

# **Morality Based on Sufficiency Economy Philosophy with the Management of Subdistrict Administrative Organization (SAO) to Raise the Sufficiency of Chiang Mai Local Politics**

Wirasak Somyana

*Department of Sufficiency Economy, Faculty of Management Science,  
Ubon Ratchathani University, Thailand.*

*Corresponding author: wirasak@cmru.ac.th*

## **Abstract**

This research aimed to study morality based on sufficiency economy which is appropriate to the management of subdistrict administrative organizations (SAO) and can increase the morality of these organizations when they applied this morality to their management. Quantitative analysis was used to evaluate the achievement of raising the political morality of 27 SAO in Chiang Mai which were used as the sample in this study. Statistical Package for Social Science (SPSS) version 16 was used to analyze the data. Limited Dependent Variable Model (LIMDEP) version 9 was used to test the hypothesis.

The research outcome was that integrity, diligence and lack of greed are the most appropriate forms of morality based on sufficiency economy for the management of these 27 organizations 99%, 99% and 95% level of significance respectively. These can raise morality by 36.01%. It illustrates that all of these moralities based on sufficiency economy applied in the management of SAO can reflect the image of decentralization of local political development and democracy.

**Key Words:** Morality Based on Sufficiency Economy Philosophy; Management, Subdistrict Administrative Organization (SAO); Political sufficiency

## **Introduction**

The 11<sup>th</sup> socio-economic strategic plan of Thailand was made in the period that the country confronted a rapid change in socio-economical and environmental development. As a result, sufficiency economic philosophy was instituted and widely applied to individuals, families, societies which could help to create the resistance so that it would help to develop the country have a society which is environmentally friendly and contented. Thailand thereby emphasized human resource development and tried to provide a chance for people to access resources, knowledge, technology as well as sources of production which are friendly to the environment. The development base on sufficiency economy as well as the involvement of people in every area were also realized and emphasized (Office of the National Economics and Social Development Board, 2011).

The strategic plan of Chiang Mai (2011-2014) not only aimed to become a prosperous, splendid and happy city in Asia for all residents and visitors as well as a gateway for international trade based on sufficiency economy but also emphasized at increasing income. The local government still follows capitalism by setting ways to promote and support trade and investment. It emphasizes materialism such as money, profit and competition and believed that this will make people happy. The socio-economic development of Chiang Mai was however unsuccessful because it couldn't make the income distribution to people in local communities. The populism policy that Chiang Mai uses to develop the socio-economics of the city at present contradicts to sufficiency economy. Socio-economic development based on sufficiency economy emphasizing a balance of income distribution and reduces the income gap among people, developing their potential capacity consisting of production and hearts of people (Somyana, 2010). This can create sustainable development for the city.

The capitalism concept which emphasizes materialism rather than moral and virtue improvement of people creates many problems for society (Somyana, 2009) such as competition and taking advantage

of people who lack opportunity. As a result, the government has tried to solve this problem by bringing good governance to operate in its work and let other officials to carry out their work based on good governance emphasizing in transparency and involvement. This principal can work well depending on how much it can be implanted in the hearts of people who follow the principle of good governance. If there is no implanting in the hearts of people it will not succeed in the development of the city. Subdistrict administrative organizations have worked more closely with local people and the central government has empowered them to supervise the local community. As a result, they have the authority to administer and manage their organizations such as they obtain their administrative staffs by elections. They can manage and look after the income and expenditure themselves. However, local communities are still been controlled by the regional government. Thus, the ways that they administer themselves and the ways that they have been administered by the regional government system is contradictory. Conflict of interest is the main obstacle to increasing the efficiency of their organizations. If the administrative staffs of these organizations and the regional government realize the principle of good governance and operate their work to most people's needs, it can operate more efficiently so that it can really help their organizations to develop.

His Majesty King Bhumiphon offered guidelines to work based on sufficiency economy so that it will bring happiness, progress and peace to the country and the people. Some people such as Puey Aungpakorn, Buthathatphikuak and E.F Shumaker, a German economist suggested the similar concept as the King. E.F. Shumaker presented a new economic concept on the topic of "Buddhist Economics" in an article. This concept is opposed to the progress of materialism. It stressed the importance of people over productivity. The concept of Khandi "the answer is in the village" emphasized sufficiency of the community level. This concept is the opposite of the capitalism which supports the greed (Somyana, 2009).

If the subdistrict administrative organization administer and manage local communities to develop their socio-economic by applying the 5 moralities of the King; 1) integrity; 2) generosity; 3) equity; 4) patience and 5) diligence (Phantasean, 2008), it will be appropriate to the socio-economics of Thai society and can be applied to the operation of local communities. All of these 5 moralities have been applied to the management of these SAO so that it will make a change in the pattern of performance of local communities by emphasizing people involvement. The final goal of the performance of the subdistrict administrative organizations is to develop politics resulting in a happy local community.

As a result, these organizations should bring morality to their work and educate as well as implant a morality concept in people by persuading people to follow the morals, setting a framework to work with people as well as make the evaluate their work based on morality.

### **Purpose of Research**

(1) To study appropriate morality based on sufficiency economy in the management of subdistrict administrative organizations

(2) To study the increase of morality in subdistrict administrative organizations by applying morality based on sufficiency in the management of subdistrict administrative organizations.

### **Research Methodology**

This study creates an understanding of the phenomena by systematic analysis to look for appropriate types to apply in the management of subdistrict administrative organizations. Primary data was by interviewing officers of Chiang Mai subdistrict administrative organizations and secondary data was obtained from literature reviews, analysis and synthesis to look for the answers in the research. The solution will be to create a model in order to look for an appropriate type of involvement of organizations and local communities.

### (1) Population

The population in this study was subdistrict administrative organizations in Chiang Mai. At present, there are 25 districts and 204 subdistrict administrative organizations in Chiang Mai.

### (2) Sampling

The sampling in this study was restricted to the staffs who have worked for at least 1 year but not more than 4 years at the subdistrict administrative organizations (the term of administrative staffs is 4 years). 27 samples were selected by sampling from 54 SAO where the administrative staffs had worked for no more than 4 years. There were 3 kinds of sampling; 1) the administrative staff of SAO; 2) officers of organizations and 3) the council of the SAO

### (3) Instrument for collecting the data

This study used the systematic analysis and econometrics to analyze the data in order to make the study more reliable and valid.

(3.1) Primary data was obtained from surveying and interviewing the sample from 27 subdistrict administrative organizations

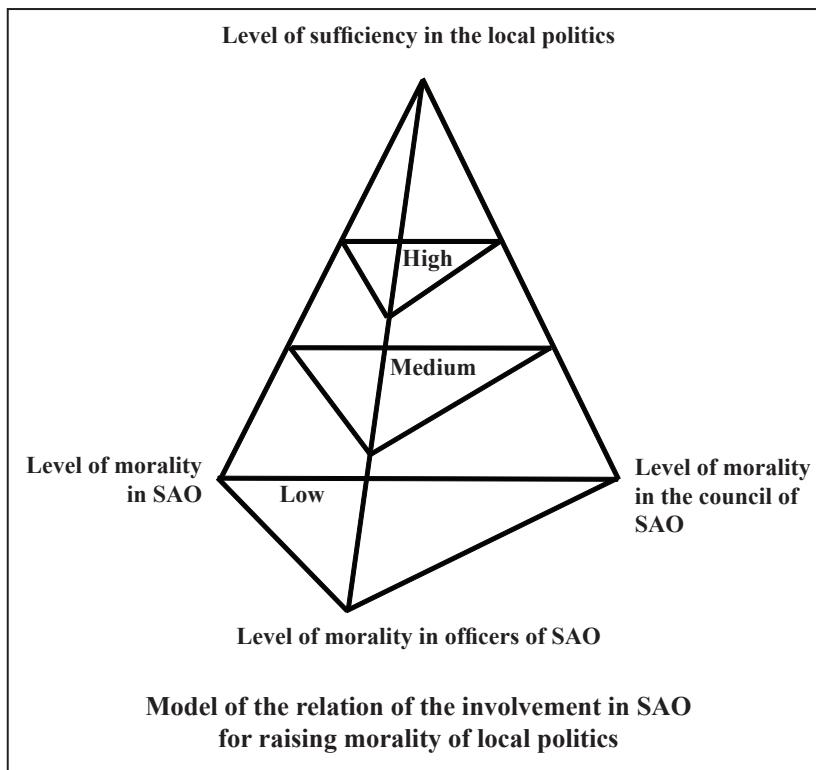
(3.2) Secondary data was obtained from strategic plans, projects, operational plans , annual reports of these 27 SAO.

### (3.3) Instrument for collecting data

The researcher used both qualitative and quantitative research in this study. Technical statistic for estimation was used to test the accuracy of the research outcome. Qualitative research was used to support the quantitative research in order to obtain a more precise and clear answer from the qualitative research. The instrument to collect data consisted of questionnaires and interviews. SWOT analysis was also used to analysis the context of SAO.

### (4) Conceptual Framework

This study aimed to study the relation of the involvement of the 3 parts mentioned above in the model below:



1) SAO staffs such as the leaders of SAO reflect how they apply morality based on sufficiency economy to their work. Criteria for measuring level of morality were classified into 3 levels

The highest: 80.01 - 100 %, level of applying morality based on sufficiency economy in working

High: 65.01 - 80.00 %, level of applying morality based on sufficiency economy in working

Medium: 50.00 - 65.00 %, level of applying morality based on sufficiency economy in working

2) SAO officials such as government officers, employees reflect how they apply morality based on sufficiency economy to work with SAO administrative staffs and delegates from people who are the members of the SAO council. Criteria of the level of morality base on sufficiency economy is classified in to 3 levels

The highest: 80.01 - 100 %, level of applying morality based on sufficiency economy in working

High: 65.01 - 80.00 %, level of applying morality based on sufficiency economy in working

Medium: 50.00 - 65.00 %, level of applying morality based on sufficiency economy in working

3) SAO council consisted of delegates from local committees who had been people selected to be members of the council in order to inspect the SAO and consider the approval of the operation consistent with the vision and project of SAO staffs. It reflects how they apply morality based on sufficiency economy to their work with SAO staffs and officers. Criteria of the level of morality based on sufficiency economy is classified into 3 levels.

The highest: 80.01 - 100 %, level of applying morality based on sufficiency economy in working

High: 65.01 - 80.00 %, level of applying morality based on sufficiency economy in working

Medium: 50.00 - 65.00 %, level of applying morality based on sufficiency economy in working

The result form the relation of the involvement from the triple party is the sufficiency of the local politics development. Researcher had set the 3 levels of sufficiency of political development

High level: 80.01-100% political development

Medium level: 65.01-80.00% political development

Low level: 50.00-65.00% political development

## (5) Data analysis and discussion

Researchers used simple statistics such as percentage and testing by histogram to consider the distinction of frequency and cumulative percent and used statistic package of social science program (SPSS) version 16 to group the level of the marks. The researcher analyzed the result to look for the relation of variables affecting the level of morality based on sufficiency economy and tested the hypothesis

by Limited Dependent Variable Model version 9. This research used Ordered Probit, Maximum likelihood estimates and marginal effect. There are 5 variables affecting the level of morality based on sufficiency economy; integrity, generosity, patience, diligence and lack of greed. The function of study can illustrate as follow; (Calkins. P., A. Wiboonpongse and S. Sriboonchitta, 2009: 159 - 166)

$$y_i^* = X_i' \beta + \mu_i \quad (1)$$

$$y_i = 1 \quad \text{if } y_i^* \leq 0$$

$$y_i = 2 \quad \text{if } 0 < y_i^* \leq \gamma$$

$$y_i = 3 \quad \text{if } y_i^* > \gamma$$

$$y_i = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \mu_i \quad (2)$$

$y_i = 1$  low in sufficiency for local politics

$y_i = 2$  medium sufficiency for local politics

$y_i = 3$  high sufficiency for local politics

$X_1$  level of integrity

$X_2$  level of lack of greed

$X_3$  level of patience

$X_4$  level of diligence

$X_5$  level of generosity

$\beta_i$  the coefficient of variables

$\mu_i$  error of the model

$i$  number of SAO in this study; i means the first SAO

to the 27<sup>th</sup> SAO

## Results of Research

The analysis result of the 2<sup>nd</sup> equation can be concluded as the 3<sup>rd</sup> equation

$$y_i = 114.82 + 0.58X_1^{**} + 2.07X_2^* + 0.70X_3 + 2.30X_4^{**} + 1.10X_5 \quad (3)$$

The restricted log likelihood is -28.91181 and log likelihood function is -.1200002E-04 and Chi square (Sig at .001) is 57.82360. The result of the analysis by ordered probit for relation of 5 types of morality base on sufficiency economy which is appropriate to apply in SAO management, the model has the level of significance at  $\alpha = 0.001$ . As a result, this model is good in explaining the level of morality in SAO management. However, this model can only forecast 58.10% the total level of the variables correctly which is the medium level forecasted. The forecast which is the most accurate is in the medium level by 91.6% and the high level of the forecast is 57.10%. As a result, the variable of the morality regarding integrity, diligence were applied the most in SAO management with 99% of level of significance. Lack of greed is another variable be applied in SAO management with 95% of level of significance.

Types of morality base on sufficiency economy applied to SAO management with community can create the achievement for raising the local political development as illustrated in table 1

**Table 1** Illustrates the achievement for raising the sufficiency of SAO politics from morality development

Independent Variables	Low level of political development ( $y = 1$ )	Medium level of political development ( $y = 2$ )	High level of political development ( $y = 3$ )
	Marginal effect	Marginal effect	Marginal effect
$X_1$ (Level of integrity)	-.0395	-.3205	.3601**
$X_2$ (Level of lack of greed)	.0980*	.7944	-.8924
$X_3$ (Level of patience)	.0523	-.4243	.4766
$X_4$ (Level of diligence)	-.0192	.1560**	.1752
$X_5$ (Level of generosity)	-.0090	-.0730	.0820

Source: The research study

\*\* significance at  $\alpha= 0.01$

\* significance at  $\alpha= 0.05$

The marginal effect reflected 3 levels (high, medium and low) for local politics development. The marginal effect of integrity has a chance to develop and it reflected in the high level of political development which increased by 36.01%. Lack of greed of SAO has a chance to develop and reflected the low level of well-being of local politics development which increased 9.8%. The diligence has a medium chance to develop which increased 15.6%. These illustrated that applying

morality based on sufficiency economy particularly integrity, lack of greed of officers and SAO administrative staffs in SAO work could motivate political morality leading to a decentralization of the local community. If there is motivation and support to create and increase morality in SAO, it can develop morality in local politics sustainably.

## **Conclusion**

This research can explain that morality based on sufficiency economy; integrity, diligence and lack of greed of SAO is the most appropriate to SAO management of 99%, 99% and 95% of the level of significance respectively and affect 36.01% of increase for the local political development. As a result, applying integrity, diligence and lack of greed to officers and administrative staffs reflect the political development of the decentralization to local communities so it illustrates democracy in politics.

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