 2004a). In order to apply for liberating from debt, they have adjusted way of thinking, way of life and behavior with real understanding of sufficiency for every people and family based on interdependence among people in community by learning together with intelligences to practice and continuous adaptation (Wasi, 2001). Development of economic way of life for household in term of self-sufficiency by avoiding the supplies, we are not own by ourselves to decrease or liberate debt and decrease expense for household (Tantivechkul, 1998). This was come out from research titled "To study problems and causes of accumulated debt of customer of Bank for Agriculture and Agricultural Cooperatives", the finding showed that the main accumulated debt of agriculturist was caused by high capital and expense for cultivation including high household expense (Aktaweewatanadej, 2002). Moreover, another research studied on "Factor Affecting to Accumulation of Loan" also revealed that the expense for consumption increasing and expanding, particularly, occurring due to imitation for high status people to buy unnecessary electrical appliances (Thammasena, 2002). Nevertheless, there were other different researched about agriculturalist debt such as the study on "Development Model of Agriculturist Loan Payment", it proposed the guideline for loan payment with training, information sending, supervising, and continuous monitoring and these aid agriculturist to have knowledge and understand for loaning and guideline for intention loan payment and practicing for saving (Rungvitayakarn, 2003). Increasing repay made debt decreasing, the research was conducted on "Study of Saving in Extinguishment Repay Project of Bank for Agriculture and Agricultural Cooperatives at Chakarach

Branch". It showed that saving or depositing was not regular and few because it related to income (Srisaknok, 2004). However, the attempt to decrease debt burden, it might cause lack of liquidity in the country, beside the debtor should control expense to balance with income by recording or accounting income and expense. On the other hand, they should be saving deposit increasing and good discipline for financial management. If we left household debt burden increasing in every year, it might be difficult problem to solve and finally affected to main economic in country.

Sri-Utumporn Community, Nongkrot Subdistrict, Nakhon Sawan Province is also an agricultural area that locates in the lower part of Cha Phra-ya River of North region of country. Commonly, Thai society has recognized that the agriculturists are the poorest people of country because they have fallen with trap of capitalism due to globalization (Thiengkamol, 2009c). It was reported in 2009, global economic crisis was influenced to cause debt burden as whole country, particularly, and it was found that over 60 percents of Thai people had average debt with 134,699 Bahts per household per year but average income of household per month of 20,903 Bahts was obtained from working with 72 percents and the left was income from interest, income in term of social welfare. The main debts were house and land loan after the government had measurement of real estate stimulation. While the expense was 16,205 Bahts per month with majority of 34.2 percents for food and drink, subsequence were shelter and household appliances with 20.1 percents and transport and vehicle with 17.7 percents. Moreover, there were other expenses excluded consumption such as tax, gift, insurance premium, lottery, and interest paying with 12.1 percents (National Statistics Office, 2009).

Sri-Utumporn Community, Nongkrot Subdistrict, Nakhon Sawan Province, people have economic activities along with traditional way of life in term of rural lifestyles, therefore on matter of economic crisis since 1997, it was found that there was problem accumulation with "Debt" from survey with agriculturists. Their major debts with 70 percents are both formal system and informal system (Agriculture Office of Mueang Nakhon Sawan, 2010). Simultaneously, capitalism was introduced into Thai economic concept with full opening for private sector with free, while the government sector would interfere in only some case that is related to the nation security (Institute for the Promotion and Development of Learning Innovation, 2009). This caused people change their consumption behaviors of buying convenient household appliances that are over their needs. Even though, there is a community rice mill that has economic activity in company with rural lifestyles because it is implemented without systemic operation and they still lack of sufficiency, therefore, they faced with suffering problem of agriculturist debts with both formal system and informal system about 15,000-200,000 Bahts per household (Agriculture Office of Mueang Nakhon Sawan, 2010). The researcher had survey and interview inside community, it was found that majority of them still have household debts and they desire to solve these problems by search mean to decrease expense or liberate debt, therefore the target problem is to decrease expense to sustain economic status elevation in daily living.

2. Objective

The research objectives were as followings:

- 2.1 To construct the strategy for economic status elevation of Sri-utumporn Community.
- 2.2 To experiment the constructed development strategy for economic status elevation based on Sufficiency Economy Philosophy through system approach.
- 2.3 To determine satisfaction level of experiment group for implementation of development strategy for economic status elevation based on SEP through system approach.

3. Methodology

The research design was implemented in steps by step as followings:

- 3.1 The qualitative research was used for searching Best Practice and Key Success

Factors through brain storming process integrated with SWOT (Strength, Weakness, Opportunity and Threat) analysis (Thiengkamol, 2011a).

- 3.2 Questionnaire for development strategy for economic status elevation of Sri-utumporn Community based on Sufficiency Economy Philosophy through systematic approach, it included as followings:

System Unit 1: Increasing income.

System Unit 2: Decreasing expense.

System Unit 3: Increasing saving.

System Unit 4: Paying debt gradually and regularly.

These were verified by 27 stakeholders from Sri-utumporn Community and experts.

3.3. The quantitative research was used for experimenting the development strategy for economic status elevation of Sri-utumporn Community based on Sufficiency Economy Philosophy through systematic approach of Nongkrot Subdistrict, Nakhon Sawan Province. The experimental group and control group were selected by purposive sampling technique. The experimental group of 30 participants was chosen from the ninth and fourteenth villages, while the control group of 30 participants was selected from the eleventh and the seventeenth village with voluntary mind and their economic status and occupations were nearly equivalent to those of the experimental group.

4. Results

4.1 *Searching Best Practice and Key Success Factors through brain storming process integrated with SWOT with 102 households, the results were as followings.*

- 1) Best practice according to Sufficiency-Economy Philosophy in aspects of expense decreasing, and household income increasing such as washing-up liquid production, work at community rice mill, domestication for household consumption, home-grown vegetable for household and sale.
- 2) Select to cultivate vegetables that are different from neighbors.
- 3) Have strong leader and devote for public.
- 4) Grouping for aid each others with regular and continuous meeting to propose problem and solve problems together.

4.2 *Comparison between Experimental Group and Control Group on Knowledge and Understanding of Development Strategy for Economic Status Elevation of Experimental Group*

Results of comparison mean scores between experiment group and control group, it was revealed that the mean score of experiment group on knowledge and understanding of development strategy for economic status elevation of experimental group based on Sufficiency Economy Philosophy through systematic approach implementation was higher than control with statistically significant at level of 0.01, as presented in table 1.

Table 1 Comparison between Experimental Group and Control Group on Knowledge and Understanding of Development Strategy for Economic Status Elevation

Knowledge and Understanding of Strategy for Economic Status Elevation	Experiment Group		Control Group		p
	\bar{X}	S.D.	\bar{X}	S.D.	
1. Systematic Economic Implementation	13.47	0.51	9.87	0.82	0.00**
2. Sufficiency Economy Philosophy	13.53	0.51	10.03	0.89	0.00**
3. Systematic Economic Implementation according to SEP	13.40	0.50	9.93	0.83	0.00**
4. Increasing Income	13.43	0.50	9.83	0.87	0.00**
5. Decreasing Expense	13.50	0.51	10.13	0.78	0.00**
6. Increasing Saving	13.50	0.51	9.70	0.75	0.00**
7. Paying Debt Gradually and Regularly	13.40	0.50	10.13	0.86	0.00**
8. Total Achievement	94.23	1.33	69.63	2.22	0.00**

** Statistically significant at level of .01

4.3 Comparison between Experimental Group and Control Group on Acceptance for Development Strategy for Economic Status Elevation of Experimental Group

Results of comparison mean scores between experiment group and control group, it was revealed that the mean score of experiment group on acceptance of development strategy for economic status elevation of experimental group based on Sufficiency Economy Philosophy through systematic approach implementation was higher than control with statistically significant at level of 0.01, as presented in table 2.

Table 2 Comparison between Experimental Group and Control Group Acceptance of Development Strategy for Economic Status Elevation

Acceptance of Strategy for Economic Status Elevation	Experiment Group		Control Group		p
	\bar{X}	S.D.	\bar{X}	S.D.	
1. Systematic Economic Implementation	13.40	0.50	10.03	0.89	0.00**
2. Sufficiency Economy Philosophy (SEP)	13.53	0.51	9.83	0.95	0.00**
3. Systematic Economic Implementation according to SEP	13.57	0.50	9.80	0.89	0.00**
4. Increasing Income	13.47	0.51	10.10	0.80	0.00**
5. Decreasing Expense	13.43	0.50	10.20	0.81	0.00**
6. Increasing Saving	13.43	0.50	10.07	0.78	0.00**
7. Paying Debt Gradually and Regularly	13.60	0.50	9.93	0.87	0.00**
8. Total Achievement	94.57	1.43	69.97	1.92	0.00**

** Statistically significant at level of .01

4.4 Satisfaction Level of Experimental Group for Implementation of Development Strategy for Economic Status Elevation Based on Sufficiency Economy Philosophy through System Approach

Results of satisfaction level of experimental group for implementation of development strategy for economic status elevation based on Sufficiency Economy Philosophy through System Approach, it was found that in aspect of increasing income, decreasing expense, and paying debt gradually and regularly were at good levels and increasing saving was at very good level, therefore satisfaction level as a whole was at good level respectively, as presented in table 3.

Table 3 Satisfaction of Experimental Group for Implementation of Development Strategy for Economic Status Elevation Based on Sufficiency Economy Philosophy through System Approach

Strategies	\bar{X}	S.D.	Level
Increasing Income	4.43	0.50	Good
Decreasing Expense	4.46	0.50	Good
Increasing Saving	4.56	0.50	Very Good
Paying Debt Gradually and Regularly	4.36	0.20	Good
Satisfaction as a Whole	4.45	0.43	Good

5. Discussion

Holding meeting of 102 households from 499 households of Sri-Utumpun Community, Nongkrot Subdistrict, Nakhon Sawan Province with focus group discussion for construction development strategy for economic status elevation based on SEP through system approach, was found that there are 4 system units included 1) Increasing income, 2) Decreasing expense, 3) Increasing saving and 4) Paying debt gradually and regularly. The experimental group gain more knowledge and understanding including accepting Systematic Economic Implementation according to SEP seriously. Moreover,

these must be implemented continuously and consistently with good discipline of financial management. Simultaneously, they must not buy the unnecessary convenient appliances. In order to accomplish the debt liberation successfully, they should record household income, expense and saving critically because the account will assist them to realize their actual implementation along with development strategy for economic status elevation based on SEP through system approach. This development strategy will help them to be genuine self-dependent according to SEP.

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