

Toward a sustainable, inclusive, growing future: The role of business



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Foreword

The discussion of sustainable, inclusive growth in this paper comes at an opportune time. The COVID-19 pandemic has highlighted the world's need—and ability—to build partnerships to overcome common challenges. We must rekindle this spirit and nurture partnerships that will mount a stubborn defense against the challenges that await us.

Global crises do not affect countries equally, and there is often a significant discrepancy between the impact on a country and its ability to respond. Although countries may aspire to be self-reliant, history has proven that cross-border collaboration and exchange have been critical enablers of economic growth. We must now build upon our partnerships to look beyond simple economic growth and focus on sustainable and inclusive growth.

International partnerships for fair trade, climate transitions, foreign direct investments, and humanitarian relief, among other endeavors, can be the driving force of sustainability and inclusivity. Enabling countries to grow hand in hand can open the door to global economic resilience. Public and private partnerships can augment the role of business on the global stage. Co-creating innovations and establishing appropriate policies can help countries reach their decarbonization targets and develop a more inclusive society.

Sustainable, inclusive growth is an economic imperative. We urge global leaders to take on this challenge and set the tone for the next decade of growth.

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Foreword

We are facing complex crises, such as possible economic recession and energy supply shortages, and need to work together to create a recovery strategy. To do so, we must address growth, which is underpinned by sustainability and inclusivity. We are emitting greenhouse gases faster than our planet can absorb, which will cause irreversible climate change if we do not take action immediately. Inclusivity metrics, although improving, are still disparate, even in G20 countries. Having gathered leaders in sustainable and inclusive advancements, B20 Indonesia is uniquely positioned to tackle these issues. As we discuss and exchange ideas, let's make it a point to focus our conversations on sustainably using the earth's finite resources and providing equal opportunities to all. We have the privilege of shaping the future economy and environment, and this is our chance to lead by example and foster a long-lasting and equitable society.

B20 Indonesia has also initiated a set of programs called the B20 Legacy: the Carbon Centre of Excellence, the B20 Wiki, One Global Women Empowerment, and the Global One-Shot Campaign. These programs promote sustainability and inclusivity and can serve as the catalyst for change in companies and governments. The B20 Indonesia Task Forces and Action Council cover numerous sectors and advocate for fair trade and affordable energy transitions, support funding for green ventures, mitigate cybercrime, promote inclusive education, and build digital infrastructure as well as equitable workspaces.

Achieving sustainable, inclusive growth will not be an easy feat, and it will require the support of business and government leaders. We thank you for your contributions thus far and encourage your continuing participation. Only by working together can we achieve economic recovery grounded in sustainable, inclusive growth.

M. Arsjad Rasjid P. M.
Chairman,
Indonesian Chamber of
Commerce and Industry
(KADIN Indonesia)
Host, B20 Indonesia

Shinta Widjaja Kamdani
Chair, B20 Indonesia

The world has great potential to become more sustainable and inclusive by 2050, and the choices that it makes during this decade will determine whether it succeeds. A necessary ingredient is solid economic growth, which can generate some of the wealth that will be needed to pay for huge investments in sustainability and inclusion. But growth alone will not be enough; innovation to find new solutions will also be critical. And businesses, because of their importance to the world economy—they drive more than 70 percent of global GDP—are well placed to lead that innovation.

What CEOs told us

“If a company seeks to have long-lasting activities, it cannot afford to continue operating without the proper respect for the environment and others in need.”

Companies are hearing louder and louder calls from investors, employees, consumers, governments, and others to take action for sustainability and inclusion. But figuring out how to do so while pursuing their financial objectives will be a daunting challenge. Particularly at a time of pandemic-related, geopolitical, and macroeconomic upheaval, companies will have to carefully determine their priorities, and that includes identifying instances in which they can act independently and instances that call for collaboration with government and each other.

This discussion paper draws on conversations with CEOs and others who have participated in the B20—the official business arm of the G20—which is being hosted by Indonesia this year. In the paper, we show that:

- The world has great potential to become more sustainable and inclusive, with wide variation in outcomes among countries today.
- The choices made this decade involving investment in low-emissions technologies and helping move households to economic sufficiency will determine whether the world manages to achieve sustainable, inclusive growth by 2050.
- Growth can provide the financial resources to boost sustainability and inclusion, but growth in its current form will not be enough to fully close the “empowerment gap” and the “sustainability gap,” our two measures of the world’s shortfalls.
- Two interrelated forces can help close those critical gaps: business-led innovation that delivers affordability of essential goods, broader economic participation, and higher productivity and incomes; and government and philanthropic resources that can shift private incentives.
- As drivers of economic growth and agents of innovation, companies will necessarily play a vital role in any successful push to close those two gaps.

Finally, to promote discussion at B20 Indonesia and beyond, we introduce a framework to help companies prioritize their actions and collaborations that can contribute to sustainable, inclusive growth.



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The world has great potential to be more sustainable and inclusive

What CEOs told us

“The new economics is to take bold action on sustainability, leading to more economic efficiency, driving new technology, lowering risks, and reshaping expectations about the future.”

Realizing a better global future requires achieving three interlocking goals: sustainability, inclusion, and growth. In a sustainable world, climate change would be contained through net-zero emissions of greenhouse gases, and natural capital and biodiversity would be preserved. In an inclusive world, economic empowerment, opportunity, and progress would be shared by everyone. And in a growing world, economic activity would expand through greater productivity and innovation, providing the financial resources and new forms of growth needed to realize sustainability and inclusion. There are tensions and trade-offs in that vision, as there are in any vision of a better future.¹ Nevertheless, starting from it can help us explore immediate, practical questions and inform urgent public debates that are already under way.

It should be acknowledged that the world has made remarkable progress over the past 30 years, particularly on the inclusion side. For example, child mortality has been reduced by almost 60 percent since 1990, the average number of years that people spend in school has increased by nearly 50 percent during the same period, and since 2000 the share of the world living in extreme poverty has decreased by 70 percent.² The world also is improving

¹ See Bob Sternfels, Tracy Francis, Anu Madgavkar, and Sven Smit, “Our future lives and livelihoods: Sustainable and inclusive and growing,” *McKinsey Quarterly*, October 2021. There are also many other conceptions of sustainability and inclusion; this paper does not try to draw a comprehensive picture.

² World Bank Open Data, October 27, 2022; *Human development report 2021–22: uncertain times, unsettled lives: shaping our future in a transforming world*, United Nations Development Programme, September 2022.

on some measures of sustainability, such as lower ozone depletion and, in some countries, energy efficiency and the transition to renewable energy sources.³

However, much of the world falls short of what it might accomplish, and stark differences in growth, sustainability, and inclusion separate low- and middle-income countries from high-income ones (Exhibit 1).⁴ For example, one of the United Nations' Sustainable Development Goals for 2030 is for people to spend an average of 12 years in school, but 6.5 billion people live in countries, particularly less wealthy ones, that do not meet that target. Another aspiration is for digital inclusion (the share of people using the internet) to equal 100 percent worldwide, but that proportion in many countries is far smaller, and about three billion people worldwide have no internet access.⁵ Similar conditions prevail for various other aspects of inclusion: life expectancy, child mortality, gender parity in labor force participation rates, and financial inclusion (the share of people with a bank account). Stark differences in outcomes exist not only among countries but also within them; in fact, 70 percent of the world lives in a country with widening inequality.⁶

There are significant gaps for sustainability goals as well. One goal in use by many businesses, countries, and international organizations is to be on a pathway that would result in net-zero emissions of greenhouse gases by 2050, with the aim of limiting temperature increases to 1.5°C over preindustrial levels. (Many pathways to reach the 1.5°C goal are possible. Emissions pathways can also be measured in relation to the size of a country's economy or population, or in terms of a country's cumulative historical emissions, and will generally differ across advanced and developing economies in any global scenario.) In this pathway, global average emissions each year would have to be no more than 3.0 metric tons of CO₂ per capita by 2030, in one scenario modeled by the Network for Greening the Financial System.⁷ Today, many countries exceed that level; worse, worldwide emissions continue to rise.⁸

A similar picture emerges for the member countries of the G20 forum (Exhibit 2). Broadly speaking, low- and middle-income countries show less desirable outcomes for measures of inclusion, including income inequality as measured by the Gini coefficient.⁹ On sustainability, the situation is generally reversed: the poorer countries tend to emit less CO₂ per capita and the richer ones more, though notable exceptions exist, particularly in Europe.

The dynamics of growth, sustainability, and inclusion become apparent when we track progress over time. Consider a broad measure of inclusion, one that correlates with many of the others: the share of a country's population living above what we call the empowerment line, a level of per-person consumption that signifies entering the global middle class. We define the empowerment line as the greater of \$11 of consumption per day or twice a country's poverty line, which works out to \$11 per day in poorer countries and regions, and \$55 per day in richer ones, at 2011 purchasing-power parity (PPP). (See the next section of this paper for a detailed explanation.)

³ "About Montreal Protocol," United Nations Environment Programme, October 27, 2022; *Energy efficiency 2019*, International Energy Agency, November 2019; and *Global energy review 2021*, International Energy Agency, April 2021.

⁴ The goals considered here are drawn from the Sustainable Development Goals disseminated by the United Nations and from work by the Network for Greening the Financial System, the McKinsey Global Institute, and the McKinsey Health Institute.

⁵ ITU World Telecommunication/ICT Indicators Database, October 27, 2022.

⁶ "Rising inequality affecting more than two-thirds of the globe, but it's not inevitable: new UN report," United Nations, January 21, 2020.

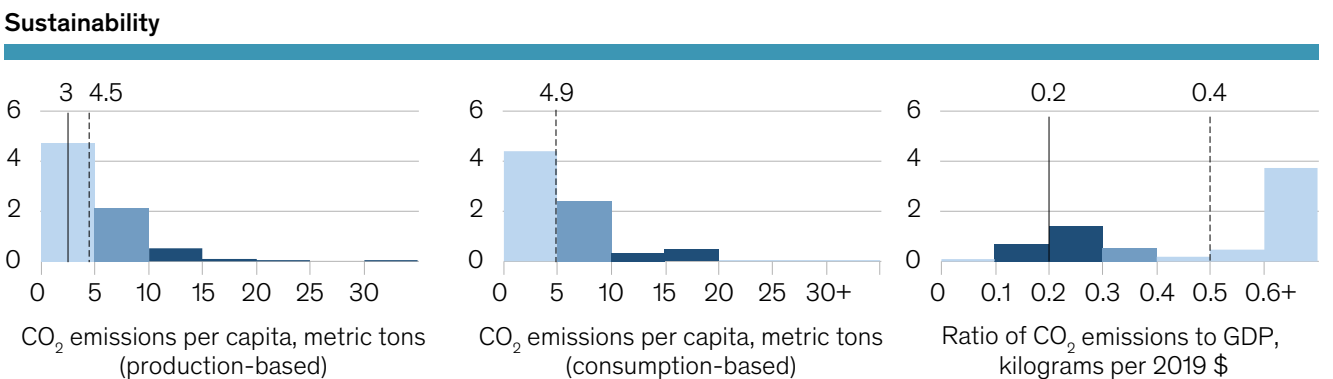
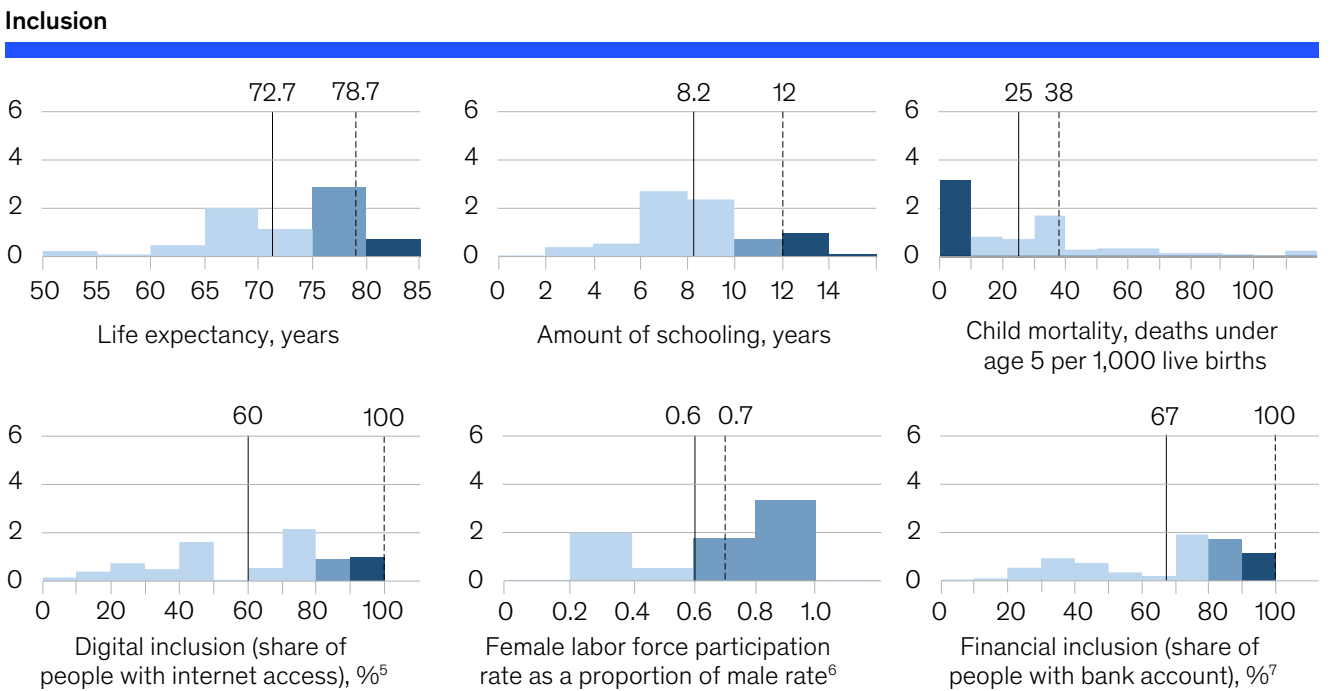
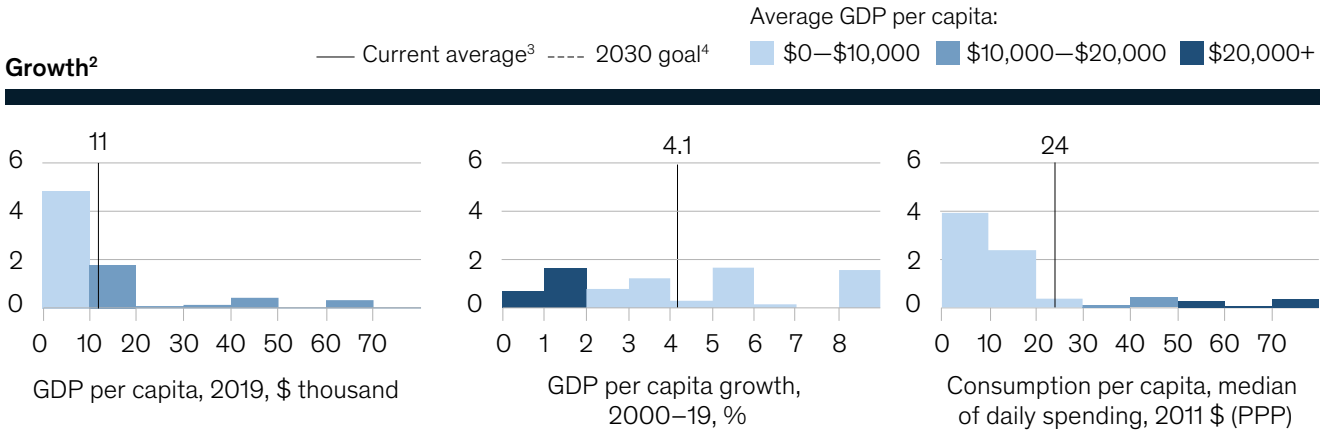
⁷ Unless we indicate otherwise, our discussion of emissions throughout is focused on CO₂ because of data availability and because that focus maintains consistency among our sources and analyses. The analysis of emissions and the importance of reducing them generally extends to methane and other greenhouse gases as well, though their relative importance varies by sector.

⁸ The consumption-based CO₂ emissions shown in Exhibits 1–3 are drawn from the Global Carbon Project, 2021. The production-based CO₂ emissions in Exhibit 1 are drawn from the World Bank.

⁹ The Gini coefficients shown in Exhibit 2 are drawn from Frederick Solt, "Measuring income inequality across countries and over time: The standardized world income inequality database," *Social Science Quarterly*, volume 101, number 3, June 2022.

In a world where growth varies widely, most people live in countries that do not meet goals for inclusion and sustainability.


World population by countries' performance on assorted measures,¹ billions of people



¹All figures represent 2019 values unless otherwise noted. ²No goals are shown for growth measures because they are regarded here as an instrument for increasing inclusion and sustainability. ³Average is calculated for countries with available data and weights countries' totals by their populations. ⁴The goals shown are the 2030 Sustainable Development Goals disseminated by the United Nations, except for the goal for life expectancy (based on McKinsey Health Institute analysis), the goal for female-to-male labor force participation rates (based on McKinsey Global Institute analysis), and the goals for sustainability (based on the Network for Greening the Financial System's global average pathway for net-zero emissions by 2050). ⁵Figures are based on the latest year available, ranging from 2009 to 2021. ⁶The female/male labor force participation rate is not correlated with income levels; no grouping is listed as being high income, because each grouping includes a mix of countries at different income levels. ⁷Figures are based on the latest year available, ranging from 2011 to 2017.

Source: Global Carbon Project; Global Findex Database; ITU World Telecommunication/ICT Indicators Database; United Nations Sustainable Development Goals; World Bank; World Data Lab; McKinsey Global Institute analysis; McKinsey Health Institute analysis

Among the G20 member countries, there are considerable differences in outcomes for growth, inclusion, and sustainability.

Less desirable outcome  More desirable outcome

	Growth		Inclusion						Sustainability			
	GDP per capita ¹	Daily consumption per capita ³	GDP per capita growth ²	Life expectancy ⁴	Child mortality ⁵	Amount of schooling ⁶	Digital inclusion ⁷	Financial inclusion ⁸	Female/male labor force participation ⁹	Gini coefficient	CO ₂ emissions per capita ¹⁰	
											Ratio of CO ₂ emissions to GDP ¹¹	
India	2	5.2	7	70	34	7	43	80	0.3	50	1.8	0.9
Indonesia	4	3.9	10	72	24	8	62	49	0.7	47	2.5	0.6
South Africa	7	1.1	9	64	35	10	70	69	0.8	63	5.7	1.1
Brazil	9	1.3	14	76	14	8	81	70	0.7	48	2.4	0.2
Türkiye	9	3.2	23	78	10	8	81	69	0.5	40	4.8	0.5
Mexico	10	0.5	15	75	14	9	72	37	0.6	43	3.6	0.4
Argentina	10	0.9	18	77	9	11	87	49	0.7	38	3.7	0.4
China	10	8.4	13	77	8	8	73	80	0.8	42	6.6	0.7
Russia	11	3.3	24	73	6	12	88	76	0.8	33	9.8	1.0
Saudi Arabia	23	0.6	40	75	7	10	100	72	0.3	50	18.8	0.7
Republic of Korea	32	3.3	44	83	3	12	98	95	0.7	34	13.6	0.4
Italy	34	0	47	83	3	10	75	94	0.7	34	7.4	0.2
European Union ¹²	35	1.2	45	81	4	12	100	92	0.8	30	7.7	0.2
France	41	0.8	49	83	5	12	86	94	0.9	30	6.5	0.1
Japan	41	0.8	46	84	3	13	90	98	0.7	32	10.2	0.2
United Kingdom	43	1.0	56	81	4	13	95	96	0.9	34	7.7	0.1
Canada	46	1.5	59	82	5	13	92	100	0.9	30	15.4	0.3
Germany	47	1.2	57	81	4	14	91	99	0.8	29	9.9	0.2
Australia	55	1.4	54	83	4	13	90	100	0.9	33	14.9	0.3
United States	65	1.2	80	79	7	13	91	93	0.8	39	17.1	0.2
G20 average ¹³	16	5	22	75	19	9	68	79	0.6	43	6.0	0.4

Note: All figures represent 2019 values unless otherwise noted.

¹2019, \$ thousand. ²2000–19. ³Median of daily spending, 2011 \$ (PPP). ⁴Years. ⁵Deaths under age 5 per 1,000 live births. ⁶Years. ⁷Share of people with internet access, %. Figures are based on the latest year available, ranging from 2009 to 2021. ⁸Share of people with a bank account, %. Figures are based on the latest year available, ranging from 2011 to 2017. ⁹Female labor force participation rate as a proportion of male rate. ¹⁰Metric tons (consumption-based). ¹¹Kg per 2019 \$. ¹²Outcomes for the European Union include those for France, Italy, and Germany. ¹³Weighted average by population.

Source: Global Carbon Project; Global Findex Database; ITU World Telecommunication/ICT Indicators Database; Standardized World Income Inequality Database; United Nations; World Bank; World Data Lab; McKinsey Global Institute analysis

The share of the population living above the empowerment line has historically expanded in tandem with economic growth in the G20 member countries (Exhibit 3). Growth bolsters economic inclusion, by that measure. Growth also improves both inclusion and sustainability by fostering the formation of capital that supports future progress, such as schools, roads, and renewable energy plants. At the same time, however, growth consumes resources, so the relationship between growth and sustainability shows a nuanced trend. Emissions of CO₂ per capita in low- and middle-income countries have historically risen with growth, though from a lower point than in high-income ones; in high-income countries, they fall, thanks to improvements in energy efficiency and investment in renewable energy sources in those countries.

If growth for the rest of the decade averaged the 2.8 percent each year that is our global baseline, we would expect the world to keep becoming more inclusive (by our measures) by 2030—but nevertheless to fall short of the goals mentioned above.¹⁰ For instance, life expectancy would average 73.1 years, an improvement over today's 72.7 years but far short of the global goal of 79 years (which more than 30 countries have already achieved). The more immediate problem would be on the sustainability side, as growth continued to boost CO₂ emissions and to accelerate climate change.

Imagine instead a world that achieved all of those goals. Then imagine the immense total impact on humanity. By our estimates:

- The improvement in life expectancy would total 45 billion more years of life for the world's population.
- The increase in education would total 31 billion more years of schooling.
- About 2.6 million more children per year would survive to age five.
- The number of people with internet access would grow by 3.1 billion.
- The number of people with bank accounts would grow by 1.7 billion.
- Relative to current levels, 74 gigatons of CO₂ emissions would be saved over ten years.¹¹ Still more important is that emissions would be on a decline, radically improving the world's chances against flooding, intense heat, and powerful storms.

¹⁰ Baseline growth estimates in this paper are from Oxford Economics and as of July 2022.

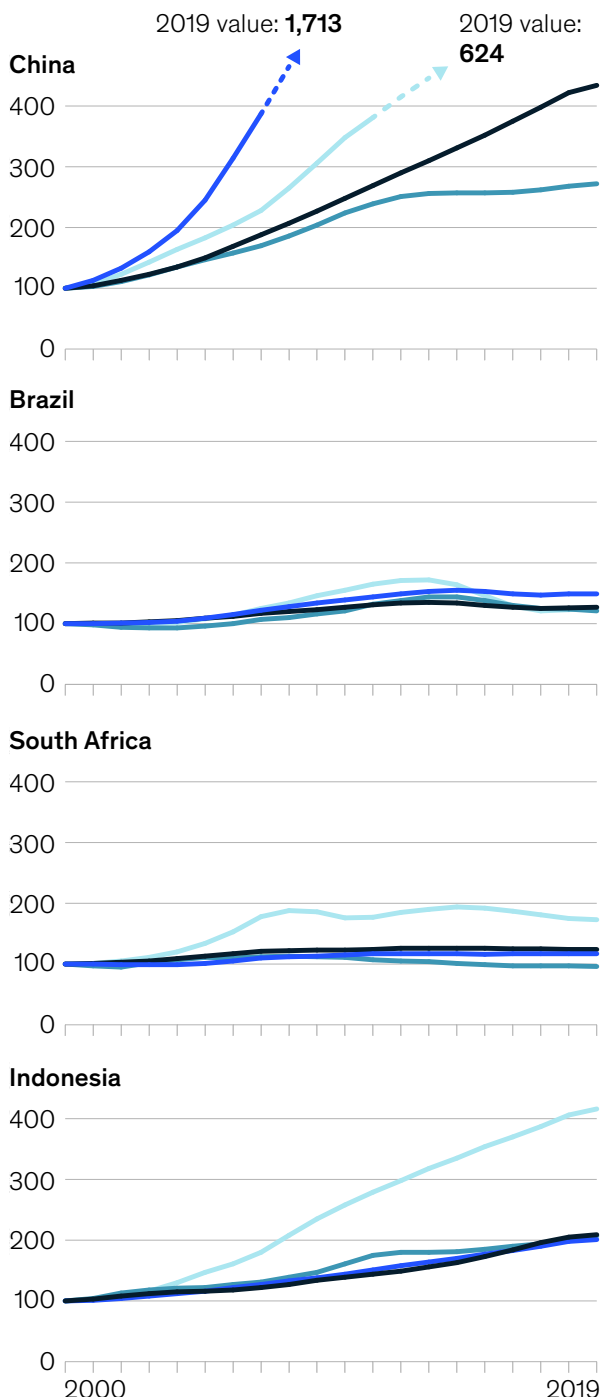
¹¹ That is the cumulative reduction from 2021 to 2030, calculated as the difference between the Network for Greening the Financial System's Current Policies pathway and its 2050 Net-Zero pathway for each year.

Over the past 20 years, growth has reinforced inclusion in the G20 member countries, but it has had mixed effects on sustainability.

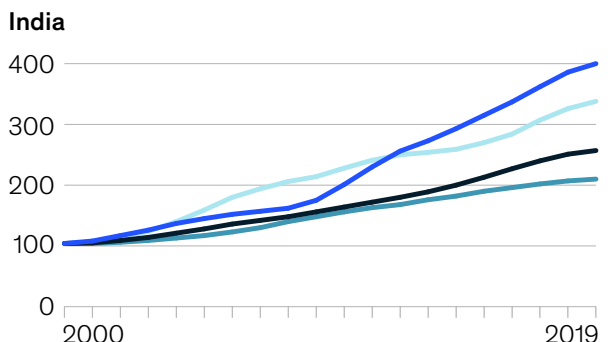
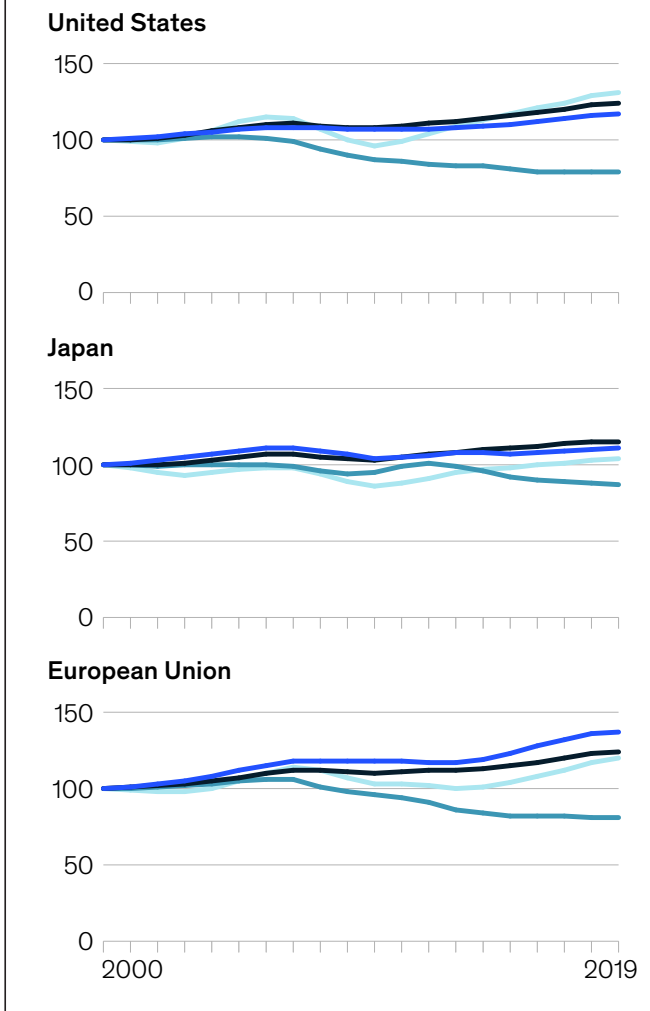
Growth, inclusion, and sustainability, three-year rolling averages, index: 100 = 2000

— GDP per capita, real — Gross fixed capital formation, real — CO₂ emissions per capita¹ — Share of population living above the empowerment line^{2,3}

Five middle-income economies



Three high-income economies



¹Measured with consumption-based CO₂ emissions.

²Expressed in terms of 2011 purchasing-power parity to correct for differences in price levels among countries.

³The empowerment line is \$11 per day for Brazil, China, India, Indonesia, and South Africa and \$55 per day for the European Union, Japan, and the United States.

Source: Global Carbon Project; IMF; OECD; World Bank; World Data Lab; McKinsey Global Institute analysis



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Our choices during this decade will determine whether we achieve the goal of sustainable, inclusive growth by 2050

What CEOs told us

“We need to act differently, especially in a time of looming recession, high levels of inflation, war, and rising populism. There’s a lack of trust, and societies are fractured and divided, so we need to come together in a way we haven’t before.”

The full extent of the enormous human impact that we envisage is perhaps unattainable until 2050. Yet the current decade will be decisive in determining whether the world is on track to realize that vision (Exhibit 4).

On inclusion, if by 2030 every household were empowered to meet its basic needs, all children could grow up healthier, more educated, and more globally connected. By 2050, a whole generation could have grown into adulthood better equipped to fulfill its potential. The aspiration is urgent not only from a humanitarian perspective but also from an economic one: the world will need many more educated, empowered adults in 2050 in order to achieve broad-based prosperity. Already, as populations age in many parts of the world, labor forces are shrinking, requiring new ways to encourage labor participation and productivity growth. Meanwhile, the expanding knowledge economy is driving demand for workers with more technological and cognitive skills, while automation and artificial intelligence are increasingly displacing routine work.

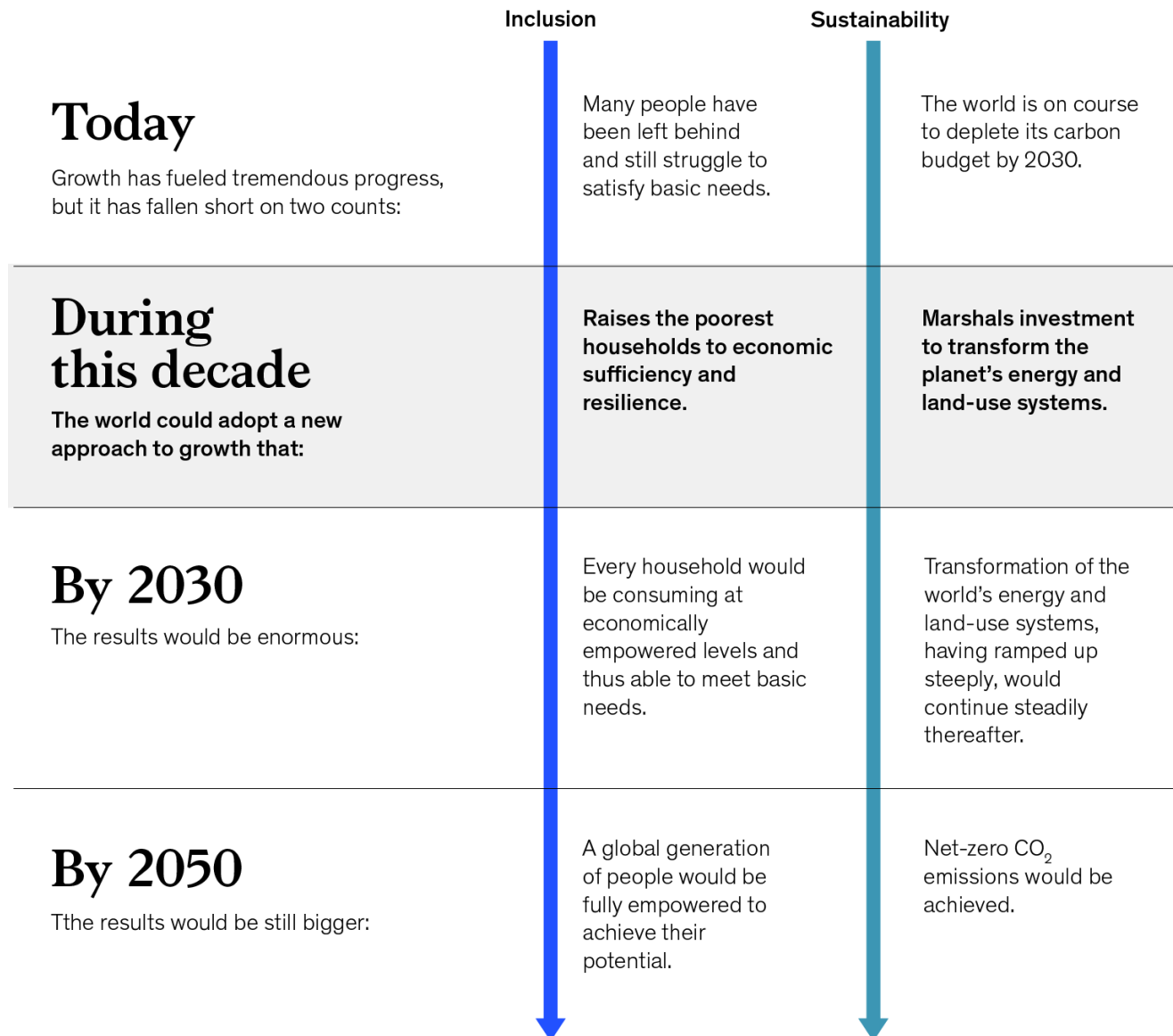
On sustainability, the need is even more pressing. The world is on track to deplete its “carbon budget”—the amount of CO₂ it can emit without triggering dangerous levels of warming—by 2030.¹² There is little time left to make the investments in energy and land-use systems that would put the world on track for net-zero emissions by 2050.

Progress on each front will affect progress on the other. In some cases, improving sustainability complicates expanding inclusion. For example, some countries and communities may believe that expanded energy access and affordability are at odds with net-zero goals, particularly in the short term and in challenging macroeconomic circumstances. In other cases, measures to address sustainability and inclusion can reinforce one another.

¹² That estimate is based on figures from the United Nations Intergovernmental Panel on Climate Change.

Exhibit 4

This decade will be decisive in laying the foundation for a sustainable, inclusive, and growing future.



Source: McKinsey Global Institute analysis

Reducing the physical risks of climate change is especially beneficial for households below the empowerment threshold, for instance. Also, economically empowered people who can take care of their basic needs may be more willing to support policies and institutions aimed at reducing emissions.

To quantify what the world needs to become as inclusive and sustainable as we hope, we focus on two measures. The first, which we call the empowerment gap, quantifies the household spending needed to eliminate many of the world's inclusion deficiencies. To understand the measure, recall our definition of the empowerment line: the greater of \$11 of per capita consumption per day or twice a country's poverty line, which works out to \$11 per person per day in poorer countries and \$55 in richer ones (at 2011 PPP). Consuming at that level means meeting basic needs, having discretionary income beyond the essentials, and being able to weather emergencies—in effect, joining the global middle class. Today, a significant share of households in every country consume less than that threshold. As Exhibit 5 indicates, the empowerment gap in a given country is the additional money that those households would need to spend, over a period of time, to be at the empowerment line. (For a more detailed description of the measure, see sidebar, “Measuring economic inclusion: The empowerment gap.”)

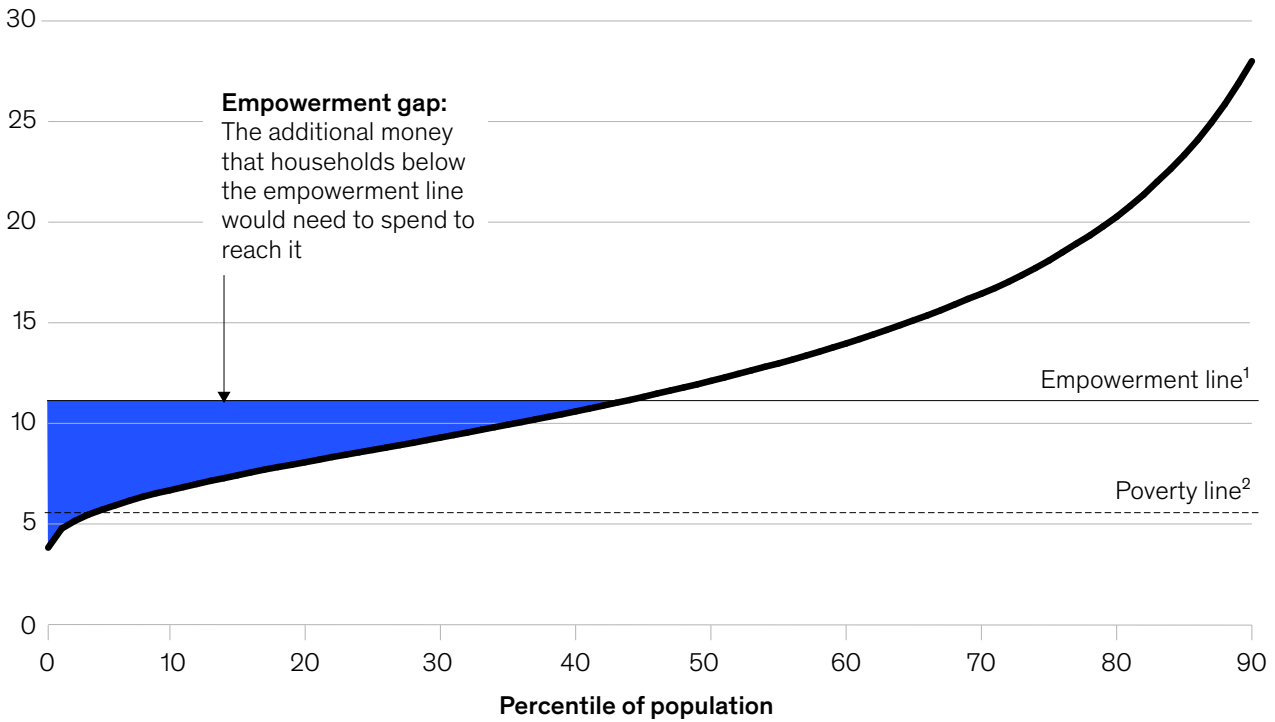
Our second measure, the sustainability gap, also appears in Exhibit 5. It is the amount of additional annual investment in low-emissions technologies that a country would need to make in order to move to, and stay on, a pathway resulting in net-zero emissions by 2050. (See sidebar, “Measuring investment toward a net-zero world: The sustainability gap.”)

The size of the gaps varies significantly among countries and regions (Exhibit 6). So does the size of the necessary increases over current levels of spending—that is, over current consumption below the empowerment line and current investment in energy and land-use systems. In sub-Saharan Africa, for example, the empowerment gap equals \$10.3 trillion. That is more than Europe's \$8.9 trillion, but it also represents a 167 percent increase over current spending below the empowerment line, far more than the 22 percent increase that would be necessary in Europe. Similarly, the sustainability gaps in the United States and in Europe are not very different in absolute terms, at \$5.6 trillion and \$5.2 trillion—but the United States would have to boost current spending on energy and land-use systems by 232 percent, a sharply larger increase than Europe's 161 percent.

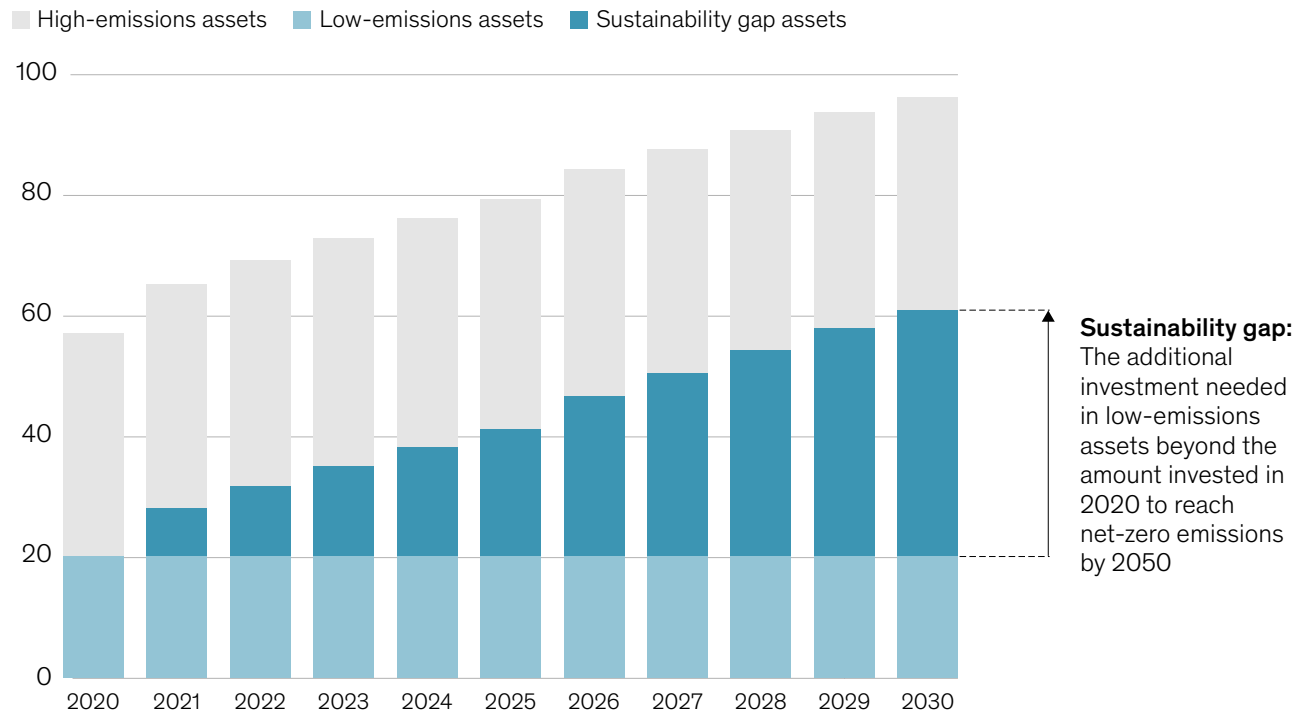
Everywhere, however, the gaps are enormous. To close them during this decade, the world must redouble its commitment to growth—and rethink the way it grows.

Two measures, the empowerment gap and the sustainability gap, help quantify the resources required to meet the world's needs.

Daily spending across population for an illustrative country, 2011 \$ (PPP)



Investment in energy and land-use systems for an illustrative country, \$ billion



















¹The greater of \$11 per day or twice the relevant poverty line, which works out to \$11 per day in lower-income countries and \$55 per day in higher-income ones, expressed in terms of 2011 PPP to correct for differences in price levels among countries.

²From \$1.90 to \$5.50 per day in low- and middle-income countries, and \$27.50 per day in high-income countries, expressed in terms of 2011 PPP.

Source: IMF; Network for Greening the Financial System; OECD; Oxford Economics; World Bank; World Data Lab; McKinsey Global Institute analysis

Significant resources are needed to fill the empowerment and sustainability gaps by 2030.

GDP per capita	Selected countries and regions ¹	Total resources needed to fill the empowerment gap, real \$ trillion	Annual increase over current spending, %	Annual increase as % of GDP	Total resources needed to fill the sustainability gap, real \$ trillion	Annual increase over current spending, %	Annual increase as % of GDP
Lower	Sub-Saharan Africa	 10.3	167	52	 0.6	82	3
	India	 3.7	65	9	 1.9	133	5
	Other Asia²	 4.9	46	7	 2.0	133	3
	Latin America	 3.4	54	6	 1.1	93	2
	China²	 1.5	11	1	 4.2	71	2
	European Union and United Kingdom	 8.9	22	4	 5.2	161	2
	Japan	 1.1	14	2	 0.7	154	1
Higher	United States	 5.0	27	2	 5.6	232	2

Note: All figures are for 2021–30, and dollar amounts are in 2020 USD. The empowerment gap is the additional money that households below the empowerment line (the greater of \$11 per day or twice a country's poverty line, expressed in terms of 2011 purchasing-power parity to correct for differences in price levels among countries) would need to spend to reach it. The sustainability gap is the additional investment needed in low-emissions assets beyond the amount invested in 2020 to reach net-zero emissions by 2050.

¹These countries and regions represent approximately 90% of global GDP.

²The category "Other Asia" consists of 30 countries and does not include China, India, or Japan. The category "China" includes China, Hong Kong, Macau, and Taiwan.

Source: IMF; Network for Greening the Financial System; OECD; Oxford Economics; World Bank; World Data Lab; McKinsey Global Institute analysis

Measuring economic inclusion: The empowerment gap

This research employs the concept of “economic empowerment,” defined as the daily spending required for an individual to enjoy a decent standard of living rather than bare subsistence.¹ The “empowerment line” is intentionally set well above the global poverty line, reflecting an aspiration to lift the most impoverished segments of the global population into the middle, or consuming, class.

The approach builds on the work of Homi Kharas, a Brookings Institution economist and cofounder of World Data Lab, one of the main sources of data for this analysis. Kharas makes the case for measuring the middle class via a measure of consumption.² Defining economic sufficiency as the point at which discretionary choices can be made echoes Nobel laureate Amartya Sen’s assertions that economic empowerment conveys the ability to participate in society, the freedom to enjoy life, and individual agency.³ Additionally, we find that empowerment is correlated with multiple positive human development outcomes ranging from reduced childhood mortality and longer life expectancy to additional years of schooling, digital and financial inclusion, and higher female participation in the labor market.

To establish a benchmark for empowered spending in this research, we began with \$11 per day (at 2011 PPP) in individual consumption. Kharas has set this as

the threshold for entering the global consuming class, or the point at which individuals gain the ability to make discretionary purchases and have a measure of economic security against shocks.⁴

In advanced economies, the average standard of living is relatively high, but sizable populations are unable to attain it. We therefore faced a question about whether to apply the \$11-per-day threshold globally, which would result in a small calculated gap for high-income countries, or tailor the threshold for every country.

We ultimately applied a hybrid approach. Using the World Bank’s country income classifications, we considered the \$11 threshold versus a figure that was two times the poverty line for the country’s income bracket and went with the higher of the two figures.⁵ This resulted in a threshold of \$11 per day for low- and middle-income countries and \$55 per day for high-income countries.⁶

We then made two adjustments on a country-by-country basis. First, we raised the empowerment threshold by 10 percent for those of working age (20–60 years) in each country to allow for savings and greater economic security.⁷ Second, we calculated the in-kind transfers and safety net provisions provided by each country’s government that would influence its empowerment threshold.⁸ This total was prorated to

the share of the population below the empowerment gap and then converted to a per-person, per-day figure.

Establishing an empowerment line makes it possible to size each country’s “empowerment gap”—that is, the population in each country whose consumption falls short of a middle-class standard as well as the dollar amount that would bridge this gap. By this measure, about 4.5 billion people worldwide (approximately 60 percent of the global population) are not yet economically empowered. This includes 3.9 billion people (roughly three out of every five) in low- and middle-income countries plus 600 million people (roughly one out of every two) in high-income countries.

To compute the empowerment gap, we calculate the difference of current spending across population deciles and each country’s unique empowerment threshold (after adjusting for transfers). This provides a view of the average gap in spending on a per-person basis by decile and by country. We then impose a linear ramp-up in spending, with the target rising 10 percent each year from 2021 until it reaches the empowerment threshold by 2030. (This approach mirrors a similar ramp-up in sustainability investment over time.) The final empowerment gap figure is the sum of the prorated annual gaps over the next decade; it is the cumulative additional spending needed from today to reach universal empowerment. Closing the gap

¹ Research from the McKinsey Global Institute has calculated the cost of a basket of goods and services needed for a minimum acceptable standard of living in India. See *From poverty to empowerment: India’s imperative for jobs, growth, and effective basic services*, McKinsey Global Institute, February 2014.

² Homi Kharas, *The emerging middle class in developing countries*, OECD Development Centre, working paper number 285, January 2010. For a useful overview of various approaches to defining the middle class, see Richard V. Reeves, Katherine Guyot, and Eleanor Krause, “Defining the middle class: Cash, credentials, or culture?” Brookings Institution, May 2018.

³ Amartya Sen, *Development as freedom*, Oxford University Press, 1999.

⁴ Homi Kharas and Kristofer Hamel, “A global tipping point: Half the world is now middle class or wealthier,” Brookings Future Development blog, September 27, 2018.

⁵ For low- and middle-income countries, we used World Bank poverty definitions (\$1.90, \$3.20, and \$5.50 for low-, lower-middle-, and upper-middle-income countries, respectively, at 2011 PPP). For high-income countries, we began with Max Roser’s proposed poverty line of \$30 a day at 2017 PPP (see ourworldindata.org/higher-poverty-global-line for details), then converted and rounded to \$27.50 at 2011 PPP.

⁶ With a high-income threshold of \$55 per day, roughly half of the global empowerment gap exists in high-income economies. With an \$11-per-day threshold, the empowerment gap within these economies would be roughly one-fifth the size, and the global gap would shrink by about 40 percent.

⁷ For a related discussion, see Fernando Lera Lopez, *The influence of age on household savings behaviours and motives: Evidence from Spain*, 38th Congress of the European Regional Science Association (ERSA), 1998.

⁸ Our estimates are based on government spending data from the IMF and OECD. The OECD provides a measure of government expenditure across functional spending areas (for example, defense, health, and education) “incurred by government for the benefit of individual households.” We used these figures as “in-kind” transfer estimates for OECD countries. For others, we found approximate ratios of total government spending to “individual” consumption in the health, education, recreation, and social protection functions in OECD countries, and we applied those ratios to total government spending across the same four functions by country in the IMF government functional expenditures database. We then prorated by the share of population below the empowerment gap. As a final step, we applied a multiplier for government efficiency drawn from Santiago Herrera and Abdoulaye Ouedraogo, *Efficiency of public spending in education, health, and infrastructure*, World Bank Group policy research working paper, number 8586, September 2018.

implies a steeper rise for poorer deciles and a more gradual one for deciles closer to the empowerment line.

Finally, we note that economic inclusion often raises the larger topics of inequality and redistribution. In this research, we made an explicit choice to determine what it would take to lift the poorest segments in any country or region,

a goal that has widespread support. While we recognize that equality is an additional value in the public debate, we do not model redistribution from the wealthiest segments as the means to achieve empowerment. Any number of mechanisms and policies can be employed to provide funding. In addition, if the global empowerment gap closed,

there would be growth in demand, but we do not explore the supply-side response, any impact on broader prices, or the subsequent implications on downstream growth. Our goal with this research is to estimate the size of the challenge so that policy makers can debate what is politically and economically feasible in each country's context.

Sidebar

Measuring investment toward a net-zero world: The sustainability gap

An orderly transition to a world with net-zero CO₂ emissions would require significant changes to capital allocation in seven energy and land-use systems: power, industry, mobility, buildings, agriculture, forestry, and waste. This research quantifies those changes in investment and calls them the sustainability gap. The gap is defined as the amount of additional investment in low-emissions technologies between 2020 and 2030 that would be necessary for a country to be on a net-zero pathway by 2030. The definition uses low-emissions assets to emphasize the need to deploy new technologies, which would be driven by innovation and by policy choices to shift investment allocations.

The concept builds on research from the McKinsey Global Institute examining the net-zero transition, including what it will cost and what its impact on demand, capital allocation, and jobs might be.¹ Our estimates of the gap are based on a scenario from the Network for Greening the Financial System in which global warming is limited to 1.5°C and the world reaches net zero by 2050. In the earlier work, we showed that the net-zero 2050 scenario would entail average spending of \$9.2 trillion per year, in 2020 dollars, on both low- and high-emissions assets

in energy and land-use systems until 2050. This represents \$3.5 trillion more than current annual spending on those areas. In addition to that increase, the transition requires a major boost in the share of investment that goes to low-emissions assets—from 35 percent in 2020 to 70 percent, on average, for the period through 2050. For the decade ending in 2030, which is our focus in this paper, the net-zero scenario implies cumulative investment in low-emissions assets above current levels of \$24.4 trillion. This number represents our sustainability gap. (Additional costs may arise from delays, setbacks, and urgently needed adaptation measures, but the number does not include those costs.)

Note that in this scenario, high-emissions assets in some countries, such as China and India, continue to increase during the current decade. That is because those countries' emissions are smaller, in relation to their economies, than in higher-income countries, and the scenario allows them room to catch up in development outcomes; they invest more in both low- and high-emissions energy assets in the scenario before shifting fully to investment growth in low-emissions technology. As a result, net worldwide investment in high-emissions assets

may not start decreasing dramatically until the next decade, even if the world is successfully decarbonizing in terms of the share of investment that goes to low-emissions assets.

In our analysis of baseline growth in this paper, we assume for simplicity that investment in low-emissions assets in energy and land use by sector will remain a constant share of each country's or region's GDP. This is a conservative assumption (to be refined in future research) because the technologies essential to reducing global emissions are already changing. These low- and zero-carbon technologies will need to continue to be developed, tested, improved, and made cost-effective. Over time, this would probably lower unit costs to scale up and achieve broad commercial adoption. And across all technologies, careful planning will be needed to ensure that new technologies link with each other and with existing infrastructure. The *World Energy Outlook 2021* from the International Energy Agency found that technological solutions to close the gap with a 1.5°C path are available and that about 40 percent are cost-effective.

¹ *The net-zero transition: What it would cost, what it could bring*, McKinsey Global Institute in collaboration with McKinsey Sustainability and McKinsey's Global Energy & Materials and Advanced Industries Practices, January 2022.



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Growth can boost sustainability and inclusion, but we need more than growth in its current form

Economic growth is necessary for the world to start closing the empowerment and sustainability gaps. The reason is simple: growing economies produce financial resources, services, and technologies that can be brought to bear on global challenges. Every percentage point of growth creates income that is consumed, saved, or invested; some of that income will raise households to empowered levels of spending, and some will contribute savings that help build the infrastructure needed for the net-zero transition. Growth does lead to some counteracting forces; two major examples are income inequality and energy consumption, both of which tend to increase in tandem with growth. Nevertheless, the baseline growth that we expect this decade will be critical in order to partly fill the empowerment and sustainability gaps by 2030 (see point 1 in Exhibit 7).

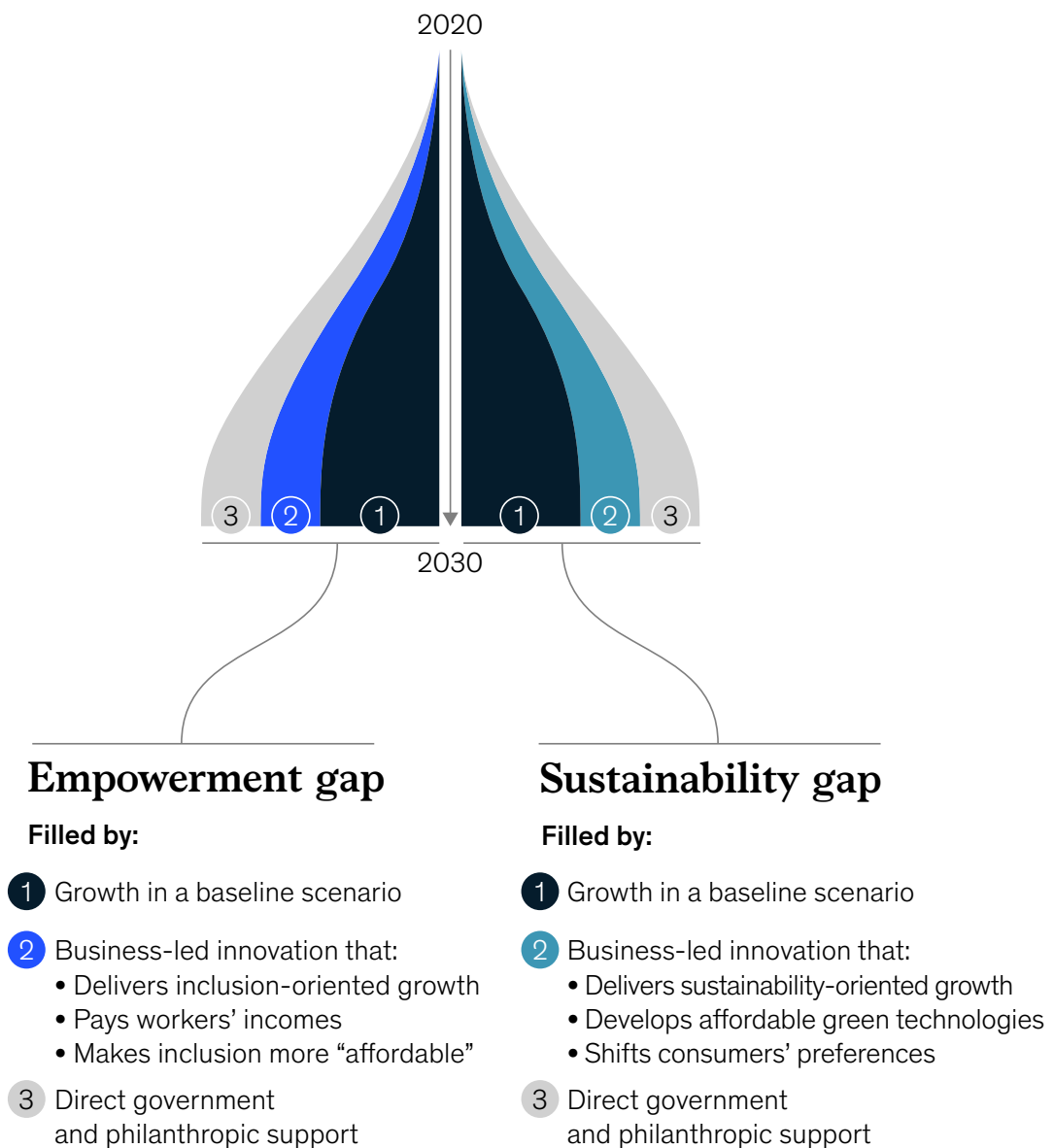
But growth alone will not provide enough financial resources to close the gaps, so two more (interrelated) forces are called for. The first, business-led innovation, can make growth more inclusion- and sustainability-oriented in several critical ways under the right conditions (see point 2). For starters, as innovation boosts overall growth, more income flows to households and can be spent by those below the empowerment line or saved and invested for sustainability. Furthermore, innovation can help close the empowerment gap when it is paired with policies that help boost workers' wages and labor force participation in sectors with rising productivity, making growth more inclusive. Innovation can also make inclusion and

sustainability more “affordable”—for example, as companies invent ways to bring less costly healthcare or internet access to low-income people, or as they figure out how to produce low-emissions technology more cheaply. And when innovation provides low-emissions technology more cheaply, it helps close the sustainability gap further by shifting consumers’ preferences toward that technology; electric vehicles are a good recent example.

Exhibit 7

Growth, business-led innovation, and direct government support are necessary to fill the empowerment and sustainability gaps.

Share of empowerment and sustainability gaps filled for an illustrative country by 2030



Source: IMF; Network for Greening the Financial System; OECD; Oxford Economics; World Bank; World Data Lab; McKinsey Global Institute analysis

Of course, innovation is not a panacea. In its current form, accompanied by globalization and the shift to a knowledge economy, it has contributed to stark income disparities and brought the need for a more inclusive growth model into sharp relief. To transform business-led innovation as described above will require strategic and institutional shifts. Businesses can grow by harnessing opportunities in areas that improve health, education, infrastructure, and the care economy, and they can reshape their interactions with workers in ways that enable more participation in good jobs, higher incomes, and more business ownership. They can also prioritize inclusive hiring, training, mental health care, and other initiatives that accelerate a virtuous cycle among innovation, growth, and workers' incomes.

The second force that can close the gaps is government and philanthropy, which can directly steer incentives and public resources toward sustainability and inclusion (point 3). For example, governments or philanthropies could invest resources in sustainability and inclusion projects in order to attract more private, commercial capital to those projects, an approach known as blended finance. Carbon taxes or subsidies for low-carbon projects could likewise encourage the remaining investment needed to close the sustainability gap. Governments could also decide to use transfer payments to directly lift more households to the empowerment line.

Such government policies would reflect important trade-offs and choices. For one thing, providing incentives to narrow one gap might reduce funds available for the other. Making inclusion-oriented transfers, for example, might shrink public financing capacity for new investment in renewable energy; by the same token, a dollar spent on tackling climate change could be a dollar not spent on meeting people's immediate needs for high-quality food and healthcare. But such trade-offs are rarely one for one, thanks to the potential for positive feedback loops between climate change mitigation and inclusion. How to implement carbon pricing and use the revenues under any carbon tax would present more choices. And deciding who would bear the additional costs in any of those cases could be a political challenge.

How much of the gaps could be closed by growth alone would vary by country.¹³ But if the countries and regions shown in Exhibit 8 maintained their current trends in spending on inclusion, only India and China would be able to fill more than half of their empowerment gap by 2030 through baseline growth alone. On sustainability, none of the countries or regions would cover more than half of their need.¹⁴ For instance, if the US economy grew for the rest of the decade at the 2.1 percent annually that is our US baseline (and did not change its current pattern of resource allocation), the country would close just 36 percent of its empowerment gap and 7 percent of its sustainability gap by 2030.

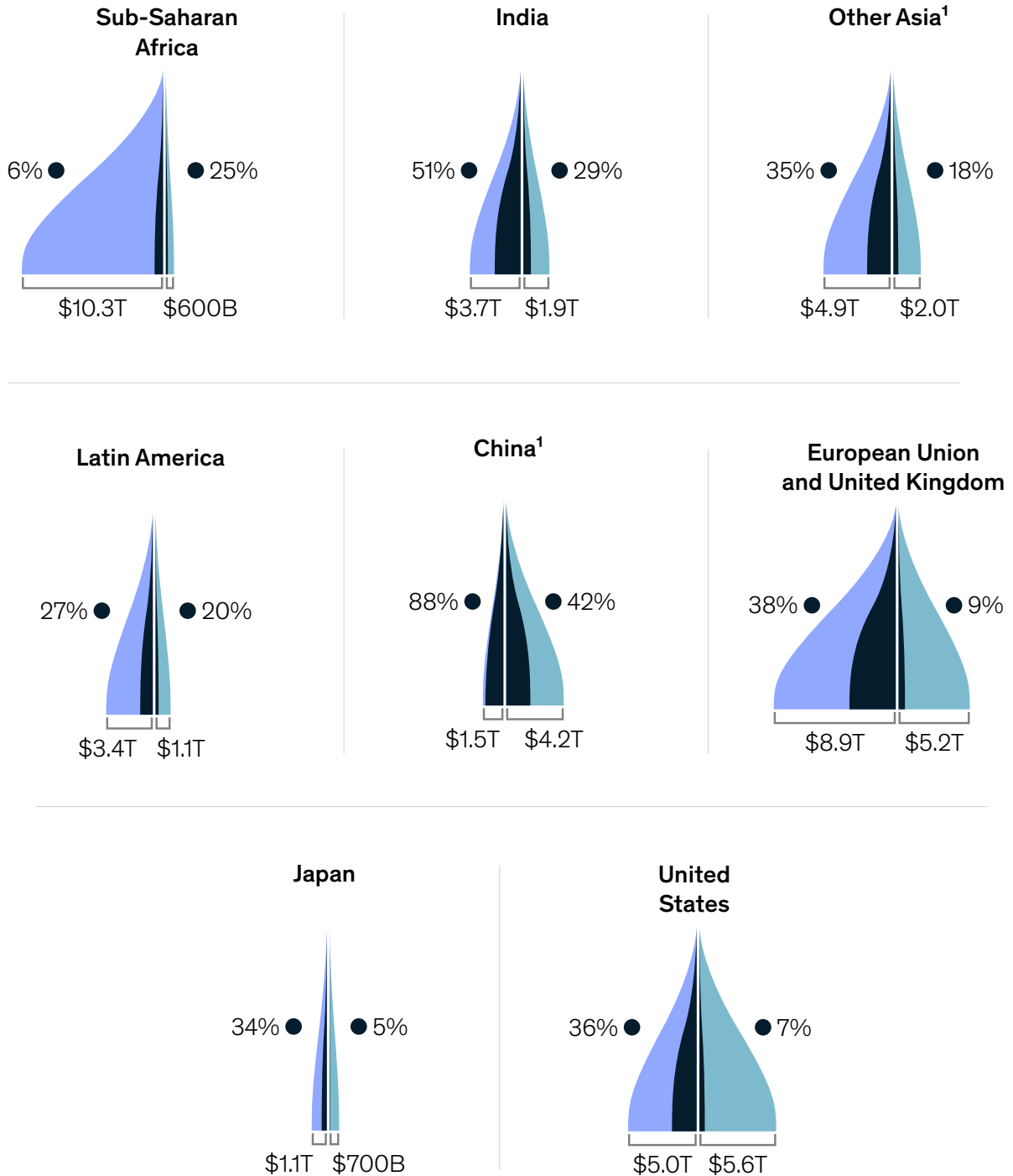
¹³ To find the effect of growth on the empowerment gap, we calculate the gain in daily consumption across deciles and countries between 2020 and 2030, using baseline projections of total consumption growth from Oxford Economics and the distribution of consumption from World Data Lab. We then calculate how much of that gain in consumption would take place below the empowerment line, and we deduct that amount from the empowerment gap.

¹⁴ Our estimates of the share of the sustainability gap closed reflect very conservative assumptions. Our definition of the sustainability gap—the incremental investment needed in low-emissions technologies—reflects two challenges: expanding investment in energy and land-use systems and dramatically increasing the share that is in low-emissions technologies. We have assumed for the sake of simplicity that each country's or region's current investment in low-emissions technologies would remain constant as a share of GDP in the baseline growth scenario, so growth does not address the second challenge. In practice, the unit costs of these technologies are falling, and investment in them as a share of total energy and land-use investment would probably rise even without strong interventions. For more information, see *World energy outlook 2021*, International Energy Agency, October 2021.

The ability of growth alone to narrow the empowerment and sustainability gaps varies by country and region.

Empowerment gap through 2030 — **Sustainability gap through 2030**

● Share funded by baseline growth ● Share left to be filled in each region



Note: To find the effect of growth on the empowerment gap, we calculate the gain in daily consumption across deciles and countries between 2020 and 2030, using baseline projections of total consumption growth from Oxford Economics and the distribution of consumption from World Data Lab. We then calculate how much of that gain in consumption would take place below the empowerment line, and we deduct that amount from the empowerment gap. The sustainability estimates are based on the assumption that funding for sustainability by sector, as a share of each country's or region's GDP, remains constant at 2020 levels from 2021 through 2030, as does the portion for low-emissions investment. The sustainability gaps shown are for spending on low-emissions technology only, though in practice, some spending on high-emissions technology may be necessary for some countries or regions even in the net-zero emissions scenario.

¹The category "Other Asia" consists of 30 countries and does not include China, India, or Japan. The category "China" includes China, Hong Kong, Macau, and Taiwan.

Source: IMF; Network for Greening the Financial System; OECD; Oxford Economics; World Bank; World Data Lab; McKinsey Global Institute analysis



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Companies will be major players in the new growth imperative

What CEOs told us

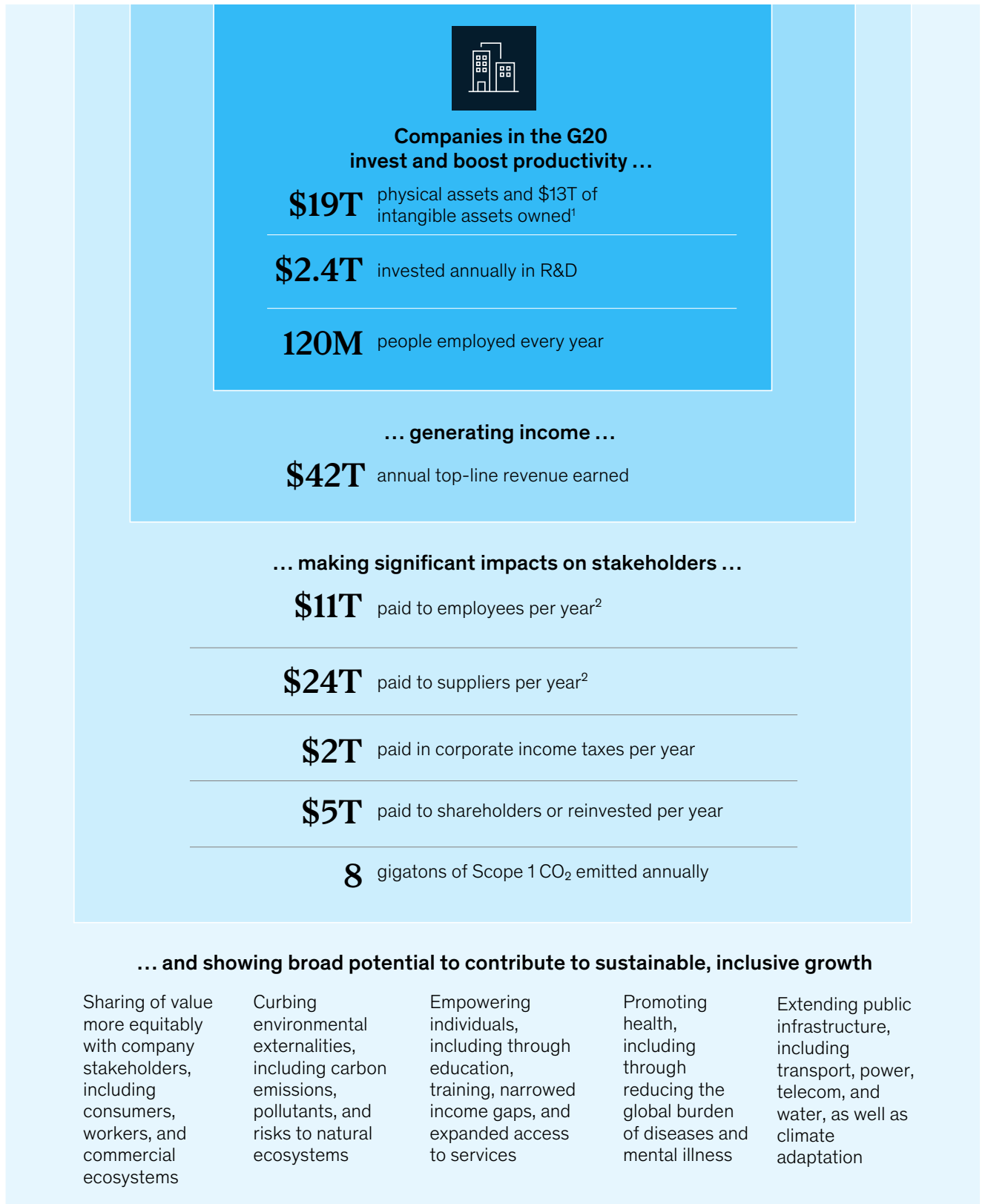
“When you have companies that are the same size as the GDP of some countries, it’s clear that the private sector has a role to play in a sustainable world.”

Because growth is necessary for the world to achieve greater sustainability and inclusion, companies will necessarily play a vital role simply by driving baseline growth—that is, by filling the gaps indicated by point 1 in Exhibit 7—during the challenging global circumstances ahead. After all, companies are the most powerful growth engines in the world economy: in OECD countries, businesses account for about 70 percent of GDP, and companies with more than \$1 billion in revenue account for about 30 percent.¹⁵ They drive productivity growth in various ways, including R&D and digital transformation, and they build human capital. They are particularly important in drawing workers into more formal, productive, and skill-enhancing jobs in lower-income economies. In short, they have the reach and innovative capabilities required for transforming and shaping how the economy grows (Exhibit 9).

But delivering baseline growth will not be enough. Closing the gaps entirely will require companies to pursue new strategies of innovation (Exhibit 7, point 2) and collaboration with government stakeholders (point 3). Opportunities for them to innovate, supporting more growth and helping make inclusion and sustainability more affordable, are legion. Companies can shift the ways they create and share benefits with their immediate stakeholders—workers, customers, suppliers, communities, and shareholders—in order to be more inclusive. They can create products and services that support inclusion: healthcare, affordable housing,

¹⁵ See *A new look at how corporations impact the economy and households*, McKinsey Global Institute, May 2021.

Companies in the G20 member countries are hugely important economic contributors—and they will be equally important contributors to sustainable, inclusive growth.



Note: The estimates shown are for public companies that are headquartered in the G20 member countries and whose annual revenues are greater than \$1 billion. The estimates are averages of the years 2018, 2019, and 2020.

¹Physical assets refers to property, plant, and equipment (PP&E). Intangible assets include goodwill.

²Based on the analysis of the labor and supplier share of income in *A new look at how corporations impact the economy and households*, McKinsey Global Institute, May 2021. Company totals are based on companies' entire revenues and activities, not just activities within the domestic boundaries of the G20 member countries. In aggregate, most foreign revenue remains in the G20.

Source: OECD; World Bank; McKinsey Corporate Performance Analytics Tool; McKinsey Global Institute analysis

critical infrastructure, bank accounts, and so forth. And they can work to adjust their impact on the environment.

At the same time, companies do not always have incentives to tackle the world's inclusion and sustainability challenges, even when their capabilities and innovation are needed. For example, a company may be reluctant to invest in training programs for its workers if the business case is not obvious—if those workers are likely to then move elsewhere, say, or if the company fears losing ground to competitors that do not bear the same costs. A company that can create new products to reduce the cost of public goods, such as broadband networks to expand digital inclusion or advanced power plants to reduce emissions, may not have reason to anticipate eventual returns on its investment absent government support.

The world's goals for sustainable, inclusive growth are thus not always aligned with companies' financial incentives—but the calls to do more are loud. One reason for those calls is that companies are tightly linked to existing challenges to inclusion and sustainability. The share of their income that goes to their workers has fallen, for instance. And among large companies headquartered in the G20 countries, Scope 1 emissions, which are defined as emissions from a company's owned or controlled sources, account for about 15 percent of total emissions worldwide each year. Such connections suggest that companies will necessarily be partners in the new growth imperative.



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A starting point is for companies to sort out what their priorities are, when they can act independently, and when they should collaborate

The world's sustainability and inclusion deficits cannot be filled immediately, but that should be a rallying cry for companies, not a reason for inaction. The scope of the challenge makes it that much more critical for them to determine which problems make sense to tackle while realizing the financial returns they need, particularly when inaction could bring financial risks. Two main approaches are possible: acting through market opportunities that are already available and helping shape new ones where incentives are yet not aligned (Exhibit 10).

What CEOs told us

“Take a look at the demographic shift taking place. Huge volumes of wealth are shifting to a generation that sees sustainability as a value driver.”

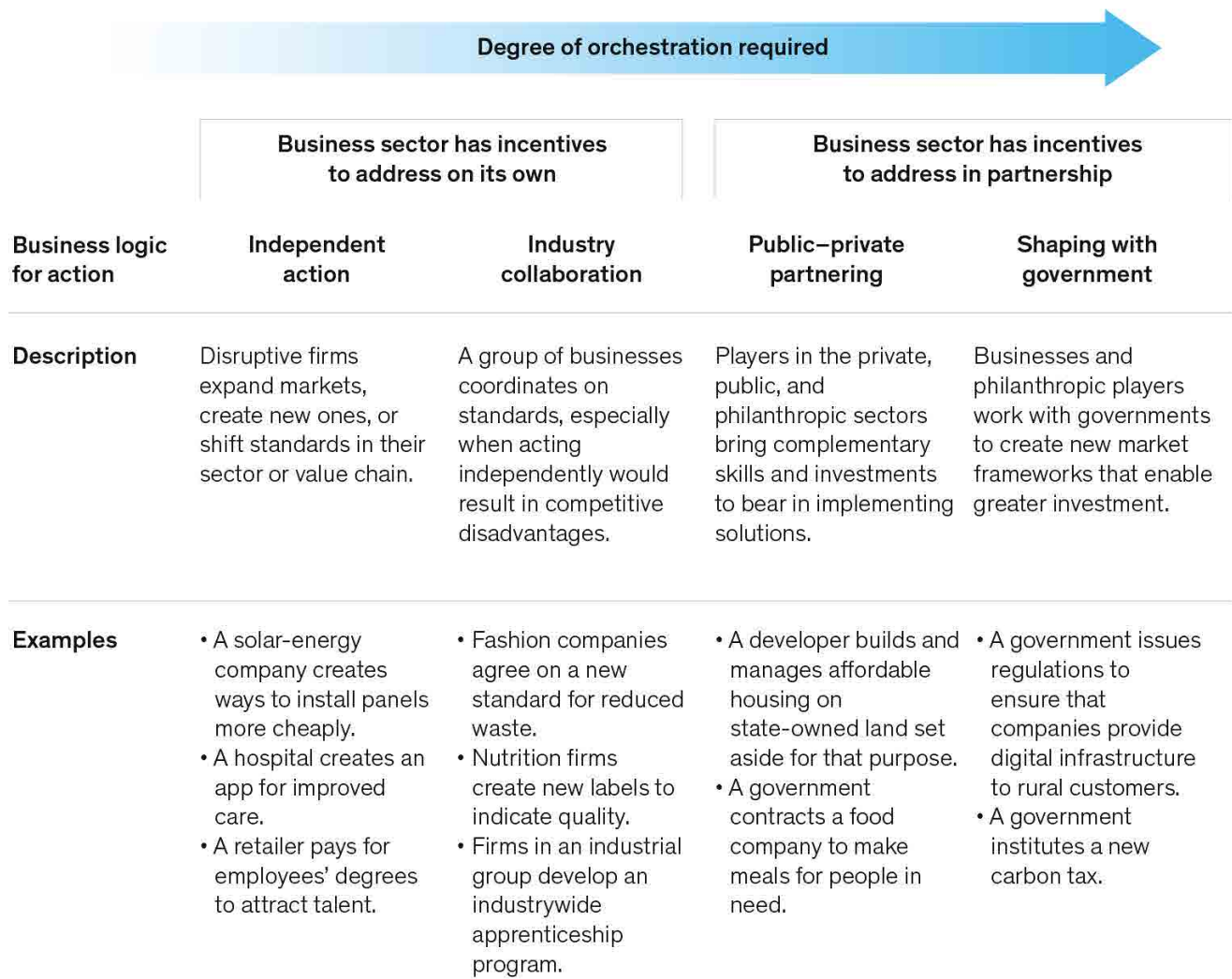
When market opportunities already exist, companies can decide to act independently—and act now. For example, breakthroughs that achieve sustainability and inclusion goals can expand markets or even create new ones, as in the case of electric vehicles, sustainable farming and nutrition, new vaccines, and mobile payments that enable financial inclusion. By the same token, pursuing sustainability and inclusion goals can help reduce costs in some cases, such as when companies realize savings from increasing their energy efficiency or reducing the raw materials they use in production. Or individual companies might establish new standards (for data privacy or cybersecurity, for instance) that attract customers and reset the bar for whole

industries. Sometimes, addressing issues of sustainability and inclusion may reflect a purpose beyond profits—though it may nonetheless generate them in the long term; investors, customers, and workers seek out companies whose values they share.¹⁶

¹⁶ See Lucy Pérez, Dame Vivian Hunt, Hamid Samandari, Robin Nuttall, and Krysta Biniek, "Does ESG really matter—and why?" *McKinsey Quarterly*, August 10, 2022.

Exhibit 10

Companies can improve sustainability and inclusion by seizing existing opportunities or by helping shape new ones.



Source: McKinsey Global Institute analysis

What CEOs told us

“There are no silver bullets. It’s a jigsaw puzzle, and you need pretty lively active coalitions. You need an understanding of precompetitive teamwork.”

What CEOs told us

“It is paramount for companies and the public sector to work together to understand how incentives may come into place and help businesses that want to implement a robust agenda for ESG and sustainable, inclusive growth. We also need ways for the private sector to engage with public stakeholders and foster the exchange of experiences and knowledge.”

In some situations, though market opportunities exist, a company’s individual action would result in a competitive disadvantage. Such situations may call for new collaborations in which all companies participate and all benefit. For instance, new standards and practices for reducing emissions, chemicals, or plastics in value chains could be created and shared by all companies involved. So could other systemwide solutions, such as a circular economy in fashion or other resource-intensive industries.¹⁷ While such efforts can involve regulators, the initiative does not need to rest with them, as projects in climate finance to catalyze more green investment have shown.

But if markets do not yet exist to link companies to the people, populations, and even generations that would benefit, government involvement and broader, society-wide collaboration may be necessary. In many cases, governments, the social sector, and companies can act together, forming public–private partnerships to take advantage of their particular strengths. For instance, some cities have built traffic infrastructure that, using artificial intelligence developed by innovative companies, reduces CO₂ emissions and improves safety. In still other cases, especially those related to infrastructure, public health, and other public goods, government may serve as the funder rather than as a participant in the activity, creating a demand signal so that companies can then compete and generate the best solutions.

In the case of market activities with large externalities, such as those related to emissions, air pollution, and plastic waste, the full investment or production shifts needed to meet societal goals will probably not be profitable without government intervention to adjust market incentives. Such intervention may, over time, accelerate learning curves and make sustainable, inclusive solutions profitable. In all of these cases, though government is heavily involved, companies have incentives to put ideas on the table, transparently detailing what it will take to steer their capital, capability, and innovation toward difficult challenges.

Locating specific projects within the framework just described may help companies start to decide how to contribute to sustainable, inclusive growth. Acting independently is certainly possible and desirable in many areas. But given the magnitude of the shifts required beyond business-as-usual growth, completely filling the gaps that we outline will require businesses to act in concert with broader stakeholders on many issues. Asking three questions—about the societal impact, the degree of orchestration necessary, and the ability of public capital to catalyze private financing—can help companies and policy makers focus and prioritize their collaborations.

- **How great are the economic returns to society, and how long will it take to realize them?** Economic returns on sustainability and inclusion projects vary widely. For example, reducing lead poisoning or early childhood malnutrition could result in average economic benefits up to 30 times larger than the costs, thanks to increased productivity and health; total economic returns on building transportation infrastructure, by contrast, generally range from one to three times the investment over the lifetime of the asset. Similarly, returns materialize over time frames that could be as short as a few years or as long as many decades. Projects that yield extremely high societal returns over long periods may be good candidates for collaborative efforts and partnerships between businesses and governments.
- **What degree of orchestration is needed?** When the absence of orchestration is the reason an important problem remains unsolved, a project may be a candidate for stepped-up collaboration. One such problem is air pollution. The number of deaths from air pollution

¹⁷ See Danielle Bozarth, Steve Hoffman, Giulia Siccardo, Alyssa Bryan, Nancy Jones, Melissa Mazin, Kimika Padilla, and Brennan Wong, *Closing the loop: Increasing fashion circularity in California*, McKinsey & Company, March 2022.

is rising, and 92 percent of them are in low- and middle-income countries. In relation to the potential benefit, the cost of reducing air pollution is relatively low. But changing the behavior that causes it is hard because so many dispersed actors engage in that behavior. Harmonizing laws and regulations to cover companies that produce pollutants is difficult, as is deploying the necessary monitoring and enforcement. Households pollute as well by burning fuel and waste, but they are even more dispersed, making it hard to deliver alternatives or induce behavioral shifts even when cleaner and safer alternatives are available. The problem is not primarily how to fund a solution but how to orchestrate one among many actors, including social enterprises and nonprofits, whose operational footprints, incentives, and entrepreneurial potential are different from companies¹.

— **Where can public and philanthropic capital catalyze larger flows of private financing?**

In a global economy increasingly propelled by intangible assets, a glut of savings has struggled to find investment opportunities offering sufficient economic returns and lasting value to investors. For example, institutional investors, who have the obligation to generate returns for long-term savers, manage a large share of the \$230 trillion in financial assets owned by households globally.¹⁸ Many of them would embrace investment in inclusion and sustainability—in affordable housing, infrastructure, renewable energy, carbon abatement, digitization, and other areas that enhance social good—if the risks were slightly lower and the returns slightly higher. The right models of blended finance could create such risk/return profiles if institutional investors, philanthropic organizations, multilateral and development finance institutions, and governments worked together to develop them.

The need for a more sustainable, inclusive, and growing world is pressing. Likewise pressing is the need to prioritize the tasks that would bring about such a world.

Here we have provided an initial assessment of the scale of the opportunity, the economic resources required, and the role of different stakeholders in marshaling them. Our framework can be the basis of collaborations among those stakeholders to improve sustainability and inclusion. B20 Indonesia could be an effective forum for putting such collaborations into action. Among other actions, it has created the Carbon Center of Excellence, which aims to share knowledge and enable the growth of carbon trading; One Global Women Empowerment, which aims to support women's participation in business; the B20 Wiki, which aims to enable small enterprises to scale up, empowered by cross-country collaborations and digital capability-building; and the Global One-Shot Campaign, which aims to bring stakeholders together to create a permanent worldwide vaccination program.

These and other efforts of B20 Indonesia could help catalyze a prioritized agenda, one that matches areas of potential societal impact to the companies best suited to enter them so that business can become the critical player that a sustainable, inclusive future requires. We hope that such an agenda will help companies and other stakeholders move swiftly from aspiration to action.

¹⁸ Those financial assets include equity, pensions, and debt. See *The rise and rise of the global balance sheet: How productively are we using our wealth?* McKinsey Global Institute, November 15, 2021.

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