Shaping inclusive markets

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How would we describe an inclusive economy?

A Framework for Inclusive Economies (IE)

An inclusive economy is one that **expands opportunities** for more broadly shared prosperity, especially for those **facing the greatest barriers to advancing their well-being**.

Source: Rockefeller Foundation
Amul
Progress on multiple aspects of economic inclusion

**Increased production and nutritional availability:**
From 1.79\(^1\) to 11.7\(^2\) million tons of milk between 1971 and 2016

**Improved price stability:**
Consistent increases in procurement price between 2002\(^4\) and 2015\(^5\), despite a fall in global prices

**Increased farmer share of consumer price:**
Small farmers facing exploitative prices in the 1940s now receive over 70\(^3\)\% of the market price

**Spread of participation:**
Districts practicing cooperative dairy farming increased from 2 districts in 1946, to 33 districts in 2016\(^6\)
Progressive inclusion of excluded castes

INDIA INDEPENDENT: BRITISH RULE ENDS
CONSTITUENT ASSEMBLY TAKES OVER
MOUNTBATTEN'S APPOINTMENT AS GOVERNOR-GENERAL ENDORSED
COLOURFUL CEREMONY MARKS BIRTH OF NATION

NEW STAR RISES IN THE EAST
LEADERS TELL STORY OF THEIR ACHIEVEMENTS

Governor Sworn In As Free India Is Born
1948
1973

Gujarat Dairy Development Corporation
Importantly, it was innovations in market rules, as well as in business, that led to the overall shift.
Key themes and implications

- **Business models** still matter – how value is created
- **Ownership and control** matter – how value is shared
- Critical impact of radical changes to market rules and state support
- Roles played by innovators and ‘entrepreneurs’ beyond the business sector alone
- Activating potentialities within the system
- “Never waste a good crisis”
- Leaders (and facilitators) able to navigate both business and political dynamics
Progress on multiple aspects of economic inclusion

Increased contribution to GDP:
Increased from less than $80 million\(^1\) to $3 billion\(^2\) between 1970 and 2016

Reduction in poverty:
16% decrease in poverty levels\(^{a,3}\) in communities neighboring protected areas between the 1970s and 2000

Spread of tourism to new geographies:
Over 50% of all hotel rooms are outside the traditional tourist areas of Valle Central and Guanacaste\(^4\)

Resilience to agricultural price volatility:
15x increase in the ratio of foreign earnings from tourism to earnings from agriculture between 1970 and 2010\(^1\)

Increased forest cover:
Land area under forest cover increased to over 50% by 2016 from a low of 21%\(^5\) in the 1980s
RESERVA NATURAL ABSOLUTA
NICOLÁS WEISSBERG
EN ESTA RESERVA REPOSAN LOS RESTOS
DE LOS QUE EN VIDA FUERON
DOM. NICOLÁS WEISSBERG Y DOÑA KAREN MOGENSEK
IMPULSORES DE LA
RESERVA NATURAL ABSOLUTA CABO BLANCO,
PRIMERA ÁREA SILVESTRE PROTEGIDA
Y PROMOTORES DEL ACTUAL
SISTEMA DE PARQUES NACIONALES DE COSTA RICA
AQUI VIVIERON EN PERFECTA ARMONIA, ENTRE SI Y
CON LA NATURALEZA QUE LES RODEABA, UN SUECO Y
UNA DANESA DE NACIMIENTO, PERO COSTARRICENSES
DE CORAZON.
HONREMOS SU MEMORIA PROTEGIENDO ESTE LUGAR
DE SUS AMIGOS DE DINAMARCA.
Key themes and implications revisited

- **Business models** still matter – how value is created
- **Ownership and control** matter – how value is shared
- Critical impact of radical changes to **market rules and state support** – plus **societal norms and ethics**
- Roles played by innovators and ‘entrepreneurs’ **beyond the business sector alone**
- Activating potentialities **within** the system
- “Never waste a good crisis”
- Leaders (and facilitators) able to navigate **both business and political dynamics**
Market systems are on a continuous journey – they have a history, and a spectrum of possible futures