

“Do not seek the path to achieve your objective.

Reach for your objective and leave a trail behind”

C.K. Prahalad



Professor Prahalad passed away on April 16. IILM mourns his death as he was no stranger to the institution. He was IILM’s Distinguished Global Thinker for 2008, an award that honours outstanding thinkers of our times. According to the citation, “Professor CK Prahalad is a distinguished world leader in strategy and business management. He is a business thinker, researcher, author, educator and a visionary in the search for innovative ideas which can transform the world”.

Professor Prahalad delivered a riveting lecture on “Democratising Commerce” at the IILM Lodi Road auditorium on the need to view the hundreds of millions of poor people in rural India as a business opportunity. His book on this theme *The Fortune At the Bottom of the Pyramid: Eradicating Poverty Through Profit* is one of the all-time

best sellers in management literature and compulsory reading in MBA curricula all over the world.

Insights from this highly influential book have inspired many businesses in their quest to explore business opportunities in rural India by providing world class products at affordable prices. Professor Prahalad exhorted businessmen to lower costs of their consumer products by at least 20 per cent for the vast Indian market to explode. The power of the rural market thus is truly awesome and is waiting to be tapped by Indian business. A growing number of businesses have benefitted from Professor Prahalad’s thinking. Affordable healthcare in the rural areas thus is symbolised by Aravind Hospital and its low cost cataract surgeries. Another example is of creating bio-mass stove, a combination chulah which can use bio-mass and LPG – a venture that Professor Prahalad was personally involved in from its original conception, going to villages, participating in design engineering, negotiating with NGOs and so on. Ratan Tata’s Nano, the world cheapest car, is the most recent example of business seeking the bottom of the pyramid.

Extracts from the Award Lecture

“I would much rather move people out of abject poverty rapidly. That’s number one. I would much rather create income mobility which is opportunities for those moving up the economic ladder and creating hope. If we can do these things well, income inequality will not disappear but it can be managed because it becomes a major bone of contention when people have no hope, when people do not see opportunity for changing their lives from one economic level of opportunity to another.... My starting assumption is that the antidote to poverty and inequality is wealth creation and growth. If we do not create wealth, we cannot deal with poverty. Yes, poverty is the anti-thesis of wealth. Therefore, if you want to deal with poverty, you have to create wealth. But wealth creation and growth can only come only through entrepreneurship and innovation.”