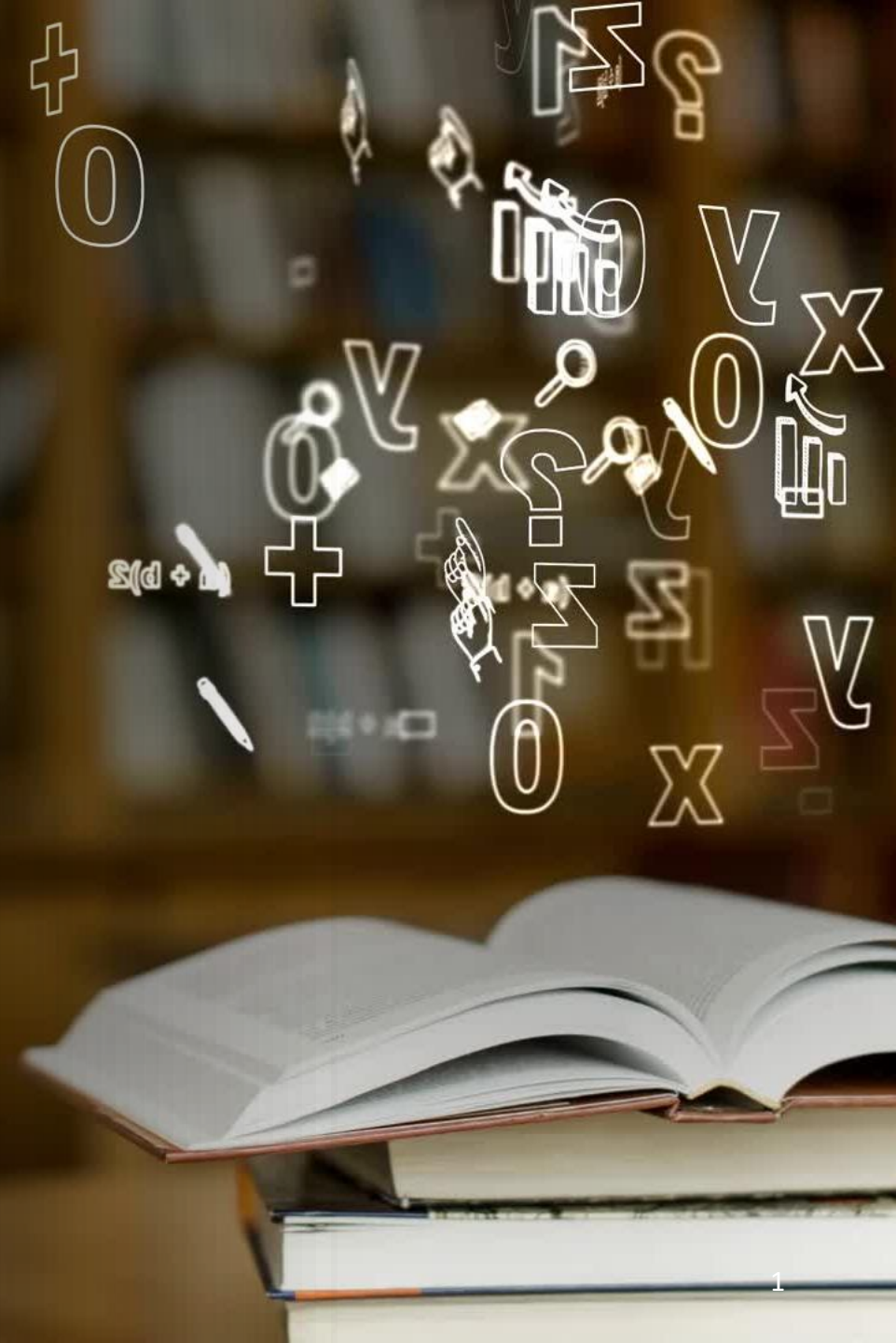


**Economics for
Better Living:
01999041
Chapter 1:
Introduction**



01 Objectives

02 Preface

03 The importance of integrating
economics to better living

01

The importance of integrating economics to better living

1. Causes and Emphasis
2. Understanding the ideas of integration
3. Understanding various thoughts of better living

02

The significance of different economic levels to better living



Household



Community



Society

03

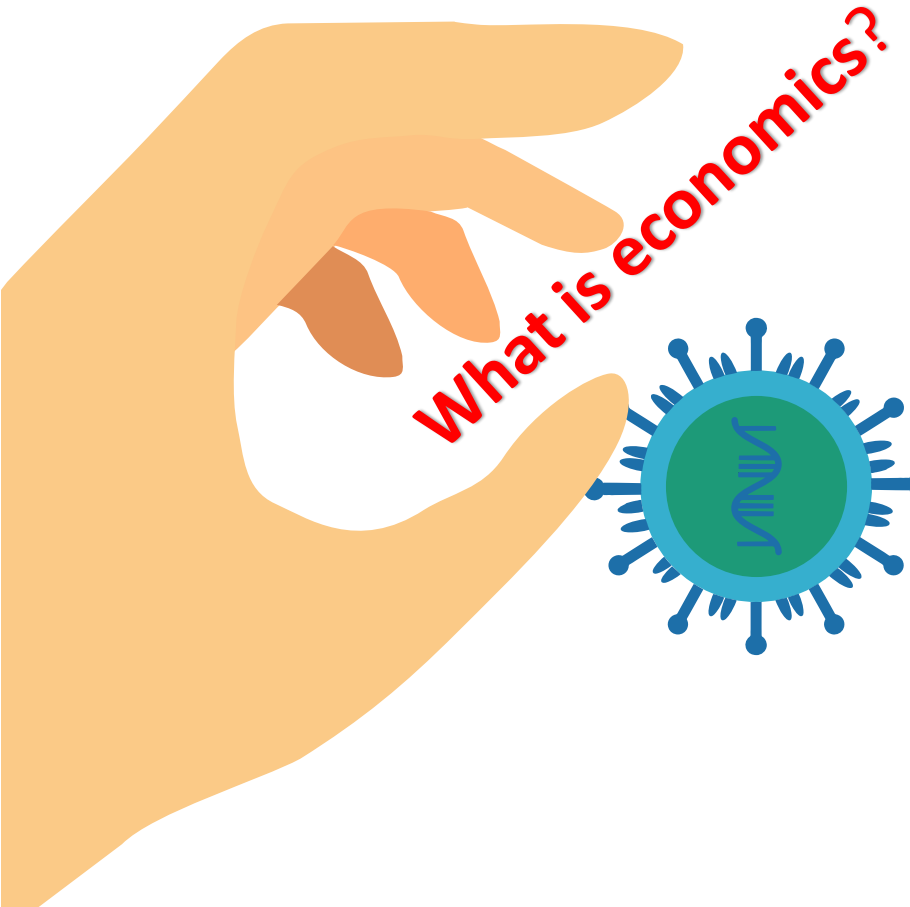
Ability to integrate the relationship of economic components to better living



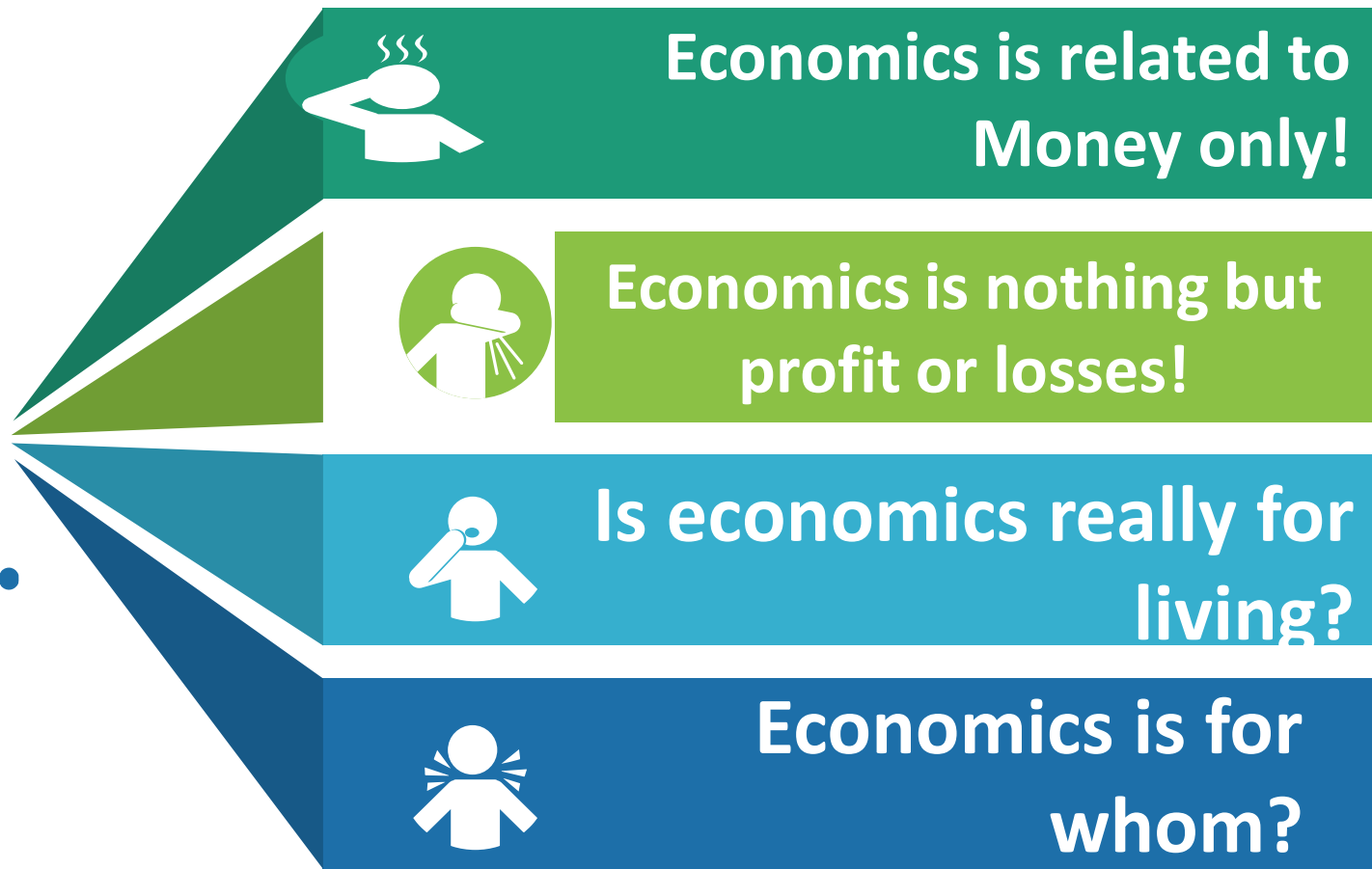
Why Finland And Denmark Are Happier Than The U.S.

<https://youtu.be/6Pm0Mn0-jYU>

What is Economics?



What is economics?



The Cost of Raising a Child: \$233,610



Not including the annual cost of college!

\$45,370 Private
\$20,090 Public

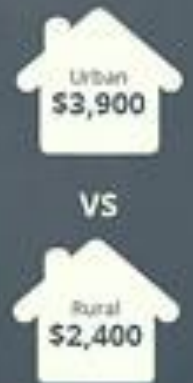
*Includes room and board.



Where does the money go?



Annual Housing Cost per Child



Annual Food Costs by Age



Cost by Region



*U.S. average for middle-income, married-couple families. Total costs are from birth through age 17. Source: Expenditures on Children by Families, 2015. U.S. Department of Agriculture, Center for Nutrition Policy and Promotion. Misc. Pub. No. 1528-2015.

7.7 mil Baht
(as 1\$ = 33 Baht)

The Cost of Raising a Child

- From Consumer Expenditures Survey, in 2015, a family will spend approximately **\$12,980 (0.43 mil Baht)** annually per child in a middle-income (\$59,200-\$107,400), two-child, married-couple family.
- Middle-income, married-couple parents of a child born in 2015 may expect to spend \$233,610 (**\$284,570** if projected inflation rate is 2.2 percent per year) for food, shelter, and other necessities to raise a child through age 17. **This does not include the cost of a college education.**

Where does the money go?

29%

of the total cost to raise a child goes towards **housing**



USDA, Center for Nutrition Policy and Promotion
Source: Expenditures on Children by Families, 2015

18%

of the total cost to raise a child goes towards **food**



USDA, Center for Nutrition Policy and Promotion
Source: Expenditures on Children by Families, 2015

16%

of the total cost to raise a child goes towards **child care & education***



15%

of the total cost to raise a child goes towards **transportation**

USDA, Center for Nutrition Policy and Promotion
Source: Expenditures on Children by Families, 2015

9%

of the total cost to raise a child goes towards **health care**



USDA, Center for Nutrition Policy and Promotion
Source: Expenditures on Children by Families, 2015

7%

of the total cost to raise a child goes towards **recreation, entertainment, and other costs**



6%

of the total cost to raise a child goes towards **clothing**



USDA, Center for Nutrition Policy and Promotion
Source: Expenditures on Children by Families, 2015

<https://www.usda.gov/media/blog/2017/01/13/cost-raising-child>

The Cost of Raising a Child

Year	Age	Income group		
		Lowest	Middle	Highest
2015	<1	\$9,690	\$12,680	\$19,770
2016	1	9,910	12,960	20,210
2017	2	10,130	13,250	20,660
2018	3	10,360	13,600	21,140
2019	4	10,590	13,900	21,620
2020	5	10,830	14,210	22,100
2021	6	10,650	14,100	22,120
2022	7	10,890	14,410	22,620
2023	8	11,130	14,730	23,120
2024	9	12,150	16,070	25,250
2025	10	12,420	16,430	25,810
2026	11	12,690	16,800	26,380
2027	12	12,470	16,980	27,430
2028	13	12,750	17,360	28,040
2029	14	13,030	17,740	28,660
2030	15	13,890	19,350	32,550
2031	16	14,200	19,780	33,270
2032	17	14,520	20,220	34,020
Total		\$212,300	\$284,570	\$454,770

7 mil Baht

9.4 mil Baht

15 mil Baht

*Estimates are for the younger child in married-couple families with two children and assume an average annual inflation rate of 2.2 percent.

Let calculate cost of raising a child in Thailand

Age	Education level	Living Expense with 3% inflation rate			Tuition fee			Total			Assumptions
		Low	Medium	High	Low	Medium	High	Low	Medium	High	
1											
2											
3	Pre-kindergarten	36,000	90,000	180,000	40,000	110,000	180,000	76,000	200,000	360,000	Tuition fee
4	Kindergarten 1	37,080	92,700	185,400	40,000	110,000	180,000	77,080	202,700	365,400	Kindergarten
5	Kindergarten 2	38,192	95,481	190,962	40,000	110,000	180,000	78,192	205,481	370,962	Elementary/High School
6	Kindergarten 3	39,338	98,345	196,691	40,000	110,000	180,000	79,338	208,345	376,691	College
7	Elementary School: Grade 1	40,518	101,296	202,592	80,000	140,000	200,000	120,518	241,296	402,592	Equipments
8	Grade 2	41,734	104,335	208,669	80,000	260,000	200,000	121,734	364,335	408,669	Living expense (360 days/year)
9	Grade 3	42,986	107,465	214,929	80,000	80,500	200,000	122,986	187,965	414,929	Daily living expense
10	Grade 4	44,275	110,689	221,377	80,000	80,000	200,000	124,275	190,689	421,377	
11	Grade 5	45,604	114,009	228,019	80,000	80,000	200,000	125,604	194,009	428,019	Living Expense with 3% inflation rate per year
12	Grade 6	46,972	117,430	234,859	80,000	80,000	200,000	126,972	197,430	434,859	
13	High School: Grade 7	48,381	120,952	241,905	80,000	80,000	200,000	128,381	200,952	441,905	
14	Grade 8	49,832	124,581	249,162	80,000	80,000	200,000	129,832	204,581	449,162	
15	Grade 9	51,327	128,318	256,637	80,000	80,000	200,000	131,327	208,318	456,637	
16	Grade 10	52,867	132,168	264,336	80,000	80,000	200,000	132,867	212,168	464,336	
17	Grade 11	54,453	136,133	272,266	80,000	80,000	200,000	134,453	216,133	472,266	
18	Grade 12	56,087	140,217	280,434	80,000	80,000	200,000	136,087	220,217	480,434	
19	College: Year 1	57,769	144,424	288,847	60,000	120,000	220,000	117,769	264,424	508,847	
20	Year 2	59,503	148,756	297,513	60,000	120,000	220,000	119,503	268,756	517,513	
21	Year 3	61,288	153,219	306,438	60,000	120,000	220,000	121,288	273,219	526,438	
22	Year 4	63,126	157,816	315,631	60,000	120,000	220,000	123,126	277,816	535,631	
23	Graduate school: Year 1	65,020	162,550	325,100	60,000	120,000	220,000	125,020	282,550	545,100	
24	Year 2	66,971	167,427	334,853	60,000	120,000	220,000	126,971	287,427	554,853	
		1,099,324	2,748,310	5,496,620	1,480,000	2,360,500	4,440,000	2,579,324	5,108,810	9,936,620	
		43%	54%	55%	57%	46%	45%	Low	Medium	High	



Robert Waldinger: What makes a good life? Lessons from the longest study on happiness | TED

<https://youtu.be/8KkKuTCFvzI>

Preface

Dr. Puey Ungphakorn

**Economics related to the whole life of
human being.**

“From Womb to Tomb”

The Quality of Life of a South-East Asia

By Dr. Puey Ungphakorn (in Thai)

http://www.youtube.com/watch?v=74Vt_0fDnuw

စတုရန်း

"From Womb to Tomb"

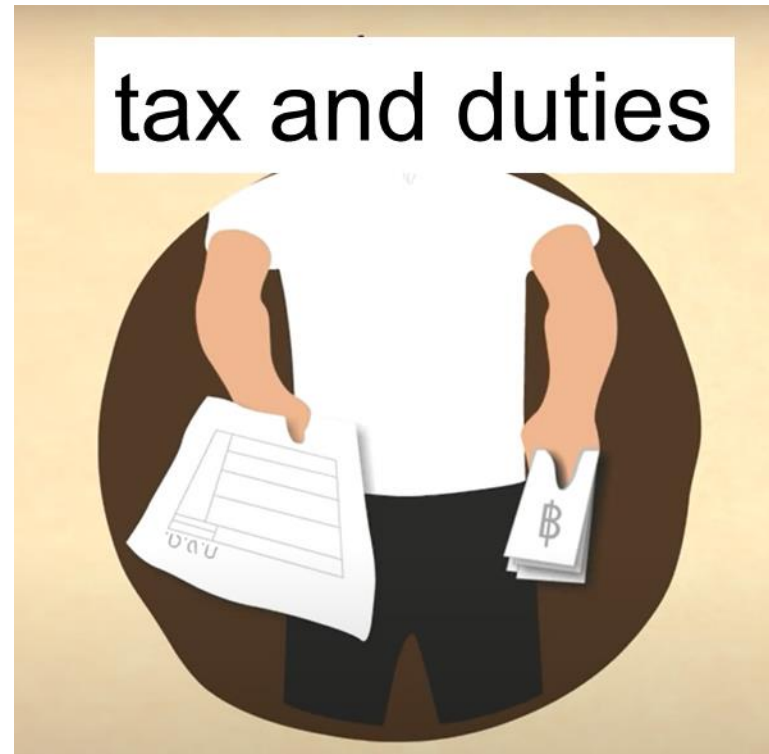
The Quality of Life of a South-East Asia

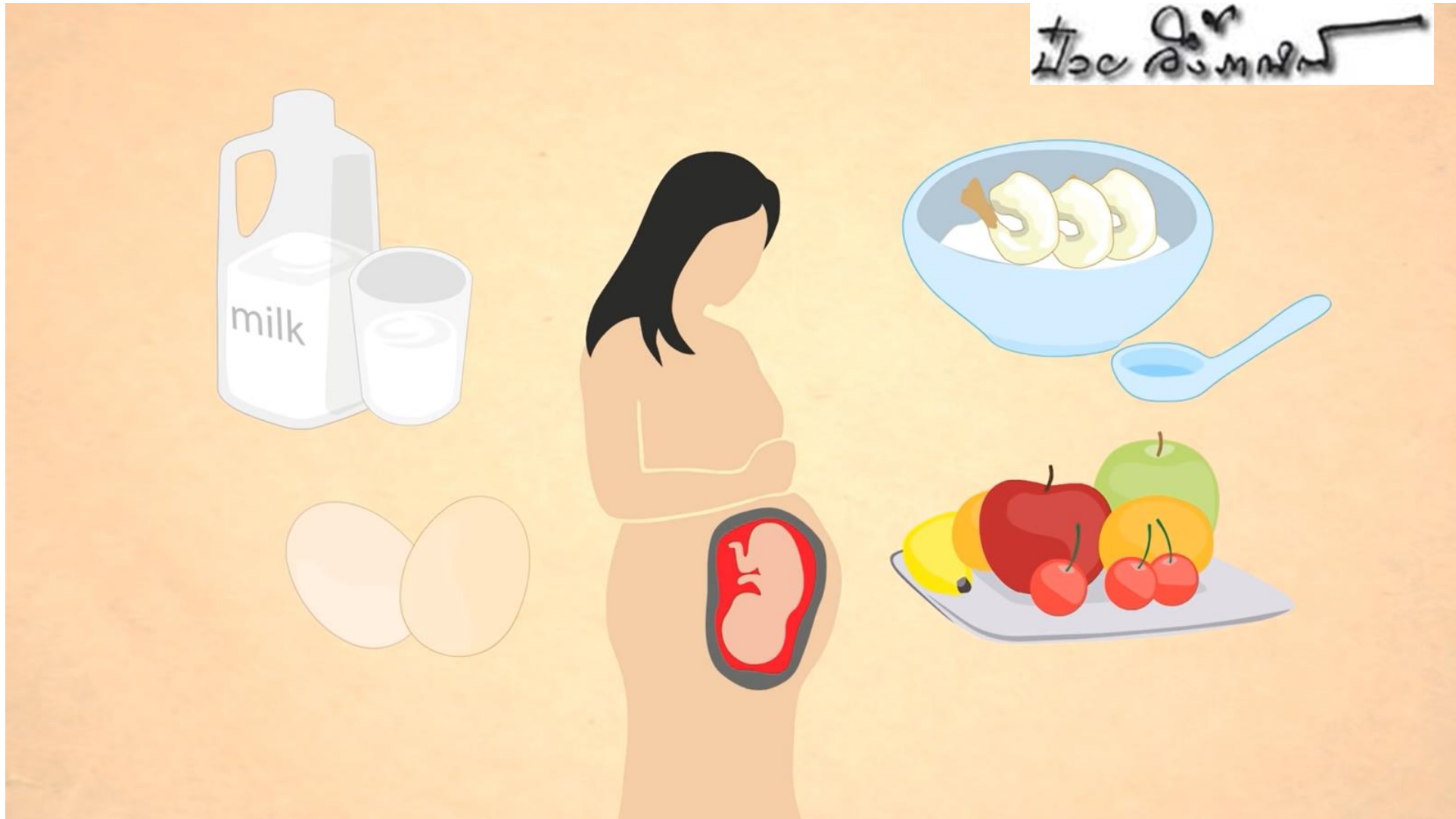


စံပြု အိမ်ထောင်

"From Womb to Tomb"

The Quality of Life of a South-East Asia





While in my mother's womb, I want her to have **good nutrition and access to maternal and child welfare care.**

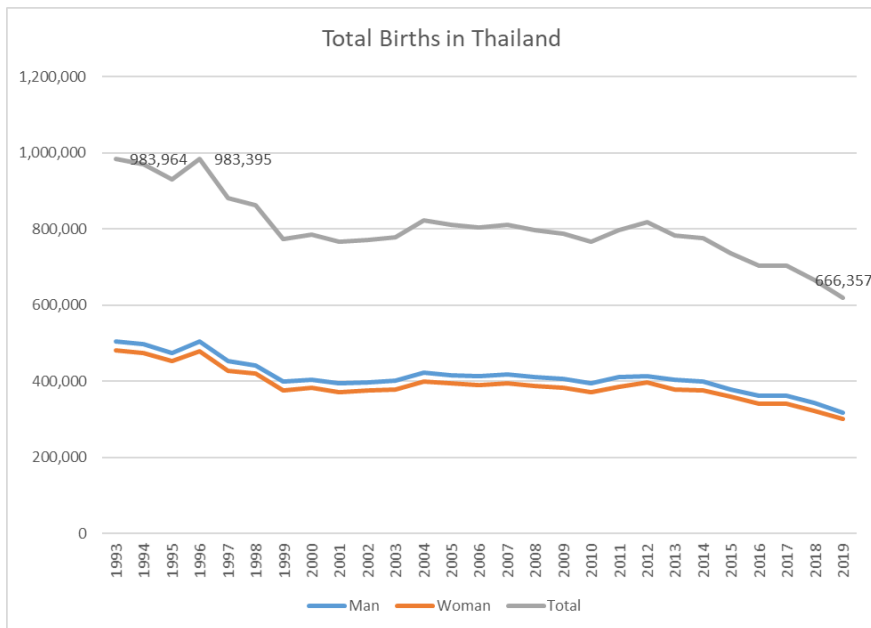
Maternity Benefits from Social Welfare Program in Thailand

Item	Reimbursement (Baht)
1. Antenatal care (during pregnancy)	1,500
2. Maternity expenses	15,000
3. Maternity leave allowance 50% of salary (up to 15,000 Baht) 3 months	22,500
4. Child support 800 Baht per month (start from Jan 2021, from birth to 6 years old)	57,600
Total	96,600

(Draft) Maternity Benefits Program (Mandapracharat)

Subsidy

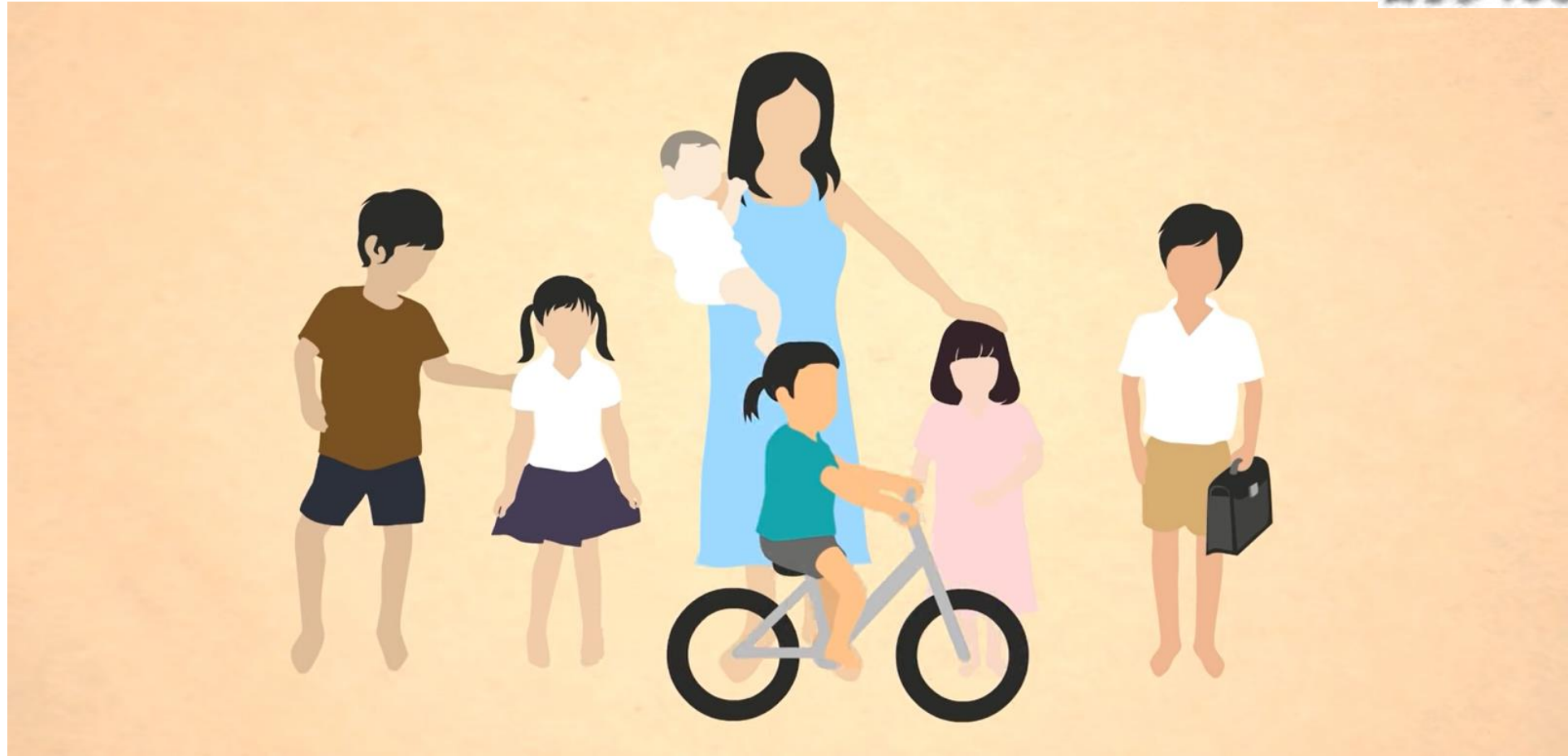
1. Allowance during pregnancy 9 months (3,000 baht /month) = 27,000 Baht
 2. Maternity allowance (1 time) = 10,000 Baht
 3. Child support from birth to age 6 (2,000 baht/month) = 144,000 Baht
- Total = 181,000 Baht**



Total births in 2019 = 666,357 children
Mandapracharat Programs = 333,179 children * 181,000 Baht
= 60,304 Mil Baht
(0.55% of GDP in 2019)

Project “No one left behind” = 15.3 Mil people
Paid Baht (5,000 Baht*3 Month) = 15,000 Baht
Government expenditure = 229,500 Mil Baht
(2% of GDP in 2019)

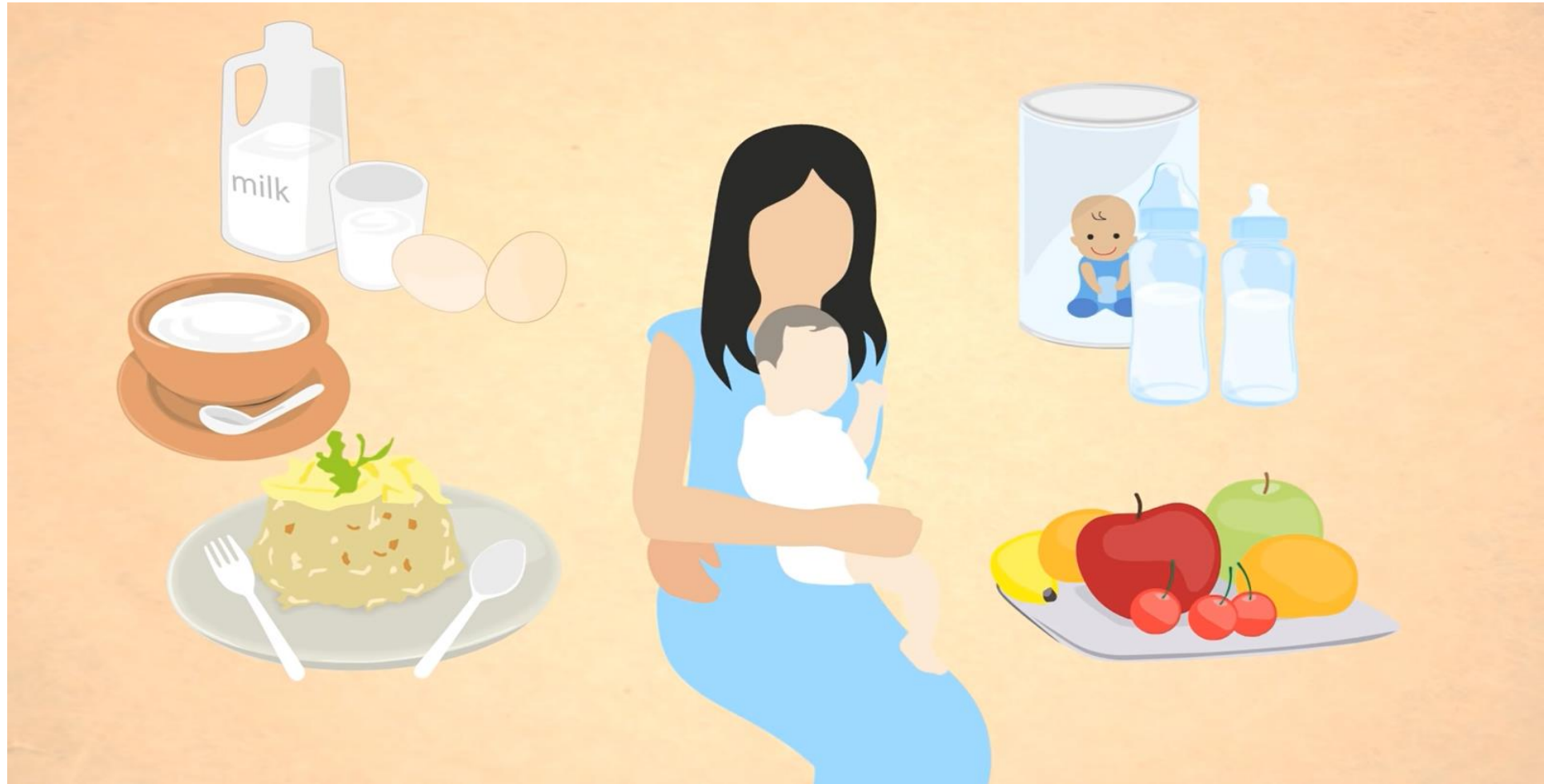
Note: Babies were born in 2019 = 666,357 babies, assume that 50% of them (333,179 babies) will be in Welfare Mother Program.



**I don't want to have as many brothers and sisters.
I do not want my mother to have a child too soon
after me.**



I **don't care** whether my dad and mom are **formally married**, but I need them to **live together in reasonable harmony**.



I and my mom want **good nutrition** for my first two or three years.



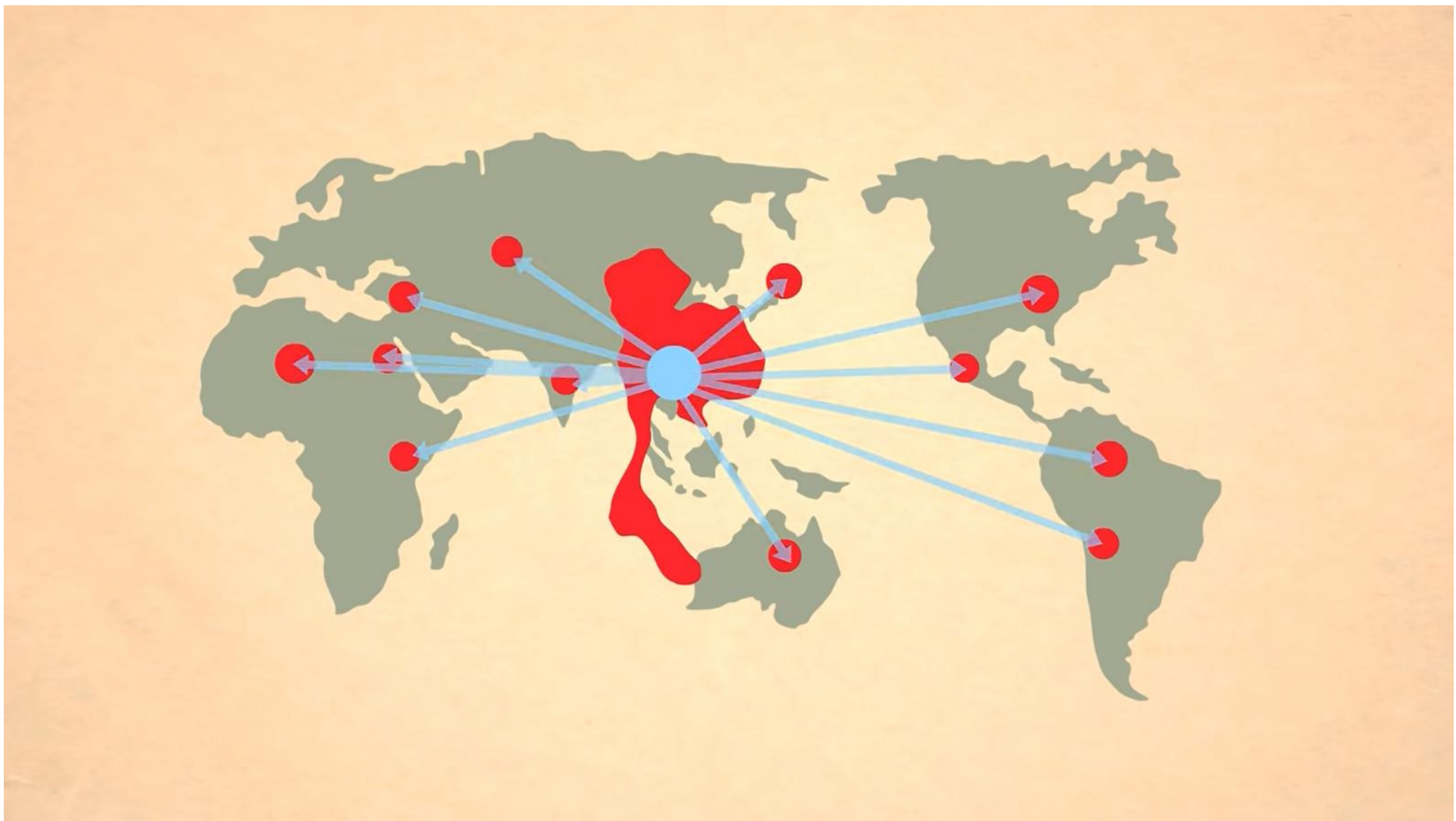
I and my brother/sister want to go to **school**, together and If we have capable, we would like to have opportunity for studying in **higher education**.



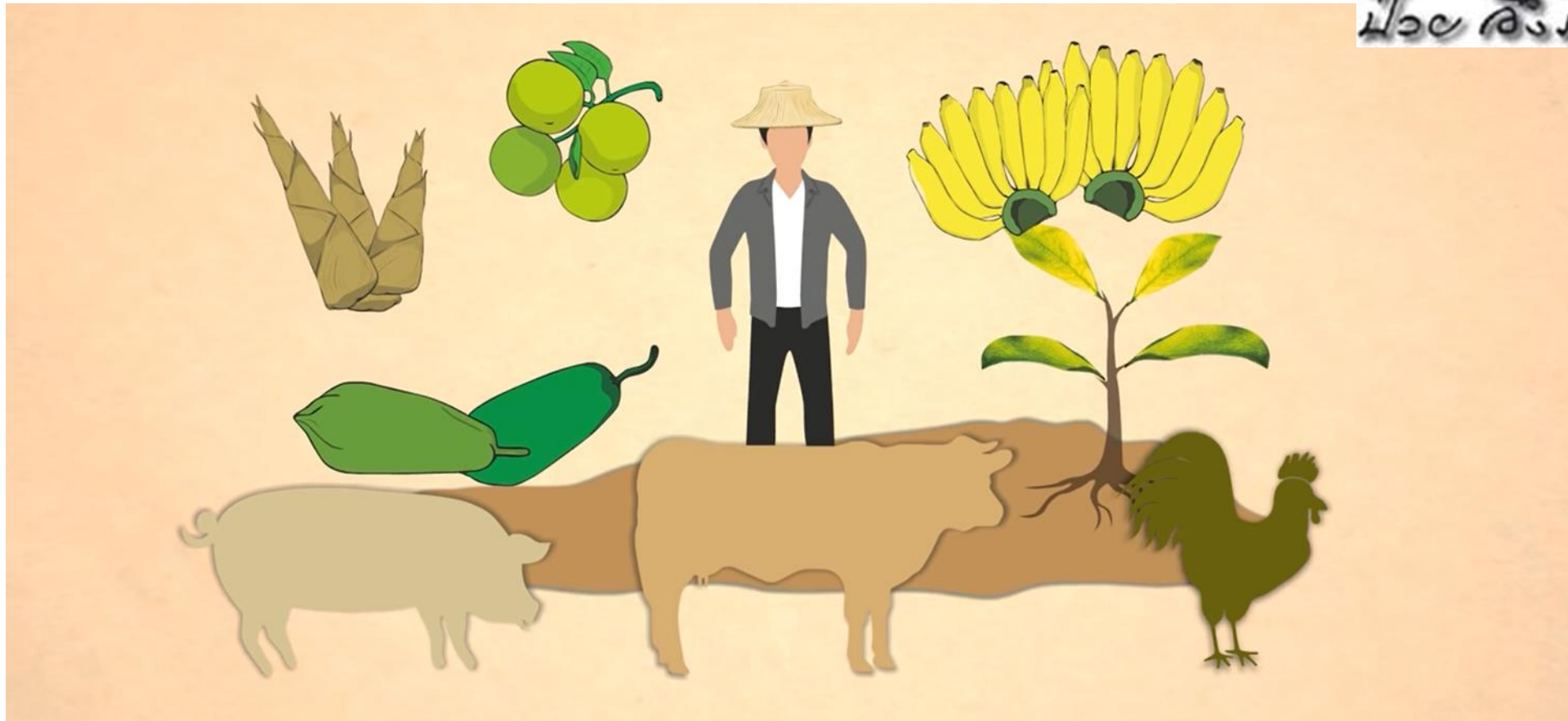
After graduation, I want a **job** that I could use my skill to make a contribution to company.



I want to live in a **law and order society**,
I want my country to connect to the outside world
so that I can have **access to the intellectual and**
technical knowledge of all mankind, as well as the
capital from overseas.



I would like my country **to get a fair price for the products.**



As a farmer, I would like to have my own land, be able to get access to credit, to new agricultural technology and markets, and to get a fair farm-gate price.



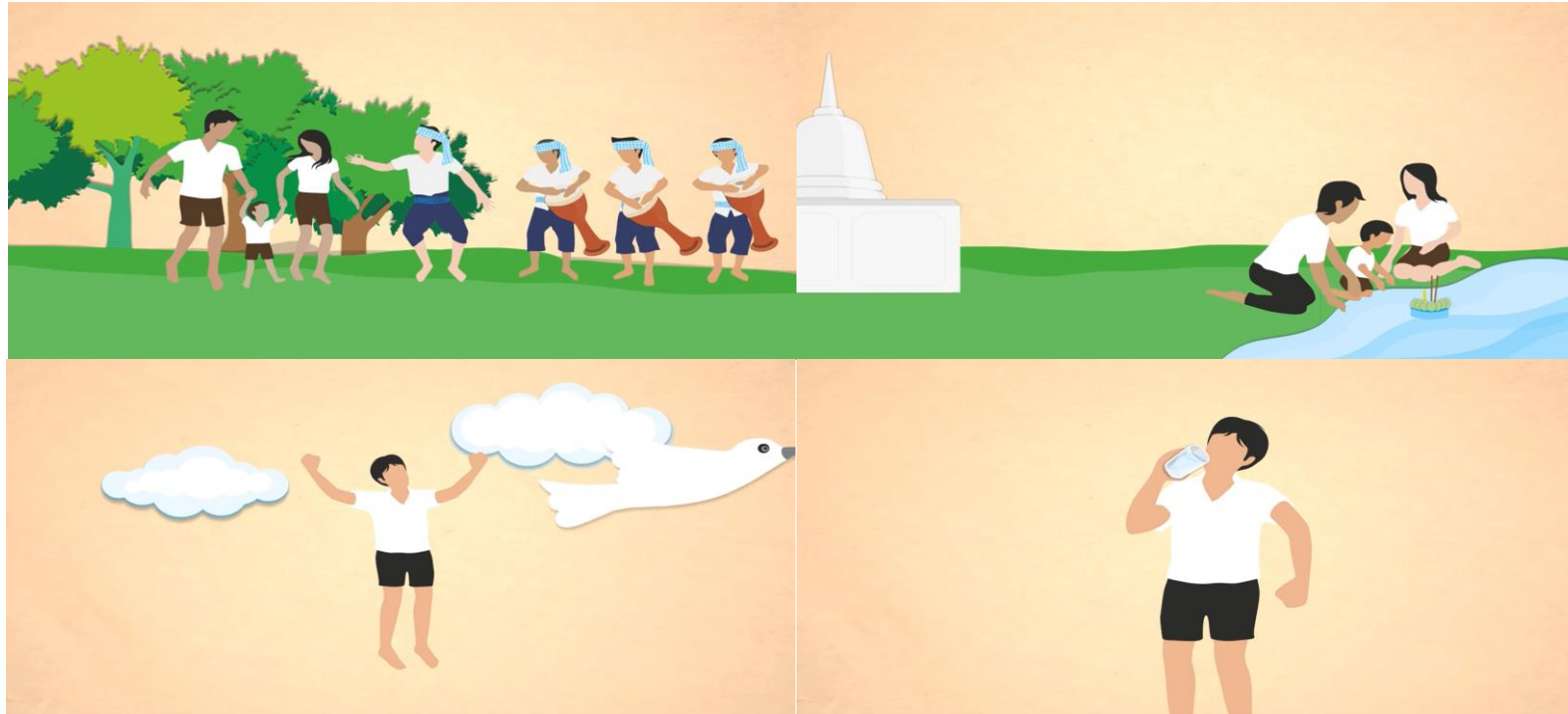
As a worker, I would like to **have some share (equity)**, be able to **participate or express my ideas** in factory which I work.



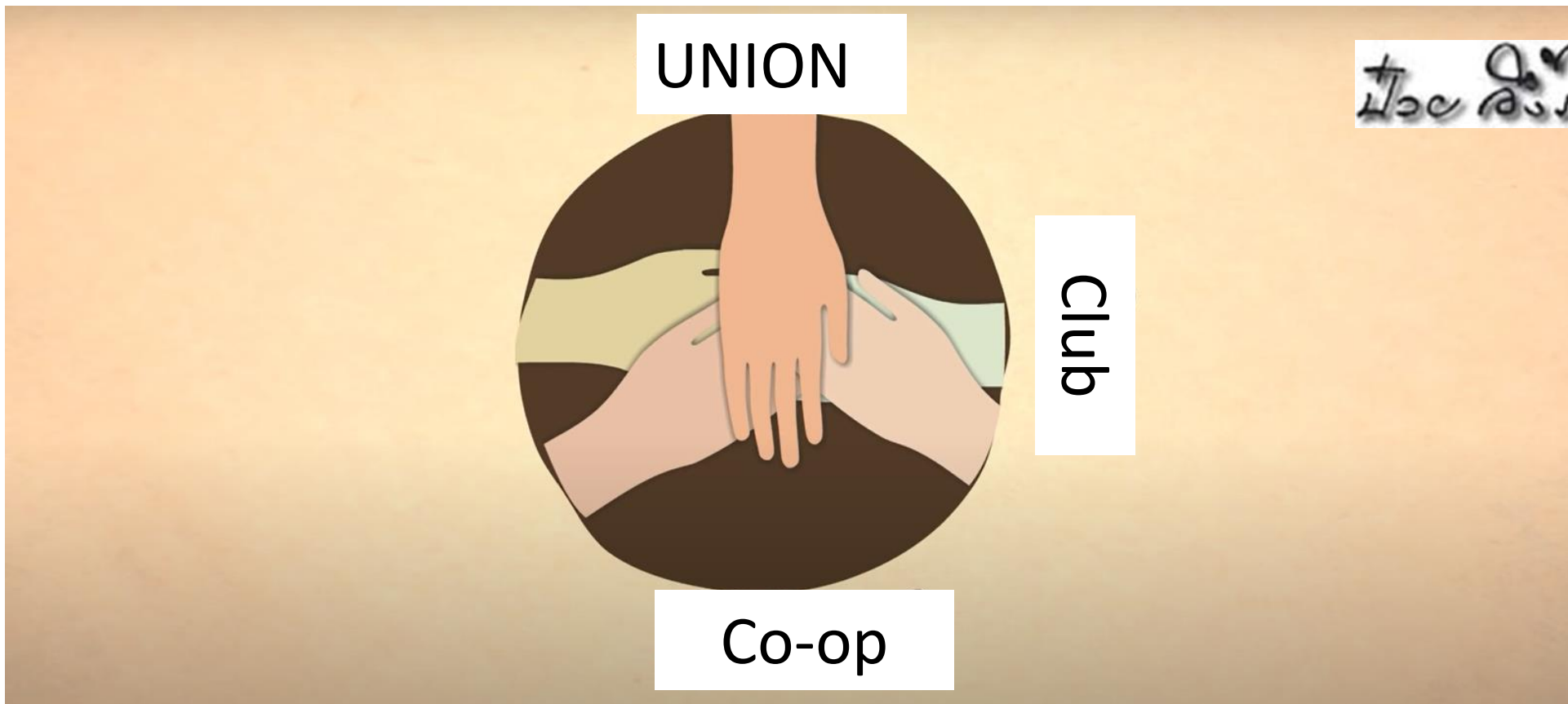
As a human being, I would like to access cheap **newspapers**, **books**, and get access to **radio and TV** with not much of advertising.



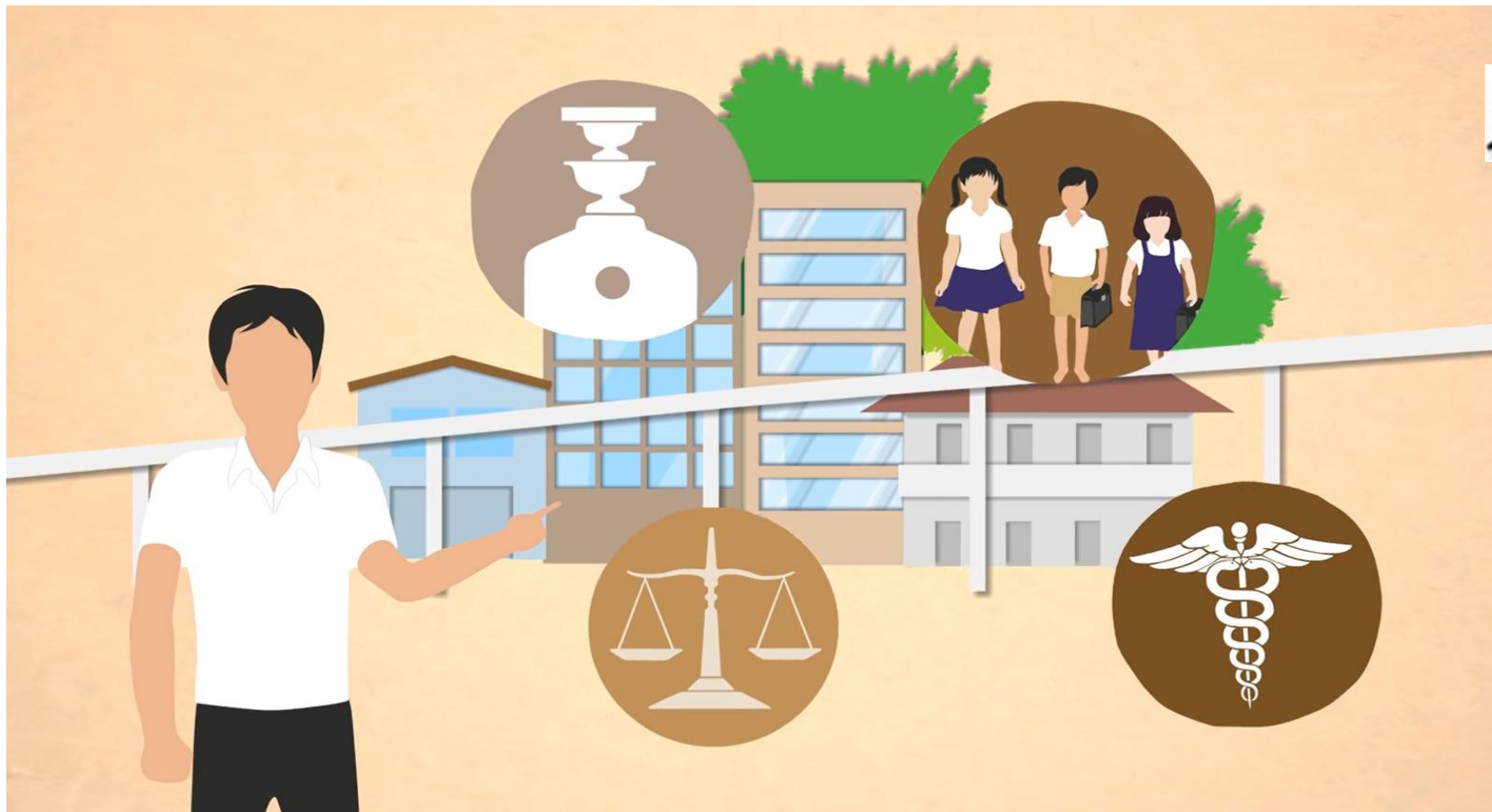
I want to **enjoy my good health** and be able to access **cheap** and readily available **hospitals** which are provided by government.



I need some **leisure time for myself, and to enjoy my family,** and want access to some **green parks,** to the arts, and to traditional social or religious festivities. I want **clean air** to breathe and **clean water** to drink.



I would like to have **co-operative mechanisms** in which I and others can join for helping each other.



I need opportunity to **participate in the society** for helping to shape of economic, social, or political institutions that affect my life.



I want woman to have **equal opportunity** as man.



When I get old, I should receive some benefits (for example, pension) from **social security program** in which I have contributed during my working age.

Pension for government officer(monthly old age pension benefit last received before death)

- **Average salary for last 60 months x No. of working years/50**
- For example, 35 working years and average salary for last 60 months before retirement

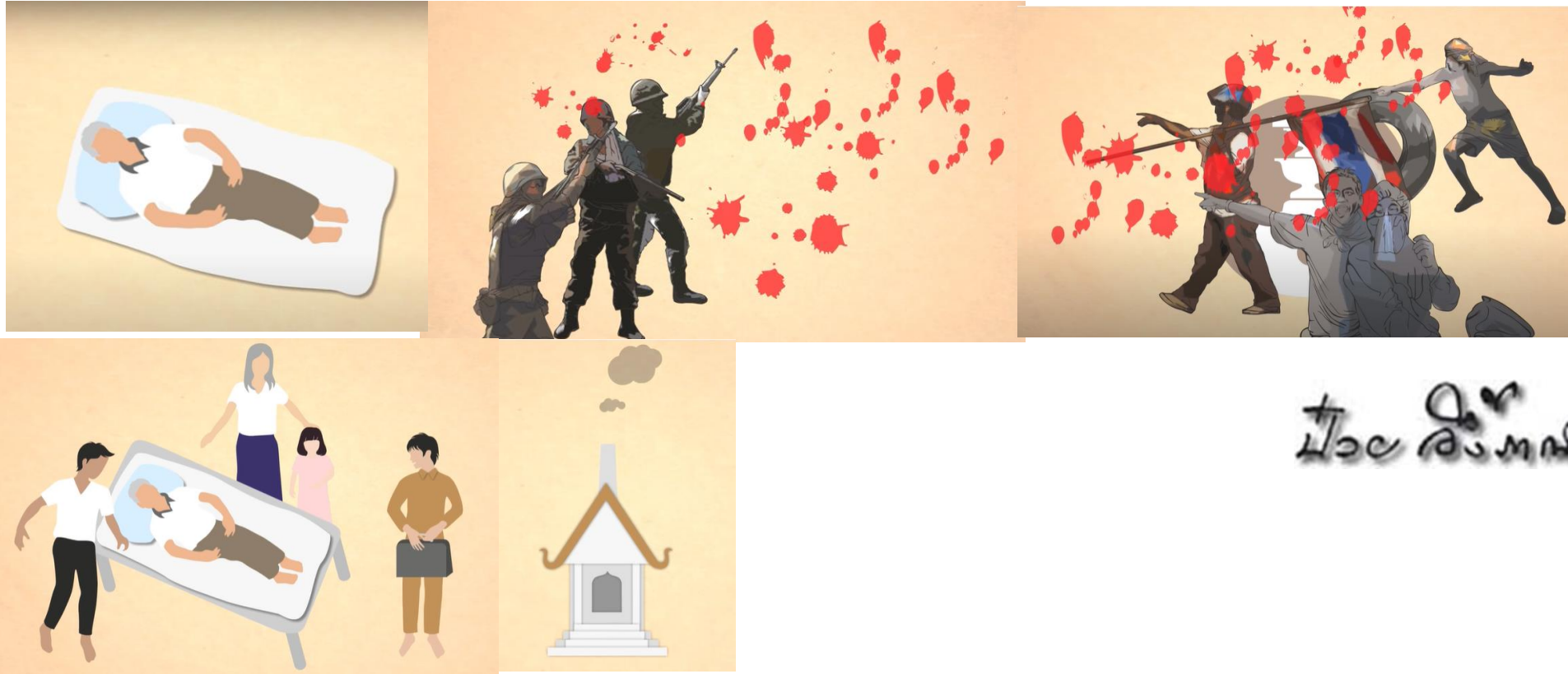
	Year #	Salary	
	1 (56 years old)	50,000	Baht
	2 (57 years old)	52,000	Baht
	3 (58 years old)	54,080	Baht
	4 (59 years old)	56,243	Baht
	5 (60 years old)	58,493	Baht
	Average salary for 5 years	54,163	Baht
		0.70	
Pension ($54,163 * 35 / 50$)		37,914	Baht 
Pension from social security program (max salart 15,000 Baht, working for 35 years)		7,500	Baht 
Difference		5	time

Pension benefit from social security program (Private company)

Time in SSP (Year)	Pension rate	Monthly pension benefit (Baht)
15	20.0%	3,000
16	21.5%	3,225
17	23.0%	3,450
18	24.5%	3,675
19	26.0%	3,900
20	27.5%	4,125
21	29.0%	4,350
22	30.5%	4,575
23	32.0%	4,800
24	33.5%	5,025
25	35.0%	5,250
26	36.5%	5,475
27	38.0%	5,700
28	39.5%	5,925
29	41.0%	6,150
30	42.5%	6,375
31	44.0%	6,600
32	45.5%	6,825
33	47.0%	7,050
34	48.5%	7,275
35	50.0%	7,500
36	51.5%	7,725
37	53.0%	7,950
38	54.5%	8,175
39	56.0%	8,400
40	57.5%	8,625
41	59.0%	8,850
42	60.5%	9,075
43	62.0%	9,300
44	63.5%	9,525
45	65.0%	9,750

- Based on maximum salary of 15,000 Baht/month
 - Formula to compute pension

$$= [0.2 + (\text{number of months in the program} - 180)/12 * .015]$$
- *average 60 monthly salary before retirement



ဒါပဲ အိမ်ထောင်

When I die, I would like to keep **some money that is enough to support my family.** The remaining, **government should keep and distribute it to others to enjoy their life too.**



<https://www.youtube.com/watch?v=1GcWO-0RzPE>

These are what life is all about, and what development should seek to achieve for all.

tax and duties



Doc Simon

**All I request are not for free,
I am willing to pay tax.**



<https://youtu.be/dgmDcK5wssU>



<https://youtu.be/R8VBRCs2jTU>



[The Economist](#)
2.57M subscribers

US Welfare Programs



What resources can I have (and still get SNAP benefits)?

- **\$2,250** in countable resources (such as **cash** or **money in a bank account**)
- or **\$3,500** in countable resources if at least **one member of the household is age 60 or older, or is disabled.**
- These amounts are updated annually.

Licensed vehicles are NOT counted if they are:

- **Used for income-producing purposes** (e.g., taxi, truck or delivery vehicle).
- **Annually producing income consistent with their fair market value.**
- **Needed for long distance travel for work** (other than daily commute).
- **Used as the home.**
- **Needed to transport a physically disabled household member.**
- **Needed to carry most of the household's fuel or water.**
- If the sale of the vehicle would result in **less than \$1,500.**

***** For non-excluded licensed vehicles, the fair market value over \$4,650 counts as a resource.**⁴¹

SNAP Income Eligibility Limits: Oct. 1, 2018, through Sept. 30, 2019.

Household Size	Gross monthly income (130 percent of poverty)	Net monthly income (100 percent of poverty)
1	\$1,316	\$ 1,012
2	\$1,784	\$1,372
3	\$2,252	\$1,732
4	\$2,720 89,760 Baht	\$2,092
5	\$3,188	\$2,452
6	\$3,656	\$2,812
7	\$4,124	\$3,172
8	\$4,592	\$3,532
Each additional member	+\$468	+\$360

People in Household	Maximum Monthly Allotment
1	\$ 192
2	\$ 352
3	\$ 504
4	\$ 640 21,120 Baht
5	\$ 760
6	\$ 913
7	\$ 1,009
8	\$ 1,153
Each additional person	\$ 144

Source: <https://www.fns.usda.gov/snap/recipient/eligibility>

SNAP Income Eligibility Limits - Oct. 1, 2020, through Sept. 30, 2021

Household Size	Gross monthly income (130 percent of poverty)	Net monthly income (100 percent of poverty)
1	\$1,383	\$1,064
2	\$1,868	\$1,437
3	\$2,353	\$1,810
4	\$2,839 93,687 Baht	\$2,184
5	\$3,324	\$2,557
6	\$3,809	\$2,930
7	\$4,295	\$3,304
8	\$4,780	\$3,677
Each additional member	+\$486	+\$374

People in Household	Maximum Monthly Allotment
1	\$234
2	\$430
3	\$616
4	\$782 25,806 Baht
5	\$929
6	\$1,114
7	\$1,232
8	\$1,408
Each additional person	+\$176

* SNAP gross and net income limits are higher in [Alaska and Hawaii](#).

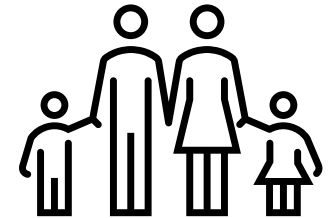
Source: <https://www.fns.usda.gov/snap/recipient/eligibility>

Example of SNAP Benefit Calculation

**SNAP Allotment for a full month = Maximum Monthly Allotment
– 30% of net income (roundup)**

For example

4 People with net monthly income \$1,110.5 (36,646 บาท),
how much the family will get the SNP Allotment per month?



30% of net income (roundup) = $0.3 * 1,110.5 = \$334$

SNAP Allotment for a full month = $\$782 - 334 = \448 (14,784 บาท)

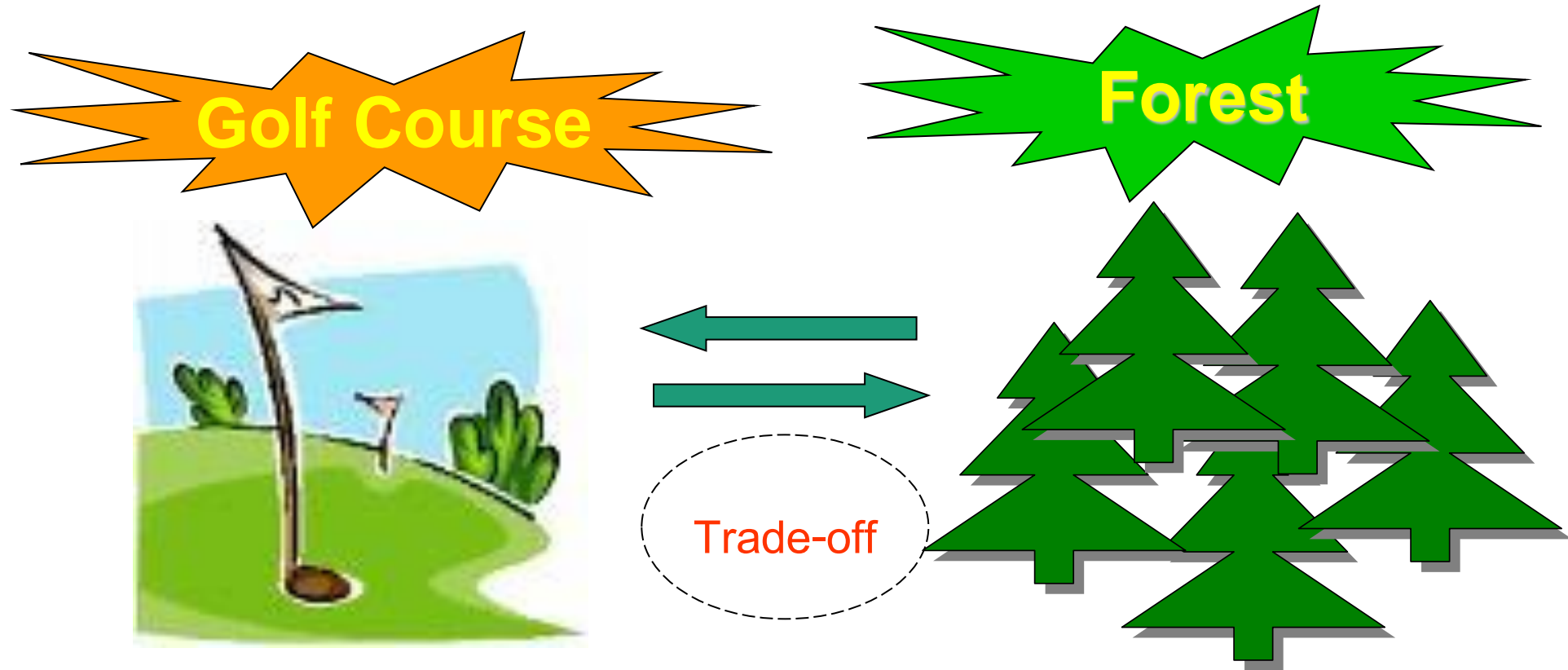
(Get SNAP Allotment for 40% of net monthly income)

Source: <https://www.fns.usda.gov/snap/recipient/eligibility>

Note: exchange rate \$1 = 33 Baht as of Aug 5, 2021

The importance of integrating economics to better living

- Causes and emphasis



To get something, one must sacrifice something.

<https://www.youtube.com/watch?v=iRff3CbaJDM>

The importance of integrating economics to better living

- Causes and emphasis

Industry



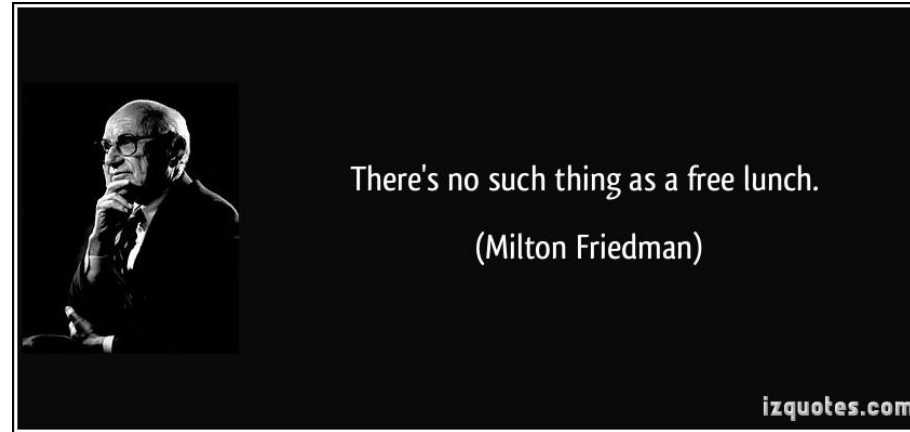
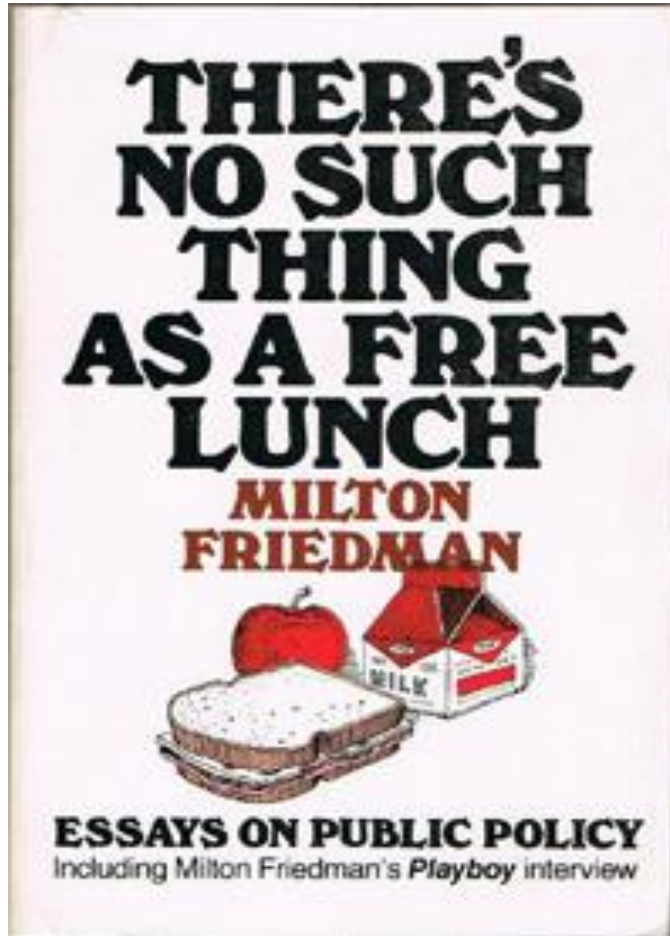
Agriculture



Trade-off

To get something, one must sacrifice something.

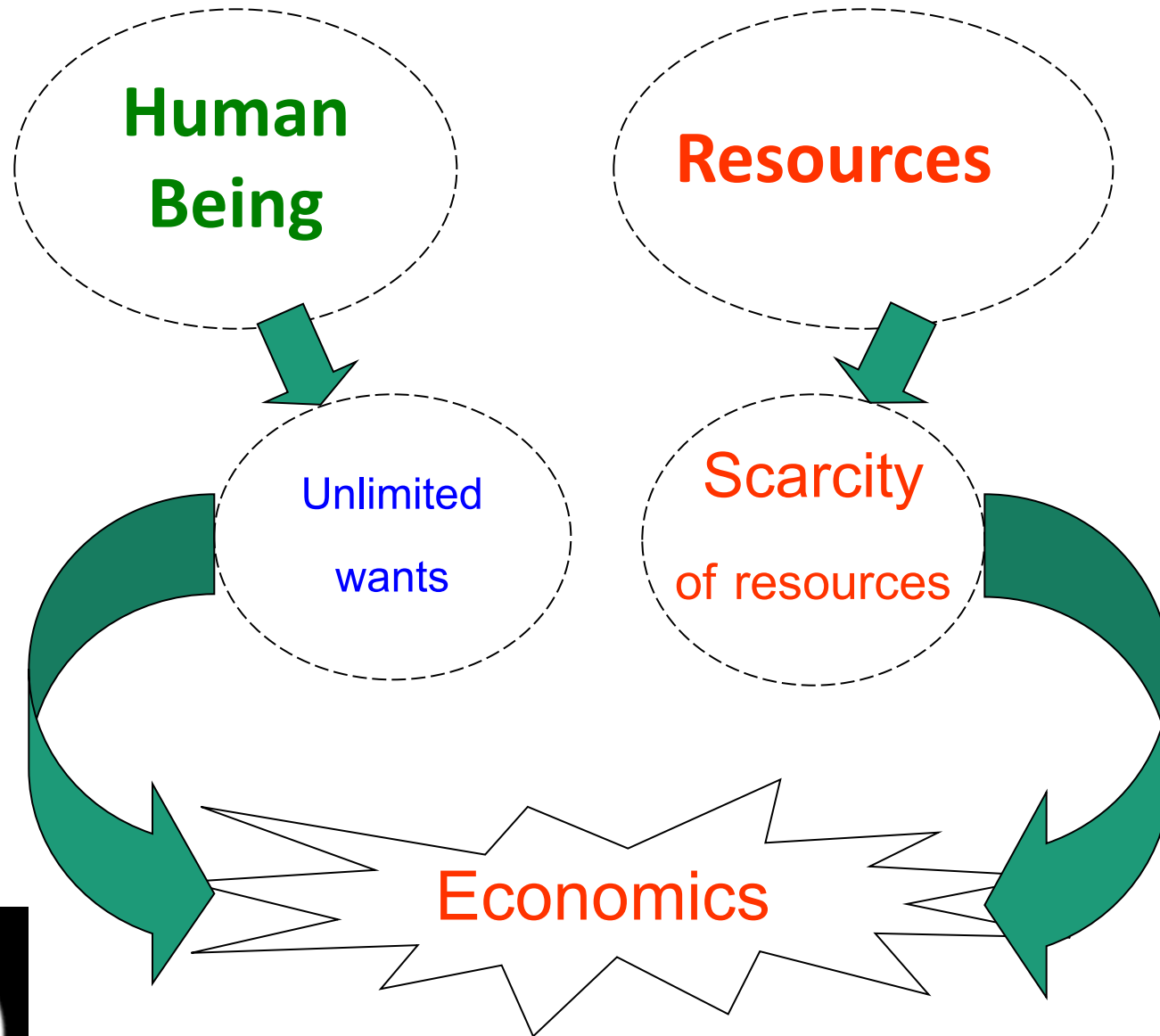
There's No Such Thing As A Free Lunch: TANSTAFL



There is No Such Thing As A Free Lunch - Milton Friedman
<https://www.youtube.com/watch?v=gYYAv5vfj0A>



[There is No Such Thing as a Free Lunch](https://www.youtube.com/watch?v=mA-UQW7yH00)
<https://www.youtube.com/watch?v=mA-UQW7yH00>





Economics is...

“The study of how individuals, governments, businesses and other organizations make choices that effect the allocation and distribution of scarce resources”

“The science of choice. Therefore, it is the science that explains the choices we make”

“The study of the use of scarce resources to satisfy unlimited human wants”

Family Income



Children-pet

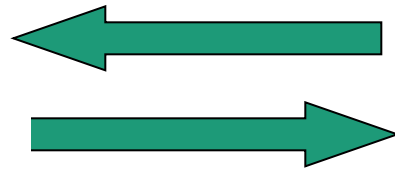


Trade-off

Trip



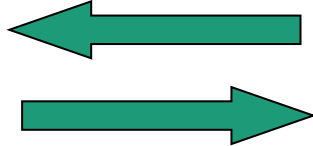
Time



Trade-off



Resources



Trade-off

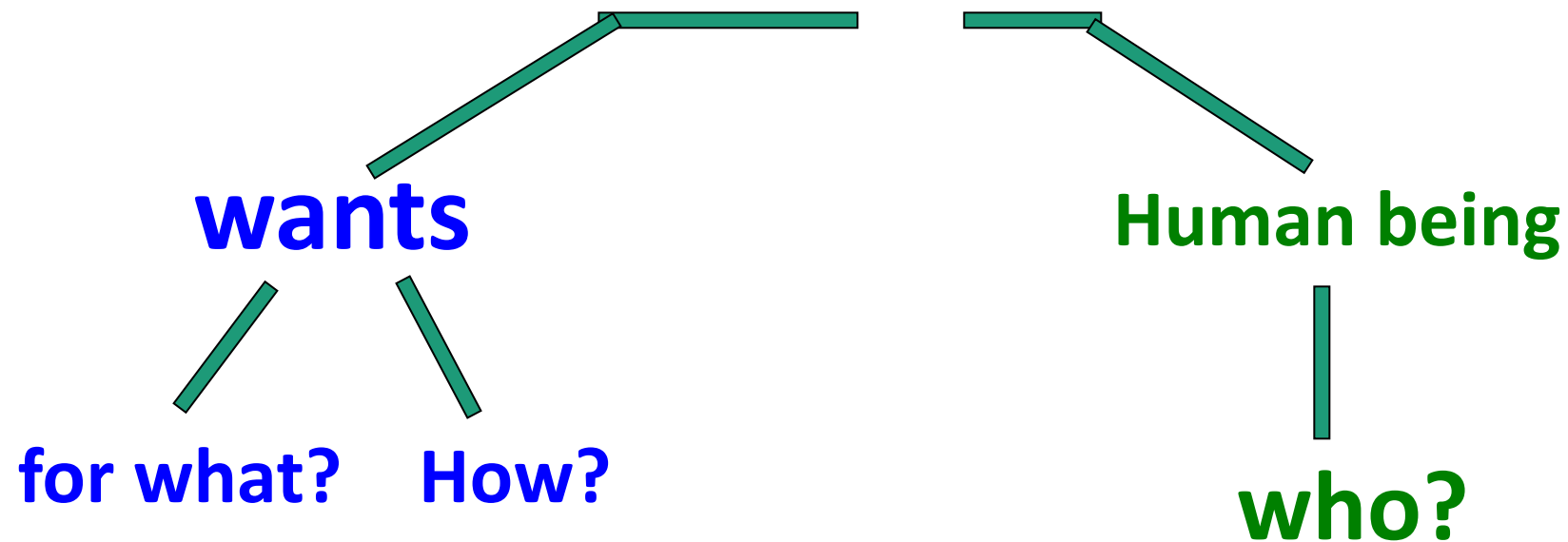


Trade-off



Economic condition

Considering limited
resources related to
human wants



Human's wants

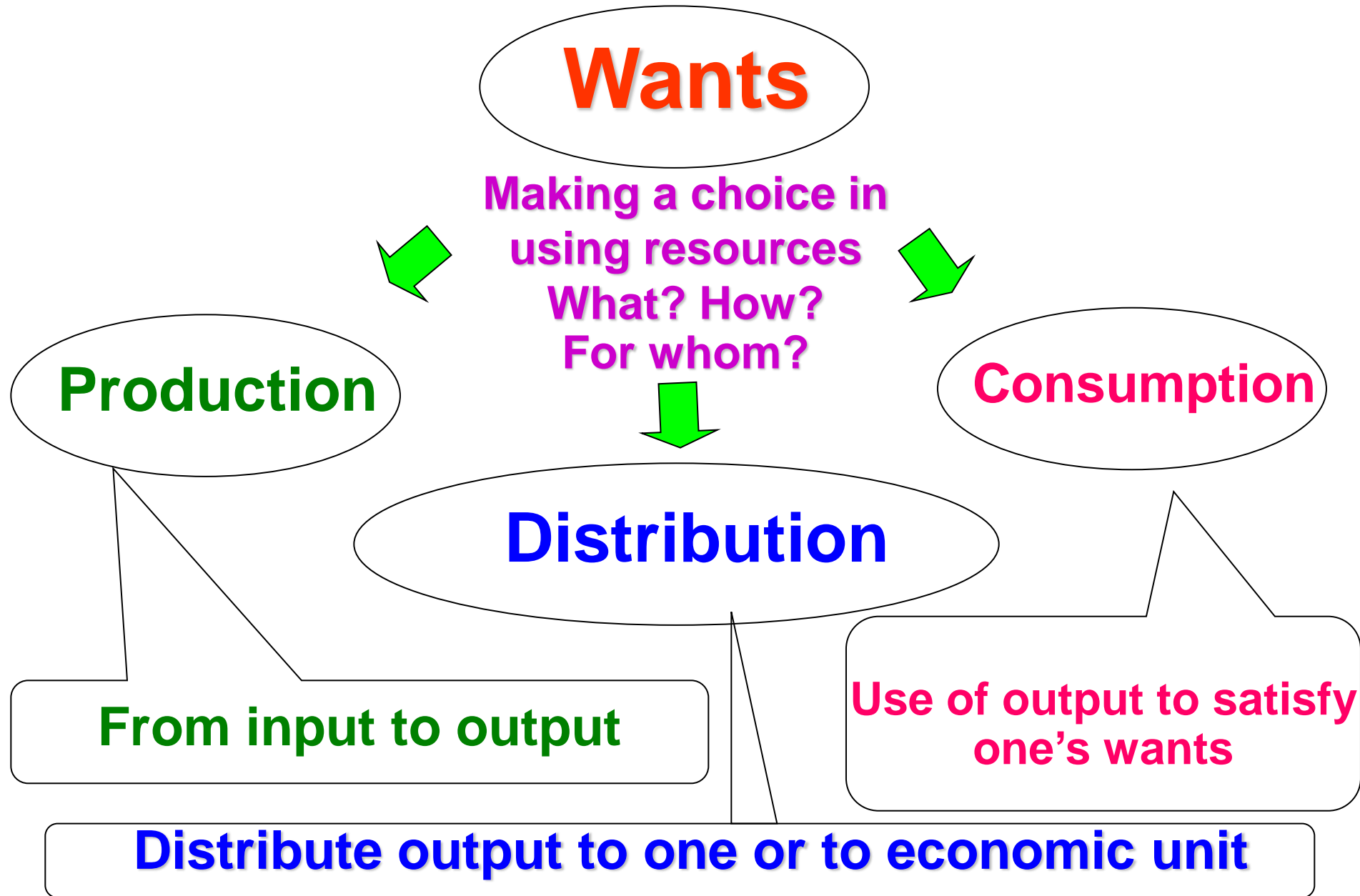
How it is?

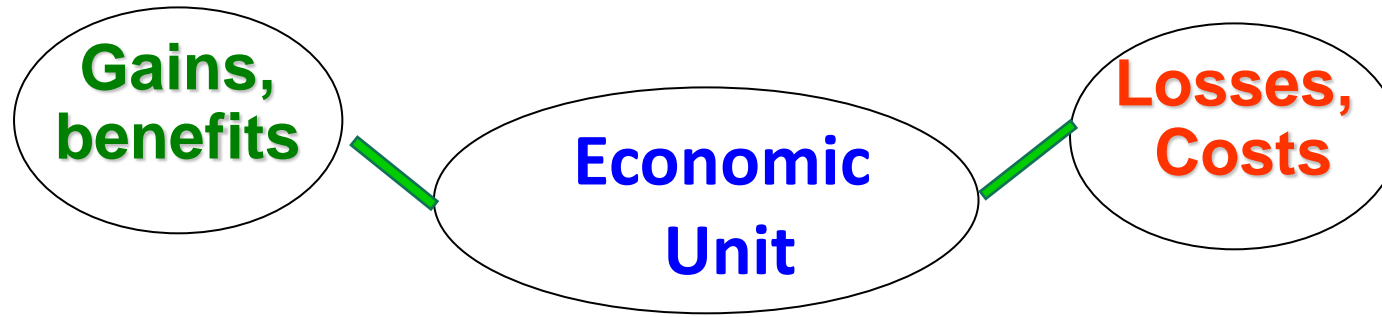
Insatiable

Satiable

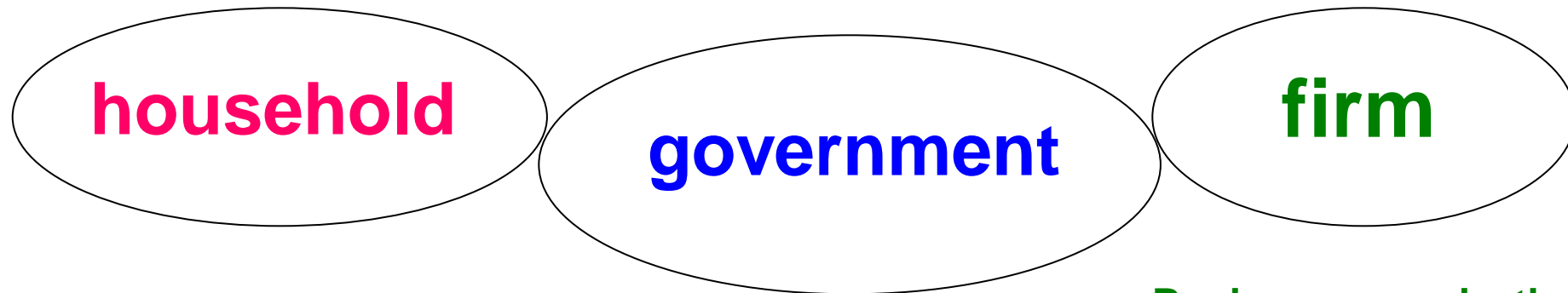
Unlimited wants

Limited wants





= are those who produce, distribute and consume goods and services in the economy



is a group of people who live in the same housing unit, share their income and expense.

Are those economic units that own by the government.

Business organization or state enterprises who produce goods and services.

Economics

Taxes



How should be distributed?
Who should gain or who should loss?

Firms

*Where should business located?
to reduce its cost.*



DISMAL SCIENCE

To get something, one must sacrifice something.

Gains

- *various kinds of goods and services for consumers*

- *good infrastructure*

- *increase of income and purchasing power*



Losses

- *global warming because of industrialization*

- *reduction of forests.*

- *commit suicide because of the stock market crash*

Global warming because of industrialization

“Dismal” comes from “Choice” of human being



- **Fundamental Economics Concepts:**

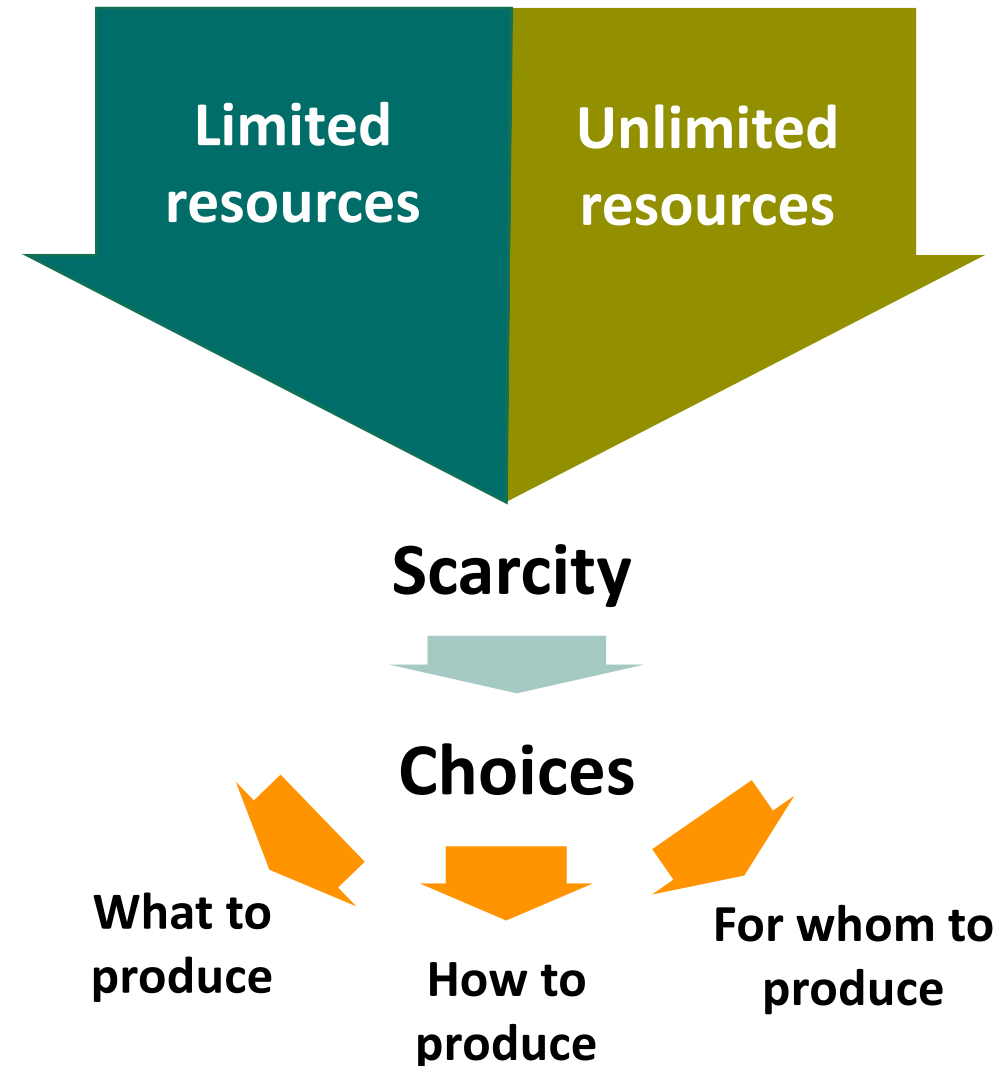
- 1. Unlimited want**

- 2. Scarcity**

- 3. Opportunity Cost**

Economists study how people make decisions:

- How much do they work?
- What do they buy?
- How much do they save?
- How much do they invest their saving?
- etc.



The reason why we should integrate economics to better living

- 1. Economic purpose is synchronous with human purpose: to improve the quality of daily life.**
- 2. Economics is sciences for serving human being: to live happily and peacefully.**
- 3. Economics is product of human thought with social responsibility: healing the human race.**

Thinking framework of integration.

A Case Study

How to choose
your
breakfast?

Nonsi is a first-year student who has studied in "Economics for Better Living " After the first period, it's time for Nonsi' breakfast. With a limited budget and concerning about her health, Nonsi's meal for today is boiled rice with fish and orange juice without adding sugar.

Sciences

Education

Nutrition

Laws

Agriculture

Forestry

ECONOMICS

Positive Economics

(What is it?)

Something that hasn't to be true but it's something that can be tested.

EX: Healthcare services cause budget deficit.



Normative Economics

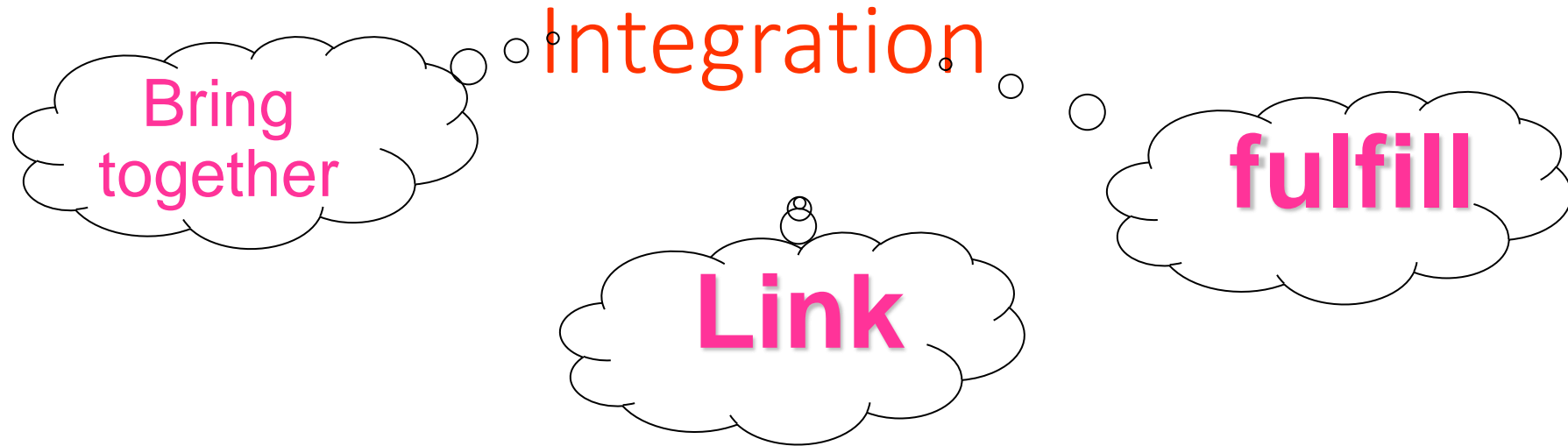
(What it should be?)

Something that someone thinks "How the world should be"

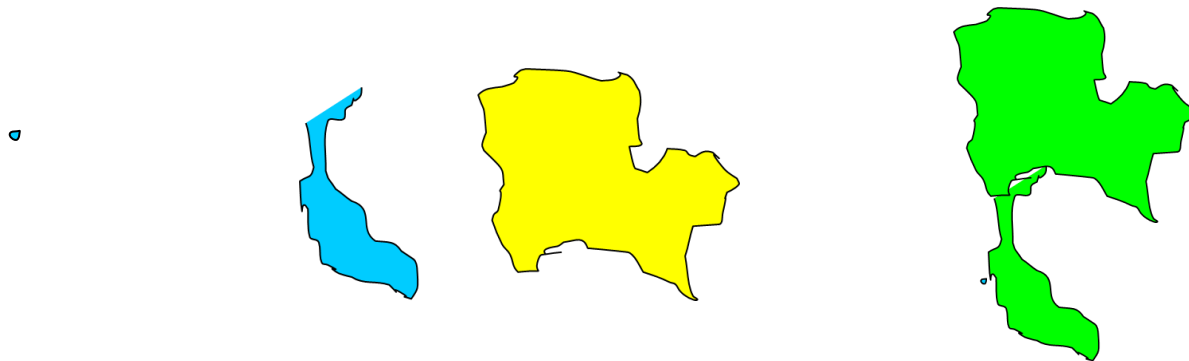
EX: Poor people should have access to vaccine covid-19 with free of charge.

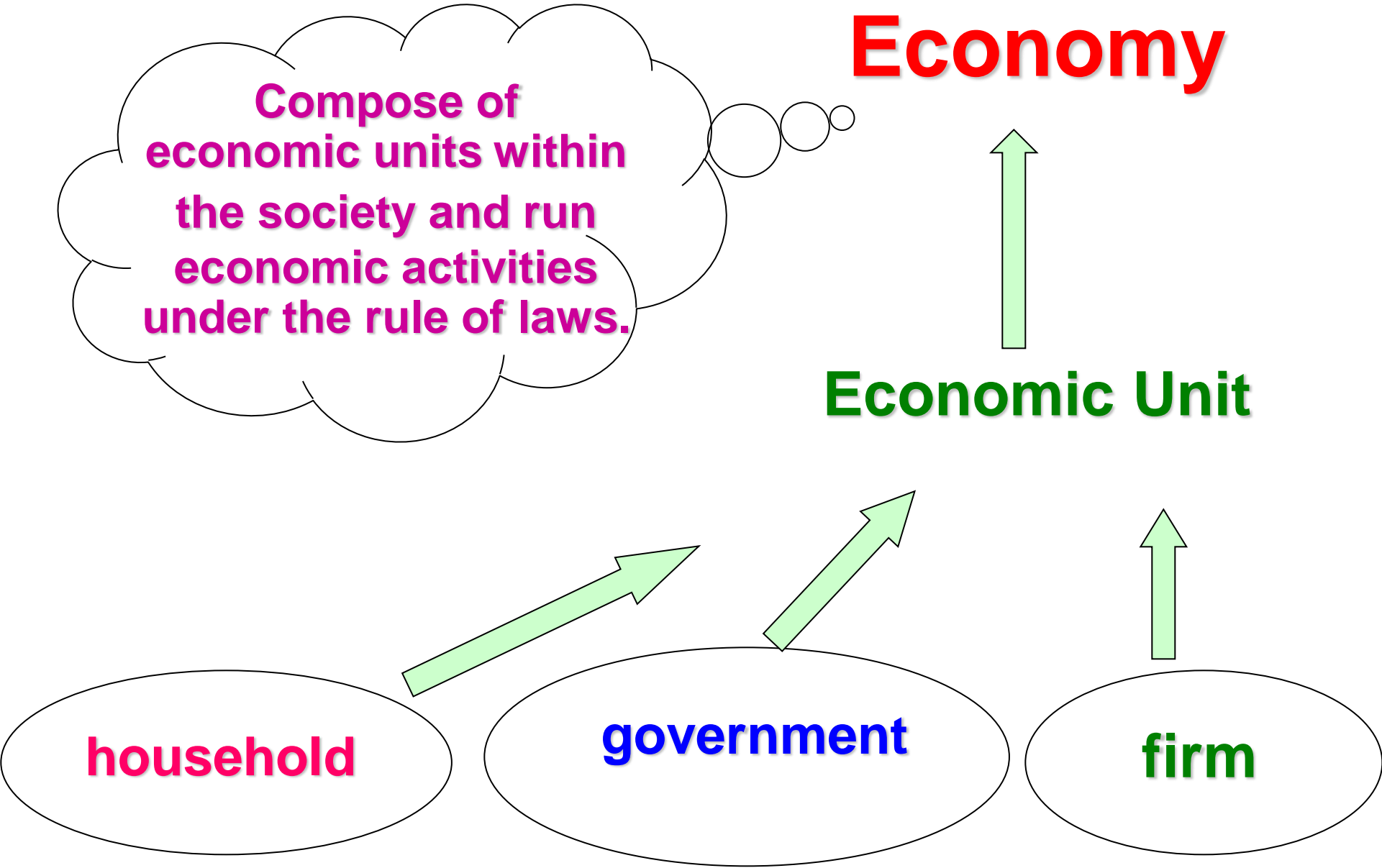
Which statement is positive/normative economics?

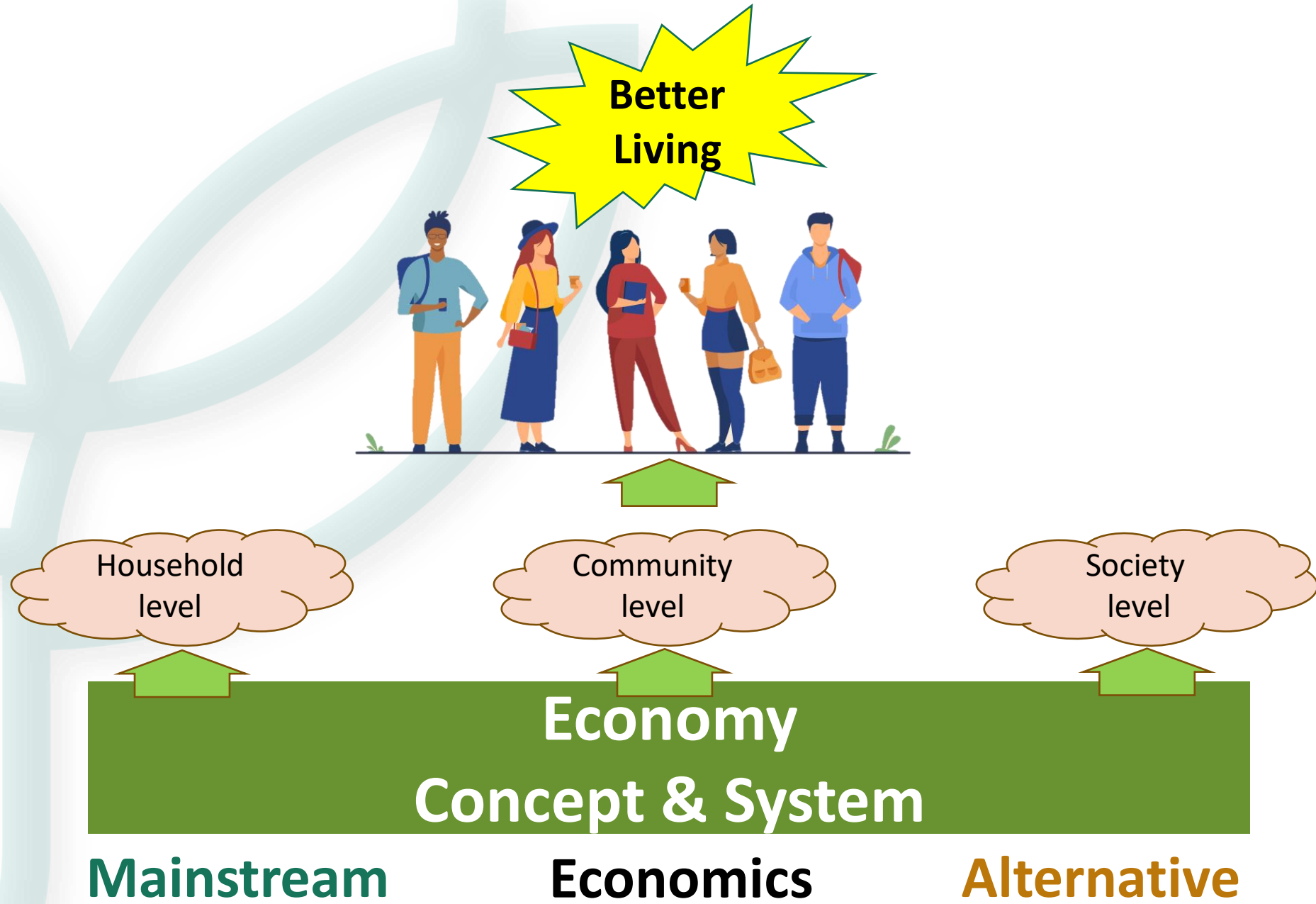
1. Paying people who aren't working, even though they could work, is wrong and unfair.
2. Programs like welfare reduce the incentive for people to work.
3. Raising taxes on the wealthy to pay government programs grows the economy.
4. The government should increase taxes on the rich in order to help the poorest in society.
5. Raising taxes on the wealthy slows economy growth.



- *Bring together smaller parts to combine into the bigger and better part.*
- *Link together for the better.*
- *Fulfill the defective part to become perfect.*

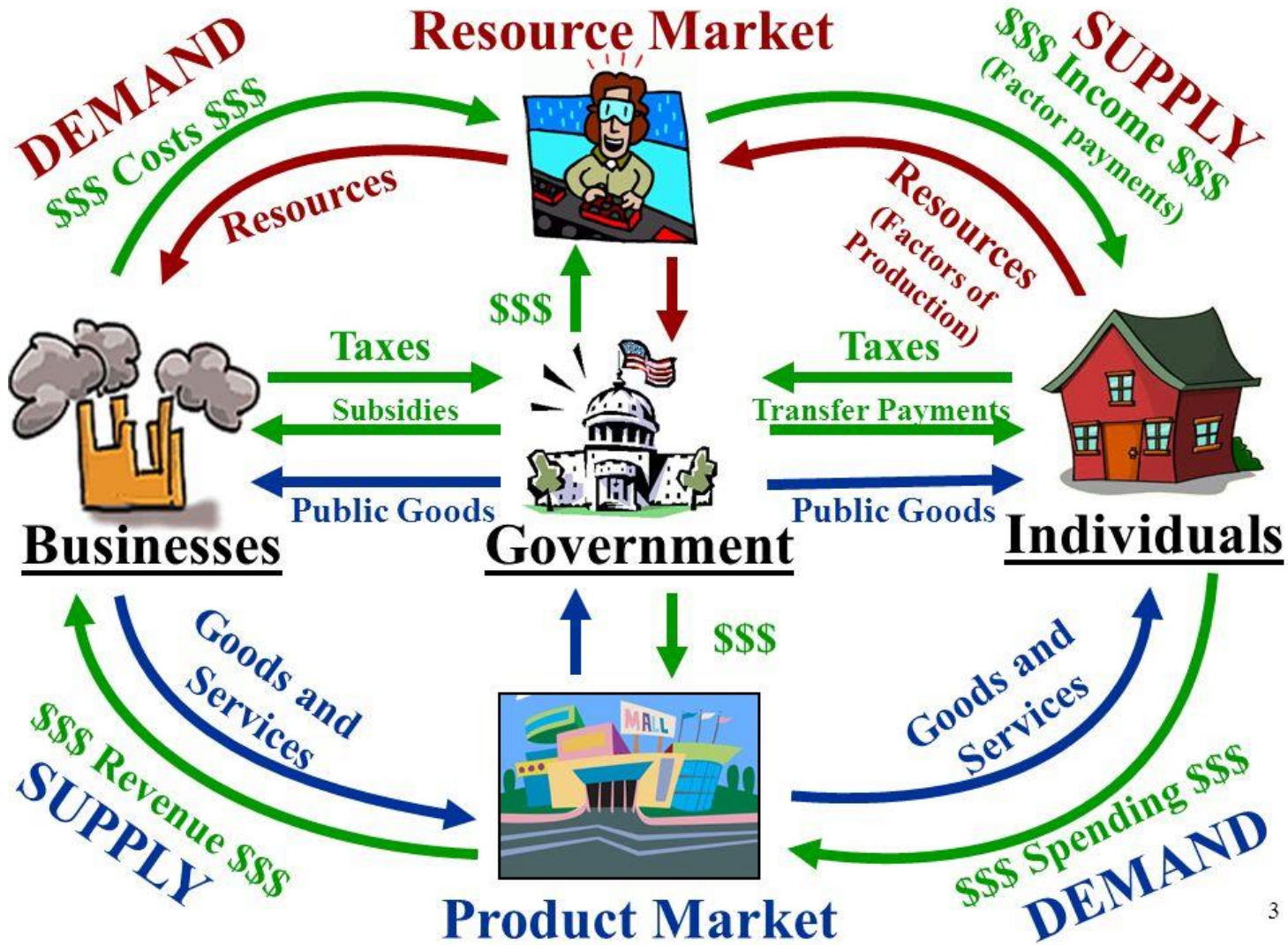




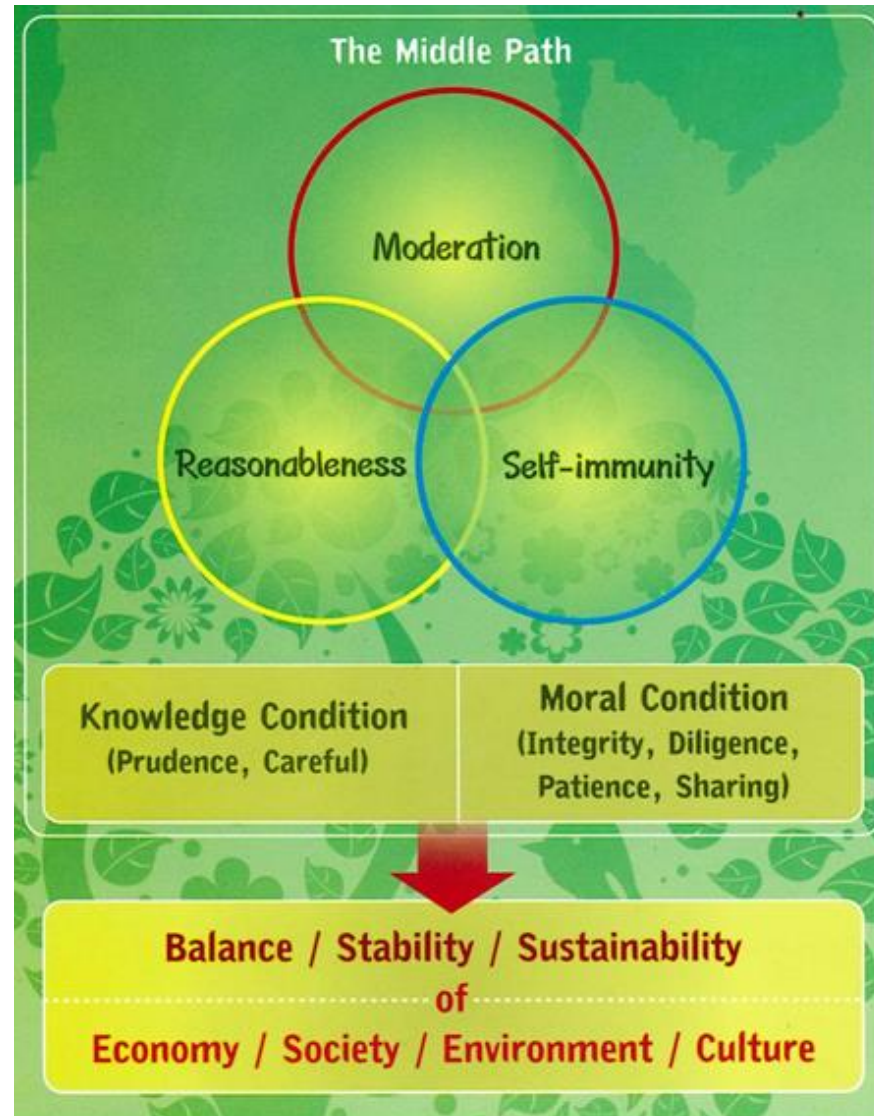


ที่มา: เศรษฐศาสตร์เพื่อการดำเนินชีวิตที่ดี/คณะกรรมการวิชาเศรษฐศาสตร์เพื่อการดำเนิน ชีวิตที่ดี ศูนย์วิชาการ มหาวิทยาลัยเกษตรศาสตร์, 2551. (หน้า 11)

The Circular Flow in the Economy



Sufficiency Economy



<https://www.youtube.com/watch?v=3vns5eyNEg8>

A stylized world map in shades of blue and green, centered on the Atlantic Ocean, serves as the background for the slide.

THANK YOU

