



NEWSLETTER

ISL NEWSLETTER July, 2016



In this issue, ISL is delighted to report on a highly successful conference in Bangkok. Our thanks go to the many people in Bangkok, Sydney and from all over the world who came together to discuss sustainable leadership. The conference incorporated the launch of our new book on Sufficiency Thinking, also described in this issue. In our Research Watch, we summarise some of the findings reported in the book by Thai researchers on the effectiveness of sufficiency thinking in different sectors.

Gayle Avery



Dignitaries at the gala launch of "Sufficiency Thinking: Thailand's Gift to an Unsustainable World" in Bangkok, 31 May, 2016, together with the two editors from ISL.

Photo: Olga Mirkina

THE SUFFICIENCY ECONOMY PHILOSOPHY WISE DECISIONS DERIVED FROM VIRTUE + KNOWLEDGE

The world needs to rethink the prevailing form of capitalism based on greed. One alternative, but still capitalistic, approach has been promoted in Thailand over the past 30 years by King Bhumibol Adulyadej.

Known as the Sufficiency Economy Philosophy (SEP), the Thai approach is consistent with many other forms of moral capitalism or capitalism with a human face, as some people prefer to describe it. Together with about 20 Thai experts, Gayle Avery and Harry Bergsteiner have produced a book showcasing the SEP and linking it to other forms of sufficiency thinking. The title is: *Sufficiency Thinking: Thailand's Gift to an Unsustainable*

World. You can read about the eminent authors, speakers and spectacular events associated with the book launch in Bangkok on 31 May in the following pages.

In this edited book, authors present a process model of sufficiency thinking and case studies of how sufficiency thinking has helped sustainable development in many sectors of Thai life.

Basically, the SEP process begins with virtuous individuals or ethical groups who use science and other forms of knowledge to make "wise" decisions. Decisions made under a wise sufficiency mindset are characterised by moderation, reasonableness and prudence.

The project was generously sponsored by the Thailand Sustainable Development Foundation and run in association with the College of Management at Mahidol University. Click [here](#) for more details or to get copies of *Sufficiency Thinking*.

Photo: Tomiko Roberts, First Secretary, Australian Embassy, Thailand holds her copy.



INSIDE...

What a conference!
12-hour book launch!

Transforming a "desert"
The buzz about honeybees & locusts
B.Grimm Group: "Doing business with compassion"

Research watch: Applications of sufficiency thinking
ISL congratulates & thanks....

WHAT A CONFERENCE TO REMEMBER! 11TH INTERNATIONAL SYMPOSIUM IN BANGKOK

Thanks to the generous sponsorship of the Thailand Sustainable Development Foundation (TSDF) and in collaboration with the College of Management at Mahidol University (CMMU), our 2016 symposium can only be described as a spectacular success. The special theme of *sufficiency thinking* was celebrated in four days of exciting events.

To begin with, a group of delegates visited one of the Thai King's Royal Study Centres staying overnight to witness how sustainable practices and a scientific approach transformed 303ha of arid land into a productive oasis (see report below). Back in Bangkok to a



superb opening cocktail party, at which Bruce McKenzie (left) patiently explained the WindTunneling technology he allowed us to use to capture people's reactions to the coming events. Many thanks to Bruce! The next day was devoted to launching ISL's new book:

Sufficiency Thinking: Thailand's Gift to an Unsustainable World. For details of this unforgettable event, see below.

1 June was devoted to some outstanding peer-reviewed presentations in small-scale sessions. From the outset, the

keynote speaker, Dr. Pojjanee Paniangvait, Vice President of Thai President Foods Plc won everyone's hearts and admiration for sharing how her large family company operates on honeybee principles.

Papers for the rest of the day were broken into three main topic areas.



1. **INSIDE SUSTAINABLE ORGANISATIONS**, chaired by Professor Peter Steane, with papers on sustainable leadership practices driving financial performance in Thai SMEs; why green HRM?; and oikos' work developing sustainable leadership in young people.
2. **TOWARDS SUSTAINABLE SOCIETIES**, with Professor Aree Wiboonpongse in the chair, covered sustainable policing; dealing with obesity as a social issue; and an evaluation of approaches to rice production.
3. **TOOLS FOR ACTION**, chaired by Hon. Professor Harry Bergsteiner, was about using WindTunneling in sustainable development; closing the waste gap in emerging economies; and taking lessons from mystics for sustainable leadership. More details are available [here](#).

12-HOUR BOOK LAUNCH SUFFICIENCY THINKING

Dr. Chirayu Isarangkun Na Ayuthaya (left in photo), Chairman of the Thailand Sustainable Development Foundation, welcomed about 300 people to a day packed with events to launch ISL's new book, *Sufficiency Thinking: Thailand's Gift to an Unsustainable World*. Thailand's Minister for Foreign Affairs, Mr Don Pramudwinai (right in top photo), then explained the significance of the Sufficiency Economy Philosophy, not only to Thailand but to the whole world. In his keynote address, Mr Harald Link, Chairman of the B. Grimm Group (far right), enchanted the audience as he explained how to do "business with compassion" as a honeybee company. Next, the editors of the book, Gayle Avery & Harry Bergsteiner discussed the book itself including a model to promote understanding of the thinking behind the Sufficiency Economy Philosophy. Four afternoon workshops showcased how sustainable thinking is applied in Thailand with presentations from academics and practitioners in health, education, business, and agriculture & community development. The day finished with a spectacular dinner event called Siam Splendour - the finest Thai food accompanied by traditional music (lower left photo).



TRANSFORMING A "DESERT" KHAO HIN SORN EXCURSION

On 29-30 May, ISL's famous External Development Day excursion visited Khao Hin Sorn, a Royal Development Study Centre outside Bangkok. Under the Thai King's supervision, using sophisticated and often experimental approaches to agricultural, animal and water management, the former degraded and infertile land has been transformed into a lush and productive oasis. Among the products are fish, rice, forests, and traditional medicines, plus poultry, frogs, fruit and vegetables. Photos (Olga Mirkina): Clockwise from top right: ISL visitors, fruiting plants, importance of soil management, a forest and water lilies.



THE BUZZ ABOUT HONEYBEES, LOCUSTS (AND YOUR LIFESTYLE) SEMINAR: NEW THOUGHTS ON SUFFICIENCY THINKING

Honeybees and locusts are becoming buzz words in Thailand. In June, in a speech to the G77, the Prime Minister of Thailand adopted these metaphors when he urged member states to act like “honeybees” and not like “locusts”. The next day, a special seminar was convened in Bangkok to discuss the concepts of honeybees and locusts, as well as new insights into the SEP. About 40 people from all over the world attended as Hon. Prof. Harry Bergsteiner introduced new approaches to integrating diverse aspects of the SEP, intended to assist practitioners in particular.

Chairing the expert ISL panel was the Director of the Sufficiency Schools Centre, Virtuous Youth Foundation and Board

Member of the Thailand Sustainable Development Foundation, Dr Priyanut Dharmapiya. Dr Chirayu Isarangkun Na Ayuthaya, Chairman of the sponsoring organisation, the Thailand Sustainable Development Foundation, pictured below with other dignitaries, was actively involved in the discussion.



Dr Priyanut Dharmapiya and ISL's Gayle Avery (above) enjoy a laugh when Harry Bergsteiner answers a question by producing a list of 23 SEP practices just given to him by the Chairman of the Thailand Sustainable Development Foundation.

B.GRIMM GROUP DOING BUSINESS WITH COMPASSION

“Doing business with compassion” guides the work of the B.Grimm Group, which has operated in Thailand since 1878 when German pharmacist Bernhard Grimm and his Austrian partner, Erwin Mueller, started the Siam Dispensary. The dispensary was soon appointed official pharmacist to the Thai royal family.

Today, the B.Grimm Group is a diversified company active in energy, cooling, healthcare, lifestyle, real estate and transport. The fastest growing sector is in power where B.Grimm is one of the pioneers in the private power-generation industry. The firm owns three power plants in Thailand and one in Vietnam, with agreements to develop nine hydroelectric projects in Laos. It also invests in renewable energy. In the cooling sector, the company manufactures and partners in distributing Carrier air-conditioners through joint venture and licensing arrangements with Carrier Corporation, as well as other industrial systems. In healthcare, B.Grimm has joint ventures with the local branches of Merck, Maquet, Siemens and the Carl Zeiss Group.

In the lifestyle sector, B.Grimm operates in very diverse fields ranging from natural and healthy organic cuisine; through to healthy beauty and spa products; marine cosmetology and hair care cosmetics; elegant vintage fashion and sporting activities. Among its real estate endeavours, the company owns two 20 storey office buildings in Bangkok and a large development project in Pattaya, and has been recognised for its green building initiatives. In transport, B.Grimm has supplied systems and services to Bangkok's mass transit system, and several other major infrastructure projects in Thailand, as well as expanding into bulk carriers built in Japan. This diversified company recently expanded into the internet field with a mobile search app and other platforms.

The company's extensive corporate social responsibility program is described in its annual report 2015 available [here](#), along with its financial success (2015 revenues of over AUD\$1.5 billion and total assets exceeding \$2 billion). Today the company is run by Harald Link, grandson of pharmacist Adolf Link, who was hired as a

manager to help expand the growing business in 1903. During World War I, Adolf Link who was still a German national, had all his assets seized on orders of the British government and he and his family were sent to concentration camps in India. After the war, the Links returned to Thailand and gradually rebuilt the business with the support of the Thai Royal family. Adolf's sons, Herbert and Gerhard, rebuilt the business in both Thailand and Europe. In 1978 Gerhard's son, Harald, who had been raised in Germany and educated in Switzerland, had joined his uncle Herbert in Thailand and is Chairman of B.Grimm today.

At the launch of *Sufficiency Thinking*, Harald Link explained to about 300 people how his company follows sufficiency thinking under its motto “Doing business with compassion”. The company also exhibits many sustainable leadership or honeybee principles.

Pictured at the book launch dinner (below from right to left): Mr Harald Link, Dr Harry Bergsteiner, Dr Gayle Avery, Ms Caroline Link, Dr Suparak Suriyankietkaew.



RESEARCH WATCH

APPLICATIONS OF SUFFICIENCY THINKING

Thai researchers have contributed many interesting studies to *Sufficiency Thinking: Thailand's Gift to an Unsustainable World*. After introducing the urgent need for a new way of approaching our world given the failures of greed-based capitalism, Dr Nattapong Thongpakde, Dr Prasopchoke Mongsawad and Dr Harald Bergsteiner argue for a more moral or humane capitalism. Dr Harald Bergsteiner and Dr Priyanut Dharmapiya then explain the essence of sufficiency thinking, namely that a well-intentioned person (or group), acquires and uses knowledge to make moderate, reasonable and prudent decisions. These decisions should benefit not only the person concerned but where possible his or her community. Environmental, social, cultural and economic outcomes need to be in balance.

Subsequent chapters describe how sufficiency thinking is applied in various sectors of Thai society, starting with agricultural and community applications. A special version of sufficiency thinking was developed specifically for the agricultural sector called the "New Theory". Author Dr Pornkasem Kantamara reports on many benefits to farmers from using the New Theory. Despite these successes, New Theory techniques are still not widely implemented across Thailand, and the chapter concludes with a discussion of some of the challenges with recommendations for overcoming them. Chapter 5 reports on sufficiency thinking at the community level from the Royal Initiative Discovery Projects in remote Nan province. Dr Phallapa Petison and her team show that five years on, the projects are yielding numerous successful outcomes: improved food security and household income with less household debt; young people returning to rural communities they once abandoned, thereby serving as catalysts for community development; reduced forest encroachment and increased reforestation. However, the authors note that extending area-based community development nation-wide remains a challenge, despite acknowledged successes.

Dr Aree Wiboonpongse and Dr Songsak Sriboonchitta address the challenge of measuring the effects of sufficiency thinking at the community level, making an important contribution towards quantitatively assessing sustainable outcomes. Their research shows that those communities that implement sufficiency economy practices demonstrably benefit although community confidence in sufficiency thinking practices is crucial for moving people toward sustainability objectives. Another community study of sufficiency thinking in both economic and environmental management used examples from three local Thai communities to demonstrate the process of transforming mindsets. Thanpuying Dr Suthawan Sathirathai and Dr Sirintornthep Towprayoon identify three stages in this process: *compliance*, *comprehension* and *inspiration*, which find physical expression in partial practices, advanced practices and enlightened practices.

Three chapters focus on applications of sufficiency thinking at the national level in Thailand. Dr Priyanut Dharmapiya and Dr Molraudee Saratun describe an ambitious program to instil sufficiency mindsets in young students, adopting a "whole-of-school" approach. The program integrates sufficiency principles into both age-related curricula and school management in about one half of the 40,000 Thai schools. Dr Thep Himathongkam and Ms Tanya Vannapruegs apply sufficiency thinking to healthcare in Thailand, where the challenges of providing adequate healthcare to locals are immense. Departing from the "middle path" has created many problems for the sustainability of healthcare in Thailand today although this is not inevitable as the 30-year experience of a small private diabetes hospital shows: Theptarin Hospital is managed in accordance with Avery and Bergsteiner's (2011a) sustainable leadership practices, built around a shared set of virtues. It also employs the latest scientific knowledge and shares a sustainability mindset built around moderation, reasonableness and prudence to achieve demonstrably successful outcomes. Sufficiency thinking has also been used to prepare prison inmates for life outside prison. Dr Juthamas Kaewpijit and Dr Suparak Suriyankietkaew show how sufficiency-based education and skill-training programs have successfully guided and supported 30 inmates to live virtuous lives with a sufficiency mindset, both during their imprisonment and after release.

Sufficiency thinking has been applied successfully to Thai businesses. A case study of Nithi Foods by Dr Sooksan Kantabutra and Dr Warat Winit shows how a successful SME operates by following the Sufficiency Economy Philosophy process. Similarly, Dr Parisa Rungruang and Dr Vichita Ractham analyse a huge publicly-listed conglomerate, the Siam Cement Group (SCG), that incorporates sufficiency thinking deeply throughout its management practices and policies, including in decision making. Finally, Dr Sooksan Kantabutra discusses challenges facing the spread of sufficiency thinking in Thai businesses and then offers guidelines to assist managers. Editors Gayle Avery and Harry Bergsteiner conclude by discussing honeybee practices and the outlook for sufficiency thinking.



ISL CONGRATULATES & THANKS

Julia Connell & Christina Kirsch (Best paper award)

Organisational sustainability - why the need for green HRM?

Suparak Suriyankeitkaew (Best paper award)

Sustainable leadership practices driving financial performance: empirical evidence from Thailand

Aree Wiboonpongse, Nuttamon Teerakul, Pimpimon Kaewmanee, Songsak Sriboonchitta, Kanchana Chokethaworn & Peerapong Prabripoo (Highly commended paper award)

Intended giving benefit from rice production of agricultural households in upper northern Thailand

Many thanks to the people working hard behind the scenes to make our conference a great success, in particular:

Molraudee Saratun & her team at CMMU
Marie-Laure Bouchet & Maricruz Ortiz at ISL
Olga Mirkina - our photographer. Please acknowledge Olga if you use her photos. All photos in this issue are by Olga.

And we thank our generous sponsor, the Thailand Sustainable Development Foundation.