

— Thailand's philosophy of the sufficiency economy — for sustainable enterprises

An important function of the APO is identifying new methods of productivity improvement and disseminating them to member countries. A recent example was the APO and Thailand Productivity Institute (FTPI) seminar on the Global View and Applications of the Sufficiency Economy Philosophy (SEP) toward Sustainable Enterprises, in Bangkok, 12–16 February. The seminar, with 25 APO participants from 12 member countries in the audience of more than 100, began with an open forum featuring various international and local dignitaries including senior government officials, representatives of the private sector, and economists.

The SEP was formulated by His Majesty King Bhumibol Adulyadej of Thailand, a dedicated development expert. His Majesty questioned the sole focus on economic growth and suggested an alternative, human-centered development approach enabling individuals to achieve an appropriate balance in their endeavors. The SEP acknowledges that a measure of self-reliance is needed to operate effectively in the globalized market. It is based on the three key concepts of moderation, reasonableness, and self-immunity pursued following the two underlying principles of knowledge/wisdom and ethics, which involve virtue and integrity. The SEP achieved global recognition when H.M. King Bhumibol received the 2007 UNDP Lifetime Achievement Award for his contributions to efforts to alleviate poverty and social inequality in Thailand.

In his opening remarks at the seminar, APO Secretary-General Shigeo Takenaka introduced the broad spectrum of creative productivity models that APO projects have disseminated, including practical Japanese tools such as 5S, kaizen, and the community-based One Village, One Product (OVOP) movement. Other models included Thailand's One Tambon, One Product (OTOP) movement (an adaptation of OVOP), Korea's New Community Development (*Saemaul Undong*), Indonesia's groundbreaking microfinance system, and Bangladesh's Nobel Prize-winning Grameen Bank. "The sufficiency economy concept caught our attention after Thai participants in various APO projects referred to it during discussion sessions. It is interesting for me to learn that the concept is broader and applicable at any level from individuals, communities, and enterprises to the management of the national economy," stated Secretary-General Takenaka.

Keynote speaker Secretary General Dr. Surin Pitsuwan, Association of South-east Asian Nations, suggested that the SEP could serve as a coping mechanism for the harsh realities of globalization since, "Globalization offers no defenses, no protection or guarantees for anyone anymore. Everyone is equally exposed and everything is at risk." Dr. Pitsuwan added that the world was in desperate need of alternative, sustainable solutions that deliver social security, especially developing nations struggling to balance immediate needs and future nation-building agendas.

The SEP is increasingly accepted by the Thai corporate world. An early adopter was the Siam Cement Group, the recipient of H.M. the King's Trophy for Best Practice of the Sufficiency Economy in Large Enterprises category in 2007. During the Asian financial crisis, the group devised a survival strategy for reform centered on the SEP which averted possible business closure by harnessing the ingenuity, resourcefulness, and self-sufficiency of its employees.



Siam Cement Group executives (R) explaining production facilities

For the FTPI, the seminar provided an opportunity to share the best practices of the SEP in action in its OTOP outreach programs. The FTPI is conducting need assessment for OTOP cluster management and designing a quality management framework based on the SEP. It expects that the SEP will become the foundation for developing human resources holistically throughout the Asia-Pacific. 🌀