01999041

Economics for Better Living

Course Outline

```
        Ch1
        Introduction
  Ch2                    Ch 3
  Roles and lifestyles   Economic concepts
  of human society       and values
        Ch 4
        Organisation and
        economics activities

        Ch 5
        Current economic
  Ch 6  patterns
  Community and          Ch 7
  social economy         Household economy
        Ch 8
        Environment and
        management of economic
        components

        Ch 9
        Business elements

        Ch 10
        Entrepreneurship

        Ch 11
        Ethics, social
        responsibility, and good
        governance

        Ch 12
        Modern issues in economics
        and management
        for better living
```

Measures of Achievement

Lists	Percent
1. Examination*	**60**
• Midterm exam	*30*
• Final exam	*30*
2. Learning enhancement activity, participation and report	**20**
3. Class participation	**20**
Total	**100**

 * Multiple choices

• Midterm exam : Sun 21 September   9.00 – 11.00 A.M.

* Note: * midterm and final examination dates are provisional and may be adjusted. Students are responsible for verifying the official announcements for any updates to the examination schedule.

Section	Day	Time	Classroom
450	**Mon**	**4.30 – 7.30 P.M.**	**<u>Building IUP room E17201</u>**

- Holiday will be online and announce the link later
- add/drop **must process via <mark>My KU</mark> only**

Access class material for 01999041 Sec 450

MS Teams: [General | 01999041 - Section 450 for 2025 | Microsoft Teams](#)

Code: q3yggtp

Self studying from VDO clip "Personal finance: How to save, spend, and think rationally about money | Big Think" at

https://youtu.be/0uYnj1i1EQw?si=W9l-iutgkMAOVkdt

Outcome 1: *1-2 pages of handwritten summary report*

Using knowledge gained from second part to analyze your spending and saving behaviors in the first part.

Outcome 2: You have to write down your goals, spending, saving, and investment in short period (< 1 year), middle period (1-10 years), and long period (> 10 years) with SMART Goals concept

Assignment **must be submitted via** the link that will be sent by teaching assistant

Deadline: no later than midnight of Monday, November 5, 2025, otherwise your

score will be deducted 2 points/day.

SMART Goals concept
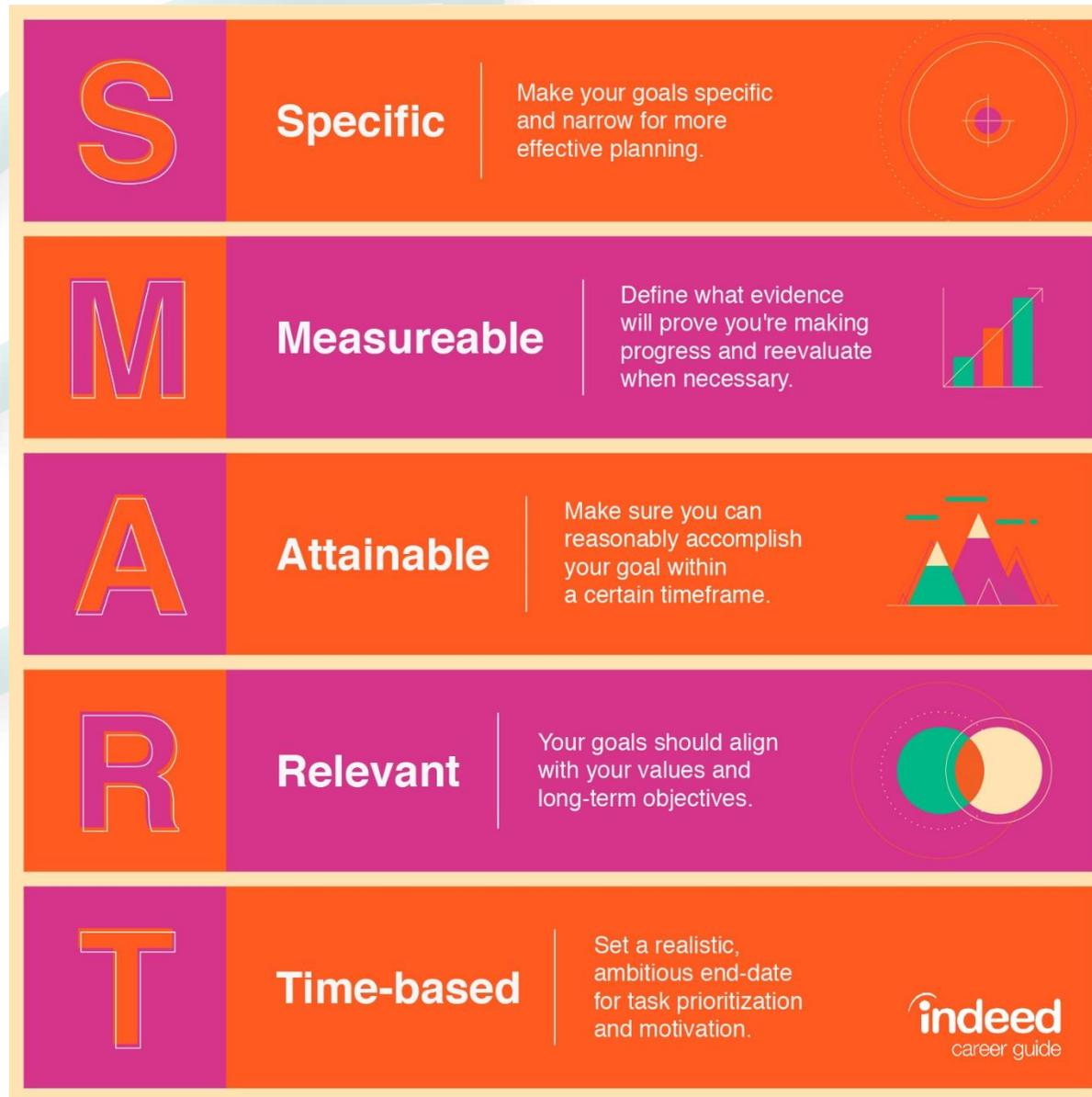
Figure1 SMART Goals concept

Source: https://www.indeed.com/career-advice/career-development/smart-goals

01999041
Course manager

Suwanna Sayruamyat

**Department of Agricultural and Resource Economics
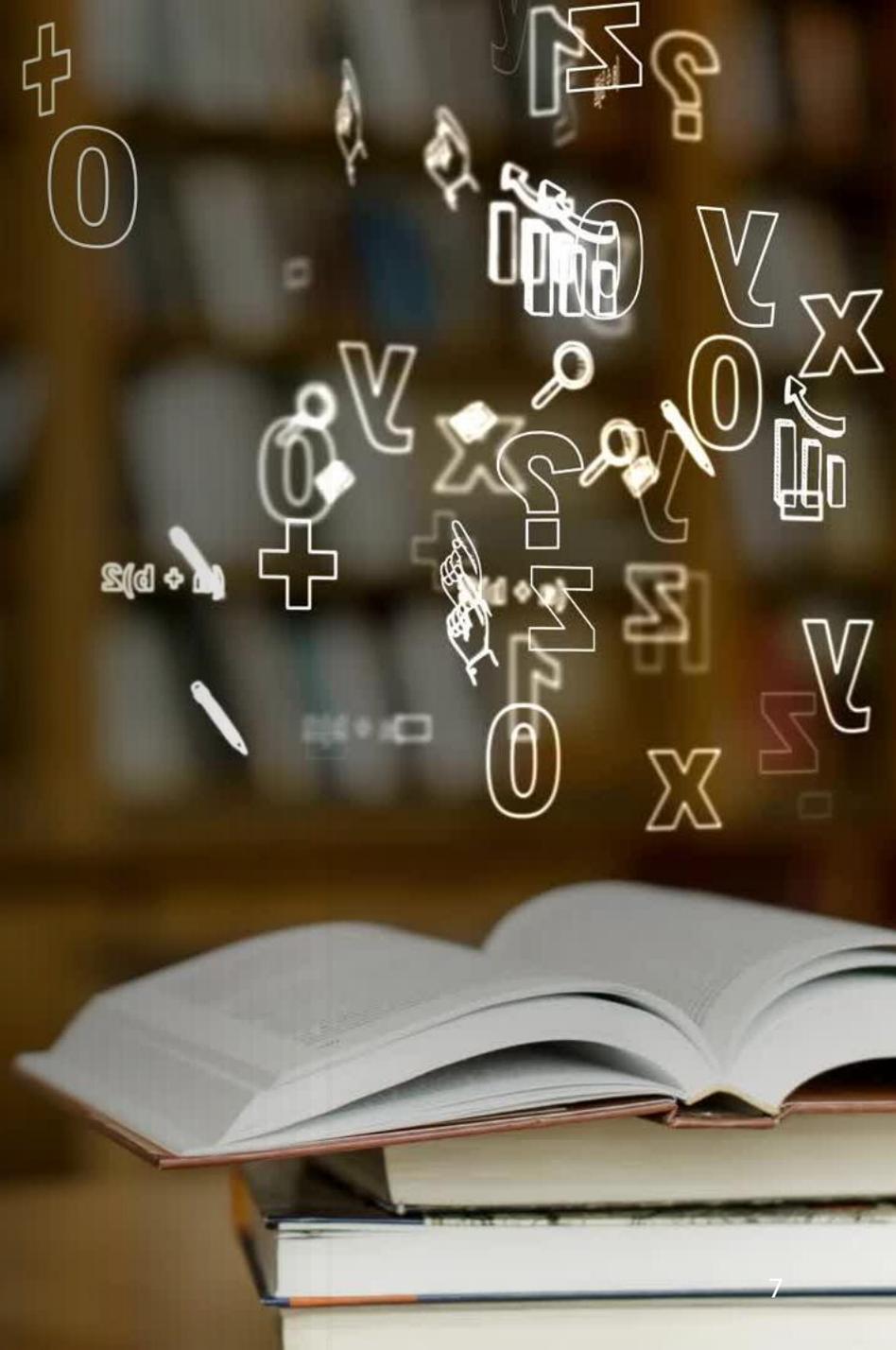Faculty of Economics, Kasetsart University**

**Email: suwanna.s@ku.th
FB: Suwanna Sayruamyat
FB Page: EatEcon
Website: www.eatecon.com**

Economics for Better Living: 01999041
Chapter 1: Introduction

Activity 1: "Life's Budget... What Do You Choose?"

Scenario 1: Recent Graduate → Receives a starting salary of 20,000 THB. Wants to start a new life in a big city. Has basic expenses (rent, food, transport) and wants to save/invest, as well as allocate funds for self-development and entertainment.

Scenario 2: Starting Family → Has a combined household income of 40,000 THB with one young child. Needs to manage household expenses (food, housing, utilities, child's education) and prepare for the future.

Scenario 3: Retired Senior → Has a pension/regular income of 15,000 THB. Needs to manage health expenses, leisure, and live a fulfilling life in retirement.

Scenario 4: SME Entrepreneur → Wants to start a small business with an initial investment of 100,000 THB. How will they allocate funds to different areas (raw materials, marketing, rent, labor) to ensure business growth and sustainability?

Group Brainstorming

Brainstorming

Each group simulates life within your group assigned scenario

"How would you allocate your budget?" Group members brainstorm and list essential expenses/investments.

"What are the most important things you would choose, and what would you have to sacrifice?" Groups discuss the decisions they must make due to budget constraints and identify the **"opportunity cost"** of those decisions.

Activity 2: "Analyzing Everyday Economic Decisions"

1: Choosing Goods and Services

> Between cheap vs. expensive / brand-name vs. generic / online shopping vs. brick-and-mortar stores.

2: Transportation

> Between private car, public transport, or motorcycle taxi.

3: Further Education/Self-development

> Taking an additional language course/online course vs. doing part-time work

4: Food Consumption

> Cooking at home vs. buying ready-made food/eating out.

Group Brainstorming

1. What would you choose in this situation, and why?

- Each group identifies what they (or most people) would likely choose in the assigned scenario.

2. Which economic principles explain this decision?

- **Demand/Supply:** E.g., why prices of certain goods increase during festivals.
- **Marginal Benefit/Marginal Cost:** E.g., the decision to study one more chapter to improve a grade versus resting.
- **Incentives:** E.g., how "Buy 1 Get 1 Free" promotions influence purchasing decisions.
- **Asymmetric Information:** E.g., why buying a used car might be riskier than a new one.

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
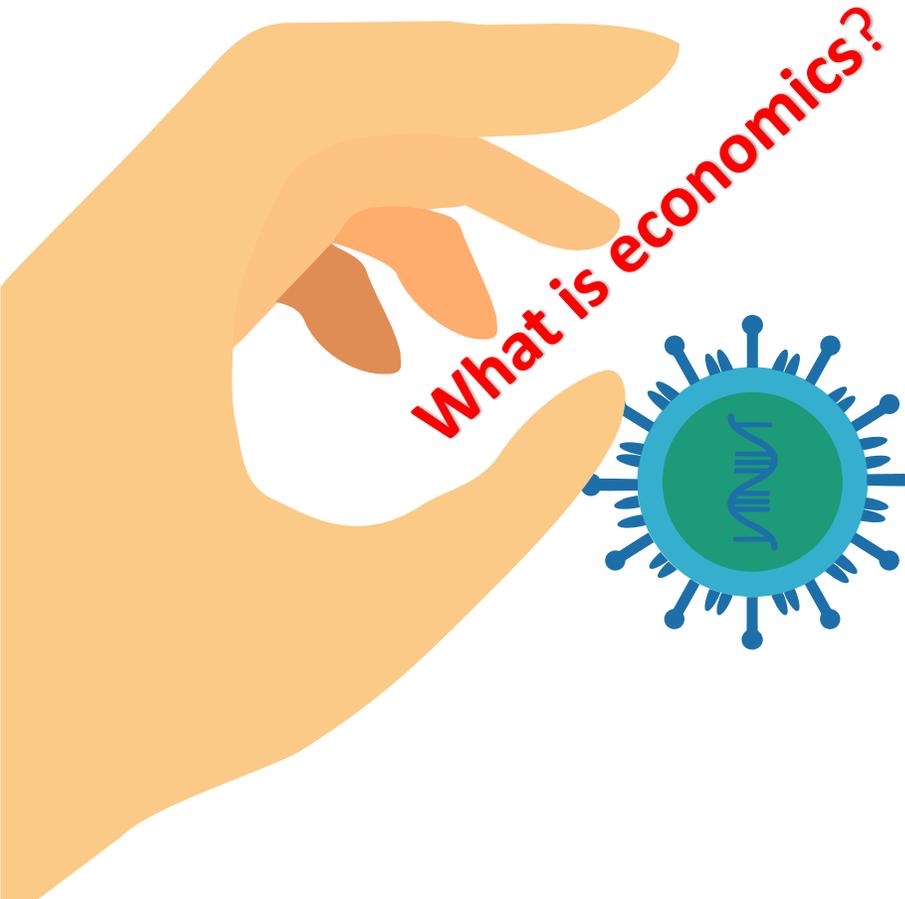
Household

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?
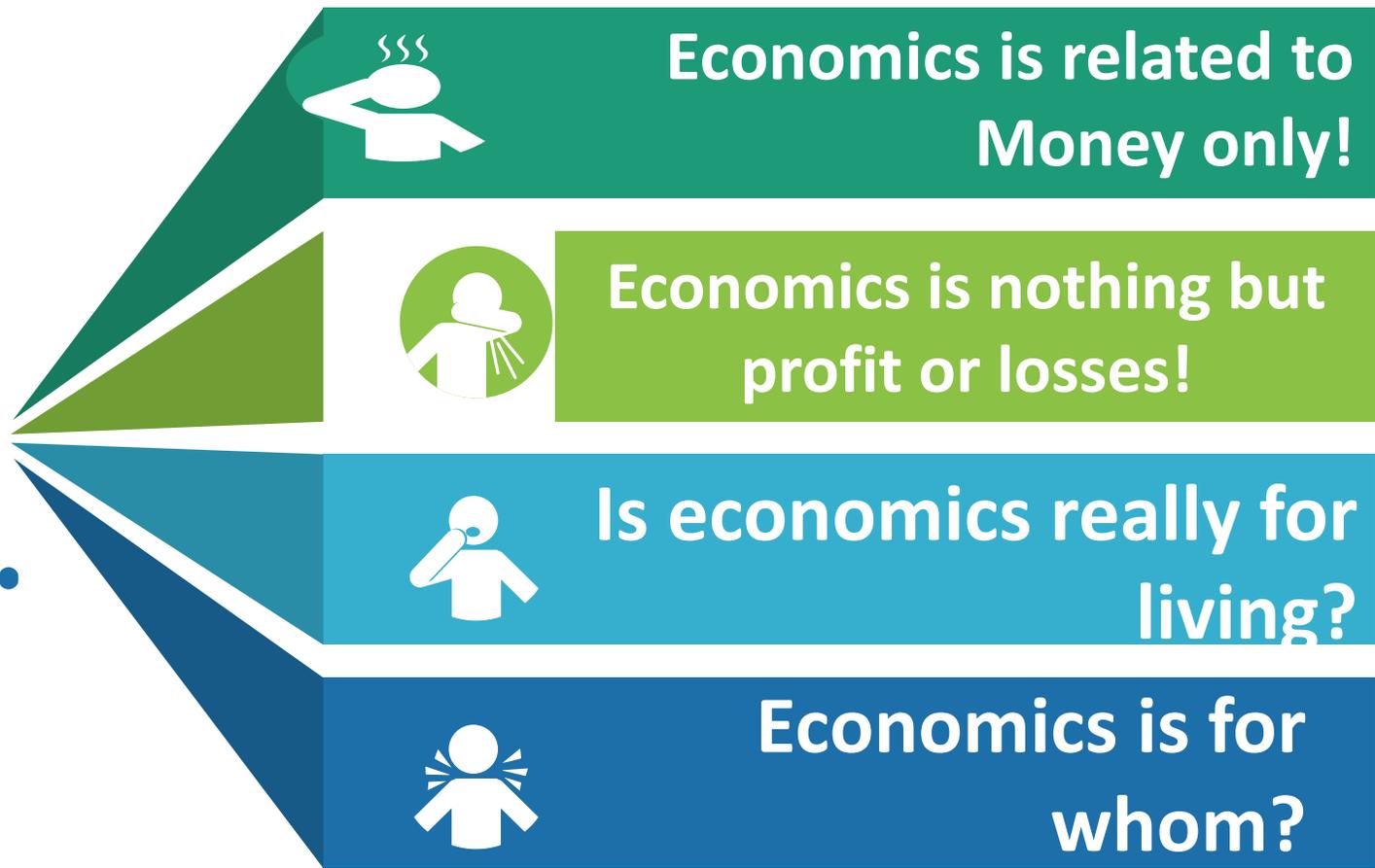
Economics is related to Money only!

Economics is nothing but profit or losses!

Is economics really for living?

Economics is for whom?

7.7 mil Baht
(as 1$ = 33 Baht)

The Cost of Raising a Child
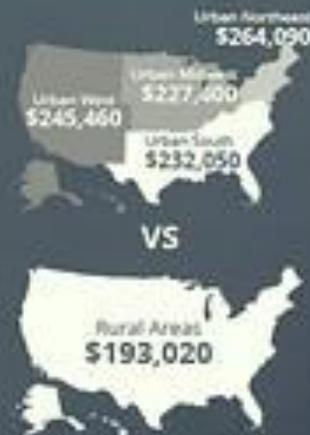
- From Consumer Expenditures Survey, in 2015, **a family will spend approximately $12,980 (0.43 mil Baht) annually per child in a middle-income ($59,200-$107,400)**, two-child, married-couple family.
  - Middle-income, married-couple parents of a child born in 2015 may expect to spend $233,610 ($284,570 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**.

Source: https://smartasset.com/data-studies/cost-raise-child-state-2024
https://wtop.com/news/2024/05/how-much-does-it-cost-to-raise-a-child-4/

When adjusted for inflation, the number jumps to $312,202 as of March 2024, based on data from the U.S. Bureau of Labor Statistics.

A 2024 Cost of Care Survey from Care.com found that parents spent, on average, 24% of their household income on child care in 2023. Average day care costs ranged from $219 per week for one child at a family care center to $755 per week for one child to receive care from a nanny. Nearly half of those surveyed spend more than $1,500 per month — or $18,000 per year — on child care.   (53,959.50 THB/month) (647,514 THB per year)

Cost of Raising a Child by State, 2024

States are ranked by the cost of necessities including childcare, additional housing, food, medical care and transportation for a child raised by two working adults.

Search in table

Rank	State	Annual cost of raising a child	Childcare	Additional housing	Food
1	Massachusetts	$35,841	$21,503	$4,983	$2,193
2	Hawaii	$35,049	$19,592	$6,188	$2,481
3	Connecticut	$32,803	$19,554	$4,139	$2,111
4	Colorado	$30,425	$16,620	$4,166	$2,035
5	New York	$30,247	$17,821	$3,543	$2,141
6	California	$29,468	$14,433	$5,573	$2,023
7	New Hampshire	$27,849	$13,461	$4,656	$2,031
8	Washington	$27,806	$15,463	$4,047	$2,109
9	Rhode Island	$27,630	$14,498	$3,753	$2,127
10	Minnesota	$27,406	$15,722	$3,225	$2,075
11	Vermont	$27,170	$13,956	$3,718	$2,183
12	Nevada	$26,914	$14,968	$3,313	$1,894
13	New Jersey	$26,870	$13,674	$4,054	$2,068
14	Alaska	$26,860	$13,238	$4,074	$2,342
15	Oregon	$26,334	$14,000	$3,303	$2,048

Data comes from MIT Living Wage Calculator for 2024.

Source: SmartAsset 2024 Study • Get the data • Embed

smartasset™

https://smartasset.com/data-studies/cost-raise-child-state-2024

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**

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

Let calculate cost of raising a child in Thailand

Age	Education level	Living Expense with 3% inflation rate			Tuition fee			Total		
		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
4	Kindergarten 1	37,080	92,700	185,400	40,000	110,000	180,000	77,080	202,700	365,400
5	Kindergarten 2	38,192	95,481	190,962	40,000	110,000	180,000	78,192	205,481	370,962
6	Kindergarten 3	39,338	98,345	196,691	40,000	110,000	180,000	79,338	208,345	376,691
7	Elemantary School: Grade 1	40,518	101,296	202,592	80,000	140,000	200,000	120,518	241,296	402,592
8	Grade 2	41,734	104,335	208,669	80,000	260,000	200,000	121,734	364,335	408,669
9	Grade 3	42,986	107,465	214,929	80,000	80,500	200,000	122,986	187,965	414,929
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
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

Assumptions

Tuition fee	Low	Medium	High
Kindergarten	10,000	25,000	40,000
Elemantary/High School	30,000	40,000	50,000
College	20,000	30,000	60,000
Equipments	10,000	30,000	50,000
Living expense (360 days/year)	36,000	90,000	180,000
Daily living expense	100	250	500

Living Expense with 3% inflation rate per year

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

https://youtu.be/8KkKuTCFvzI

Preface

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

Source: http://www.nectec.or.th/users/htk/dr-puey/womb-tomb.html
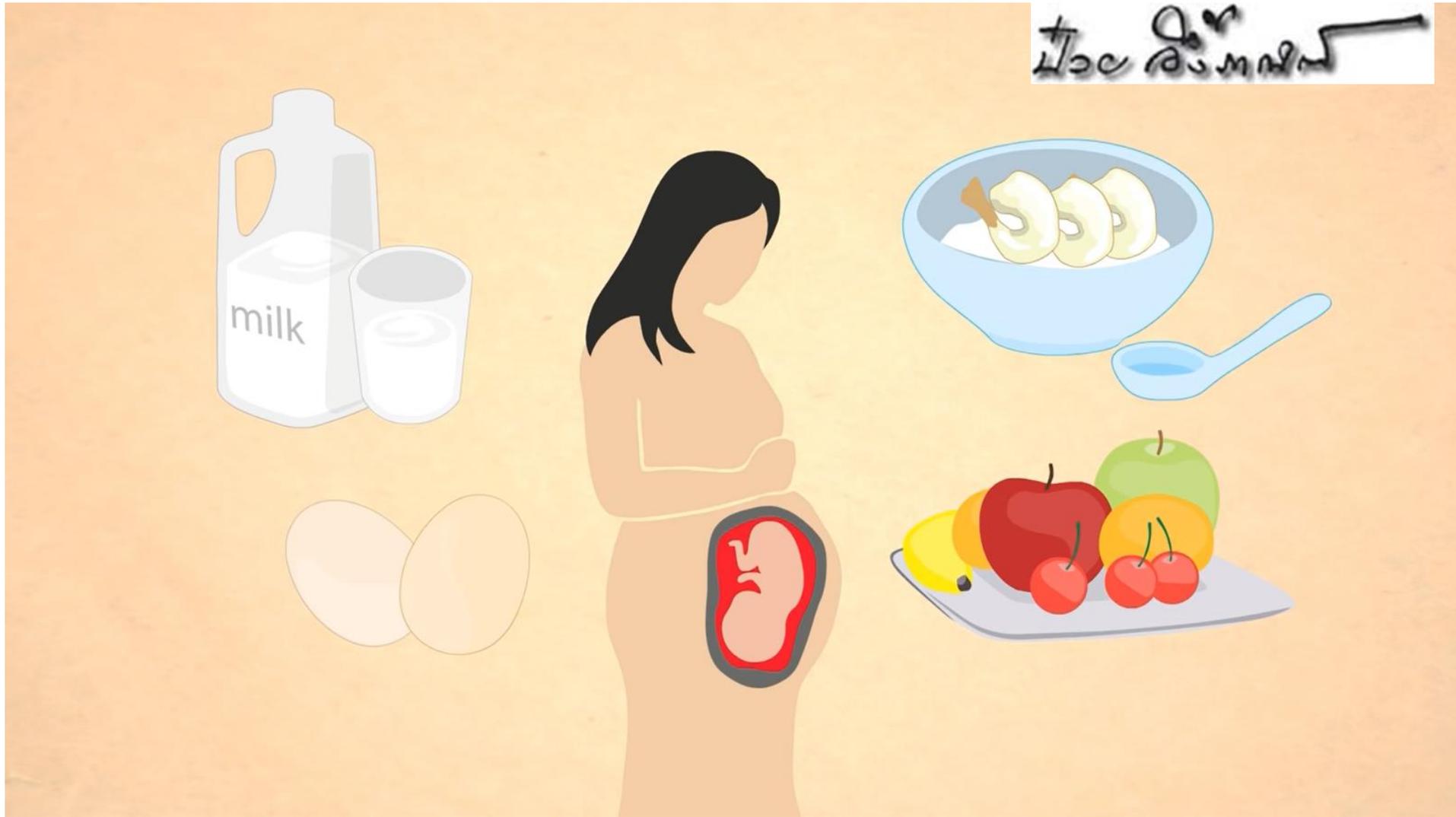
While in my mother's womb, I want her to have **good nutrition and access to maternal and child welfare care**.

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 600 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)   = <u>144,000</u> Baht
                                                         Total   = <u>181,000</u> Baht

Total Births in Thailand
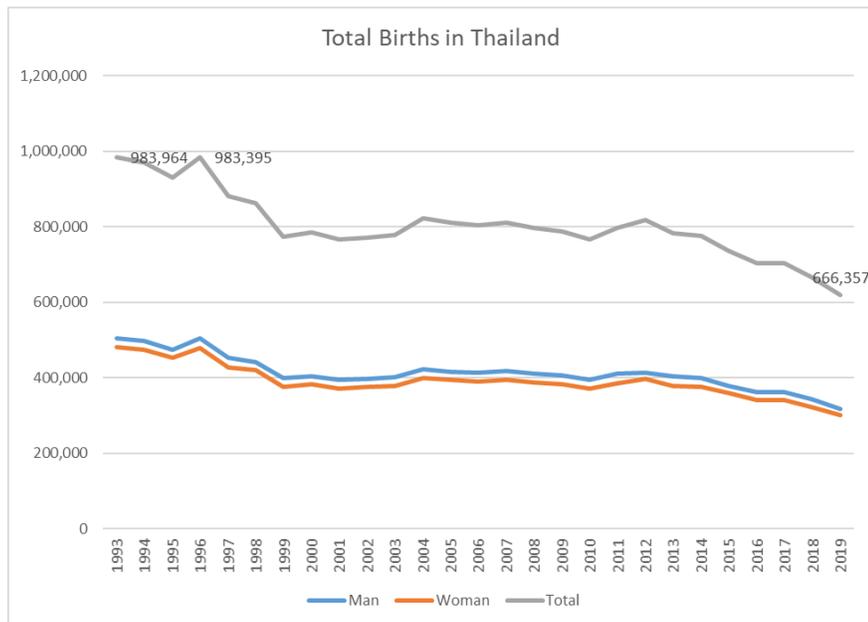
Total births in 2019   = 666,357 children

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) = <u>**15,000**</u> **Baht**

Government expenditure = <u>**229,500**</u> **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.**

GDP Year 2019 = 10,925 Billion Baht
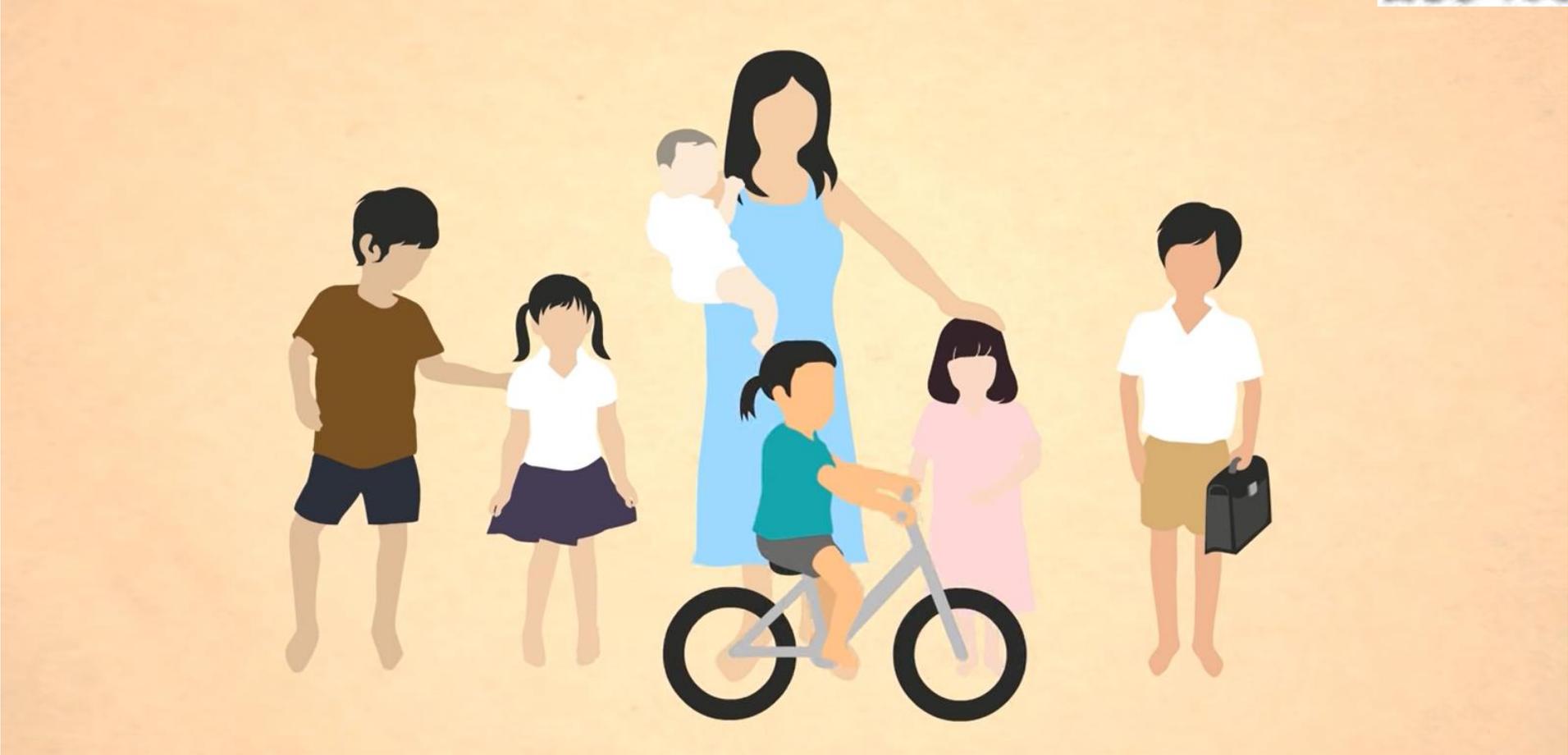
I don't want to have as many brothers and sisters.
I do not want my mother to have a child too soon after me.

I **don't care** whether my dad and mom are **formally married**, but I need them to **live together in reasonable harmony**.
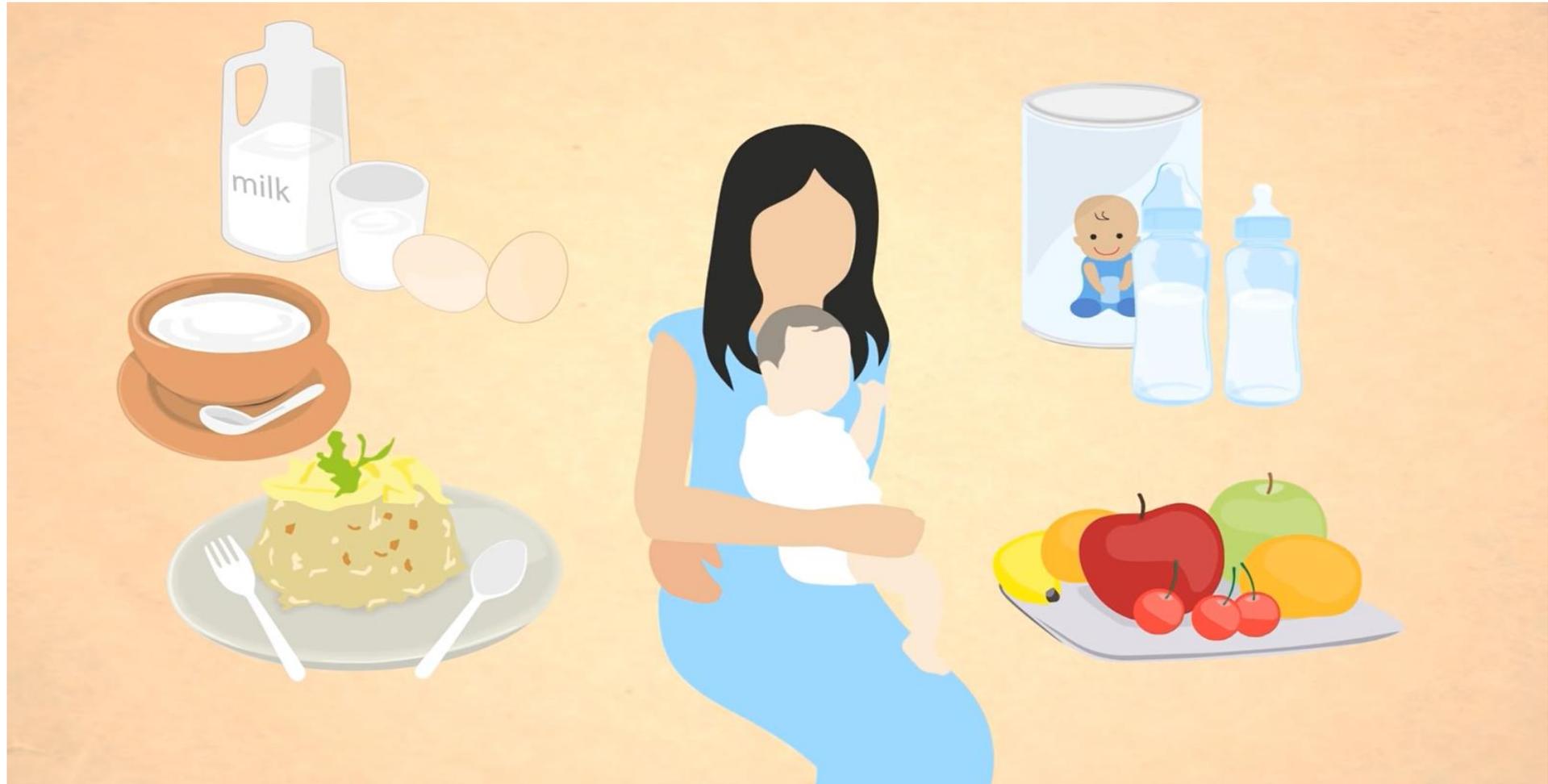
I and my mom want good nutrition for my first two or three years.
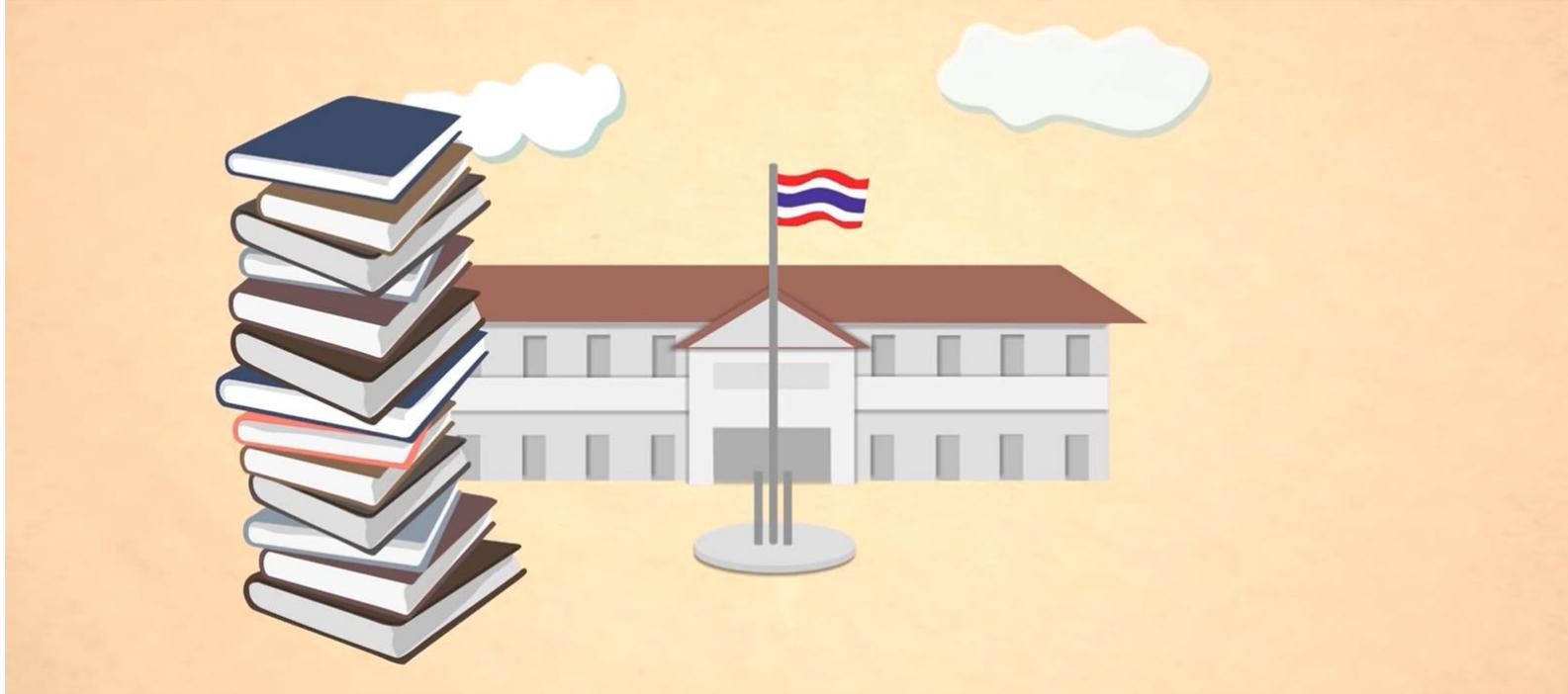
I and my brother/sister want to go to **school**, together and If we have capable, we would like to have opportunity for studying in **higher education.**

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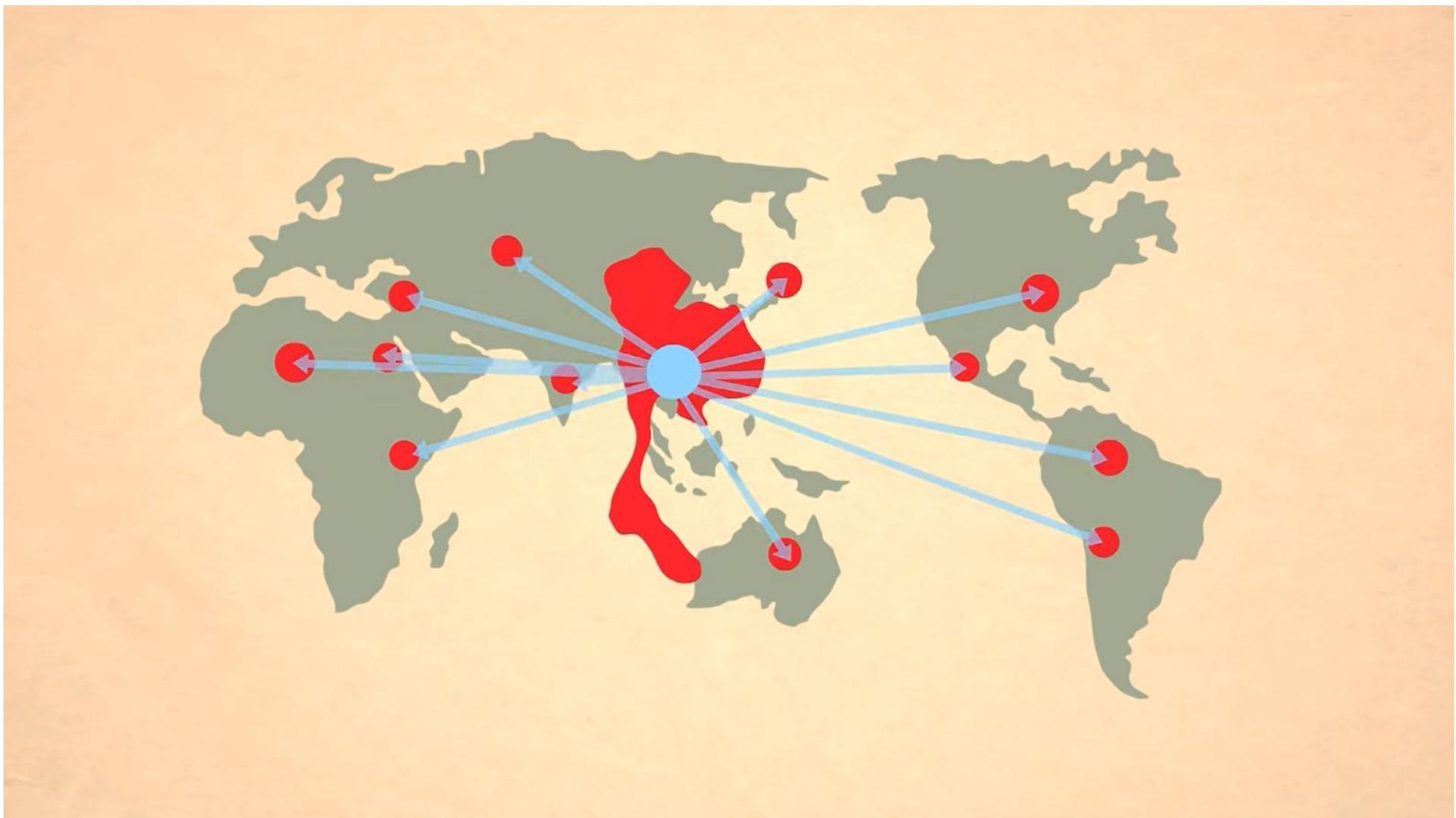
I would like my country **to get a fair price for the products**.
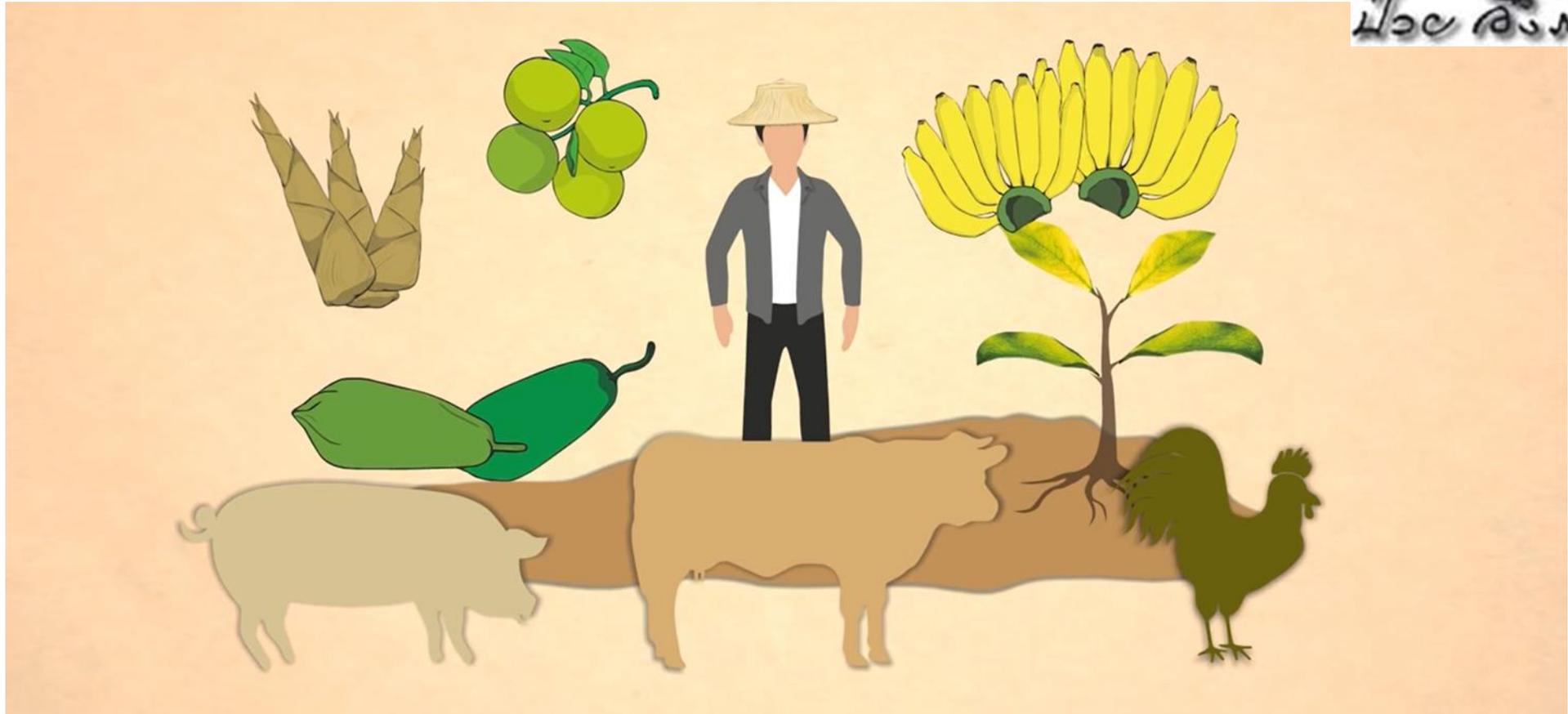
As a farmer, I would like to have my own land, be able to get access to credit, to new agricultural technology and markets, and to get a fair farm-gate price.

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.
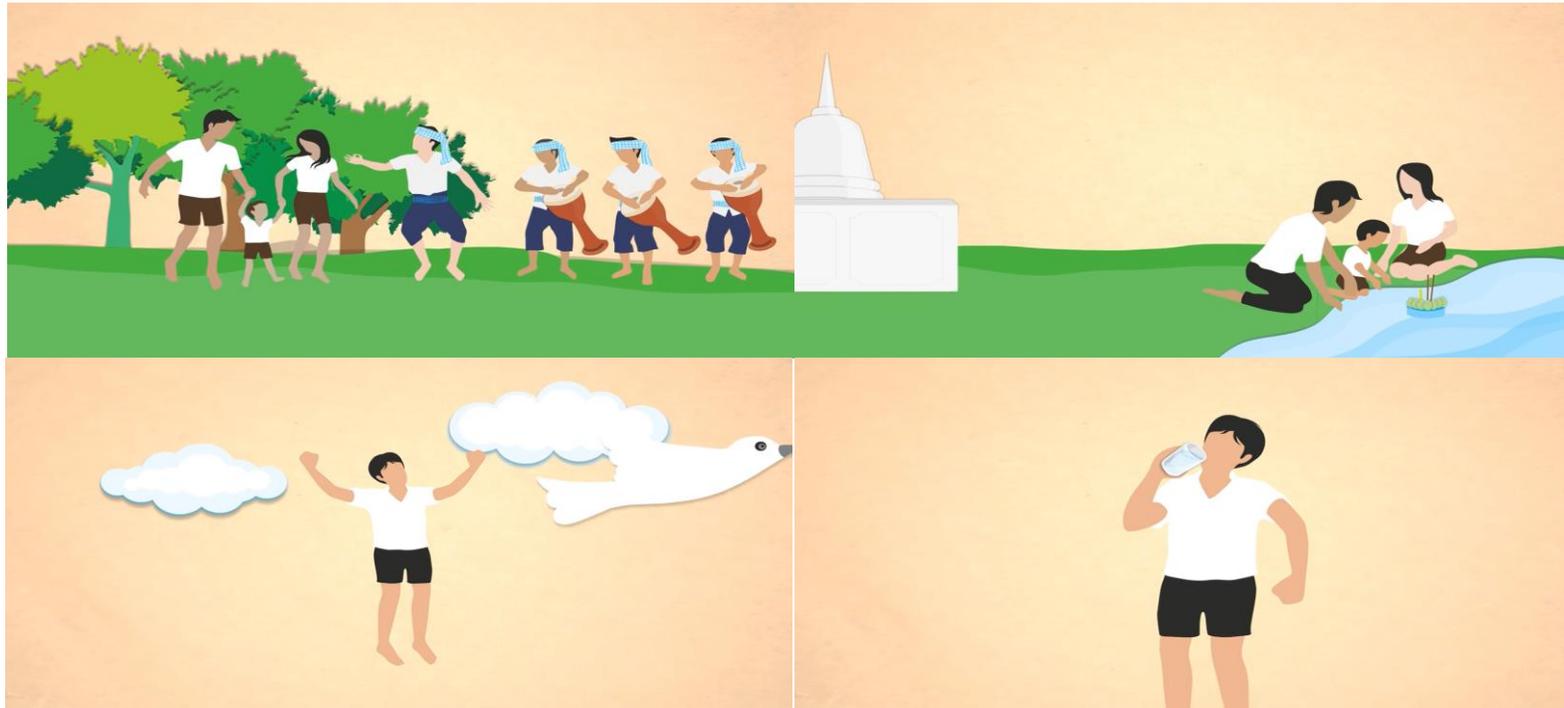
I need some **leisure time for myself, and to enjoy my family**, and want access to some **green parks**, to the arts, and to traditional social or religious festivities. I want **clean air** to breathe and **clean water** to drink.
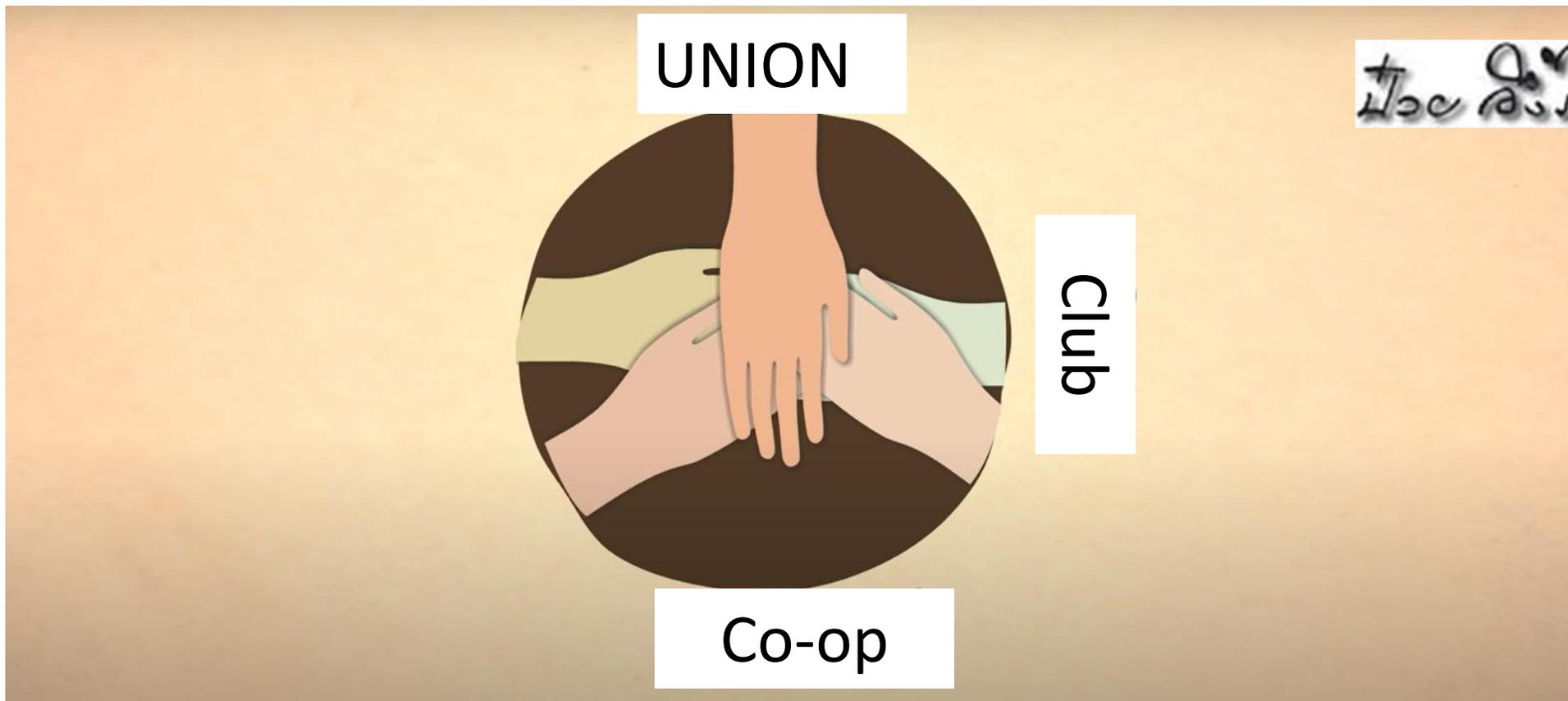
I would like to have **co-operative mechanisms** in which I and others can join for helping each other.

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

43

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 + (number of months in the program - 180)/12*.015]
*average 60 monthly salary before retirement
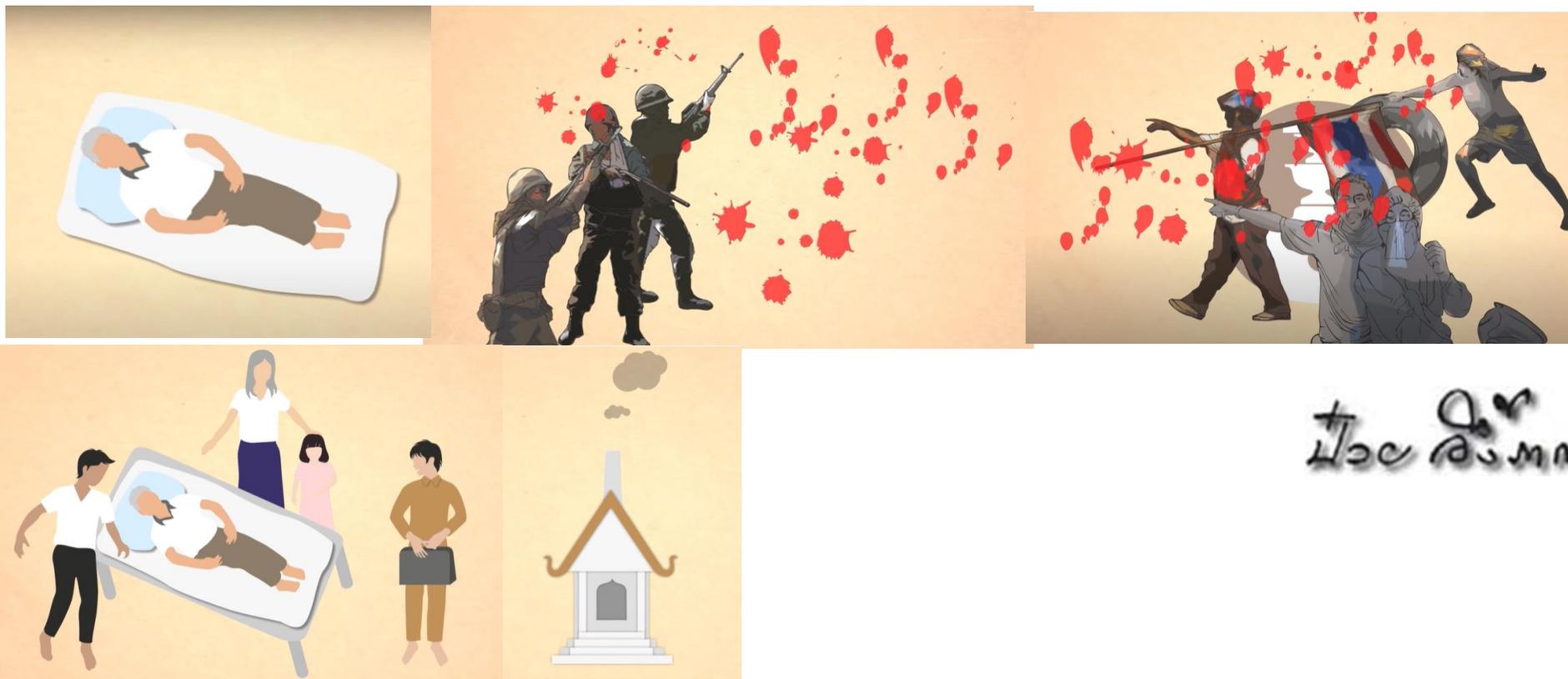
When I die, I would like to keep **some money that is enough to support my family.** The remaining, **government should keep and distribute it to** others to enjoy their life too.

https://www.youtube.com/watch?v=1GcWO-0RzPE
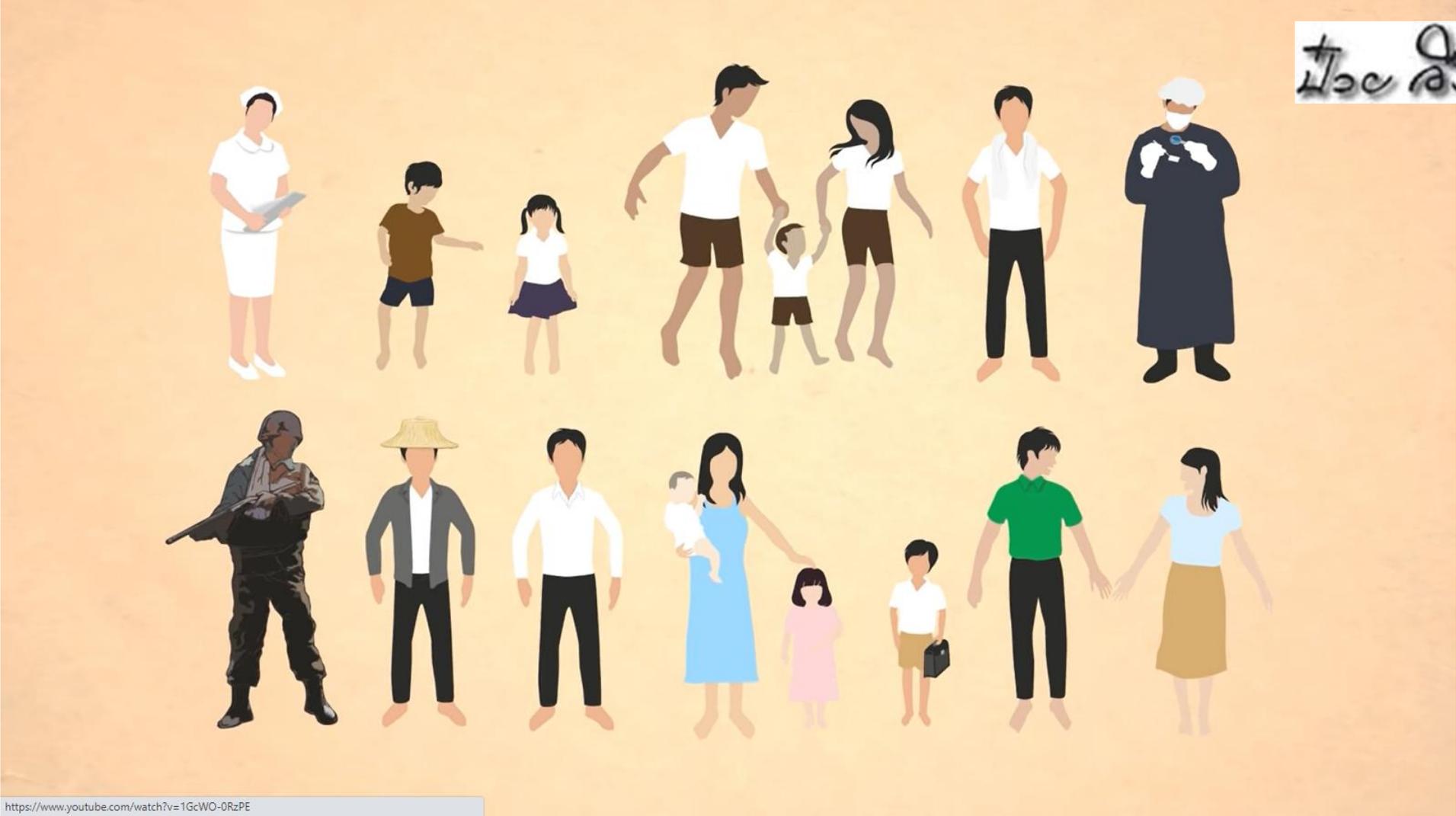
These are what life is all about, and what development should seek to achieve for all.

tax and duties

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

High inflation: what you need to know

4:23

Why do central banks raise interest rates?

8:14

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. 51

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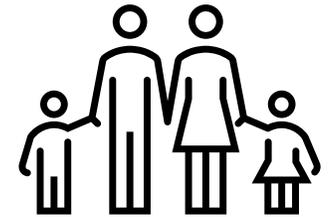
30% of net income (roundup) = 0.3*1,110.5 = $334

SNAP Allotment for a full month = $782-334 = $448 (14,784 บาท)
 (Get SNAP Allotment for 40% of net monthly income)

The importance of integrating economics to better living

- **Causes and emphasis**

Golf Course

Forest

Trade-off

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**

Agriculture

Industry

Trade-off
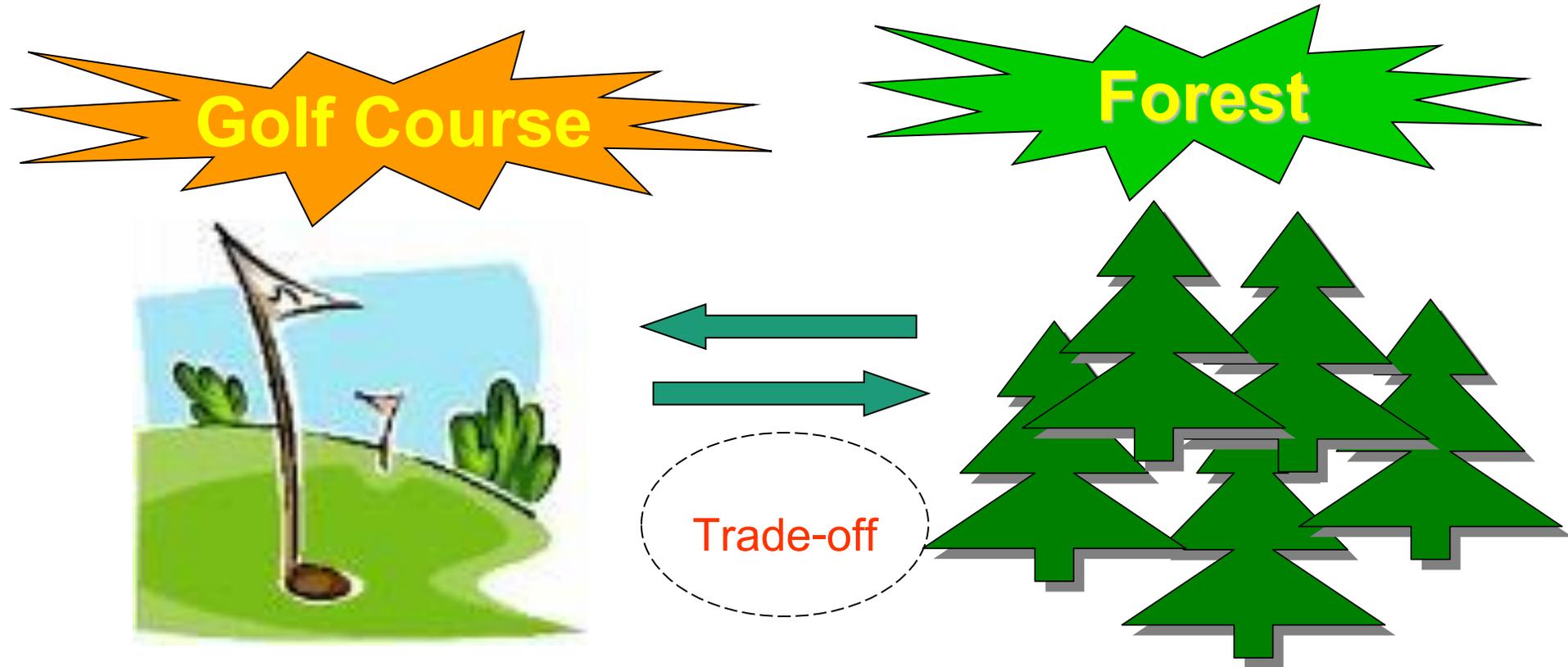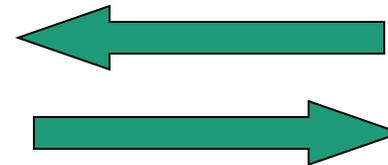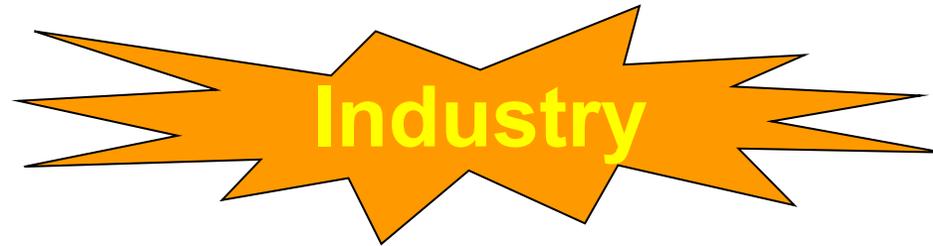
To get something, one must sacrifice something.

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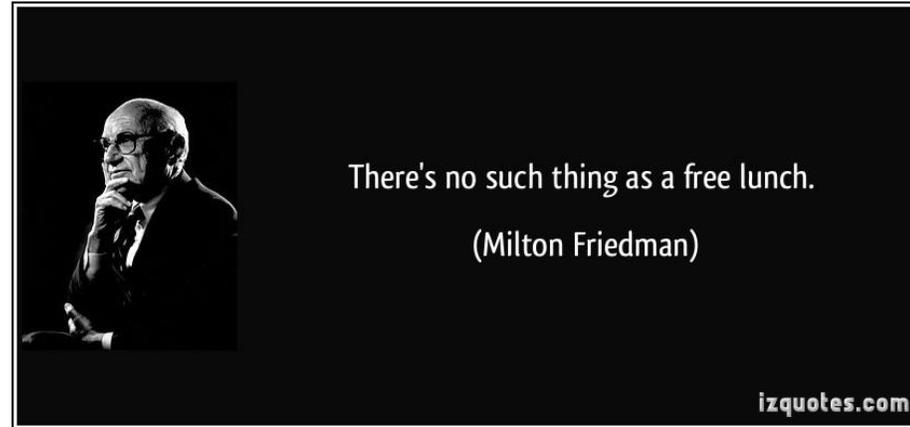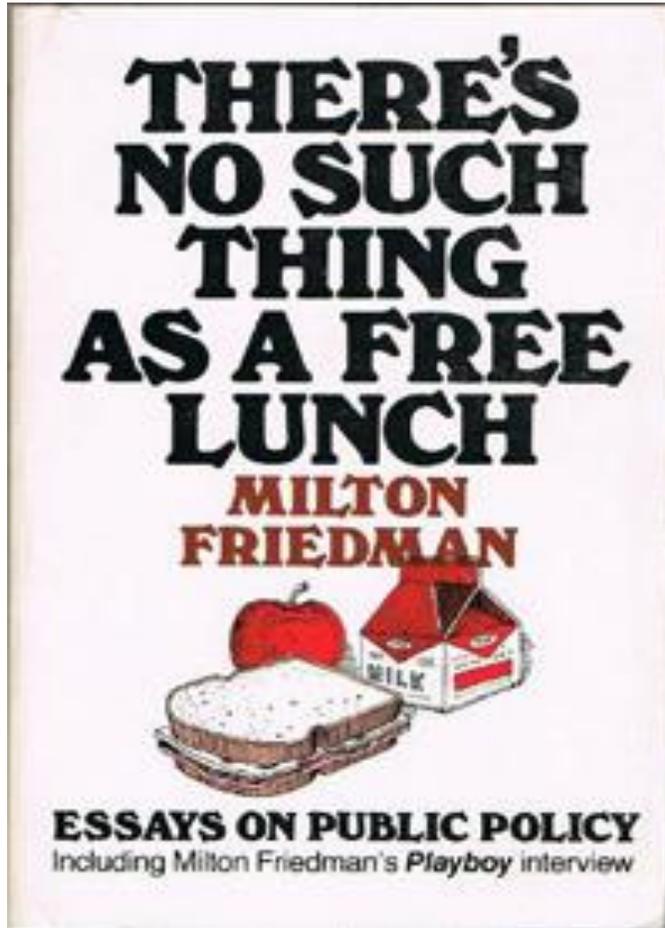
There is No Such Thing As A Free Lunch - Milton Friedman
https://www.youtube.com/watch?v=gYYAv5vfj0A

There is No Such Thing as a Free Lunch
https://www.youtube.com/watch?v=mA-UQW7yHO0
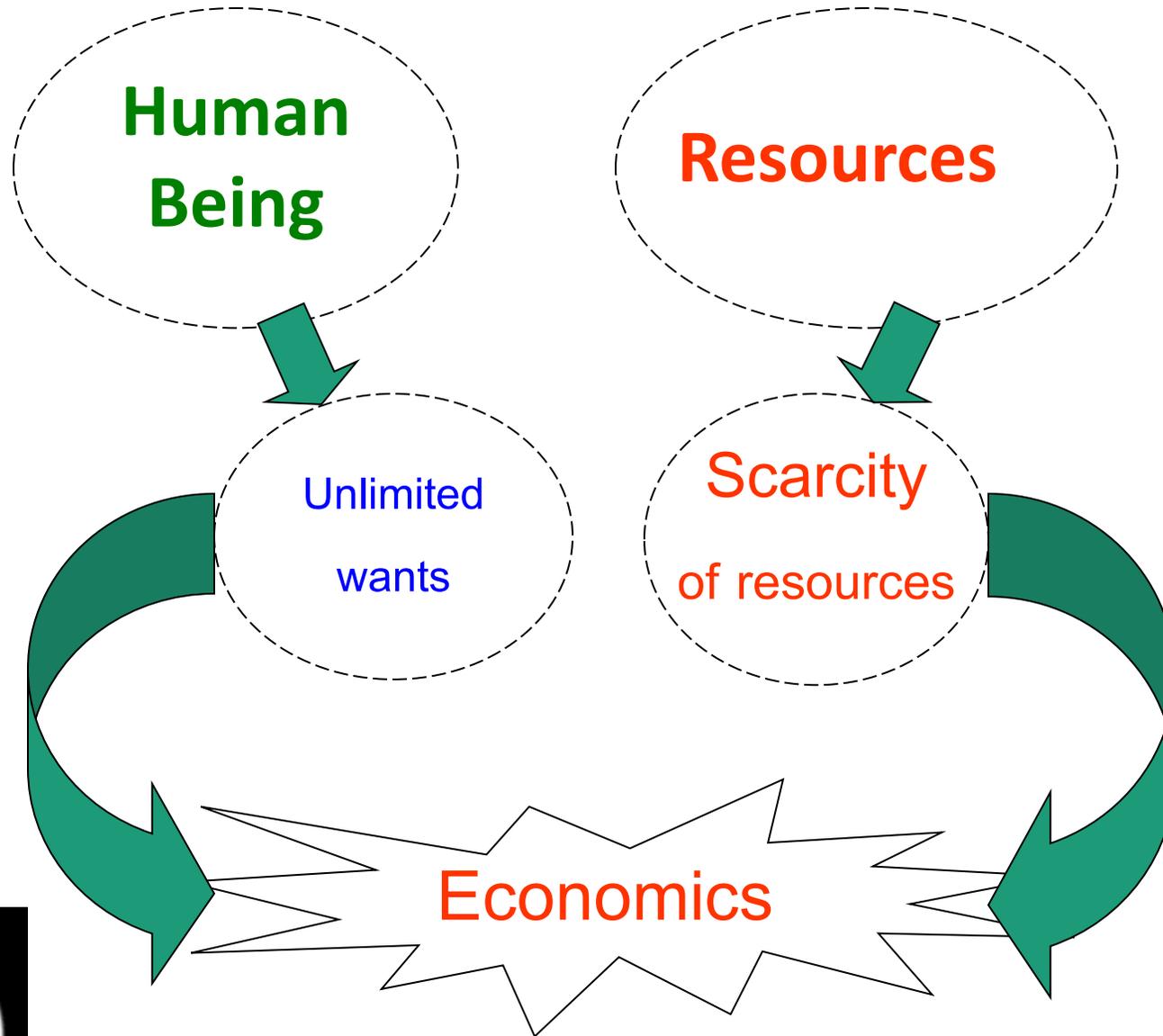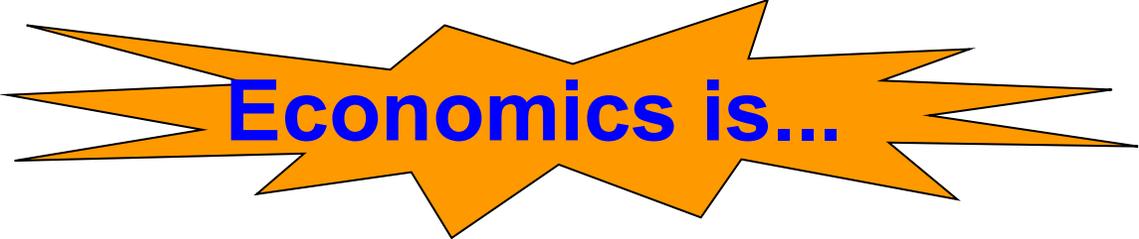
Economics is...

"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
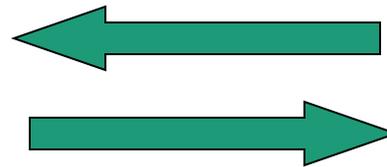
Trip

Trade-off

Time
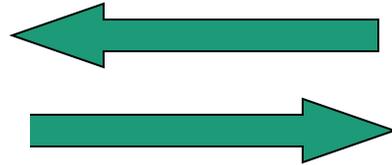
Trade-off

Resources
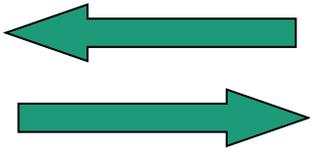
Trade-off

Trade-off

Wants

Making a choice in
using resources
What? How?
For whom?

Production

Consumption

Distribution

From input to output

**Use of output to satisfy
one's wants**

Distribute output to one or to economic unit
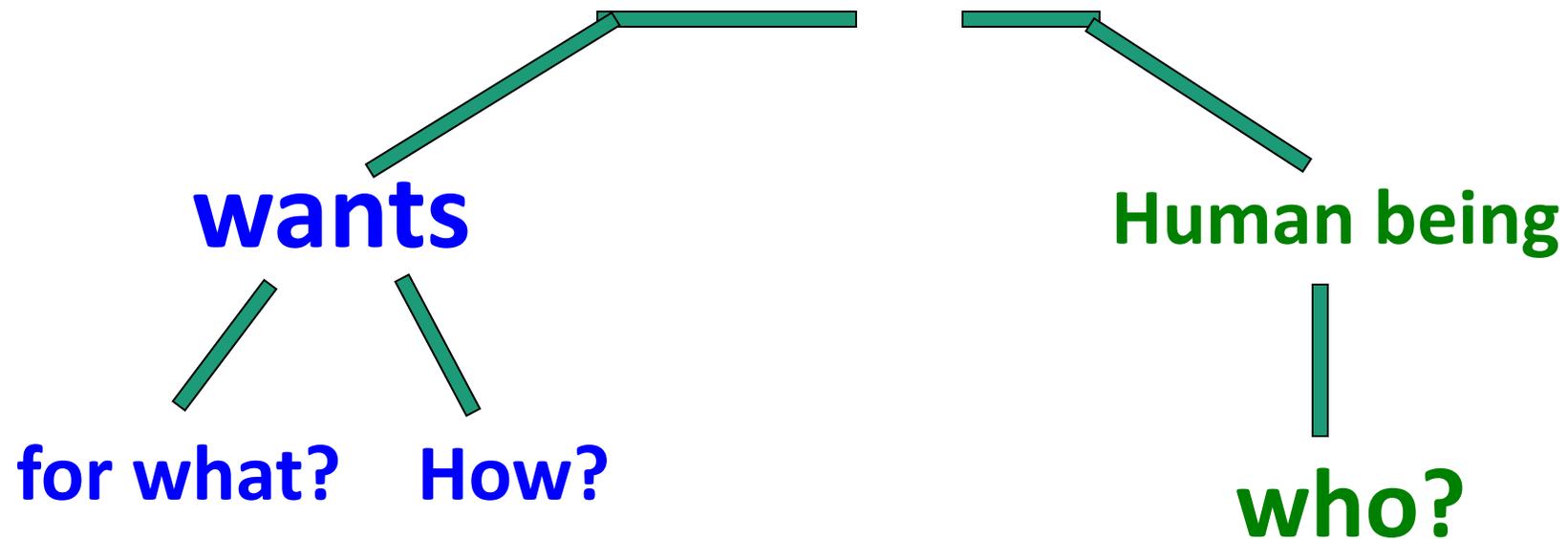
Gains, benefits — **Economic Unit** — **Losses, Costs**
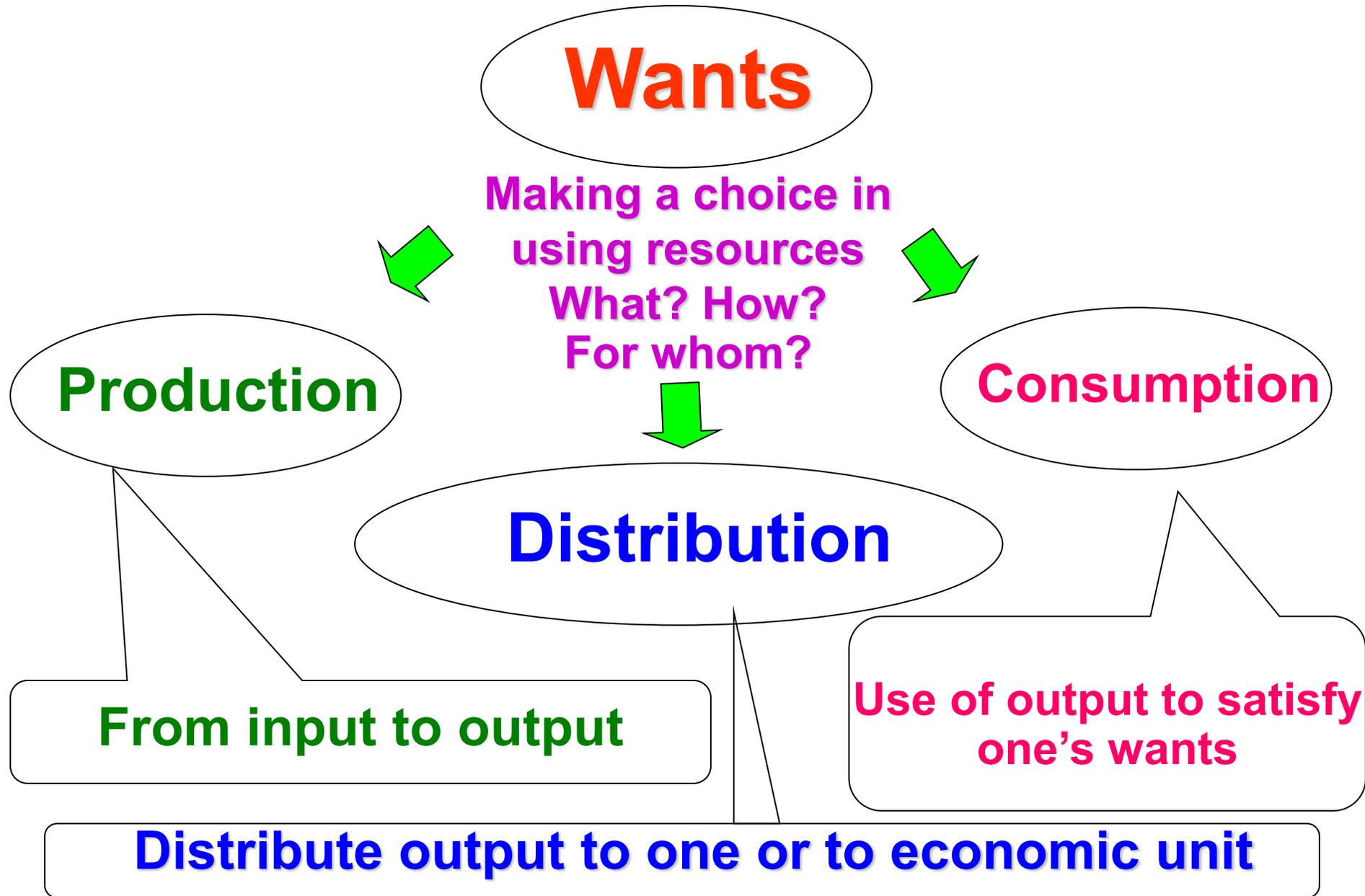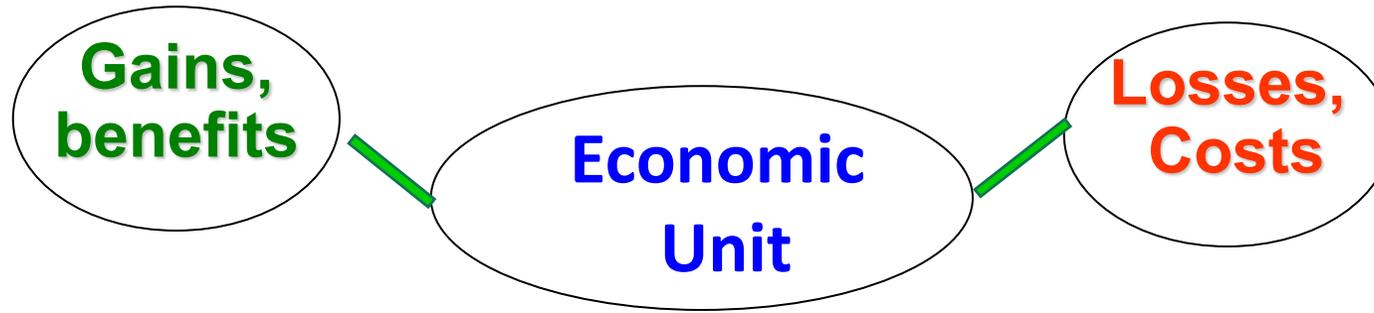
= are those who produce, distribute and consume goods and services in the economy

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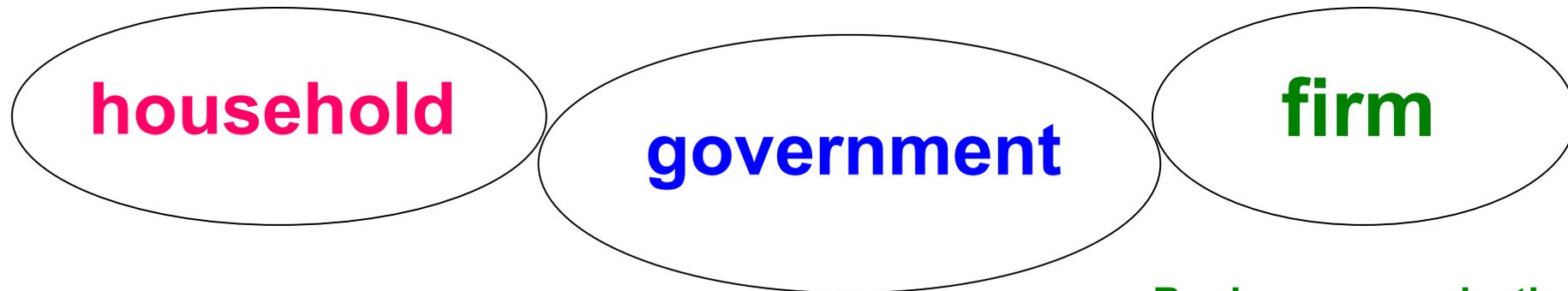
is a group of people who live in the same housing unit, share their income and expense.

government

Are those economic units that own by the government.

firm

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		Losses

• various kinds of goods and services for consumers

• good infrastructure

• increase of income and purchasing power

• 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.

Limited resources

Unlimited resources

Scarcity

Choices

What to produce

How to produce

For whom to produce
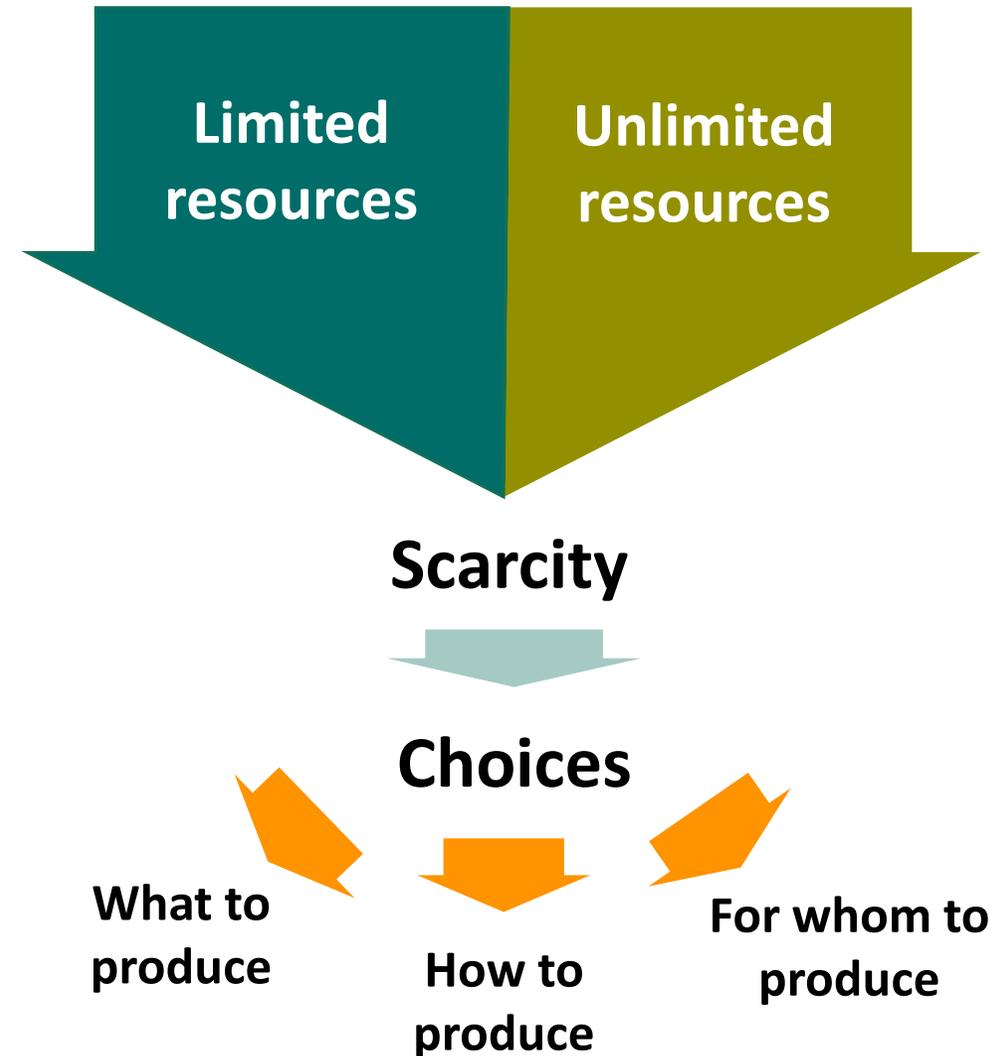
The reason why we should integrate economics to better living

1. **Economic purpose is syncronous 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.

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.

Integration

Bring together

Link

fulfill

- *Bring together smaller parts to combine into the bigger and better part.*
- *Link together for the better.*
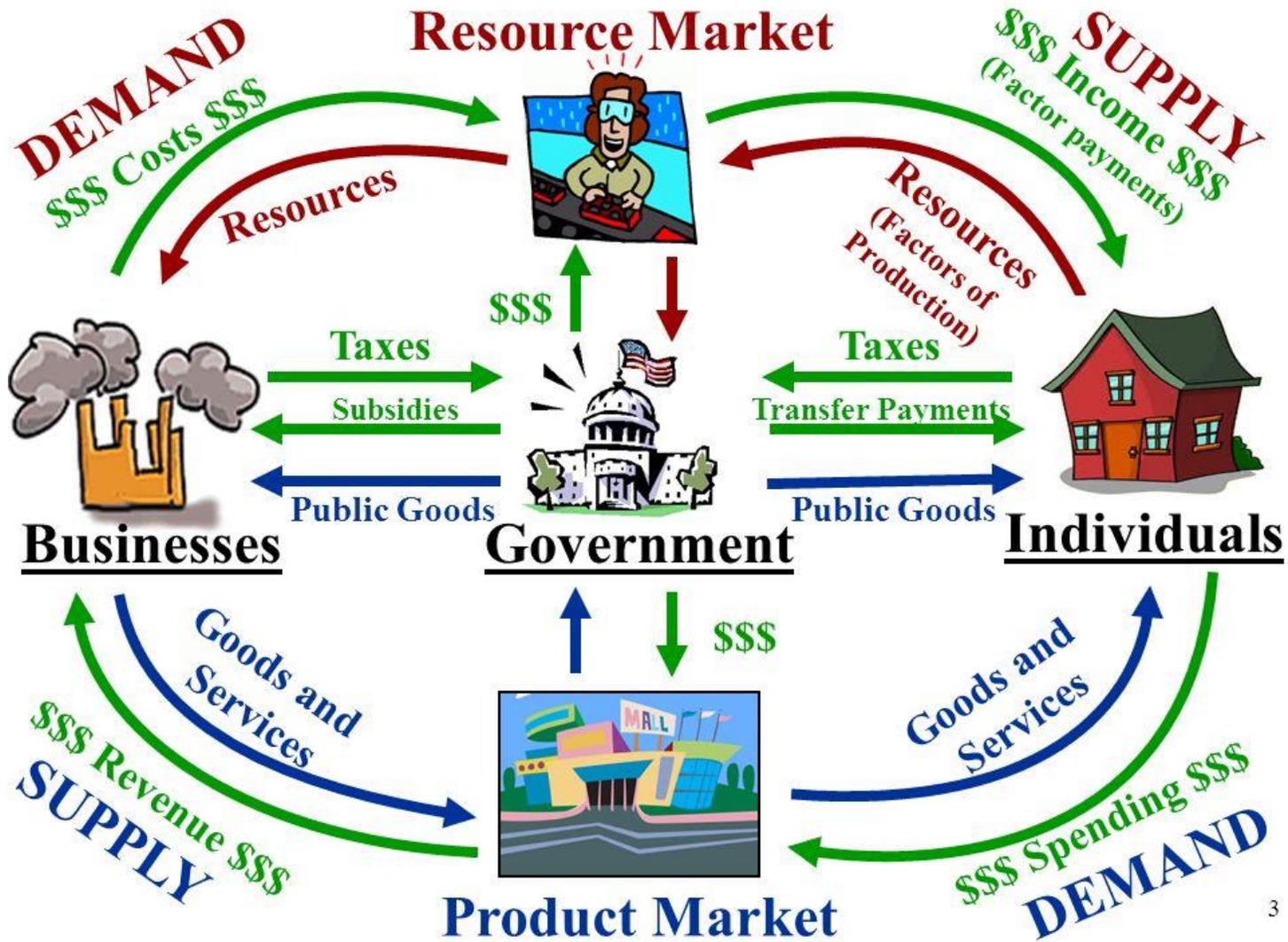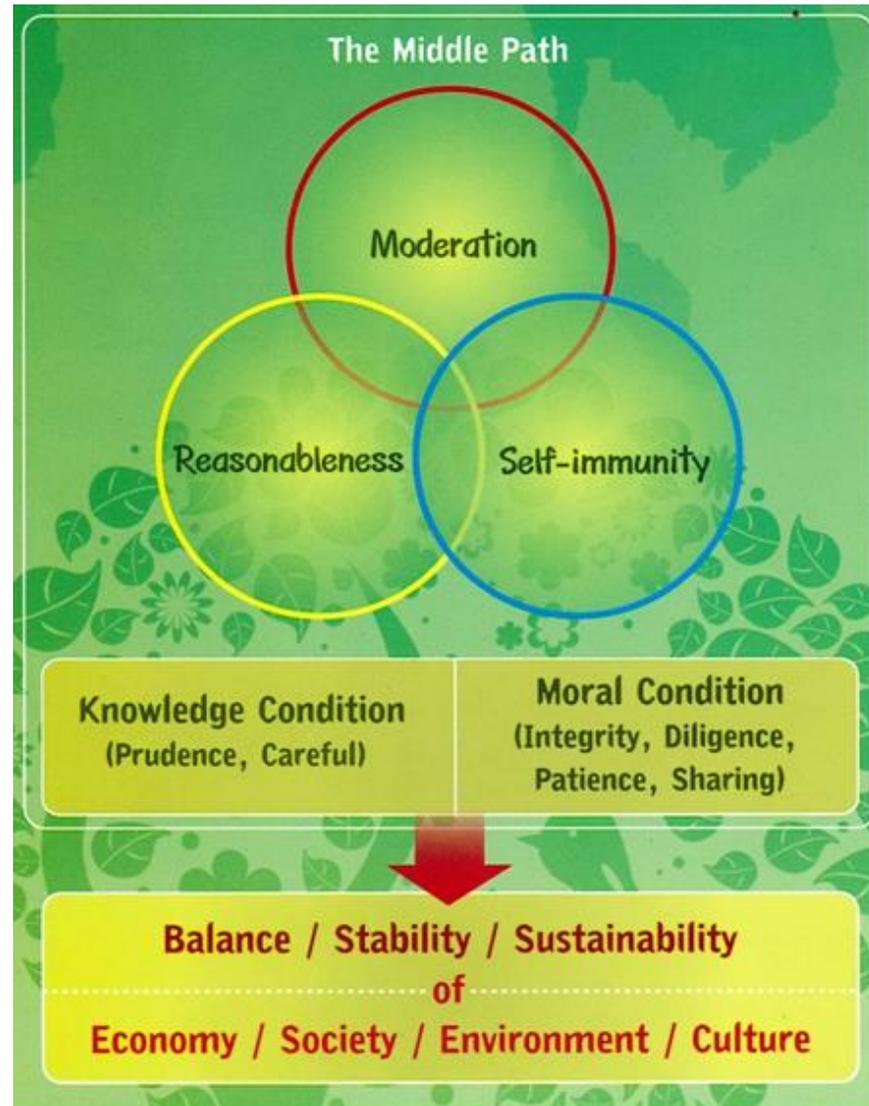- *Fulfill the defective part to become perfect.*
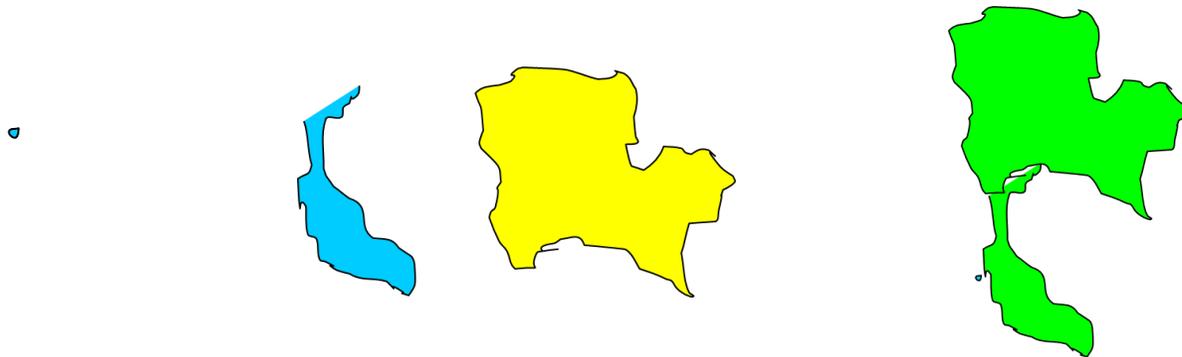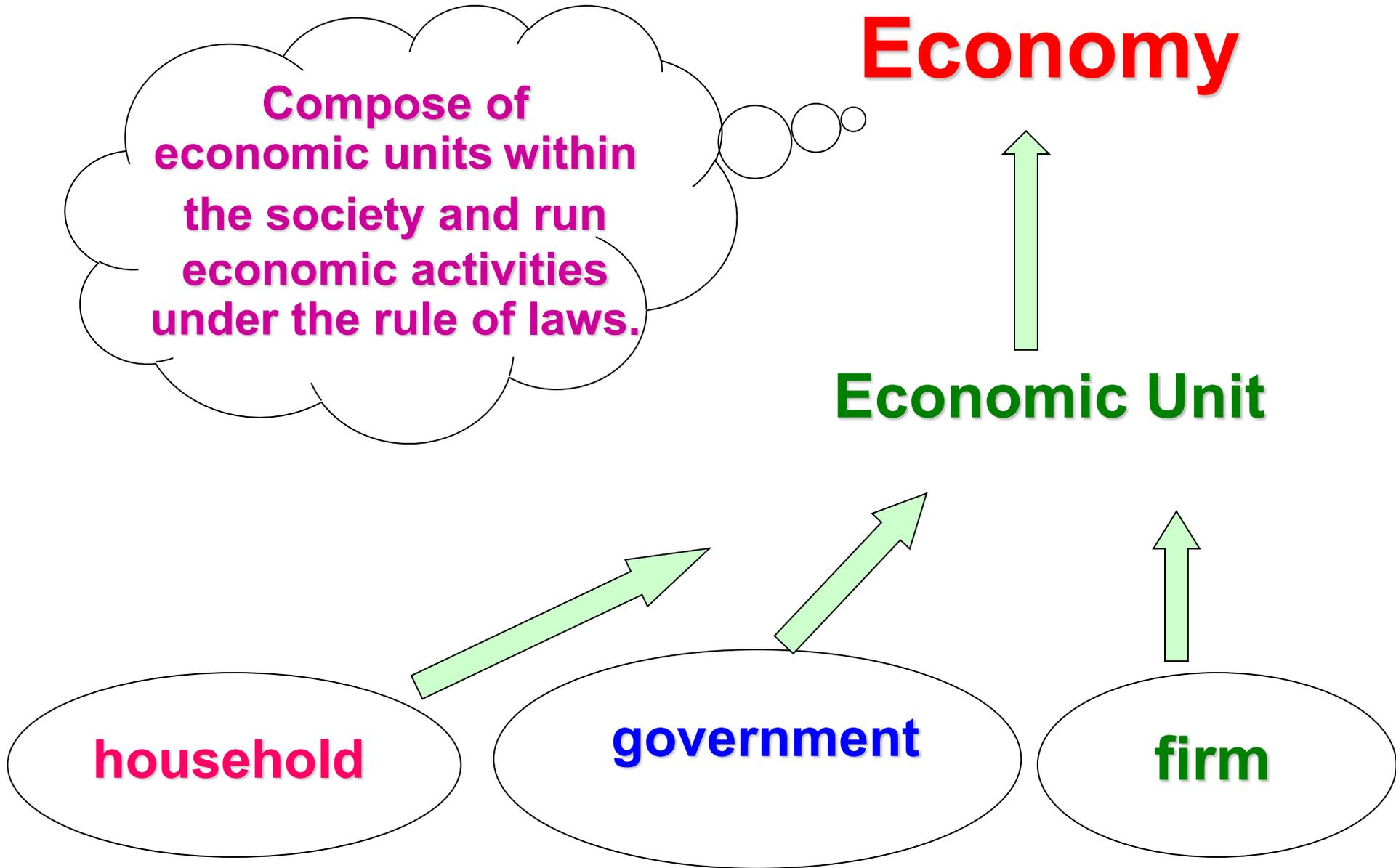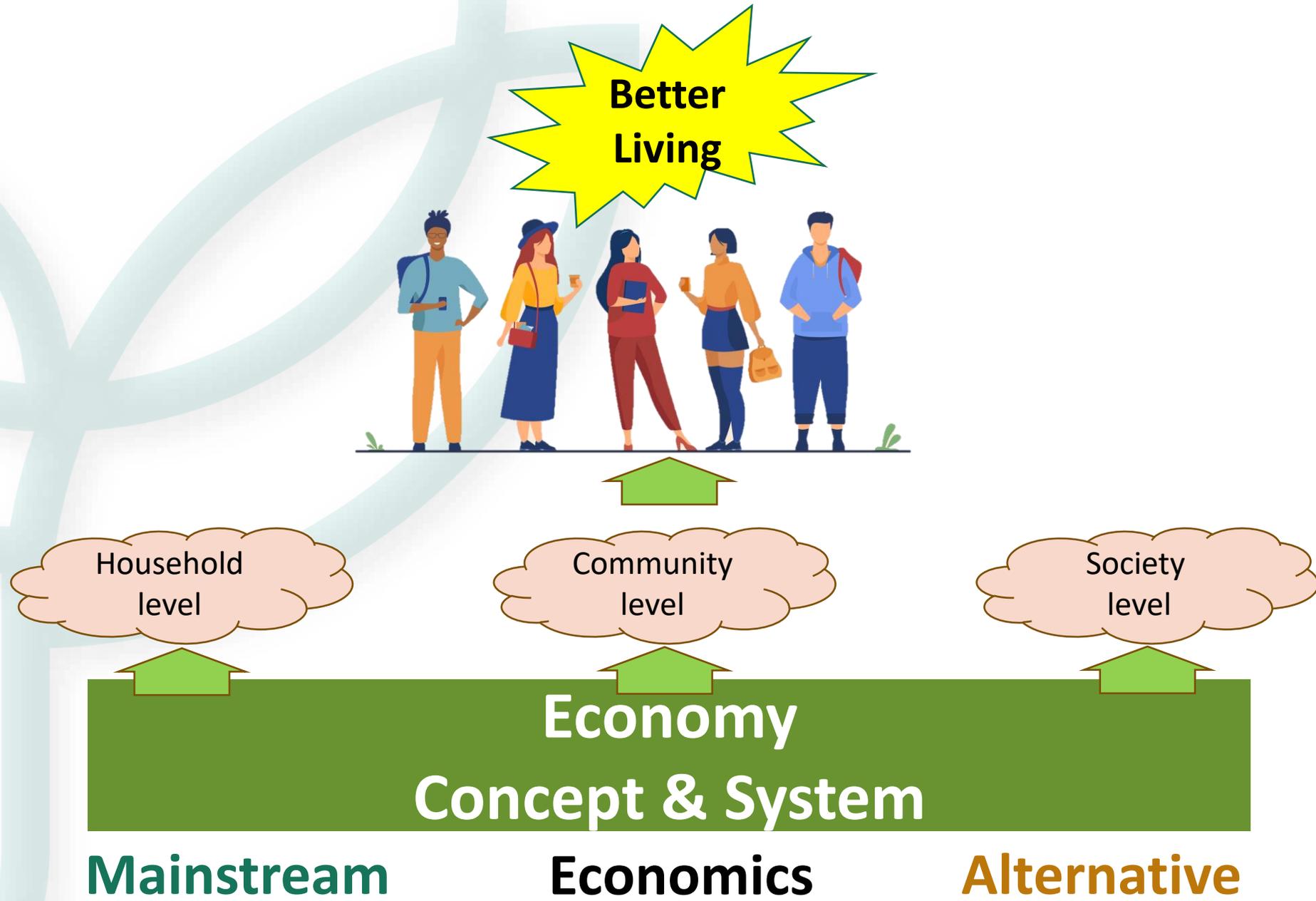
ที่มา: เศรษฐศาสตร์เพื่อการดำเนินชีวิตที่ดี/คณะกรรมการวิชาเศรษฐศาสตร์เพื่อการดำเนิน ชีวิตที่ดี ศูนย์วิชาบูรณาการ หมวดวิชาศึกษาทั่วไป. -- กรุงเทพฯ: สำนักพิมพ์ มหาวิทยาลัยเกษตรศาสตร์, 2551. (หน้า 11)

The Circular Flow in the Economy

Sufficiency Economy

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

THANK YOU