

CHAPTER III

FINDINGS AND ANALYSIS: EQUITY

3.1 Introduction

The alternative development approach distinguishes itself from the mainstream development approach by focusing on equity instead of growth (Pieterse, 2001: 91). Thus, in order to assess the prospects and limitations of Sufficiency Economy as an alternative development approach and to inform the first research question, this chapter will analyze the extent to which Sufficiency Economy rejects growth and focuses on equity. To answer the second research question, which asks to what extent Sufficiency Economy promotes equity, this chapter will examine Sufficiency Economy's implications for 1) equity defined as attainment of sufficiency by all and 2) equity defined as a limited range of inequality above sufficiency. It will then analyze Sufficiency Economy in terms of equitable distribution of income, land, the benefits of growth, access to resources, and provision of social services. Finally, it will discuss Sufficiency Economy's lack of analysis of structural poverty and the impact of this on equity.

3.2 Equity: Conceptual overview and framework for analysis

This section provides a conceptual overview of equity within countries as discussed in the development literature. It presents the nature and types of equity, why equity is a development challenge, the individuals and groups involved in equitable development, the growth versus equity debate, and redistributive strategies to promote equity. It ends with a discussion about the link between equity and politics.

Equity can be defined as 1) attainment of sufficiency by all and 2) a limited range of inequality above sufficiency (Daly, 1996: 220). The first type of equity addresses absolute poverty, while the second type of equity addresses relative

poverty. Both types will be considered in this research. Equity can be understood further as implying an equal or relatively equal distribution of income, consumption, assets, and investment across all individuals in society (Kambhampati, 2004: 42; Soedjatmoko, 1977: 98). Equity can be achieved between various social groups or classes, including ethnic and communal groups; between different localities such as center and periphery or town and countryside; between women and men; and between present and future needs (Thomas, 2002: 29; Soedjatmoko, 1977: 98).

Presently, there is a high level of inequality within countries due to a few trends. The first is that trickle-down growth in the growth-led model has been limited (Kambhampati, 2004: 42). Secondly, Cavanagh et al. (2002: 75) argue that inequality within countries is due to the current dominant system of global capitalism: "Markets respond to the wants of those with money and disregard even the most basic needs of those who do not have the means to pay. Extreme inequality in income and ownership distorts the allocation of economic resources, excludes all but the very rich from meaningful democratic participation, undermines institutional legitimacy, and creates social instability" (Cavanagh et al., 2002: 75).

The relationship between growth and equity is a central debate in development (Kambhampati, 2004: 42). Growth and efficiency increases income and living standards in society (Kambhampati, 2004: 42) and helps countries to compete in the modern economy (Soedjatmoko, 1977: 97). However, this "growth is almost always achieved at the cost of inequity" (Thomas, 2002: 38) and "leads to injustice as it generally favors those already strong and efficient: the foreign sector, the privileged minorities, the power elite, to the detriment of the weak, the inexperienced and the disadvantaged in society" (Soedjatmoko, 1977: 97).

Redistributive strategies and social safety nets are often suggested as a way to address inequality. Hettne points out that while conventional strategies may accept inequality as a necessary price for growth, "in contrast egalitarian strategies give a higher priority to redistribution than to growth" (1992: 167). Griffin concurs:

“Redistributive strategies of development represent a genuine alternative to growth-oriented strategies in countries which attach priority to reducing quickly the most acute forms of poverty and to creating an egalitarian society” (1989: 188-189). Redistributive policies could include initial redistribution of productive assets, especially land; investment in human capital, especially in education, nutrition, and health programs, and the provision of essential social services and economic infrastructure; and creation of local institutions which allow people’s participation in social and economic projects and programs (Griffin, 1989: 188-189).

Finally, it is important to point out the connection between equity, politics, and power. Soedjatmoko states that because “the problem of equity is interwoven with the distribution of power in a country and with the political culture of its people...without such a recognition of the close relationship between equity, distribution of power and political culture, many policies aiming at greater social justice are doomed to remain ineffectual and largely illusory (1977: 95). Little or no wealth often means little or no social and political power, which exposes the poor to injustice and lack of fairness in decision-making by existing power structures (Heinrich Boll Foundation, 2002: 56-57). It is suggested that democratic instruments be established to control economic development, allow access to the market, and regulate competition for as many people as possible (Heinrich Boll Foundation, 2002: 56). Therefore, equitable development requires equal or fair access to decision-making, such as through participation in decisions that affect peoples’ lives (Soedjatmoko, 1977: 94). More than this, equitable development can be achieved through grassroots political action and lobbying, electoral participation, and promotion of radical reforms that will make the state more responsive to people’s needs and interests (Brohman, 1996: 274-275). This political aspect of development is addressed in depth in Chapter IV about empowerment.

3.3 Overview of poverty and inequality in Thailand

In Thailand, poverty is concentrated in certain occupations and areas. Farmers make up over half the total of the poor, while almost two-thirds are either farmers or farm labourers (Pasuk, 2000: 2). Meanwhile, the northeast has always had the largest number of poor (Pasuk, 2000: 3). Economic liberalization has led to a decline in overall poverty but has also caused inequality to rise (Jomo, 2006: 3). Thailand's Gini coefficient continuously increased from 0.41 in 1962 to 0.54 in 1992, and was recently estimated to be at 0.525 in 2000 (Pasuk & Isra, 2000 and Rao, 1998 cited in Jomo, 2006: 11). Thailand has a higher Gini coefficient than its Southeast counterparts. For example, the Gini coefficient for Indonesia was 0.3 in 2000 (Jomo, 2006: 18) and for Malaysia, was at 0.462 in 2004 (Jomo, 2006: 28). Unfortunately, Thailand in the past has not made a "significant commitment to egalitarian redistribution" to reduce inequality (Jomo, 2006: 3). As Pasuk & Isra (2000) point out, technocrats have not "explored the potential of fiscal and social policies to affect the final levels of poverty and inequality, especially innovative policies relating to human resource development, social security, taxation, government expenditure allocation, and the participation of people more closely in policy-making" (Pasuk & Isra, 2000). Redistribution policies should include better educational policies and access, better social security provisions, agricultural growth, progressive fiscal policies, and more equitable social expenditures (Jomo, 2006: 14).

3.4 The role of growth in Sufficiency Economy

In alternative development, "what matters is not growth but development that is equitable, sustainable and participatory" (Pieterse, 2002: 113). Therefore, in order to evaluate the extent to which Sufficiency Economy is an alternative development approach, the role of growth in Sufficiency Economy must first be examined. This section will analyze the extent to which growth matters in Sufficiency Economy.

Although there is a consensus that Sufficiency Economy is less economic growth-led than conventional mainstream development, there is still heavy debate over the degree to which economic growth matters or not in Sufficiency Economy. Thai mainstream economists attempting to make Sufficiency Economy compatible with mainstream economics argue that economic growth is still important under Sufficiency Economy, and that the difference between Sufficiency Economy and mainstream economics is not in “the type of economic behavior but in degree or magnitude of economic behavior” (Medhi, 2003). In other words, growth still matters in Sufficiency Economy, but not as much as it does in mainstream economics. Economist Medhi Krongkaew further argues, “It is obvious that His Majesty’s Sufficiency Economy is not the type found in a mainstream economics textbook, but it would be inaccurate to interpret it as the antithesis of mainstream economics in every respect” (2003). Economists at the TDRI Year-End Conference on Sufficiency Economy also tried to find common ground between Sufficiency Economy and mainstream economics by asserting that even though Sufficiency Economy does not call for maximum economic benefit, Sufficiency Economy still calls for the pursuit of optimal economic benefit which is in line with mainstream economics (Ryratana, 1999: 7). Sufficiency Economy pointed out the imbalances in economic growth that led to the 1997 economic crisis and emphasized more sustainable growth as a development strategy. This understanding of the nature of economic growth under Sufficiency Economy was taken up by the NESDB. In its Ninth Economic and Social Development Plan, the NESDB used Sufficiency Economy as its framework for development with the aim of “moderate growth of between 4% and 5% per year, inflation of 3% and a current account surplus of between 1% and 2% of GDP,” rather than the aim of maximum growth, states former NESDB secretary-general (1999-2002) Sansern Woncha-um (2007: 38).

However, others argue that Sufficiency Economy and growth-led development are contradictory. Apichai argues that Sufficiency Economy was introduced in the King’s 1974 speech as a “counter discourse against development along the capitalist road without due consideration to other undesirable consequences” and that the

King's speech implied the King disagreed with growth-led development (2006a: 2). In his 1974 speech, the King said:

“...no matter what others say – whether they will accuse Thailand of being old fashioned or obscurantist. So long as we have enough to live on and to live for – and this should be the wish and determination of all of us – without aiming for the apex of prosperity, we shall already be considered as the top in comparison with other countries in the present world...” (Excerpt from King Bhumibol Adulyadej's 1974 speech, quoted in Office of the Royal Development Projects Board, 2004)

Coming from a Buddhist perspective, Apichai contends that while capitalism values competition and self-interest, Sufficiency Economy values compassion and cooperation (Apichai, 2007: 20). Informants such as grassroots politics academic Somchai Phatharathananunth (personal interview, September 28, 2007) and director of the Sustainable Development Foundation⁵ Ravadee Prasertcharoensuk (personal interview, October 17, 2007) also described Sufficiency Economy as a development path antithetical to capitalism.

As this section has demonstrated, there are two theoretical variations about the role of growth in Sufficiency Economy. According to the first interpretation by mainstream economists, Sufficiency Economy is growth-led, while in the second interpretation from a Buddhist and grassroots perspective, Sufficiency Economy rejects growth.

3.5 The role of equity in Sufficiency Economy

Alternative development that leads to social transformation demonstrates equity instead of growth as its main feature (Pieterse, 2001: 91). In order to evaluate

⁵ The Sustainable Development Foundation believes in a vision of holistic and sustainable development. It works on increasing community-based natural resource management.

Sufficiency Economy as an alternative development approach, aside from analyzing the role of growth, the role of equity can also be examined. This section will examine in detail the implications of Sufficiency Economy for 1) equity as attainment of sufficiency by all and 2) equity as a limited range of inequality above sufficiency.

3.5.1 Equity as attainment of sufficiency by all

Sufficiency Economy's ethical principle of non-greed implies that meeting basic needs is sufficient for development, especially if happiness is conceived of as mental and spiritual happiness as opposed to material happiness as it is in the Buddhist Economics strand of Sufficiency Economy thinking. "A sufficiency economy in [the context of Buddhist Economics] would be an economy fundamentally conditioned by basic need, not greed, and restrained by a conscious effort to cut consumption" (Medhi, 2003). Nithi Eaewsriwong also views Sufficiency Economy as a cultural and moral standard that emphasizes non-greed as well as sharing based on interdependence among people and with nature. He asserts that in application to lifestyles, the main objectives of Sufficiency Economy are to be sufficient in meeting basic needs while being ecologically sustainable (cited in NESDB, n.d.: 9).

According to the King, the development of the country "must start with basic sufficiency in food and adequate living...When this foundation is secured, then higher economic status and progress can be established" (cited in Medhi, 2003). Although "sufficiency" can be vague and contested and it is not clear what the King means by "adequate living", according to Apichai Pantasen and several informants, "sufficiency" refers to the meeting of four basic needs: food, clothes, medicine, and shelter (Apichai, 2006a: 5; Ravadee Prasertcharoensuk, personal interview, October 17, 2007; Seri Phongphit, personal interview, October 15, 2007, 2007; Sriprai Nonsee, personal interview, October 14, 2007; Vattana Narkpradit, personal interview, October 11, 2007). Because Sufficiency Economy can be interpreted as a development approach that aims to meet basic needs in society, it conceptually

addresses absolute poverty, which is defined by Apichai as a condition associated with insufficient basic needs for sustaining life (2006a: 5).

However, when it comes to fulfilling basic needs, it should be noted that Sufficiency Economy practice emphasizes food security in comparison to other basic needs as outlined above. According to Suthawan and Priyanut, "In the rural area, or where applicable, each household or community should be able to obtain food security, at minimum, to achieve sufficiency at the smallest unit" (2004: 21). Meanwhile, the Office of the Royal Development Projects Board considers the New Theory of Agriculture to be "a proper means to guide the people to assist themselves as much as they can so that they can 'have enough to live and to eat' particularly in terms of foods and clothes" (2004: 26). Despite the emphasis on food security, Sufficiency Economy essentially strives to promote the first type of equity, attainment of sufficiency for all, and this is a prospect for Sufficiency Economy as an alternative development approach.

3.5.2 Equity as a limited range of inequality above sufficiency

In the Sufficiency Economy philosophy, there is an indirect and vague discussion about equity defined as a limited range of inequality above sufficiency. This demonstrates that reducing inequalities is not a main intention of the philosophy, thereby limiting Sufficiency Economy as an equity-led alternative development approach. The ambiguity of inequality in the Sufficiency Economy philosophy does not mean that inequality is completely disregarded or not discussed in association with Sufficiency Economy as a development approach. However, if equity in terms of reducing inequalities is not clearly set out as an objective of Sufficiency Economy philosophy, this does severely hinder Sufficiency Economy's ability as a development approach to promote equity in society. As Jacques-chai Chomthongdi of the NGO Focus on the Global South argued, "When Sufficiency Economy is not dealing directly with equity, it's a hard sell to the poor" (Personal interview, October 19, 2007).

Because the official definition of Sufficiency Economy does not explicitly mention equity, attempts must be made to interpret Sufficiency Economy in a way that links it with equity. As Seri Phongphit points out, “Equity is not clear in the philosophy itself...Sufficiency Economy doesn’t say anything about equity itself, so we need to say it. We need to expose Sufficiency Economy...we need to put Sufficiency Economy in a concrete form” (Seri Phongphit, personal interview, October 15, 2007). Decharut Sukkumnoed, an agricultural economist at Kasetsart University also believes that more progressive elements should be incorporated into Sufficiency Economy. In a Heinrich Boll Foundation Workshop on “‘Slow Trade-Sound Farming’ and Sufficiency Economy”, he stressed the need to operationalize the SEWG concept of self-immunity to address the issue of inequality and its long-term effects, implying that the role of inequality is currently unclear in the Sufficiency Economy discourse (Field notes, October 1, 2007).

A connection can be made between the Sufficiency Economy philosophy and equity by interpreting the SEWG concepts of balance and moderation to imply the limiting of extremes and narrowing of inequality gaps in Thai society. For example, the Chaipattana Foundation⁶, established by the King to carry out royal development projects makes a connection between balance and equity by stating that the Ninth Economic and Social Development Plan, which is based on Sufficiency Economy, will build “fairness” in society in order to achieve the Sufficiency Economy objective of balanced development (“Sufficiency Economy: Direction of the Ninth National Economic and Social Development Plan in pursuit of His Majesty’s philosophy,” 2000).

However, even if it is possible to draw some connections between the Sufficiency Economy philosophy and equity, the lack of explicit discussion of equity in the Sufficiency Economy philosophy still dilutes Sufficiency Economy’s ability as

⁶ The Chaipattana Foundation aims “to promote the development of social and economic welfare activities to improve the quality of life of the people and to enable them to become self-reliant.”

a development approach to advocate for greater equity in society and opens up space for the Sufficiency Economy philosophy to be interpreted in a way that neglects any discussion of equity. In the majority of literature that applies the Sufficiency Economy philosophy as a development approach, instead of referring to equity, “balance” – especially in the context of the period after the 1997 economic crisis – refers to balanced development (economic, social, human, environmental), economic growth, production, consumption, investment, and engagement with globalization as well as balanced personal conduct rather than balance in terms of reducing gaps in society. For example, Privy Councilor Ampol Senanarong stated:

At the national level, a holistic development process should be promoted to create balance. The social, economic, and resource capitals should be taken into consideration. Importantly, all merchandises produced should first meet the demands in the country before being exported. Low risks should be encouraged and we should not over invest because such act will lead to debts. The country should also have careful planning, keep pace with changes in the world and be able to use the natural resources in a worthwhile manner while conserving and preserving the environment. The purpose is to reduce imports of technology and dependence on other countries...Based on the concept and principle of sufficiency economy, a balanced development framework in all important aspects: human, social, economic and environmental, is stressed. The middle path is followed as the main guiding light to free the country from crises as well as to ensure its secure, balanced and sustainable development.
(Ampol, 2004, 6-7)

In the above excerpt, balance is defined as balance in exports, avoiding debt, natural resource use, and dependence on other countries --- not balance in the sense of reducing inequalities.

Further evidence that Sufficiency Economy is not an entirely equity-led development approach is that many involved trying to push forward Sufficiency Economy in Thailand see reducing inequality as a means to an end of achieving a Sufficiency Economy society rather than as an end in and of itself. At the First

Sufficiency Economy Roadmap Brainstorming Session⁷, participants concluded that because both income and land inequality in Thai society are obstructions to Sufficiency Economy, efforts should be made to reduce inequality (Rural And Reconstruction Management Institute, 2007). Moreover, from the researcher's non-participant observation at the "Third Sufficiency Economy Roadmap Brainstorming Session", the idea of reducing inequality is more of an afterthought than a central issue tackled by Sufficiency Economy, as minimal meeting time was devoted to discussing how to reduce inequality in society (Field notes, October 15, 2007).

Priyanut Piboolsravut, Project Director of the Crown Property Bureau's Sufficiency Economy Research Project, made a comment in a Heinrich Boll Foundation Workshop entitled "Eco-Fair Trade and Sufficiency Economy" which conveyed that she also sees reducing inequality as a means to an end of sufficiency (Field notes, October 1, 2007). She explained that because peace is a precondition for sufficiency and income inequality does not lead to peace, the income gap must be reduced to create a peaceful society and enhanced enabling environment for sufficiency. Again, it seems that decreasing inequality in society is more of an afterthought than a central concern of Sufficiency Economy. Buddhist economist Apichai Pantasen provides a slight variation on the relationship between peace and equity. He writes, "although the final goal of Sufficiency Economy is peace and tranquility for most people, the process that will lead to the said goal also results in equality gained from not much of a difference in socio-economic status among the people..." (Apichai, 2006a: 10). This shows that he believes equity is not a direct goal but more of a byproduct of the process leading to Sufficiency Economy.

In addition to being a means toward peace, Apichai Pantasen stated that reduction in socio-economic inequality could be a means to an end of increasing

⁷ The Sufficiency Economy Roadmap project aims "to enable the national development towards the sufficiency economy through strategies, road map, and clear planning, in order to achieve the final target step-by-step." The project is organized by Apichai Puntasen's Rural And Social Management Institute and the Thai Research Fund.

individuals' level of *pañña*⁸: Apichai sees consumerism as a significant problem and believes that the poor are the biggest victims of consumerism. If the poor can develop a higher level of *pañña* or individual wisdom, then they could break away from the problem of consumerism: "Reducing the income gap is related to the promotion of *pañña*, because if you are poor, it is difficult to generate *pañña*" (Apichai, personal interview, October 15, 2007). In sum, although the above accounts of Sufficiency Economy see inequality as a hindrance to Sufficiency Economy, they do not focus directly on reducing inequality as the central objective.

Sufficiency Economy as a development approach calls for equity in the attainment of sufficiency and basic needs for all, but it does not effectively reduce inequality above sufficiency level. In other words, Sufficiency Economy does not necessarily reduce the gap between those who can only meet their basic needs and those who can meet more than their basic needs, such as affording higher quality education and satisfying their consumer wants. Sufficiency Economy would therefore reduce absolute poverty but not relative poverty.

Apichai attempts to argue that Sufficiency Economy can reduce relative poverty, however, his argument is not convincing because he compares the current level of inequality to a hypothetical situation of applying Sufficiency Economy in the past: "...if Thailand embarked on Sufficiency Economy instead of continuing on a capitalist road since the introduction of Sufficiency Economy in 1974, by adopting development in step with the aim that everyone should have sufficiency to live, there will be no or at least less of a socio-economic gap than what it has been currently" (Apichai, 2006a: 8). Apichai continues: "The development along the route of Sufficiency Economy focuses on equity implying that the development efforts must be done, step by step, aiming at reducing the political-economic gap from the outset. Such characteristics will pre-empt the existence of relative poverty. If it still occurs, it

⁸ Apichai explained that "*pañña*" is not fully translatable. It is usually translated to mean 'wisdom' but its meaning encompasses much more than that. "*Pañña*" is the ability to understand everything with its own nature and means to not be controlled by "kilet" or defilement of the mind. Possessing a higher level of *pañña* means to be less self-interested.

will not be as severe as the one within the capitalist framework” (Apichai, 2006a: 14). Apichai’s analysis is neither realistic nor relevant since Thailand has already gone down the path of capitalist development. From Apichai’s statement, it can be concluded that if Sufficiency Economy were to be applied now in replacement of capitalism, it would not increase the socio-economic gap in society. Furthermore, because Sufficiency Economy, according to Apichai, “does not suggest any redistribution scheme through a formal social safety net by the government” (2006a: 9), Sufficiency Economy would also not decrease the socio-economic gap. Applying Sufficiency Economy in the context of Thailand’s present-day capitalist society would therefore neither increase nor decrease inequality but keep it the same.

Ultimately, the Sufficiency Economy philosophy idea of contentment with what one has implies that as a development approach, Sufficiency Economy would not be concerned with reducing inequalities in society. The King said that “luxurious” and “extravagant” items are permissible as long as it is within one’s means (King Bhumibol Adulyadej, royal speech, 1998). At the same time, those who do not have as many means, such as small-scale farmers, are told to “enjoy a simple, not extravagant life and be satisfied with materials obtained legally and legitimately” (Office of the Royal Development Projects Board, 2004: 26). According to President of the Privy Council Prem Tinsulanonda, the Sufficiency Economy philosophy advises people to “[rein] in expectations to within the bounds of self-support and self-reliance” (2001). Contentment and satisfaction with what one has as long as it is within one’s means suggests that Sufficiency Economy as a development approach would accept inequality, for “apparently everyone must be content with their own level of Sufficiency, but as Orwell might have put it, some are more “sufficient” than others” (Giles, 2007a: 11).

The notion of contentment also implies that material inequalities are reinforced by aspirational inequalities, for it could be interpreted as those who have less should try to be content with meeting their basic needs and try not to desire more than what is within their means, while those who have more can desire and consume

more as long as it is within their means. Interestingly enough, this Sufficiency Economy principle of being content with what one has appears to have permeated Thai society. A study on happiness and well-being in northeastern and southern Thailand revealed:

“A striking aspect of contemporary Thailand is the way material inequalities are reinforced by aspirational ones, which can be seen in the responses given by household heads from different socio-economic backgrounds when asked about their goals and aspirations. Poor household heads focused on basic need fulfillment and gave responses such as *por yu, por kin* (‘sufficient to live and eat’) when asked about the future. They described wanting ‘any’ job, rather than a ‘good’ one, and only wanting their children to remain in education until working age, unless migrant siblings could earn enough to pay their school fees. People favored developing humility, rather than attaining status, and seemed to have moderate ambitions for consumer goods, although having more living space was a priority. In contrast, medium or rich household heads wanted to gain status through higher education for their children, ‘good’ jobs, acquiring assets and consumer goods (especially cars), and funding community activities” (Camfield et al. cited in McGregor, 2007: 13-14).

As the study shows, poorer households did not desire much more than meeting their basic needs, while richer households aspired to acquire more assets and consumer goods as well as aspired their children to have higher education. This inequality in aspirations between different socio-economic groups in society may become problematic if people who have less want more than basic needs (Ravadee Prasertcharoensuk, personal interview, October 17, 2007). This may happen when they see others who have more than them, including education and consumer goods (Vattana Narkpradit, personal interview, October 11, 2007). In sum, the Sufficiency Economy concept of contentment discourages the poor from desiring more than the four basic needs of food, shelter, clothes, medicine, thereby reinforcing relative poverty.

3.6 Sufficiency Economy and equitable distribution

This section will look at the extent to which Sufficiency Economy in practice can promote equity in the distribution of income, land, benefits of economic growth, access to resources, and social services including health and education.

3.6.1 Income Distribution

A more even income distribution is essential to the promotion of equity. In Thailand, inequality has increasingly worsened over the past 40 years and currently, income inequality remains high and extremely skewed (UNDP, 2007: xvi). While the top fifth of the population has 55.2 percent of the total income, the bottom fifth has only 4.3 percent (UNDP, 2007: 9).

If Sufficiency Economy in practice can achieve any reduction in the income gap, it is in the limited dimension of increasing the net income of self-reliant small-scale farmers. Switching from mainstream mono-cropping agriculture to alternative self-reliant agriculture results in a reduction in input costs (pesticides, herbicides, fertilizer), which leads to a higher net income for the small-scale farmer such as in the case of organic farmer Biew Thai-la (Biew Thai-la, personal interview, October 9 2007). But because self-reliant agriculture does not necessarily increase the gross income of a farmer – in fact, gross income may even decrease – the gross income gap in society is not reduced (Jacques-Chai Chomthongdi, personal interview, October 19, 2007).

Those who are successful in practicing self-reliant agriculture, including the King's the New Theory of Agriculture, have certain opportunities that not all farmers may have. For example, Somboon Pueng-kasem, a farmer from Chachoengsao used the New Theory to increase his income to more than 180,000 baht. However, he had the opportunity to participate in a training course on the New Theory and also had

access to 15 rai⁹ of land (Suthawan & Priyanut, 2004: 15-16). In another case, Boonshu Songsomboon, a farmer from the same province, increased her income by 134,700 baht by using the New Theory. Like Somboon, she received training on the New Theory, and more than that, she owned an ample 80 rai of land (Suthawan & Priyanut, 2004: 15-16).

There are certain material factors and opportunities that are necessary for switching from monocropping to self-reliant agriculture. First and foremost, a farmer needs to own land, in particular at least 10 rai (Sriprai Nonsee, personal interview, October 14, 2007). Secondly, it is easier for farmers to switch to self-reliant agriculture if they have minimal financial burdens or debt (Pa Kongtham, personal interview, August 31, 2007; Seri Phongphit, personal interview, October 15, 2007; Sriprai Nonsee, personal interview, October 14, 2007; Vattana Narkpradit, personal interview, October 11, 2007), however, a majority of farmers in Thailand are in debt. According to the Thailand National Statistical Office's 2003 Agricultural Census, 60.4% of agricultural households were in debt, with average debt per household at 68,767 baht (National Statistical Office Thailand, 2003).

According to farmer Biew Thai-la, a farmer needs to have enough initial capital through a "start-up" fund, otherwise it is harder to switch to self-reliant agriculture (Personal interview, October 9, 2007). Furthermore, access to a water supply and irrigation system is crucial (Biew Thai-la, personal interview, October 9, 2007; Vattana Narkpradit, personal interview, October 11, 2007), while access to local markets to sell surplus organic agriculture would help increase income (Biew Thai-la, personal interview, October 9, 2007; Pa Kongtham, personal interview, August 31, 2007). Finally, according to Daycha Siripatra, Director of the Khao Kwan Foundation¹⁰, one cannot switch to self-reliant agriculture without knowledge about how to practice it, so this knowledge can be provided by such organizations as the Khao Kwan Foundation. (personal interview, October 9, 2007; Vattana Narkpradit,

⁹ One rai equals 1600 square meters

¹⁰ The Khao Kwan Foundation is an NGO that promotes the concept and practice of sustainable agriculture in Thailand. One of its core activities is training farmers in sustainable agriculture.

personal interview, October 11, 2007). The Khao Kwan Foundation, through its “Sustainable Agriculture Supporting Project”, has introduced sustainable agriculture techniques to farmers so they can “cut down external inputs, regain self-support and rebuild their farm communities” (Khao Kwan Foundation, n.d.).

Table 3.1 Factors for practicing successful self-reliant agriculture

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| <ul style="list-style-type: none"> • Access to land • Minimal financial burdens or debt • Initial capital • Access to water supply/irrigation system • Access to local markets for surplus organic agriculture • Knowledge about alternative agriculture techniques |
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Meanwhile, non-farmers such as urban residents are unable to increase their net income under Sufficiency Economy because unlike farmers they have limited opportunities and resources to produce food for their own consumption. They can only practice Sufficiency Economy through attempting to reduce their consumer expenses, which may be especially difficult and even unrealistic for the urban poor who have difficulty meeting their basic needs as it is, explained Sriprai Nonsee, an urban factory worker and labor union leader (personal interview, October 14, 2007). The only option for the urban grassroots to increase their net income would be to uproot their life and move to a rural area where they can practice self-reliant agriculture. This happened in the case of Chaweewan Pohiran, a former urban laborer who was interviewed (personal interview, October 9, 2007). Chaweewan decided to move back to her hometown of Suphanburi to become a self-reliant farmer because although her income was higher in the city, due to higher living expenses, her net income was lower.

Despite the fact that self-reliant agriculture offers the opportunity for farmers to diversify their risks, it may not be the best option for all farmers. Jacques-chai pointed out that self-reliant agriculture should not be romanticized as a solution to structural agricultural problems and argued that some farmers may still need to engage in the market economy” (“Slow Trade-Sound Farming’ and Sufficiency

Economy”, field notes, October 1, 2007). In addition, off-farm employment may sometimes be the best alternative to insure against agricultural risks (Na Ranong, 1999). Without adequate opportunities in agriculture, many people decide to migrate to Bangkok to find work.

Overall, Sufficiency Economy in practice has a rather limited impact on reducing income inequality in Thailand. The UNDP Thailand Human Development Report 2007 on Sufficiency Economy states that “schemes to build local capacity for self-reliant production, disciplined expenditure, and prudent risk management” can address poverty (UNDP, 2007: 71). But these schemes do not adequately address income inequality because not everyone can practice self-reliance in terms of consuming what they produce (especially urban residents). In this way, self-reliance risks creating a split between those able and those unable to practice it (Rist, 2002: 135).

To reduce income inequality, income redistribution policies are needed in Thailand. However, “the Thai government has not made use of fiscal policy or other measures to redistribute income progressively. The bulk of government revenue [has come] from regressive indirect taxes (sales taxes and tariffs), suggesting a regressive tax structure” (Jomo, 2006: 14). Several informants pointed out that progressive tax reform is essential to decreasing income inequality, but Sufficiency Economy in philosophy, practice, and policy does not mention it (Prapart Pintobtang, personal interview, August 30, 2007; Ravadee Prasertcharoensuk, personal interview, October 17 2007; Sriprai Nonsee, personal interview, October 14, 2007; Vattana Narkpradit, personal interview, October 11, 2007). Ravadee argues that if the concept of “por piang” or “sufficient” in Sufficiency Economy refers to sharing and non-exploitation of others, then these Sufficiency Economy principles could be put into concrete practice and institutionalized through a progressive tax system where those who have more share more of their surplus (personal interview, October 17 2007). Other than instituting a more progressive income tax, factory worker and labor union leader Sriprai Nonsee also recommended reform of the sales tax so that the tax burden on the

poor would be reduced (personal interview, October 14, 2007). Meanwhile, professor of political science and advisor to the AOP Prapart Pintobtang stressed the need for an increase in the inheritance tax (personal interview, August 30, 2007). All these tax reforms would distribute tax more proportionately and thus reduce income inequality.

3.6.2 Land Distribution

According to Brohman, “generally, the most basic structural obstacle faced by the poor in Third World societies is extremely unequal distribution of productive resources and assets,” particularly land, so broadly based rural development requires land redistribution (Brohman, 1996: 272). Inequality in land ownership in Thailand is a major problem that links to both income distribution and power distribution. Because land is a productive asset, those who have more land have more economic opportunity as well as more power. Land is essential to the livelihoods of poor communities in rural areas since it is a means of providing subsistence needs and for generating income (Leonard & Narintarakul Na Ayutthaya, 2003: 1). An equitable distribution of land is important because it may increase employment and incomes (Kambhampati, 2004: 204). Land reforms also contribute to preventing rural to urban migration, thereby spreading the benefits of development more evenly.

The Land Institute Foundation in 2000 estimated that over 30 percent of 5.5 million agricultural households do not have enough land for their livelihoods in Thailand, considered as less than 10 rai in the Northern Region (Leonard & Narintarakul Na Ayutthaya, 2003: 2). Specifically, 454,819 households did not hold any land, while a total of 1,678,678 households held no land or less than 10 rai of land (Leonard & Narintarakul Na Ayutthaya, 2003: 2). In recent decades, there has been an increase in the number of people without land due to the classification of 50 percent of the country as national state forest in the 1960s and because during the years of high economic growth large areas of agricultural land were taken out of production in order to be acquired by private investors (Leonard & Narintarakul Na Ayutthaya,

2003: 2). The Agricultural Land Reform Act was passed in 1975 and defines land reform as:

"Redistribution of land for farming and residential uses by allocating state land or, land purchased or expropriated from landowners who do not themselves cultivate or who own land in excess of what is stipulated by the Agricultural Land Reform Act of 1975 to farmers who are landless or do not have sufficient land for cultivation, and to farmers' institutions by means of lease and sale. In so doing, the state will provide supporting services such as resource development, marketing facilities as well as public utilities." (Section 4, Agricultural Land Reform Act of 1975 cited in Chirapanda, 2000)

The Act even states that one of its four main objectives is to reduce social and economic inequalities among the populace. Although the 1975 Agricultural Land Reform Act exists, it has not been successfully carried out because a minority of large landowners who have power or wealth have not been affected by the Act and have resisted land reform. Large landholdings have hindered the implementation of land reform due to an unfavorable political climate (Chirapanda, 2000).

Self-reliant agriculture, as a major aspect of Sufficiency Economy practice, is premised on the idea that households should consume what they produce. Because small-scale farmers need land, a factor of production, in order to practice self-reliant agriculture and meet their basic needs, putting Sufficiency Economy into practice necessitates effective land reform and redistribution (Vattana Narkpradit, personal interview, October 11, 2007). Land reform is needed in order to address disparities in land ownership as well as to ensure that everyone has a sufficient amount of land on which to practice self-reliant agriculture and attain food security. Although the UNDP Thailand Human Development Report 2007 on Sufficiency Economy proposes "provid[ing] the landless and land-poor with land from the extensive land that is unused because of ownership by government agencies, encumbered by legal process, or other reasons" (UNDP, 2007: 71), it does not go so far as to demand land reform in accordance with the Agricultural Land Reform Act. Even though land reform is a

precondition for putting Sufficiency Economy into practice, according to key informants, as of yet there is no explicit link between Sufficiency Economy as a development approach and land reform. Therefore at the moment, the Sufficiency Economy practice of self-reliant agriculture indirectly promotes greater equity in land distribution.

3.6.3 Distribution of the benefits of economic growth

One of the ways in which to analyze equity in the context of development is to look at the distribution of the benefits of economic growth. Although Thailand is a middle-income country that has made overall progress in development, this progress has been unevenly distributed. The Thai government has invested more in industry than in agriculture (UNDP, 2007: 24). Meanwhile, urban areas have grown faster than rural areas, and poverty is concentrated in the rural Northeast, North, and far South of Thailand (UNDP, 2007: 2). Sawai points out that in the past, the Bangkok metropolitan area has received the majority of state investment whereas rural areas have been neglected (Sawai, 1998: 69).

In order to address the gap between urban and rural development, the Sufficiency Economy philosophy appears to propose rural self-reliance. Prime Minister Surayud Chulanont stated:

“Adopting the philosophy of Sufficiency Economy for national administration is to think and plan the country’s development directions in a way that there is a balance between urban and rural society. Such balance is crucial as urban and rural societies are separated by such a wide gap due to the rapidly growing urban society and stagnant growth in rural communities causing a great difference in the quality of life. The capacity to be self-sufficient is as important as an ability to compete in the world scenario. Families and communities must be immunized using the principle of balance.” (Cited in NESDB, 2006a: 3)

Although introducing the New Theory of Agriculture to the rural farming sector would be a viable solution for bias against the agricultural sector (Adis, 1999), there are geographical and environmental limitations in practicing the New Theory and other similar types of self-reliant agriculture. According to the King himself, the New Theory cannot be done easily, and it cannot be applied everywhere, as the location has to be chosen (King Bhumibol Adulyadej, 1998).

Because self-reliant agriculture, including the New Theory, depends on the availability of water and public sector investment in suitable areas, some areas may not be physically appropriate (Viroj, 1999). One such area is the Korat Plateau of northeastern Thailand, where there are very poor soils and a lack of moisture (Bello, Cunningham, and Poh, 1998: 143). Without much potential for irrigation, farmers are forced to be dependent on unreliable monsoon rains (Bello, 1998: 143). The difficulty in farming on poor soils was explained by an informant who migrated to the city because of difficulties her family faces making a living as farmers on poor soil. Sakorn Boonchareon, a maid in Bangkok originally from Surin, explained that land in northeast Thailand is not suitable for farming (Sakorn, personal interview, October 10, 2007). The soil there is sand-like, so in the dry season or during droughts the land dries up and there is not enough water.

Therefore, in order to distribute the benefits of economic growth more equally across sectors and regions, it is necessary to propose more than self-reliant agriculture. What is needed is more investment in rural areas (Jacques-chai Chomthongdi, personal interview, October 19, 2007) and development spending that is "equitably distributed and targeted in areas of real need" (UNDP, 2007: 71). Na Ranong (1999) argues that another possibility is government redistribution of risks among farmers, which is feasible because Thailand has stable agricultural shares in GDP and exports.

3.6.4 Access to resources

Another way in which to analyze equity is to examine access to resources. In Thailand, access to natural resources is key to people's livelihoods. Unfortunately, infrastructure development (Vattana Narkpradit, personal interview, October 11, 2007), power structures, and environmental concerns have denied people access to land, water, and forest resources (UNDP, 2007: 24). Vattana Narkpradit, an advisor to the Assembly of the Poor, explained that villagers affected by the construction of roads and dams 20-30 years ago have lost control of factors of production such as land and water and have thus been unable to live sufficiently and meet their basic needs (personal interview, October 11, 2007). Currently, large industrial and energy estates have caused villagers to lose their farming and fishing livelihoods. Furthermore, the government's declaration of national parks has pushed villagers out of the land.

According to Vattana Narkpradit, rural villagers aim to live in accordance with the Sufficiency Economy philosophy since they "intend to live a lifestyle of sufficiency where they don't think they need to save money and deposit in the bank...For rural villagers, land and water, as factors of production, are more necessary than money" (personal interview, October 11, 2007). Villagers think that access to land and water guarantees that they will have enough to live and eat throughout their lives (Vattana, 2007). This is because "those who secure their resource bases may live a frugal life...they do not have to hurriedly accumulate their wealth" (Apichai, 2006a: 6). In accordance with living a lifestyle of sufficiency, Apichai states that Sufficiency Economy as a development approach "wants to secure the resource base for the poor" (2006a: 9). Based on these accounts, Sufficiency Economy supports equal access to natural resources.

However, in practice, there is no evidence that Sufficiency Economy as a development approach has led to securing the resource base for the poor. A community forest bill could help villagers defend themselves against the claims of the

state, but this bill still has not been passed although it has been under discussion for a long time (Prapart Pintobtang, personal interview, August 30, 2007). Furthermore, because meeting basic needs is a core objective of Sufficiency Economy, Director of the Sustainable Development Foundation Ravadee Prasertcharoensuk believes that the Sufficiency Economy philosophy could promote activities and policies that lead to livelihood security, such as community-based natural resources management (personal interview, October 17, 2007).

3.6.5 Provision of social services and the debate over state welfare

Lastly, equal opportunity in access to and quality of social services including education and health is an important component of equity. In Thailand, education, health, and social services has not been distributed evenly due to low government expenditure in such areas, as well as the urban-bias of such expenditures (Jomo, 2006: 14). In fact, wealthier households “received proportionately larger shares of the direct benefits of expenditures on education [and] public health” (Chalongphob et al. cited in Jomo, 2006: 14).

Access to education has been very unequal, especially due to government spending that is biased toward the tertiary level (Jomo, 2006: 15). Furthermore, factory worker and labor union leader Sriprai Nonsee explained that even though universal education is available, book and supply fees are not covered (personal interview, October 14, 2007). Because the poor are unable to afford these related school expenses they have no choice but to send their children to temple schools where there are not enough teachers (Sriprai Nonsee, personal interview, October 14, 2007).

With regards to healthcare, even though a universal healthcare scheme exists, according to Sriprai Nonsee, inequality still persists because those who have more money have better access to quality healthcare (personal interview, October 14, 2007). Some illnesses are also not treated under the healthcare scheme (Sriprai

Nonsee, personal interview, October 14, 2007). The illnesses that are not treated include illnesses for over 180 days hospitalization, except under the doctor's advice; treatment under experiments/research, renal disease in the last stage which need kidney cleaning and fertilizing blood with artificial kidney, and organ transplants ("Health promotion and prevention activities under universal coverage", n.d.). In terms of a social safety net, attempts at unemployment insurance have not been very successful, and policies such as the minimum wage, social security, and severance pay have benefited richer workers in comparison to the poorer laborers (Jomo, 2006: 14).

Sufficiency Economy in the form of self-reliant agriculture does not reduce disparities in either education or healthcare because it does not increase the ability of self-reliant farmers to afford quality education and healthcare and does not involve the redistribution of access to either on a national scale. Small-scale self-reliant farmers are excluded from educational participation because they do not have the financial means to fund their children's educational expenses. The UNDP Thailand Human Development Report 2007 on Sufficiency Economy explains that when Serm Udomna, a self-reliant farmer and leader of the Inpaeng Network, "needs extra money such as fees for his children's higher education, he sells his cows" (UNDP, 2007: 40). Likewise, Pa Kongtham, a grassroots leader of the Assembly of the Poor who practices some sustainable agriculture said that her family has to calculate how many cows and fields they need to sell in order to send her children to school, as her family cannot pay for educational expenses. She explained that due to the minimal income provided by self-reliant agriculture, families must begin planning how to finance their children's education very early on when their children reach toddler age (personal interview, August 31, 2007). Therefore, she believes that those who practice self-reliant agriculture in line with Sufficiency Economy need supplemental income or educational scholarships and loans in order to finance their children's education (Pa Kongtham, personal interview, August 31, 2007).

With regards to healthcare, the minimal income from self-reliant agriculture means that farmers have minimal means to afford healthcare. Serm Udomna declares: "My own garden gives me safe food and medicinal plants which keep me healthy and free of sickness. I believe that prevention is the best solution to health care. As they say, you are what you eat" (UNDP, 2007: 40). This statement implies that under Sufficiency Economy as a development approach, the only healthcare available is preventative healthcare. But in reality, there is no way to entirely prevent sickness, so farmers need access to universal healthcare. For example, self-reliant farmer Biew Thai-la stated that "the 30-baht health scheme helps us" (personal interview, October 9, 2007).

For the same reason, community self-reliance in the form of community welfare does not reduce gaps in educational or healthcare access either. Although the community may contribute collectively to educational and health funds, as well as create social safety nets to aid community members, community welfare does not increase overall access to social services because it does not redistribute resources on a national scale. Indeed, it is only through state welfare and redistribution policies that disparities in the provision of social services can be reduced. As Sachs points out, "more equitable development generally requires a fair measure of resource redistribution, taking from the richer (regions and people) and transferring to the poorer – and this can most effectively be accomplished with state assistance" (Sachs cited in Brohman, 1996: 274). For example, in order to improve access to quality education, the state should not only provide free universal education but also cover related school expenses (Vattana Narkpradit, personal interview, October 11, 2007; Sriprai Nonsee, personal interview, October 14, 2007). Likewise, the state should improve the universal healthcare scheme to increase equal access to quality healthcare for all (Sriprai Nonsee, personal interview, October 14, 2007). Sriprai believes that Sufficiency Economy is like an unrealistic "dream", but that improved state welfare is at least imaginable in her lifetime (Sriprai Nonsee, personal interview, October 14, 2007).

3.6.6 The debate over the role of the state and state welfare

The UNDP Thailand Human Development Report 2007, Apichai Pantasen, and Pawalan Polsaen, an officer of the Khao Kwan Foundation, cite the incompetency of the state and reluctance to depend on “hand-outs” of the state as reasons for supporting individual and community self-reliance instead of state welfare. The UNDP Thailand Human Development Report 2007 argues, “Within the context of community, some forms of redistribution and welfare are needed to aid those who are incapacitated in some way through disability, old age, household breakdown, natural disaster, lack of access to resources, or whatever. But interventions from outside create a breach with the principle of self-reliance and may be poorly planned and ill-targeted. At worst, they become mere hand-outs. Where needed, funds should be channeled through existing community institutions so that they strengthen rather than weaken these bodies” (UNDP, 2007: 72). A similar contention is made by Apichai, who asserts:

“Sufficiency Economy does not suggest any redistribution scheme through a formal safety net by the government. Such system is based on collection of progressive tax from the rich in order to pay to the less fortunate ones. Sufficiency Economy designs a redistributive mechanism through securing a resource base for communities in rural areas. It also focuses on improving the quality of factors of production for the owners. Most of them are urban workers who require better skills. Such process of improvement can be managed through a group process. Through the said approach, there will be no need for the poor to depend on a welfare mechanism managed by the state, the practice that may induce many problems, if it has not been properly managed.” Apichai (2006a: 9)

Meanwhile, Pawalan Polsaen, an officer of the Khao Kwan Foundation, criticized the Thai welfare system for being weak and riddled with problems (personal interview, October 15, 2007). She explained that the Khao Kwan Foundation “does not want villagers to depend on government funds” so they encourage villagers to practice

Sufficiency Economy. All three accounts have a negative view of both the state and state welfare.

The argument for retreat from the state draws out the quintessential debate over the role of the state in development and poverty reduction. Economists Chirayu Isarangkul and Kobsak Pootrakool (2002: 13) argue that it is not enough to allow the operation of market forces and rely entirely on the conventional role of the government to help the poor. They write, “the government with the best of intentions is unlikely to be able to reach down to all the poor individual farmers. Farmers themselves can consolidate into community organizations helping each other in the activities of production, marketing, livelihood, welfare, education, social work and religion” (Chirayu and Kobsak, 2002: 14). Although Chirayu and Kobsak make a good point about inadequacies of the market and the state to address poverty, community self-reliance should not be seen as a silver bullet solution to development. In fact, as Hettne points out, “Self-reliance is a remedy against inequality only in so far as this inequality is interaction-induced. If it depends on great differences in resource endowment or if the lack of development emanates from internal exploitation, self-reliance will not help or may even be harmful” (1992: 174).

Although the state has been discredited and criticism of the state is understandable, Jacques-Chai Chomthongdi believes that this does not mean that the state should be retreated from (personal interview, October 19, 2007). On the contrary, the focus should be on state and institutional reform and accountability. Individuals and communities can play a supplementary role in providing welfare, but improvement of state welfare should not be abandoned, as it is crucial to increasing equity in Thai society.

3.7 Lack of structural analysis of poverty and inequality

Sufficiency Economy as a development approach has a very limited effect on reducing inequalities in Thai society because it focuses on individual change at the

expense of structural change. This is primarily due to the fact that in the Sufficiency Economy approach, reducing inequalities depends in part on the rich voluntarily sharing their wealth and resources with the poor. Furthermore, the Sufficiency Economy approach's focus on consumption reduction and mental development leads to a tendency to blame the poor for their economic problems. A focus on the individual as the unit of change may problematically detract attention from important problems such as inequality that are structural in nature. As such, this lack of structural analysis of poverty and inequality significantly limits Sufficiency Economy as an alternative development approach because it implies that Sufficiency Economy does not adequately address inequality, leading to maintenance of the uneven status quo distribution of wealth, resources, and opportunities in society.

3.7.1 Individual behavior of the rich

According to the SEWG, Sufficiency Economy is defined by values such as harmlessness, generosity, and sharing (NESDB, n.d.: 3). Buddhist Economics is also about sharing with people and avoiding harm to others. Director of the Khao Kwan Foundation Daycha Siripatra stated that in theory, the Sufficiency Economy philosophy can address inequality, but in practice this depends on the behavior and mindset change of individuals (personal interview, October 9, 2007). If the rich use the Sufficiency Economy philosophy values of generosity and sharing, they would not allow themselves to get richer but would instead help the poor (Daycha Siripatra, personal interview, October 9, 2007). Furthermore, Apichai argues that gaps in society can be reduced if those who have *pañña* contribute more than they take from society by not accumulating wealth (Apichai, personal interview, October 15, 2007).

However, individual benevolence of the rich leading to the benefit of the poor is unrealistic. According to Daycha Siripatra, who is a devout Buddhist, the problem is that "most people don't have a genuine Buddhist way of thinking," and furthermore that "the Buddhist beliefs of the rich are waning" because they no longer believe in reincarnation and thus are not as motivated by karma (personal interview, October 9,

2007). In such a situation, the rich are unlikely to be more sharing and giving toward society.

Sakorn Boonchareon, an urban slum dweller, explains that because the Sufficiency Economy idea of sharing depends on voluntary individual choice, "it's not possible to force the rich to change and to share" (personal interview, October 20, 2007). Furthermore, if the Sufficiency Economy philosophy effectively induced the rich to help the poor, then land reform would have been achieved by now, argued Vattana Narkpradit (personal interview, October 11, 2007). Samli Thong-in-phong, a self-reliant farmer, commented that "the gap between the rich and poor will always be there because the rich keep taking advantage of the poor" (personal interview, October 9, 2007). She believes that Sufficiency Economy as a development approach does not reduce inequality because "it's still everyone for themselves" (Samli, 2007). Without a concrete prescription for structural change, e.g. redistribution policies, Sufficiency Economy as a development approach can reduce inequality only through the benevolence of the rich who choose to voluntarily share their wealth, land, and resources with the poor.

3.7.2 Individual behavior of the poor

The Sufficiency Economy philosophy emphasizes individual behavior and mindset change in terms of consumption reduction and contentment with what one has. As such, the philosophy focuses specifically on individuals' moral and mental deficiencies, which can be problematic. Labor activist Numnual Yapparat commented, "Sufficiency Economy is a challenge toward equality because it makes people look at themselves first" and "blames individuals for being excessive consumers" (Numnual Yapparat, personal interview, October 21, 2007). Indeed, this emphasis on consumption reduction gives a biased perception of the poor by making them seem undisciplined if they do not spend within their means (Jacques-chai Chomthongdi, personal interview, October 19, 2007). Evidence of this type of "blame

the victim” thinking can be found in a document produced by the Knowledge Management and Poverty Reduction Unit of the NESDB, which states:

The principle of sufficiency economy, based on the middle way and self-reliance, is practiced by the poor; this will result in poverty alleviation in all sectors...First is to raise awareness of self-reliance. The poor have to recognize their own problems and are able to address solution to such problem, by themselves. For example, if they have high level of household expenditure arising from unnecessary consumption or production cost, they must seek ways and means to decrease such household expenditure. If there are opportunities to cease, they could gain income from supplement work. The important thing is to encourage the poor to reduce/quit gambles (NESDB, 2006b: 18).

Focusing on individual-oriented change tends to hold the individual responsible for problems. As Melkote points out, “...the use of the individual as the unit of response and analysis has led to the use of the individual as the unit of change and consequently, the unit of blame” (Melkote 1991: 143).

Instead of blaming the poor for their consumer habits, factory worker and labor union leader Sriprai Nonsee believes that blame should be placed on the capitalist system itself and not on the individual greed and desires of people. She stated, “In theory, Sufficiency Economy seems good, since it tells people not to be greedy and this may change people’s thinking, but in reality, it’s the environment of consumerism and competition which encourages greed...but for poor people, you can’t even talk about them being greedy” since they barely have enough money to cover daily living expenses (personal interview, October 14, 2007). Seri Wongmonta, a professor specializing in markets, confirms that Thai society has been a consumerist society for a long time, which makes it hard for people to have the power and wisdom to reject fulfilling their consumerist wants (Pairaw, 2007: 147).

Aside from blaming the poor for excessive consumerism, the Sufficiency Economy philosophy encourages the poor to be content with what they have as long as their basic needs are met, thereby focusing on individual mindset change. Apichai

in particular explains that Sufficiency Economy works on the level of mental development through improving one's individual wisdom (2007: 23). Furthermore, he argues that "the ability to improve *pañña* significantly will reduce in its significance the structural problem that can normally be one major obstacle against any effort to reduce poverty" (Apichai, 2006a: 9). By this, Apichai means that individual wisdom can overcome structural constraints as long as the structural constraints are not too severe, although he does not specify at which point the individual will be constrained by structure.

On the other hand, others argue that structural constraints are always significant. As Jacques-chai Chomthongdi points out, "When the poor are in an unjust society, they are poor and indebted, so how can the government tell them they must be happy at the individual level?" (Personal interview, October 19, 2007). Focusing so much attention on the individual to reduce poverty through behavior and mindset change obfuscates structural constraints that have led to an unequal distribution of important resources such as wealth, land, skills and information among people in developing countries (Narula and Pearce cited in Melkote 1991: 143). According to Ryan, if poverty is perceived as a cultural deficiency, the solution is not distribution of resources but how to change the "way of life" of the poor (cited in Melkote 1991: 185). Sufficiency Economy as a development approach does not perceive poverty as a cultural deficiency, but it does focus on moral and mental deficiencies, so the same could be said about the Sufficiency Economy approach in the sense that it does not see the redistribution of resources as the solution to poverty and inequality. Therefore, Sufficiency Economy as a development approach may even hinder the achievement of a more equitable society.

3.8 Conclusion

To answer the first question about the prospects and limitations of Sufficiency Economy as an alternative development approach in Thailand, this chapter has argued that the goal of attainment of sufficiency for is a prospect on the criteria of equity. In

terms of the limitations of Sufficiency Economy as an equity-led alternative development approach, in the Sufficiency Economy philosophy there is an indirect and vague discussion about equity defined as a limited range of inequality above sufficiency, which demonstrates that reducing inequalities is not the main intention of Sufficiency Economy as a development approach. Furthermore, equity is seen by some in the Sufficiency Economy movement as a means to an end of achieving a Sufficiency Economy society rather than as an end in and of itself. Lastly, the Sufficiency Economy principle of contentment with what one has implies that Sufficiency Economy as a development approach accepts inequality.

To answer the second research question about the extent to which Sufficiency Economy promotes equity in Thai society, this chapter has laid out the following arguments. First of all, if Sufficiency Economy in practice can achieve any reduction in the income gap, it is in the limited dimension of increasing the net income of self-reliant small-scale farmers. According to informants, Sufficiency Economy in philosophy, practice, or policy does not suggest income redistribution and progressive tax policies that would reduce income inequality. Second, putting Sufficiency Economy into practice necessitates effective land reform and redistribution, however, there is currently no explicit link between Sufficiency Economy and land reform. Third, in order to distribute the benefits of economic growth more equally across sectors and regions, promotion of self-reliant agriculture is not enough, as more even distribution of government and development spending is needed. Fourth, Sufficiency Economy as a development approach promotes more equitable access to resources such as natural resources because it aims to secure the resource base for the poor, although there is no evidence of this in practice yet, such as passage of the Community Forestry Bill and community-based natural resource management. Fifth, Sufficiency Economy practice in the form of individual and community self-reliance does not reduce disparities in either education or healthcare because it does not increase the ability of self-reliant farmers to afford quality education and healthcare, as it is only through state welfare and redistribution policies that disparities in the provision of social services can be reduced. Lastly, Sufficiency Economy as a

development approach has a very limited effect on reducing inequalities in Thai society because it focuses on individual behavior at the expense of structural change. This is because the reduction of inequality depends on the benevolence of the rich and a focus on consumption reduction and mental development of the poor ignores structural constraints to poverty and inequality.