

## Abstract

The sufficient economy philosophy had been initiated by His Majesty the King since 1974. In 1992 the philosophy became practical and has been called the New Theory Agriculture, the self-sufficient agriculture. The application of the New Theory started in 1992 at Wat Mongkholchaipatana, Saraburi Province and had been extended to several areas. The concept and the application of the New Theory had been widely examined in various aspects since the crisis in the year 1996. The application of the New Theory is now under the responsibility of the Ministry of Agriculture and Agricultural Co-operatives, the Ministry of Interior and the Special Committee for Co-ordinating the Projects initiated by His Majesty the King.

The objective of this study is to examine the social and economic changes of the farmers who participate in the New Theory Agriculture Project. The study base on the hypothesis that the member farmers will be better off in term of the permanent and stable income, self-reliance to some extent especially food supply. However, the target group farmers may not be included in the project because the lack of land. The result of the study is consistent with the hypothesis, the member farmers have relatively larger size of land holding and must have enough money to share the fixed cost.

The economic changes that benefit the member farmers are the crop diversification and more varieties of livestock, rice yield per rai increases as a result of sufficient water supply and utilization of chemical fertilizer and pesticide. The farm products are sold and some left for household consumption. As a result there is a safety net for the member farmers in form of risk diversification, permanent stream of income and food supply. The households' consumption expenditures decrease and less of the family members become hired labor. However the cost of production increases, work hours are longer and their indebtedness are the same. They want government to provide them the capital fund, water resource and price support. Nevertheless it is not the objective of the study to find the conclusion and to evaluate the performance of the New Theory Agriculture project.

The conclusion of the study is the farmers who particate in the New Theory Agriculture Project have their own land in the irrigated areas, thc holding sizes are relatively larger. They have experience in integrated agriculture, and they still produce for the market. It probably indicates that they are ready for the second step of the New Theory .

To follow and achieve the New Theory's philosophy the project officers have to carefully select the suitable project members and areas. They must understand the philosophy, objectives and how to monitor and evaluate the project performance. And the member farmers should have more participation in determining their community development strategy and process.

Lastly, the New Theory require relatively high fixed cost especially the cost for water resource and land development which the government has to bear. However it became an effective incentive for the farmers to join the project. Therefore, the application of the New Theory one must take into account the cost of the project and the distribution of cost burden.

