



Business Leaders for Inclusive Growth

As part of the [OECD All on Board for Inclusive Growth Initiative](#), the Organisation for Economic Co-operation and Development (OECD) is launching a network of **Business Leaders for Inclusive Growth** to support global efforts to tackle inequality, increase prosperity and ensure that it is widely shared.

What is at stake?

Inequality undermines economic growth, fractures society, and encourages political extremism and populist movements. The growing gap between the rich and the poor has become the defining challenge of our time. OECD research shows that income inequality is at its highest level in thirty years: the average income of the richest 10% of the population is 9.6 times that of the poorest 10% across the OECD, up from seven times 25 years ago. Inequalities are even more pronounced in emerging countries.

Why should business leaders care?

- Workers are businesses' most valuable resource. Companies rely on healthy, well-educated, skilled and productive workforces to succeed, and they rely on effective labour market policies to help supply them. Investing in employees and committing to broader social ends will mean more and better resources for businesses to draw on.
- Rising inequality has limited the ability of the bottom 40% to invest in their education and skills, undermining potential productivity gains and making it difficult for employers to find people with the skills and knowledge they need.
- Inequality of opportunity hurts business. In OECD countries alone, around 270 million people are not participating in the economy, restricting growth potential.
- The income share of the middle class relative to the upper class has been falling considerably over the past decade, reducing purchasing power and demand for goods and services.
- Inequality matters to consumers: social and economic inequality was ranked as the top concern in a recent survey of more than 1,000 millennials in 125 countries, beating out climate change and education.
- Addressing inequality helps strengthen the case for open markets. If people do not believe that globalization benefits all, pressures for protectionism will increase.
- Promoting inclusive growth can also support the reputation of firms within key demographics (such as millennials) and markets.

OECD Network of Business Leaders for Inclusive Growth

The OECD launched its [All on Board for Inclusive Growth Initiative](#) in 2012, to help governments address the challenge of rising inequality. In 2015, it opened the **Centre for Opportunity and Equality (COPE)** to bring together evidence, stakeholders and policymakers, in order to find new paths towards a more equal society. These initiatives are supported by the **Group of Ambassador Friends of Inclusive Growth (FOIG)**, created in November 2015 and led by the United States Ambassador to the OECD. Together, the OECD and its Member States are working to forge a partnership between countries, local governments and business leaders that will identify concrete ways to create inclusive economic growth.

To this end, the OECD is creating a network of **Business Leaders for Inclusive Growth**. The network will be comprised of leading figures from the world of business who will help shape the international agenda on inclusive growth, as well as identify, promote and commit to practices that are good for inclusion and good for business.

Business leaders have a central role in creating inclusive growth as job creators, providers of training and skills, and investors in key physical and knowledge capital. They are uniquely placed to speak out against the widening of inequality and to promote innovative solutions.

There is evidence that policies **promoting inclusive growth**, such as investment in employees, **can lead to higher corporate performance by boosting productivity and creating a skilled and loyal workforce**. Some business leaders and companies have recognised the potential for inclusive business practices as a win-win for both employees and companies. This OECD network will seek to **elevate these inclusive growth pioneers**, giving them an international platform and highlighting their perspectives on how corporate and public policies can interact to advance inclusive growth.

This OECD network of Business Leaders for Inclusive Growth will **determine solutions to key questions facing both societies and business**, such as:

- How can inclusive growth commitments be incorporated into daily business practice?
- How to effectively promote investment in human capital and continuing skills acquisition, which can help to reduce inequality and to promote inclusive growth?
- How can business respond to digitalisation and the rise of the platform economy, yet still provide good quality jobs?
- Can the supply chain be used to promote sustainable and inclusive growth?
- How can companies promote the health and wellbeing of the communities in which they operate?
- How can public policies incentivize inclusive growth practices in the private sector?

Approach

This work will be conducted through a **series of meetings** including both public and closed door events, with scope for other forms of collaboration depending on demand. The OECD will collect the ideas generated at the meetings of the Business Leaders for Inclusive Growth, and **use it to compile a collection of best practices for promoting inclusive growth in the private sector**. Feedback from the business sector on OECD inclusive growth policies will be essential to strengthening the OECD inclusive growth initiative and its implementation by member and partner countries, businesses and labour representatives.

The OECD is looking for a funding partner to support the creation of this network, to deepen engagement with the OECD, and promote inclusive growth across the business community. This partner will bring business expertise and experience; support the OECD in designing, establishing and promoting the campaign; facilitate engagement with other business leaders; bring insights as to effective ways to make business more inclusive; and stand with the OECD in encouraging companies to adopt better business practices for more inclusive growth.

Contact

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