

Global Inc. to Global Links

MULTINATIONAL CORPORATIONS AS AGENTS
OF GLOBAL AND LOCAL TRANSFORMATIONS

*New Product Development and Creative Marketing
for the Base of the Global Economic Pyramid*

By Medard Gabel
BigPicture Consulting



281 Bishop Hollow Road
Media, PA 19063 · USA
610-566-0156
www.bigpictureconsulting.com
medard@bigpictureconsulting.com
© 2003 Medard Gabel

Contents

Executive Summary	3
Background	3
Pyramid Demographics	4
Economic Pyramid Myths	5
1. No Need 1: The base of the pyramid does not need the products and services of the modern corporation.	
2. Can't Afford 1: The base of the pyramid cannot afford the products and services of the modern corporation.	
3. Can't Afford 2: The modern corporation cannot afford to develop products and market them to the base of the economic pyramid.	
4. No Match: The core competencies of the modern corporation do not match the basic human needs of the base of the pyramid.	
5. No Success: No modern corporation is currently successfully (meaning profitably) marketing to the base of the pyramid.	
6. High Risk: There is no general formula or protocol for developing products for the base of the pyramid.	
7. No Need 2: The successful corporation does not need to develop products for or market to the base of the global economic pyramid.	
Conclusions	7
BigPicture Consulting	8
Global Links Services	
<i>Global Links Presentation</i>	
<i>Global Links Work Session</i>	
<i>Global Links Opportunity Identification</i>	
Bibliography	10
End Notes	11

“A great society is one in which the people of business think greatly of their function.”

–Alfred North Whitehead

EXECUTIVE SUMMARY

Global Inc. to Global Links deals with the role of the modern multinational corporation in the global marketplace and its coming transformation from a purveyor of goods and services for the wealthiest 40% of the world’s population to that of an engine of economic development for 100% of humanity.

“*Global Inc.*” refers to the 64,000 multinational corporations that straddle the world in 2003¹; “*Global Links*” refers to the new corporation that links its products to the largest markets in the global market, not just the wealthiest. *Global Inc.* goes after the low hanging fruit of the global upper and middle class; *Global Links* goes after the vast amount of fruit on the rest of the tree.

The largest markets in the world do not currently show up on the radar screens of the contemporary corporation. With 6.3 billion people in the world in 2003, less than 40% are seen as markets for the vast bulk of consumer goods and services offered by multinational enterprise. Over 4 billion people reside at the base of the global economic pyramid. The *Global Links* approach sees these 4 billion as a viable market for innumerable billion dollar products.

There are seven myths that act like blinders on multinational corporate enterprise, keeping them from seeing and acting on the huge potential represented by the base of the global economic pyramid. With a proper understanding of emerging markets, these myths disappear and new markets appear for the pragmatic entrepreneur.

The BigPicture Consulting *Global Links* approach rests on a foundation of sound economics, business investment strategy and risk management that modifies existing products, develops appropriate new products and services, and markets these in creative ways to the base of the global economic pyramid. “Corporate responsibility” is not a moral platitude to placate do-gooders; “increasing stakeholder value” or optimizing “the multiple bottom lines” are no longer appendages or afterthoughts of the conscientious executive— they are sound business practice that opens huge new markets for the business and enables continuing growth and profits for the pragmatic visionary.

BigPicture Consulting’s *Global Links* is a business model that increases shareholder value through increased sales and revenue from heretofore-untapped markets while simultaneously meeting the needs of the world.

BACKGROUND

“The only way to understand a system is to understand the system it fits into.”

–Howard Odum

In the 1990s I developed and delivered a series of global simulations for Motorola Corporation that were used in a number of their executive training programs. One of these simulations placed Motorola executives in charge of the global economy. Players were in teams that ran different regions of the world— China, India, Europe, Japan, Russia, North America, Latin America, Africa, etc. The simulation was loaded with real world facts and statistics about regional and global resources, capacities, and problems. The goal of the simulation for the players was to solve the problems each region confronted in the real world.

Players learned fairly quickly that they needed to cooperate in the complexly interlinked global economy. They learned how to make limited resources go a long way, how to negotiate, resolve conflicts, set goals and priorities— and a large amount about global economics. The fact they were having a bit of fun running the world instead of just one of the world’s largest multinational corporations didn’t hurt. In debriefings it was also pointed out that Motorola itself was not unlike the world— with its limited resources, competing needs, and complex interactions of different teams.

The simulation usually had three “rounds” where the various teams would seek to meet their needs and solve the health, education, environmental, and economic problems their region of the world was grappling with. After running a few of the simulations we decided that we should modify the simulation by adding a fourth round. During the fourth round players switched roles— instead of running China, India, or Europe, they ran Motorola in China, India, or Europe. Instead of being charged with the responsibility to solve the region’s problems, they were instructed, based on what they had learned in the previous rounds about the socio-economic and cultural realities of the region, to come up with answers to the following: “What products should Motorola be selling in China?; What products should we be developing/how should we be investing our R & D resources?; What should we be doing as responsible corporate citizens in this part of the world?”

One of the constructive limitations placed on the “What Motorola should be doing” in the various regions was

“Business has become, in the last half of the 20th century, the most powerful institution on the planet. The dominant institution in any society needs to take responsibility for the whole.”

–Willis Harman

“The real source of market promise is not the wealthy few in the developing world, or even the emerging middle-income consumers: It is the billions of aspiring poor who are joining the market for the first time.”

–C. K. Prahalad, Stuart L. Hart

that charity was not allowed. Whatever products or services were suggested had to be profitable. The corporation had to remain viable.

The results were electrifying. The simulation gave players permission and stimulation to think outside the box. Motorola products and capacities for innovation and product development were applied to meeting the basic human need problems the players were grappling with in the simulation’s previous rounds. Innovative products, as well as marketing and customer financing techniques jumped out.

This experience further opened my eyes to the powerful role multinational enterprise could play in addressing the basic human need problems facing the developing world. The knowledge base, skill set, material resources and tools, financial capabilities, entrepreneurial mindset, and ability to act quickly made it clear that there could be a profound impact if multinational enterprise were harnessed to meeting the needs of the entire world, not just those of us rich enough to afford them under current economic conditions.

On another front, in the “real” as compared to the simulated world, it was becoming increasingly clear that the nation state was going to have an impossible time meeting the needs of its people by itself. The demise of the Soviet Union and the huge amount of privatization of former government functions suggested that even the nation state was beginning to realize it was in over its head and needed some help.

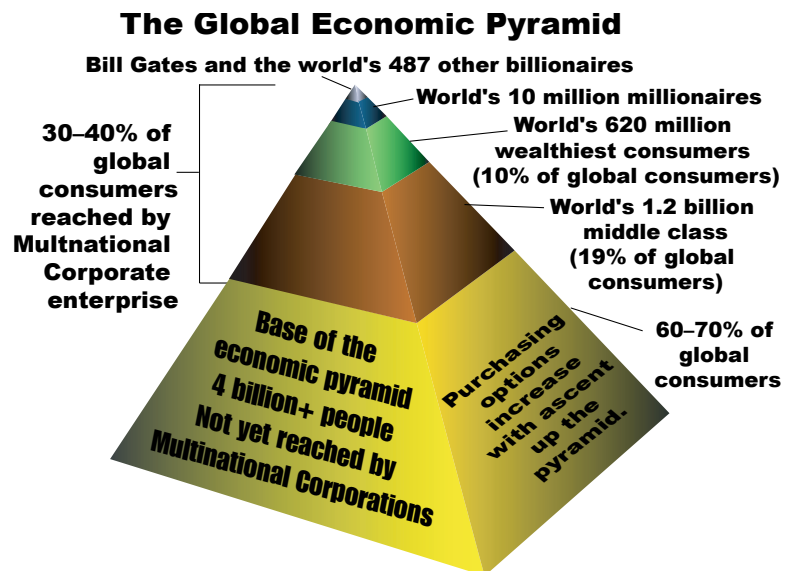
The Motorola global simulation experience was then coupled with the mammoth research project that went into the writing of *Global Inc.: An Atlas of the Multinational Corporation*. It was here that I further realized the size, scale, scope and resources of the multinational— and that there was a vast market that was not being reached by corporate enterprise. The idea of the global economic pyramid and the portion being reached, and not being reached, by multinational enterprise became clear. The fact that the market for all the corporations we were studying and mapping for the Global Inc. atlas could be expanded by four billion people did not go unnoticed. The equally important fact that there was over \$2 trillion being spent by this segment of the world’s population was critical. Coupling all these seemingly disparate facts with innovative marketing and financing techniques that could make the formerly untouchable products affordable made it clear that the wishful thinking of utilizing the strengths of modern multinational corporate enterprise as a means of meeting the needs of the world’s poor was more than a “wouldn’t it be nice, fantasy”— it was now economically feasible.

BigPicture Consulting was not long in coming after these pieces were in place. As with all good ideas, there were others thinking along similar lines and developing the rich and nuanced theoretical and practical ideas for harnessing corporate enterprise to emerging markets in sustainable and profitable ways. A perusal of the bibliography at the end of this document will provide a brief overview of this literature.

PYRAMID DEMOGRAPHICS

There are 6.3 billion people in the world in 2003. Of these, around 10% are wealthy enough to regularly purchase the goods and services of the world’s multinational corporations. These 620 million people live primarily in North America, Western Europe and Japan.

About 20% of the world’s total population could be included in a global middle class that can purchase imports in the global market place. These additional 620 million people are located primarily in urban Latin America, Russia, Southeast Asia, China and India as well as the wealthy parts of the Middle East and Africa. Although China and India both have growing middle classes, their



Purchasing options increase with ascent up the pyramid. It is assumed that ascending the economic pyramid leads to increased life expectancy, more and better options for one’s children and other personal and socially positive outcomes.

numbers, about 100 million for each, still mean that 60% of the world's population are outside the main stream global market place.² These four billion + people are referred to as the "base of the global economic pyramid."³

Picture a pyramid with Bill Gates, the richest person in the world, sitting on the top. Right beneath him are the 497 other billionaires in the world. Beneath these folks are the world's nearly 10 million millionaires. Then come the 1.8 billion people who comprise the wealthiest 10% down through the global middle class. At the base of this pyramid are 4 billion people— usually thought of as the "poor," or as living in "developing countries."

ECONOMIC PYRAMID MYTHS

There are seven myths about the base of the economic pyramid that have important consequences for the modern corporation:

1. The base of the pyramid does not need the products and services of the modern corporation.
2. The base of the pyramid can not afford the products and services of the modern corporation.
3. The modern corporation can not afford to develop products and market them to the base of the economic pyramid.
4. The core competencies of the modern corporation do not match the basic human needs of the base of the pyramid.
5. No modern corporation is currently successfully (meaning profitably) marketing to the base of the pyramid.
6. There is no general formula or protocol for developing products for the base of the pyramid.
7. The successful corporation does not need to develop products for or market to the base of the global economic pyramid.

Myth #1:

The base of the pyramid does not need the products and services of the modern corporation.

There are four billion+ people in 156 emerging markets around the world.⁴ These four billion people at the base of the global economic pyramid have the same basic human needs as those at the top of the economic pyramid. They need abundant and healthy food, clean water, adequate shelter, affordable energy supplies, education for their children and continuing education for themselves, access to health care, transportation, communication, recreation, credit, a safe and secure society and a clean environment.

Many of these needs are provided by corporations to the top and middle of the economic pyramid. Many of

these needs are not being met or not being met adequately at the base of the pyramid by individuals, families, small businesses, governments and non-governmental organizations. Nearly all these needs *could* be met by products and services provided by corporations— given their enormous productive capacities— if there were adequate financial resources in the emerging markets to pay for them.

The higher up the economic pyramid, the more choices one has for fulfilling each of the basic needs human beings have. Within the general set of near universal basic needs can be found the vast plethora of options for satisfying life's needs. The top of the pyramid has more options for fulfilling basic needs than does the bottom, but the bottom still has needs that can be met by private enterprise. Given the efficiency of private enterprise, these needs can usually be met quicker and better than if government tries to meet them.

The base of the economic pyramid has the same basic human needs as does the top of the pyramid. Whether it's rice and beans or champagne and caviar, everyone eats. And drinks, gets stomach aches, communicates with their friends, travels to the market, obtains things for their children, lives in some form of shelter, plays, cleans themselves and their cloths, uses energy and dies. The base of the economic pyramid needs the products and services that meet their needs as much as the top of the pyramid needs them. And given the opportunity to compare them to their current options, would buy them if they could figure out how. And here is where the creative financing and other marketing and sales techniques that are gone over in more detail in # 2 come in.

Myth #2:

The base of the pyramid cannot afford the products and services of the modern corporation.

The poorest segments of the global economy cannot afford to drive a SUV BMW, drink Perrier, or install a \$1,000 dishwasher in their home. It does not follow from this mismatch of specialized product, general need and economic wherewithal that the modern multinational corporation does not currently have products or could easily produce them that are closer to the actual needs of the base of the economic pyramid. It also does not necessarily follow that because some products in the rich world's market are both irrelevant and unaffordable to the economic base that all products are.

The base of the economic pyramid does afford such things as soap, detergent, food supplies, household implements for preparing and cooking food, clothes, tools, toys, movies, travel, and communication with distant friends or business associates. They pay what the rich world would call usurious interest rates for credit, often receive little

"In countries that lack more or less everything, firms selling almost anything of a reasonable quality can do well."

—The Economist, May 20, 2000

value for their medical investments and rarely get their money's worth when it comes to energy supply. They are often forced to put up with phone and other services that are, by Western standards, almost criminally incompetent. They pay more for their water and food— with food costing 20-30% more and water as much as 4 to 100 times what the middle class pays.⁵

Because many options are out of the question, like purchasing a new home or car, the base of the economic pyramid spends its money on what will increase its perceived well being right now. It is not uncommon for 60-80% or more of dwellers in shantytowns to own a television set, pressure cooker, food mixer, and gas stove.

The base of the economic pyramid *can* afford the products and services that meet *their* needs at affordable prices. A basic common denominator of people nearly everywhere: Given the choice, people will pick something that leads to their children's increased well being— be that thing oral rehydration therapy to cure their child's life-threatening diarrhea, antibiotics to get rid of infection, or school, when it is available. It is not a long jump from this to the more selfish aspect of this same aphorism: Given the choice, people will pick something that leads to their perceived or "real" increased well being— be that a telephone, radio, television, computer, bicycle, wheel barrow, stove, mechanized farm implements, sanitation facilities or an improved form of detergent.

Bottom line: the base of the global economic pyramid has resources for purchasing items it deems essential to its survival, well being, and progress. They are not vast resources, but they are there. Even assuming that the entire base of the economic pyramid had only \$1.00 per day of income, there is over \$1.5 trillion being spent each year.⁶ The best estimates are that there is well over \$2 trillion spent each year by the base of the global economic pyramid.

Myth #3:

The modern corporation cannot afford to develop products and market to the base of the economic pyramid.

A good case can be made that the successful modern corporation can ill afford *not* to develop products for the base of the global economic pyramid. This huge, 800-pound-gorilla market will have its needs met by someone. If not your corporation, then it will be by someone else's.

The CEO of AT&T has said, "There will be two types of corporations in the future: those that go global and those that go bankrupt." I would add, in a similar vein: There will be two types of corporations in the future: those that continue to grow and prosper by tapping into the base of the economic pyramid market and those that stagnate by focusing solely on the mature, saturated markets of the developed world. On top of this, 95% of the growth in world population in the next 50 years will be in the countries at the base of the economic pyramid.

Developing products for the base of the economic pyramid market will not be as expensive as developing new

products for the top of the economic pyramid. Modifying existing products for the pyramid base market will not be as expensive as developing new products or modifying old products for the top of the pyramid markets. Marketing products to the base of the economic pyramid will demand more creative innovation than capital. Just as existing products, as in the SUV BMW example, are unsuitable for the base of the economic pyramid market, so too are existing advertising channels and many, if not most, traditional market and distribution outlets.

Myth #4:

The core competencies of the modern corporation do not match the basic human needs of the base of the pyramid.

The core competencies of every corporation match the needs of their market. If they didn't, they would not be in business. The basic needs of humans are the same, wherever you are in the world. How they are packaged and delivered varies by culture and income, but the basic needs are the same.

The core competencies of GM, IBM or your company are what made them what they/you are. The problem solving, R&D, engineering, materials, process, manufacturing, marketing, sales, and distribution knowledge base can all be focused on producing a vehicle, computer, widget or service that meets the needs of a wealthy North American or the needs of an emerging market. It is a gross underestimation, even insult, to the ingenuity of modern corporate enterprise to suggest that they do not have the intellectual capital to figure out how to solve the product modification, development and marketing problems they will encounter in emerging markets. It also foolish hubris to suggest that it will be easy. The assumption that an emerging market is less complicated than a wealthy (more familiar) one is false. Beware the notion equating lack of monetary resources with cultural and social impoverishment. A good case can be made for the exact opposite.

Myth #5:

No modern corporation is currently successfully (meaning profitably) marketing to the base of the pyramid.

Some of the world's largest companies are starting or have under way initiatives that are successfully going after this market. For example:

- Hewlett-Packard's e-Inclusion division is seeking to develop and market the fruits of the digital revolution to the emerging markets of the world. They are currently active in India, China, and South Africa. HP has even set up R & D labs in China and India to focus on developing products and services for the base of the economic pyramid.
- Unilever is selling low cost detergent and other single-packet products to the base of the economic pyramid in India, China, and Brazil.

They have had such success that this market has become a strategy priority.⁷

- Ericsson is selling cell phones to the poorest of the poor—women in rural Bangladesh. They have also developed a small cellular system for voice and data communications for the base of the economic pyramid market that is packed in a container for easy shipment and set up.
- Cemex, the world's largest cement maker, is producing cement for do-it-yourself housing construction and home improvements for lower income people in Mexico. The initiative is so successful Cemex will be exporting the business model to 30 developing countries in which it has business.⁸
- Motorola, Du Pont, Citigroup, Monsanto, Johnson and Johnson, New York Life, Avon, Novartis, and Philips are among the other companies developing and marketing products for this market. In none of these cases is this charity or an attempt to “greenwash” the company through some do-gooder window dressing. These are profit-seeking ventures run with sharp business sensibilities by bottom line conscious executives.

Myth #6:

There is no general formula or protocol for developing products for the base of the pyramid.

There are products that have been developed by large modern corporations for the base of the economic pyramid. Some have failed, some are succeeding, some spectacularly so. The ones that failed made mistakes; the ones that succeeded made mistakes, though either not fatal ones or they corrected theirs in time to avoid flame out.

From these successes and failures a methodology has emerged that leads to the greatest chances of success, the least risk, the most sustainable profit, the largest positive impact on the emerging market and the lives of the people in those markets, as well as on the corporation, its staff and the world at large.

The protocol is encapsulated in what BigPicture Consulting refers to as the *Global Links Initiative*. Companies wishing to try this approach to developing opportunities for value creation and building sustainable profit by focusing core competencies on emerging markets and their needs should contact BigPicture Consulting.⁹

Myth #7:

The successful corporation does not need to develop products for or market to the base of the global economic pyramid.

To remain successful in the competitive global economy a corporation needs to grow. In mature markets such as North America, Europe, and Japan many corporations and their products and services will have a difficult time maintaining a rate of growth that will satisfy stockholders.

Given the incredible competition in the global economy, where the big eat the small and the fast eat the slow, any competitive advantage, be it new technology, a new product, new know-how, increased market share, or a new market can make a huge difference.

The successful corporation got that way by being innovative, taking risks, opening new markets, and being visionary. The huge markets at the base of the global economic pyramid are waiting for the pragmatic visionary to see the opportunity, make the connections between the corporation's core competencies and the needs of this market—and take the leap to increased growth and profits from the emerging markets at the base of the global economic pyramid.

CONCLUSIONS

There are vast needs and huge opportunities at the base of the global economic pyramid. Four billion people need what 64,000 multinational corporations can produce and creatively market to the \$2 trillion emerging markets in the world.

The opportunities *are* huge, but so are the challenges. Developing quality products for a discerning market with no spare change for impulse purchases and little susceptibility to high pressure advertising is not going to be easy—but then neither was developing the products and markets that currently sustain modern corporate enterprise.

There is a need for a change in paradigm; in the way businesses conceptualize their business model, markets, opportunities, and develop products for this new market. Product features, packaging, shipping, sales outlets, customer financing, delivery, and cultural appropriateness need to be thought through.

The opportunity for sustainable profits from meeting real world basic human needs in emerging markets is real—as is the even greater opportunity to do good, to make a profound impact on the daily lives and well being of hundreds of millions of people. Reducing global poverty and misery while increasing shareholder value is an idea whose time has come around at last.

“Technologies emerging from the bottom of the pyramid may have profound but unpredictable implications for the rich world's markets... Disruptive technologies are more likely to come from new start-up companies than from global conglomerates.”

—C. Christensen, T. Craig, S. Hart. “The Great Disruption,”
Foreign Affairs, March/April 2001.

BigPicture Consulting

BigPicture Consulting works with corporate clients on developing a successful business model that works in a specific base of the economic pyramid market.

BigPicture Consulting's Global Links business model is one approach to corporate strategic planning and new product development and marketing that shows how corporations can:

- Develop new “low hanging fruit” in the largest markets of the world that they can harvest in sustainable and profitable ways
- Map their assets from the perspective of the *entire* market place—determine what they have that could be marketed to the base of the global economic pyramid
- Match core competencies with the basic needs of the largest markets in the world
- Develop appropriate new profit generating products for the base of the global economic pyramid
- Set up a *Global Links Initiative* within their company that focuses on positioning or altering current products, developing new products, manufacturing or delivery processes and how to invest R&D resources to have the biggest impact
- Set up a *Global Learning System* that captures the knowledge of the diverse markets they are already in and leverages that with new products for the base of the economic pyramid
- Have sustainable profits and expanding markets in a shrinking world
- Avoid stagnation in mature markets while leveraging growth in new markets
- Build social responsibility with bottom line results
- Build shareholder value(s)
- Add four billion new customers to their market

Global Links Services

BigPicture Consulting's Global Links has three levels of service to accommodate its clients:

1. Global Links Presentation

The lecture/seminar format of this interactive presentation is designed to examine the basic facts and principles that underlie the global economic pyramid, the development of products that survive and thrive in this market, and the methodology needed to reduce risk, increase success and leverage resources. Examples of successful products and marketing strategies are provided.

Format Power Point with worksheets and handouts; 1 to 3 hours.

Deliverables Participants will leave with an increased understanding of the:

1. Dynamics of the global economy and how it relates to the client's company
2. Global economic pyramid and its utility to the client's company
3. Needs of the four billion members at the base of the economic pyramid market
4. Characteristics of successful products that tap this market
5. Various financing, marketing, and partnering approaches to reach this market
6. Viability of this approach to sustainable growth and profit for the client's company

2. Global Links Work Session

This all day seminar and work session covers the same ground as the Global Links Presentation during the first two hours of the morning. It follows this with an intensive work session focused on the specifics of the client's business, current products, core competencies and links with base of the economic pyramid markets.

Format Power Point with worksheets and handouts, focus group; 8 hours.

Deliverables Part 1: Same as Global Links Presentation

Part 2:

1. The identification of at least one product that the company can take to the next step, that offers the promise of viability in the base of the economic pyramid market
2. The outline of a first phase strategic plan with action steps and timetable for the implementation of a *Global Links Initiative*—that identifies specific products that the company either is producing or could produce for the base of the pyramid market, needed resources, staff, possible target markets and marketing strategies, and needed in-country resources.
3. The determination of how the *Global Links* approach will work for your company, at what scale and the investment needed to implement it.

3. Global Links Opportunity Identification

The goal of this multi-day consulting is the identification of a number of products, either being produced or producible by the client's company, that have the potential to reach millions of people. The consultation will include setting up a *Global Links Initiative* within the company. It is recommended that this Global Links service begin with either the Global Links Presentation or Work Session.

Deliverables This ongoing relationship will develop a detailed strategy and implementation plan. It will set up and implement a *Global Links Initiative* within the company.

BIBLIOGRAPHY

- Anderson, Ray, *Ants, Galileo, and Gandhi*, (Greenleaf Publishing, 2003).
- Austin, James, *The Collaboration Challenge: How Nonprofits and Businesses Succeed through Strategic Alliances* (Jossey-Bass and The Drucker Foundation, 2000).
- Brew, Peter, *The Business of Enterprise: meeting the challenge of economic development through business and community partnerships* (The Prince of Wales International Business Leaders Forum –IBLF)
- Breeze, Janet; Hurrell, Sasha, "Building CSR in developing countries: sources of practical support along the way," (The Prince of Wales International Business Leaders Forum and The Resource Centre for the Social Dimensions of Business Practice Issue Paper6).
- Carbonara, Peter, "Here's a Business Plan to Fight Poverty," (Fast Company, FC12, p.58).
- Capra, F.; Pauli, G. ed. *Steering Business Towards Sustainability*
- Christensen Clayton M.; Hart Stuart L., "The Great Disruption". (Foreign Affairs. March/April 2001).
- Christensen Clayton M.; Hart Stuart L., "The Great Leap: Driving Innovation From the Base of the Pyramid," (Sloan Management Review, October 15, 2002).
- Christensen Clayton M.; Verlinden, Matthew; Raynor, Michael E., "Skate to Where the Money Will Be," (Harvard Business Review November 11, 2001).
- "The Business of Peace: The private sector as a partner in conflict prevention and resolution," (The Prince of Wales Business Leaders Forum, International Alert, Council on Economic Priorities, 2000).
- Davies Robert; Nelson, Jane, "The Buck Stops Where? Managing the Boundaries of Business Engagement in Global Development Challenges," (The Prince of Wales Business Leaders Forum, January 2003).
- Dahle, Cheryl, "The Freeplay Group, based in Cape Town, South Africa, builds product that capture the imagination of the world -- and that change the world (Fast Company, April 1999).
- Dodrik, Dani, "Globalization Good for Whom?" (Harvard Business School Working Knowledge, July 29, 2002).
- Doering, D. S.. et. Al., *Tomorrow's Markets: Global Trends and Their Implications for Business*. (World Resources Institute. 2002).
- Doz, Yves L., Santos, Jose, Williamson, Peter J., "Why Being Multinational Is No Longer Enough," (Harvard Business School Working Knowledge, December 17, 2001).
- Holiday, Chad; Pepper, John, "Sustainability Through the Market: Seven Keys to Success," (World Business Council for Sustainable Development, 1999).
- "Business in Difficult Places: Risky Returns," (The Economist, May 20, 2000. p. 85).
- "On the road," (The Economist, August 4, 2001).
- Forstater, Maya ; MacDonald, Jacqui; Raynard, Peter, "Business and Poverty: Bridging the gap," (The Prince of Wales International Business Leaders Forum—IBLF).
- Foryt, Sara, "Social Entrepreneurship in Developing Nations," (INSEAD, February, 2002).
- Foryt, Sara, "Selling to the Poorest of the Poor in Developing Nations: Can Small Companies Be Successful?" (INSEAD, April 2002).
- French, H. F. *Investing in the Future: Harnessing Private Capital Flows for Environmentally Sustainable Development*. (Worldwatch Institute. February, 1998).
- Gabel, Medard, Bruner, Henry, *Global Inc.: An Atlas of the Multinational Corporation*, (New York, The New Press, 2003).
- Ghemawat, Pankaj, "How to Look at Globalization Now," (Harvard Business School Working Knowledge, June 10, 2002).
- Hammond, Allan. L., "Digitally Empowered Development," (Foreign Affairs. March/April 2001).
- Hawken, P., Lovins, A., Lovins, L.H., *Natural Capitalism*. (New York, Little Brown, 1999).
- Herbst, Kris, "Enabling the Poor to Build Housing: Pursuing Profit and Social Development Together," (Changemakers Library; Internet resources).
- Herbst, Kris, "Compassionate Manufacturing: Doing Business with the Poor," ((Changemakers Library; Internet resources, January 2003).
- Hilton, Ss, Gibbons, G., *Good Business*. (Texere Publishing. 2002).
- The Prince of Wales International Business Leaders Forum (IBLF), "The Business of Enterprise: Meeting the challenge of economic development through business and community partnerships."
- Kahane, Adam, "How To Change the World: Lessons for Entrepreneurs from Activists," (Global Business Network, August 10, 2001).
- Letelier, Maria, Spinosa, Charles, "The For-Profit Development Business: Good Business, Good Policy, Good to Foster," (White Paper commissioned by Patrimonio Hoy, February 5, 2002).

Lodge, G. C., "The Corporate Key, Using Big Business to Fight Global Poverty" (*Foreign Affairs*, p. 13, July/August 2002).

Martin, Roger L., "The Virtue Matrix: Calculating the Return on Corporate Responsibility," (*Harvard Business Review*, Vol. 80, No. 3, March 2002).

Maykuth, A. "In a desolate African Village, opportunity rings" (*The Philadelphia Inquirer*, April 1, 2001).

Moss Kanter, Rosabeth, "From Spare Change to Real Change: The Social Sector as a Beta Site for Business Innovation," (*Harvard Business Review*, May-June 1999).

Mougayar, William, "Spanning The Globe In Real Time," (September 2002,

CMP Media LLC).

Murphy, Cait, "The Hunt for Globalization That Works," (*Fortune Magazine*, October 28, 2002, p. 163).

"Cell Phones for the World's Poor," (*The New York Times*, January 19, 2001).

Nelson, Jane, "Economic Multipliers: Revisiting the core responsibility and contribution of business to development," (IBLF Policy Paper 2003, Number 4 July 2003).

Neville, Mary Grace, "Business as an Agent of World Benefit: A Case Study Investigating Tipping Points Created through Appreciative Inquiry," (*Weatherhead School of Management, Case Western Reserve University*, September 2002).

Perry, R., Brady, D. "The Consumer markets of Brazil, India and South Africa: Comparative Analysis and Key Learnings" April 2001. Unpublished paper.

Persaud, A. "The Knowledge Gap", " (*Foreign Affairs*, March/April 2001).

Pralahad, C. K. , Hart, S. L. "Raising the Bottom of the Pyramid: Strategies for Sustainable Growth" Unpublished paper.

Pralahad, C. K., Hart, Stuart L. "The Fortune at the Bottom of the Pyramid," (*Strategy & Business*, Issue 26, January 2002).

Pralahad, C. K., Hammond, Allen, "What Works: Serving the Poor, Profitably," (*World Resources Institute*, 2003).

The Prince of Wales International Business Leaders Forum (IBLF), "The Seven Lessons Of Social Enterprise," www.csrforum.com

Rangan, V. Kasturi, "How Marketing Can Reduce Worldwide Poverty," (*Harvard Business School Working Knowledge*, January 7, 2002).

Rangan, V. Kasturi, "Do Better at Doing Good," (*Harvard Business Review*, May 1996).

Rosenweig, J. A., *Winning the Global Game*, (New York, The Free Press. 1998).

Stover, Mary Ann; Cole, Suzanne; Burton, Michael; Snow, Page, "The Business of Ideas," (*The Pew Charitable Trusts*, December 2000).

Suez, "Bridging the Water Divide," (*SUEZ - Water Resources Department*

bridgingthewaterdivide@suez.com).

Sullivan, Jeremiah, J., *The Future of Corporate Globalization*, (Quorum Books, 2002).

Slywotzky, Adrian; Wise,; Richard, "The Growth Crisis—and How to Escape It," (*Harvard Business Review*, July 11, 2002).

Willis, Clint, "And the Next Big Thing Is ... the Third World?," (*Business 2.0*, August 2002).

Woods, Christine; Simpson, Barbara, "Exploring Innovation through Complex Micro –interactions" (*The University of Auckland*, 2001).

World Development Report 2003, Sustainable Development In A Dynamic Economy, Chapter 8: Solving Global Problems—Addressing Local Concerns. (World Bank, 2003).

Zook, C. with Allen, J., *Profit from the Core, Growth Strategy in an Era of Turbulence*. (Harvard Business School Press, 2001).

END NOTES

¹Medard Gabel, Henry Bruner, *Global Inc. An Atlas of the Multinational Corporation*, (New York, The New Press, 2003).

²Rosenweig, J. A. *Winning the Global Game*. The Free Press. 1998.

³Pralahad, C. K. , Hart, S. L. "Raising the Bottom of the Pyramid: Strategies for Sustainable Growth" Unpublished paper. Most researchers refer to this demographic and market segment as the "bottom" of the economic pyramid. I prefer to use the word "base" instead of "bottom" to denote the foundational aspects of this population, rather than the implied negative of "bottom" as in "bottom of the barrel."

⁴J. C. Hooke , *Emerging Markets: A Practical Guide for Corporations, Lenders, and Investors* John Wiley & Sons, Inc., 2001.

⁵C. K. Pralahad, Allen Hammond, "What Works: Serving the Poor, Profitably," World Resources Institute. p. 5.

⁶The actual amount is far greater than this as "only" 900 million people get by on the \$1.00/day figure. Assuming that 3 billion people get by on \$2.00/day this is \$3.45 trillion/year.

⁷C. K. Pralahad, Stuart L. Hart, "The Fortune at the Bottom of the Pyramid," (*Strategy & Business*, Issue 26, January 2002).

⁸C. K. Pralahad, Allen Hammond, "What Works: Serving the Poor, Profitably," World Resources Institute.

⁹BigPicture Consulting, Inc. is at www.bigppictureconsulting.com or 281 Bishop Hollow Road, Media, PA 19063, USA 610-566-0156.