

INTERNATIONAL SEMINAR

**“CONSULTATION & MASTER-PLANNING FOR DALAT  
AND  
THE DEVELOPMENT OF THE KNOWLEDGE ECONOMY IN  
LAM DONG PROVINCE”**

Host Institution: Lam Dong People’s Committee  
Sponsor: Trung Nguyen Company

*Session One:*

**DALAT AS A SHOW CASE OF SUSTAINABLE ECONOMY**

**“Making the Case for the Sustainable Development  
of DaLat and Lam Dong Province:  
Exploring the Path to  
Innovative Solutions, Business Models and Markets”**

***Presentation TEXT***

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# **“Making the Case for the Sustainable Development of DaLat and Lam Dong Province: Exploring the Path to Innovative Solutions, Business Models and Markets”**

## **Presentation TEXT**

Mr. Prime Minister, Excellencies, distinguished guests, ladies and gentleman; first, I would like to thank The Lam Dong People’s Committee, the Trung Nguyen Company and our valued friend, Mr Thai Quang Trung for inviting me here today. **SYNOVATIONS®** is deeply committed to sustainable solutions. I am honored to be making the case for the sustainable development of DaLat and Lam Dong province. Since undertaking sustainability requires innovation, I thought we would begin with an innovative opening of the session. So instead of a brief story, analogy or a joke, we will begin with the trailer to an American Film, entitled “An Inconvenient Truth.”

“If the entire world were as materially-intensive as North America, it would take more than three planet earths to support the material requirements of the current world population”<sup>i</sup> This is not a model to follow.

A famous American author and socialist politician Upton Sinclair, said “It is difficult to get a man to understand, when his salary depends on his not understanding.”

This statement encapsulates the core issue for already industrialized countries. The challenge facing emerging economies, like Vietnam is to find an alternative path to the conventional industrialization.<sup>ii</sup>

In this talk, I will review the recent history and business landscape setting the stage for DaLat & Lam Dong province to grasp the opportunities in sustainable development. I will make the case and explain why this opportunity exists now and how it may be grasped. The opportunity, in short, is to serve the underserved with sustainable innovative solutions through which commercially viable business models are engaged and local markets are developed. Guidelines of engagement in exploring the path will be proposed and five economic sectors of the underserved will be identified as targets. DaLat & Lam Dong province’s unique competitive value proposition will be defined. The various channels of development explored in the master planning session are applied as a means to serve the identified underserved markets, providing a road map through which DaLat and Lam Dong could bring forward their unique value proposition.

Stuart Hart, the world’s leading expert on sustainable global enterprise and professor at Cornell’s Graduate School of Management in his latest book “Capitalism at a Crossroads” concludes that after a decade of economic globalization, privatization and growing free trade, (quote), “where as the wealthy in industrialized countries have grown richer, the vast majority of

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nations and people in the world have yet to benefit from the apparent triumph of capitalism and liberal democracy. The forty trillion dollar plus economy is simply not growing fast enough to provide the jobs for the tens of millions of young people from around the world joining the work force every year.<sup>iii</sup> Contrary to popular belief, the decade of the 1990s was actually the slowest-growing decade in the world economy in the past forty years”.<sup>iv</sup> The middle class in industrialized countries shrank and the underclass grew. “The poorest countries in the world have had zero to negative growth since the early 1980s.”<sup>v</sup>

Stuart Hart contends “In the process, the industrialized and industrializing countries’ abuse of natural resources have exponentially increased and put entire underlying systems that support human economies in crisis.<sup>vi</sup> It is not only the climate change effected by carbon emission but entire eco-systems that have been degraded including forests, fisheries, soil, resulting in dire consequences.”<sup>vii</sup> Add to these, the challenges of an increasing population and of keeping food production up with that growth in the face of soil erosion and the expansion of deserts.<sup>viii</sup> Cows are Mad, the birds have flu, plastics have entered the food chain through our fish, a chemical compound of Teflon has been found in the umbilical cords of babies and in most Americans’ blood streams and new strains of strange diseases are increasing.

According to Stuart Hart, (quote) “The so called Washington consensus; The International Monetary fund, the World Bank and the World Trade Organization are all under increasing fire.<sup>ix</sup> Most importantly by insiders that have made their objections loud and clear such as Joseph Stiglitz<sup>x</sup>, Jeffrey Sachs<sup>xi</sup>, and George Soros<sup>xii</sup>. A rising anti-globalization movement is supported by wealthy protestors from industrialized countries that organize major demonstrations against the MNCs, and the institutions of global capitalism: THE WTO and the World Economic Forum.”<sup>xiii</sup>

The significant diversity of opinion within the United States (USA), may not be as apparent to those living outside it. The American public has been polarized for more than a decade in two contrary channels of philosophical thought. For instance, President Bush’s refusal to sign the KYOTO protocol has not stopped those in the USA that wanted it signed from pursuing the inherent goal by other means. Twelve states, several cities and environmental groups filed a law suit against the American EPA, arguing that under the US Clean Air Act, the agency is obligated to regulate the greenhouse gases that contribute to global warming. Recently the U.S. Supreme Court announced that it will rule on the issue of whether the EPA is legally required to regulate carbon dioxide and other greenhouse gas emissions.

It is useful to bare all this in mind as well as the significance of Small and Medium Enterprises (SME) in the industrialized countries, in the course of your deliberations. In all industrialized countries up to seventy percent of new jobs are created by SMEs<sup>xiv</sup> and ninety-five per cent of all radical (disruptive) innovation<sup>xv</sup> emerges from SMEs. SMEs represent the fastest growing segment of The United States GDP and a surprisingly significant percentage, an even higher percentage in Europe, and up to 80 percent of the GDP in India,

China, and Japan.<sup>xvi</sup> The importance of increasing and sustaining SME participation in GDP can not be under estimated.

Indeed the America portrayed in advertisements and TV shows is driven by the MNC's that pay for the advertising, is designed to sell brand image, products and services. It does not show the terrible side effects of pollution, stress, obesity, drug addiction, and homelessness that abound in industrialized society. While this advertising drives the emerging markets' fascination with American culture, at the same time it belittles local cultures making them seem less important and archaic, even trivial.<sup>xvii</sup>

Stuart Hart, writes (quote) "Anti globalization sentiment is organized around concerns for environmental degradation, inequity, human rights, cultural imperialism and loss of local autonomy,"<sup>xviii</sup> (unquote). There is a growing voice among scholars and some business leaders that seek a more organic globalization, a more inclusive capitalism and, (quote) "the abandonment of 'Development' in favor of a new concept that gives a greater voice to the views and aspirations of local people",<sup>xix</sup> (unquote). Paradoxically, the development era has created massive poverty by breaking down community ties and cutting millions of people from direct access to land and water.<sup>xx</sup> "At the same time, the net effect of this development era has been to transfer wealth in the amount of approximately Forty Billion Dollars per year since 1985 from developing countries to developed countries."<sup>xxi</sup> After sixty years, it's time for modern capitalism to evolve, to be revisited in the context of the world today and the results it has produced. Just as changes have evolved in the way economists identify factors of production; traditionally there were three: land, labor and capital. Today, this view has transformed to include a new core factor the knowledge economy.<sup>xxii</sup> Technology (and the knowledge on which it is based - information, productivity, education, and intellectual capital) is now viewed as an intrinsic part of the economic system.<sup>xxiii</sup>

So here we stand in front of a pyramid in which some eight hundred million of the world's wealthiest have per capita purchasing power parity (PPP) of more than USD 15,000 per annum; an emerging middle class in the developing countries of 1.5 billion people with per capita purchasing power parity between USD15,000 P.A. – USD 1,500 P.A. and over four billion people at the bottom with per capita purchasing power parity of less than USD1,500 P.A.<sup>xxiv</sup>

The World Watch Institute, in their report, "The State of The World 2004" defines the "consumer class" as the population with per capita purchasing power parity (PPP) greater than USD 7,000.00 P.A..<sup>xxv</sup> Under this parameter almost 50% of the 1.7 billion persons in the consumer class as of 2004 already lived in the developing countries. Scholars from the leading US business schools<sup>xxvi</sup> contend that the developed markets are no longer the majority of the world market but rather a "shrinking part" of it, since only 14% of the world's population live in the industrialized economies.<sup>xxvii</sup>

This is the world stage on which Dalat and Lam Dong province could emerge as a showcase for sustainability with a knowledge economy. But how could this come about? The very short answer is by serving the underserved in a sustainable way, serving the underserved with sustainability. The great opportunity in front of us is sustainable development which is composed of social development and wealth creation on a massive scale among those who have been underserved by capitalism to date and /or exploited by globalization.<sup>xxviii</sup>

Let's take a moment here to clarify some terms.

The Sustainability concept to which I refer is that defined by *U.N. World Commission on Environment and Development: Our Common Future 1987* ("Brundtland Report") (quote), "A development which meets the needs of the present generations without compromising the ability of future generations to meet their own needs."

The essential principles<sup>xxix</sup> are:

- 1 Consuming the income and not the capital  
This takes into consideration all forms of capital including human capital, traditional economy capital, the capital of nature, etc.
- 2 Integrating the short-term and long-term aspects  
Capacity for continuance into the long term future
- 3 Securing multiple forms of capital  
Triple Bottom Line: Economic value-added, environmental value-added and social value added.

The Priority Criteria are the same as those already identified by Vietnam in the Clean Development Mechanism for industry pilot project undertaken with the UN Development Organisation in cooperation with Austrian Industry.<sup>xxx</sup>

- A. Sustainability: Economic, Environmental, social and institutional
- B. Commercial viability
- C. Feasibility

Sustainability moves beyond 'Greening' eco-efficiency, environmental management, all of which mean fixing the existing business, or practice to protect the environment as best is possible. An example of 'greening' would be not giving up a profitable business that destroys the environment but rather pacing its destruction. By reducing the amount of damage your current machines, systems, are creating. 'greening' remains in the charitable column of the balance sheet.

Sustainability is an opportunity for commercially viable business through radical innovation AKA Disruptive Innovation. Disruptive innovation completely changes the status quo of practices rooted in the industrialized markets.<sup>xxxi</sup> Not all disruptive innovation is sustainable. Sustainable disruptive innovation engages whole system thinking. It usually uses emerging technologies,

sometimes technologies discarded by industrialized countries and/or the distribution of information and knowledge, to leapfrog over existing unsustainable technologies or distribution channels to clean technology and delivery systems. Disruptive innovations typically (but not always) enable the larger population of less skilled or less-wealthy people to begin doing for themselves things that historically could be done only through skilled intermediaries or by the wealthy.<sup>xxxii</sup>

Taking a closer look at aspects of the business Landscape will assist us in further understanding this opportunity for an emerging market country and why its available to Vietnam. Why are the MNCs not equipped to do it in the mid term or to do it alone? Why are there only a few MNCs that are prepared, committed and capable of supporting the infrastructure of such an initiative in DaLat but could not drive it?

There are some sixty-thousand multinational corporations around the world. MNCs have predominantly focused on products and services that address the 75-100 million richest people in the world, and thereafter the remaining 700 million at the top of the pyramid. Their entire product service set is not cost/price effective outside that economic sector. Furthermore, not only is the process through which most products are manufactured harmful to human health, but so also are the resulting products. For example, the situation is so poisonous that both the American Lung Association and the EPA have warned<sup>xxxiii</sup> that home indoor air quality is among the top five environmental risks to public health.<sup>xxxiv</sup> The point here is that most MNCs are locked into a vicious cycle of growth in an oversaturated market that seeks increasingly distorted methods to continue. A major shift in consciousness is required before the MNCs can understand the opportunity in an emerging world that currently remains invisible to them.

To underscore my point, for past five years leading business scholars from Harvard<sup>xxxv</sup>, University of Michigan<sup>xxxvi</sup> and Cornell<sup>xxxvii</sup> have been advising MNCs on a way out of this vicious cycle, in short that

1. disruptive innovation<sup>xxxviii</sup> and destructive innovation (of old business models) must be engaged;
2. the next fortunes will be found at the bottom of the pyramid.<sup>xxxix</sup>
3. and by finding answers to the worlds pressing problems<sup>xl</sup>

MNCs are even further challenged to realize these opportunities:

1. 95 % of all disruptive innovation comes from SMEs not MNCs.
2. The MNC executives have no comprehension of what indigenous values are. The major portion of mankind is completely alien to them, and the capacity to interact must be developed.<sup>xli</sup> MNCs will have to “learn how to co-develop commercial models in alignment with sustainability aimed at improving the lives of the many.<sup>xlii</sup> This is a concept in conflict with conventional modern capitalism.
3. Their entire concept of the global economy will have to be expanded.

The realities described in this landscape are the reasons why DaLat & Lam Dong now have this opportunity. Most MNC's have too much vested to move as quickly as emerging markets and their companies to shift course and leap forward with disruptive innovation in the form of a prototype platform of whole system sustainability. Indeed this is also the reason why Vietnam has an opportunity to distinguish its development path from the other ASEAN Nations, which either are further down the road of a conventional industrialization process or have other restraints.

Let's look in this landscape for types of co-development partners.

Please note that there are indeed MNCs who are leading the way in the transformation to sustainability, often in the energy and chemical sectors, such as British Petroleum and Dupont. In the late 1990's Dupont began its transformation from a petrochemical company to a renewable resource company. When choosing partners, it is critical to carefully evaluate the level of commitment and implementation of sustainability of the potential co-development partners' whole system.

There are lessons to be learned from the challenge that SMEs have faced in bringing forward 95% of all the innovations. While SME's innovate, the challenges are many to incubate, get to and build market share. The solution lies in underserved markets, where the development can be entrenched 'under the radar' before it is noticed. This lesson can be well applied in emerging market countries such as Vietnam.

Innovative SMEs from industrialized countries can make good co-development partners. Technology makes these mutually beneficial partnerships feasible. Innovators and emerging markets, such as Vietnam can "avoid head on competition with the incumbent MNCs and their developed markets, which always ends in the undoing of the innovator".<sup>xliii</sup> The development and growth of innovation can only occur in the developing world in markets not yet fully understood by the developed world<sup>xliv</sup>.

Let's turn now to some guidelines of engagement in exploring the path to innovative solutions, business models and markets for your consideration:

- Engage a process to deepen the understanding of the whole system in alignment with indigenous Buddhist values. Avoid getting caught in any "greening" cycle thought process, leap beyond it.
- Develop the local markets, without destroying the informal economy that is held together by indigenous values and community. Taking these away creates hopelessness, violence and crime. Focus on turning the informal economy into local markets. It is critical that any new business models not be disruptive to the culture and lifestyle<sup>xliv</sup> of DaLat and Lam Dong.

- Recognize and put value on the wealth of indigenous resources and alternative solutions. These include:
  - The economy of nature and its biodiversity
  - The traditional economy of thriving communities of small enterprises, barter exchanges, sustainable livelihood activities subsistence farming, self-Provisioning, household production, producer cooperatives, communal enterprises,<sup>xlvi</sup> ‘give and take’ of life, extended family care

Keep in mind that your “standard of living can actually be quite high even though GDP per capita is quite low”.<sup>xlvii</sup>

- Develop and deliver sustainable infrastructure, systems, capacity, products and services for multiple economic levels of society with highest integrity through out the entire system. (Vigilantly avoid being sold or developing pseudo-sustainable solutions. They abound, are insidious and destroy the innovation process from the inside out.)

A geographic guideline; consider that the largest component of carbon emissions is generated from transportation. Serve the communities in Lam dong and the closest thereto first. Consider every aspect of the cost of transportation when evaluating target markets and product and service sets. Export led growth as advocated by the so-called Washington Consensus has come under increased criticism as it results in excess capacity and global deflation<sup>xlviii</sup>. Engage only after full consideration and deliberation have been given to achieving an overall sustainable delicate balance.

Let us turn now and explore paths to innovative solutions, business models and markets.

**SYNOVATIONS®** has broken out five economic sectors of the underserved markets in the pyramid as targets that the DaLat, Lam Dong platform can serve:

1. The underserved in the top of the pyramid both in the industrialized and developing countries.
2. The underserved in the Emerging Middle Class in the developing markets in the lower ranges of the WWI Consumer Class with PPP USD 7,000 - USD 15,000 P.A..
3. The underserved in the Emerging Middle Class in developing countries below WWI consumer class category with PPP between USD 1,500 - USD7,000 P.A..
4. The underserved at the base of the pyramid with PPP just under USD1,500 P.A..

5. The growing underclass in the industrialized countries that range in PPP from USD 15,000 - to USD 1,500.

I will now address DaLat and Lam Dong province's unique competitive value proposition.

Biodiversity Hotspots are areas of the planet with the greatest bio diversity and under the greatest threat. By some estimates, in order to be a sustainable planet we need twenty percent of these areas under enforced conservation (not just official designation) within the next eight Years. We are only about half way there. These areas contain especially high numbers of endemic species. Today areas of rich habitat in total cover only 2.3 percent of the Earth's land surface. Each hotspot has already lost at least seventy percent of its original natural vegetation. Over fifty percent of the world's plant species and forty-two percent of all terrestrial vertebrate species are endemic to only thirty-four biodiversity hotspots left.

This indeed presents the desperate need for some wise and courageous provincial government within one of the thirty-four hot spots to take the lead by delivering a sustainable community living within a hot spot.

Vietnam lying at the eastern edge of Indo-Burma hot spot, which spreads across to its western edge at the Bangladesh border, is part of one of the world's richest bio-diverse eco-systems under threat. The vegetation in the Indo-Burma region originally extended over two million (km<sup>2</sup>). In total, only 236,000 km<sup>2</sup> are officially protected, representing roughly ten percent of the original extent of vegetation in the hotspot. Only 132,280 (km<sup>2</sup>)<sup>xlix</sup> are in highly protected areas according to International Union for the Conservation of Nature. Creating a sustainable city and province in the heart of one of the richest ecosystems would be a first in the world. It could set the standard and become the prototype for all developing countries.

Most of the cities are burdened with old infrastructure and incumbent businesses that have not allowed them to move beyond "greening". Dalat and Lam Dong are at an early enough stage in the industrialization process to leap frog with technology to a truly sustainable model. Because of the Buddhist values, the local cultures' consciousness could naturally support this process and sustainability.

By 2030, sixty percent of the world's primary energy demand is projected to come from the developing countries<sup>l</sup> Today China is the world's second largest polluter. China's acid rain poisons one quarter of the Chinese land mass and ruins crops in Korea and Japan.<sup>li</sup> DaLat and Lam Dong could truly be the oasis of sustainable life because of its elevation and geographic position, it may be able to avoid the fall-out from some of its neighbors, while taking advantage of the proximity to a robustly populated market. DaLat and Lam Dong's success in sustainability could become the tipping for Asia.

The various channels of development to be explored in the master planning sessions today and tomorrow are a means to serve the five identified economic sectors of the underserved markets. They present an initial road map through which DaLat and Lam Dong could bring forward their unique value proposition. I will touch on these in varying degrees to present the overarching picture and identify which sectors of the underserved would benefit.

The city planning and Infrastructure developed and implemented thoroughly with uncompromised integrity will serve all socio-economic levels of the province.

The degradation of the environment and global warming impact the poor at the bottom of the pyramid first and most severely. Thus the development and utilization of environmental technologies will probably have the most immediate and biggest impact on these people, but actually will serve us all.

Dalat as a university city will be perfectly positioned to provide a platform for the following:

- For the study Mahayana Buddhism and all the indigenous cultures of Vietnam. Provide a home for Mahayana Buddhism scholars in Asia.  
*(PPT chart: Series levels 1, 2, 3, 4)*
- For the research and development of a metric for placing value on indigenous resources and alternative solutions in the informal economy.  
*(PPT chart: Serves levels 3 & 4 and later 5)*
- For research on and the study of the informal economy and the means by which technology can be utilized to make the leap to clean technologies to serve those that remain below WWI's consumer class and those in the lower ranks of the consumer class. *( PPT chart: Serves Levels 3 & 4)*
- For the discovery and incubation of sustainable disruptive innovation and business models, and markets. *(PPT chart: Serves 2, 3, 4, 5)*
- For the potential development of a school of conservation to study the eco-systems and bio-diversity in the Indo-Burma hot spot, which may be co-developed with institutions such as Conservation international and ICUN. *(PPT chart: Serves 1-5)*
- For the Knowledge economy. *(PPT Chart: Serves 2, 3, 4)*
- For a bio-valley concept supporting biotechnology research and development. *(PPT chart: serves 2,3,4,5 )*
- For an academy for tourism and hospitality to support the wellness industry that will train many of the people of Lam Dong province in the

multitude of service jobs that this industry can create. A sustainable wellness spa and its attending product set would be people intensive. To date the vast majority of wellness spas are in varying degrees of 'greening' and are not sustainable. (*PPT chart: serves 3 & 4*)

As the sustainable business models and innovations emerge they will make their way to the industrialized world to serve the growing underclass there.

A Wellness Spa industry with all of its attending support services is a core element in the uniqueness of DaLat and Lam Dong's competitive value proposition. (*PPT chart: serves 1, 2, 3*)

The wellness industry in industrialized countries after over thirty years has just moved into the hyper growth phase of its industry life cycle and is growing at an exponential rate. It includes everything from organically grown produce, herbal medicine, organically processed textiles and personal hygiene products to spa tourism and its attending product set. This is an underserved market segment in the top of the pyramid. It includes those who are seeking to defend their health, learn and engage in sustainable life styles and wellness.

It is underserved for the following reasons and in the following ways. Produce grown and food processed with genuine organic standards is done so predominately in these industrialized markets. Other markets have not yet developed a credible regulating body of standards, while at the same time the integrity in the US regulating body has recently been corrupted, leaving only the European Union and Australia to serve the market. The other challenge the organic food segment faces is that the nutritional value of fresh produce diminishes in proportion to the distance it travels away from its source. While the further it travels, the fuel used in the transportation pumps greenhouse gas into the environment. This in turn impacts our ability to grow the food itself. The degradation of the quality of soil from non-organic fertilizers and pesticides further intensifies the importance of the remaining nutritional value. On an industrialized country cost structure basis this is not affordable even for the vast majority at the top of the pyramid. This market segment is growing in Asia and needs to be served.

If a genuine and complete wellness spa proposition could be presented in alignment with sustainability standards on the cost structure of an emerging economy, its products and services would serve all of those in the top of the pyramid, and provide those in the emerging middle class and lower income ranks with jobs.

Last but not least, Triple Bottom Line Investment- serves the underserved in the top of the pyramid who seek reliable investments that legitimately comply with their sustainability standards. A fund for DaLat and Lam Dong province could be such an investment. (*Chart PPT, serves 1-5*)

I look forward to hearing all of the presentations today and tomorrow. As we move through them and gain a deeper understanding of each initiative's concept and aspects of implementation, a refined master plan with a road map of implementation stages can emerge.

In conclusion, the unique combination of a university city, a knowledge economy, center for wellness with a tourism industry dedicated to the genuine implementation of sustainability, DaLat's indigenous culture, located in the Indo-Burma hot spot would indeed be unique in this world. This would distinguish Vietnam not only from all other ASEAN nations, but also from all of Asia Pacific and the World.

A prototype sustainable city and province is a critical key to changing the course of conventional industrialization. It is essential to provide other developing communities with an experience of an alternative path that they may follow. DaLat & Lam Dong's prototype model will spread to other developing communities. In the process of serving the underserved in Vietnam, the region and other developing countries, your innovations will make their way to the underclass in the industrialized world. Hopefully this will influence the incumbents that it is in the interest of their own survival to seek financial gain in the service of life, rather than their current path of life in the service of financial gain. The world desperately needs a community built on people with deep indigenous values in which wisdom is still honored to come forward and lead the way. I know that all of us here today are committed to this vision and would like to support DaLat and Lam Dong province in being the community that comes forward to grasp this opportunity.

Thank you for your kind attention.

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<sup>i</sup> Mathais Wackernagel and William Rees, *Our Ecological Footprint* (Gabriola Island, B.C.: New Society Publishers, 1996)

<sup>ii</sup> Thai Quang Trung, email to Tara Kimbrell Cole (June 2006)

<sup>iii</sup> Stuart L. Hart, *Capitalism at the Crossroads*, (© 2005 Pearson Education, Inc. publishing as Wharton School Publishing, Upper Saddle River, N.J. 07458, USA.)

<sup>iv</sup> Thomas Paley, "A New Development paradigm: Domestic Demand-led Growth", *Foreign Policy in focus* (September 1999) [www.fpiif.org/papers/development\\_body.html](http://www.fpiif.org/papers/development_body.html).

<sup>v</sup> William Easterly, *The Elusive Quest for Growth* (Cambridge, MA: MIT Press, 2002)

<sup>vi</sup> Stuart L. Hart, *Capitalism at the Crossroads*, (© 2005 Pearson Education, Inc. publishing as Wharton School Publishing, Upper Saddle River, N.J. 07458, USA.)

<sup>vii</sup> Ibid

<sup>viii</sup> Ibid.

<sup>ix</sup> Ibid p. xxxviii

<sup>x</sup> Joseph E. Stiglitz, *Globalization and Its Discontents* (W.W. Norton and Company, 2002) copyright © Joseph E. Stiglitz

<sup>xi</sup> Jeffrey Sachs "Helping the World's Poorest," *The Economist* (14 August 2000):17-20

<sup>xii</sup> George Soros, *George Soros on Globalization* (New York: W.W. Norton, 2002)

<sup>xiii</sup> Stuart L. Hart *Capitalism at the Crossroads*, (© 2005 Pearson Education, Inc. publishing as Wharton School Publishing, Upper Saddle River, N.J. 07458, USA.) p. xxxviii

<sup>xiv</sup> InternationalEntrepreneurship.com 2003

<sup>xv</sup> Ibid.

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xvi <http://www.researchandmarkets.com/reports/305222/305222.htm>, June 2006

xviii Stuart L. Hart *Capitalism at the Crossroads*, (© 2005 Pearson Education , Inc. publishing as Wharton School Publishing, upper Saddle River, N.J. 07458, USA.) p.xxxviii

xix Ibid and see for example Wolfgang Sachs, *Planet Dialectics* (London, Zed Books, 1999)

xx Stuart L. Hart , *Capitalism at the Crossroads*, (© 2005 Pearson Education , Inc. publishing as Wharton School Publishing, upper Saddle River, N.J. 07458, USA.) p. 169

xxi Ibid. p.41

xxii “The Seven Revolutions” research study by Center for Strategic and International Studies, Washington , DC, 2001

xxiii Paul Romer, *New Growth Theory* (Stanford University press, 1986; 1990)

xxiv Adapted from C.K. Prahalad and S. Hart (with the assistance from Ted London), 2002 “The Fortune at the Bottom of the Pyramid”: *Strategey & Business*, 26 (2002):54-67

xxv “The State of the World 2004” by The World Watch Institute.

xxvi Vijay Majahan, marketing professor, John P. Harbin Centennial Chair in Business, McCombs School of Business, The University of Austin, Texas, Kamini Banga with Robert Gunther, *The 86 Percent Solution* (Wharton School Publishing, U.S.A.2005)

xxvii Ibid., p. 14.

xxviii Stuart L. Hart *Capitalism at the Crossroads*, (© 2005 Pearson Education , Inc. publishing as Wharton School Publishing, upper Saddle River, N.J. 07458, USA.) P64

xxix Oliver Schmid-Schönbein, presentation entitled, “The Management of Corporate Sustainability” (7 June 2006)

xxx The World Bank,” CLEAN ENERGY AND DEVELOPMENT: TOWARDS AN INVESTMENT FRAMEWORK “ (April 5, 2006)

xxxi Clayton Christiansen, *The Innovator’s Solution*, © 2003 Harvard Business School Publishing Corporation.

xxxii Stuart L. Hart, *Capitalism at the Crossroads*, (© 2005 Pearson Education , Inc. publishing as Wharton School Publishing, upper Saddle River, N.J. 07458, USA.) P129

xxxiii For example, most all of the creams, shampoos, soaps, and cosmetics contain the chemical, Sodium Laurete Sulfate, research on which has proven its link to cancer. The process used in making fabrics fire retardant also makes these fabric carcinogenic.

xxxiv [www.epa.org](http://www.epa.org). levels of pollution can be two to five times higher than outdoor levels, according to a 2002 EPA study.

xxxv Clayton Christiansen, Robert and Jane Cizik Professor of Business Administration, Harvard Business School.

xxxvi C.K. Prahalad, the Harvey C. Fruehauf Professor of Business Administration and Professor of Corporate Strategy and International Business , University of Michigan Business School,

xxxvii Stuart L. Hart, SC John Chair of Sustainable Global Enterprise and Professor of management at Cornell’s Graduate School o f Management

xxxviii Clayton Christiansen, *The Innovator’s Solution*, © 2003 Harvard Business School Publishing Corporation.

xxxix C.K. Prahalad, *The Fortune at The Bottom Of the Pyramid*, (© 2005 Pearson Education , Inc. publishing as Wharton School Publishing, upper Saddle River, N.J. 07458, USA.)

xl Stuart L. Hart “Capitalism at the Crossroads”, (© 2005 Pearson Education , Inc. publishing as Wharton School Publishing, upper Saddle River, N.J. 07458, USA.)

xli Ibid.

xlii Ibid. p. 164

xliii Stuart L. Hart, *Capitalism at the Crossroads*, (© 2005 Pearson Education , Inc. publishing as Wharton School Publishing, upper Saddle River, N.J. 07458, USA.)

xliv ibid

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<sup>xlv</sup> Stuart L. Hart, *Capitalism at the Crossroads*, (© 2005 Pearson Education , Inc. publishing as Wharton School Publishing, upper Saddle River, N.J. 07458, USA.) P186.

<sup>xlvi</sup> Ibid. p.187

<sup>xlvii</sup> Ibid

<sup>xlviii</sup> Stuart L. Hart, *Capitalism at the Crossroads*, (© 2005 Pearson Education , Inc. publishing as Wharton School Publishing, upper Saddle River, N.J. 07458, USA.) P129

<sup>xlix</sup> Conservation international ([www. http://www.biodiversityhotspots.org](http://www.biodiversityhotspots.org)), Categories I-IV

<sup>i</sup> “The Seven Revolutions” research study by Center for Strategic and International Studies, Washington, DC.

<sup>ii</sup> “They Export Pollution Too”, by Hannah Beech, *Time Magazine Special Report* , June 27, 2005