Knowing the goal: an inclusive economy that can address the public health challenges of our time

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ABSTRACT
Objective Inequality is deeply embedded in our economic structures—it is necessary to address these economic inequalities if we are to reduce health inequalities. An inclusive economic approach was conceptualised as a way to reduce these economic inequalities, although the attributes of this approach are unclear. Public health practitioners are increasingly asked to provide a health perspective on the economic recovery plans in the light of the COVID-19 pandemic. This paper aims to identify the attributes of an inclusive economy to enable the public health profession to influence an inclusive economic recovery.

Approach We conducted a rapid review of grey and peer-reviewed literature to identify the attributes of an inclusive economy as currently defined in the literature.

Attributes of an inclusive economy Twenty-two concepts were identified from 56 reports and articles. These were collapsed into four distinct attributes of an inclusive economy: (1) an economy that is designed to deliver inclusion and equity, (2) equitable distribution of the benefits from the economy (eg, assets, power, value), (3) equitable access to the resources needed to participate in the economy (eg, health, education), and (4) the economy operates within planetary boundaries.

Conclusion As economies are (re)built following the COVID-19 pandemic, these attributes of an inclusive economy—based on the current literature—can be used to develop, and then monitor progress of, economic policy that will reduce health inequalities, improve health and mitigate against climate change.

WHY PUBLIC HEALTH SHOULD BE FOCUSED ON ECONOMIC POLICY
People’s economic circumstances have a major impact on their health: unemployment,1 poor quality work2 and hazardous work,3 and living on a lower income4 are associated with worse health. Inequality is deeply embedded in our economic structures5 producing structural barriers to economic equity.5 These barriers have resulted in wealth accumulation in an increasingly small proportion of the population; high and rising income inequalities; rising in-work poverty,9 10 low-paid and insecure employment.14

High and sustained health inequalities12 13 and the climate crisis14 15 were the two major public health challenges prior to the COVID-19 pandemic. The dominant economic approaches being pursued in most countries have failed to address these public health threats, and it has been argued that the current economic approach has contributed to these crises.16–19 So far, reliance on redistributive measures to correct an inequitable system has failed to reduce inequalities; it is argued, instead, that our economies should be ‘hard-wired’ to be more equitable.

There is a growing literature to inform the pursuit of social and economic equity. The mission-oriented approach to economic development20 and the well-being approach18 are both useful for developing alternate visions. There is also a rich literature on the types of reform that could deliver ‘hard-wired’ equity; including taking a feminist economics perspective,21 realising the social purpose of capital22 a provisioning labour market,23 a tax system focused on delivering social goals and environmental sustainability,24 prioritisation of the foundational economy,25 a social business model26 and broader economic goals.27

Indeed, when rebuilding our economies after the pandemic, it would be prudent to draw on this literature and rebuild them in a way that addresses the climate emergency, structural inequalities, and maintains livelihoods in the face of future shocks. Even before the pandemic, it was recognised that inclusion and fairness needed to be built into our economic system to address rising inequalities3; the concept of an inclusive economy developed to reflect this.

KNOWING THE POLICY GOAL
The Sustainable Development Goals (SDGs) provide an overall, global framework for understanding and monitoring outcomes, and indeed underpin national goals in some countries. Inclusive economies could be a key policy initiative to achieve those aspirations. Although there is a near consensus that economic recovery needs to be ‘inclusive’, the attributes of an inclusive economy, specifically, are not well established—that is, there is currently no consensus within the inclusive economy literature on what outcomes we need to achieve for our economy to be equitable. As health professionals are increasingly asked to provide a health and inequalities perspective to economic recovery plans it is important that we are clear what the attributes of an inclusive economy are. Without this, it will be difficult to prioritise the economic policies most likely to reduce structural inequalities, synthesise the evidence base for the actions that will deliver equity or to monitor progress towards a more equal economic system.

We have drawn on the existing published definitions and descriptions of the inclusive economic
A related concept, inclusive growth, shares many of the attributes important in the inclusive economy perspective. The use of inclusive economy in preference to inclusive growth reflects diverging opinions on the role of economic growth in an inclusive economy. Some argue that economic growth—typically measured through gross domestic product (GDP)—is no longer correlated with improvements in well-being and that increased economic growth is environmentally unsustainable (currently economic growth is largely driven by growth in the use of limited natural resources). Others argue that economic growth is necessary to achieve greater equity if we want to avoid redistributing resources from some groups to others and that it is possible to decouple economic growth from the depletion of limited resources. These issues cannot be dealt with sufficiently here and are not discussed further, except to say that the role of economic growth in delivering an inclusive economy is a live issue.

ATTRIBUTES OF AN INCLUSIVE ECONOMY
Some definitions included wealth creation or growth as a defining attribute of an inclusive economy, while many other definitions did not make reference to growth. As discussed (see box 1), there is disagreement about the role of economic growth in an inclusive economic approach and is not addressed further here.

The four attributes of an inclusive economy (summarised in box 2) were built up from the 22 concepts identified from the published reports (online supplemental appendix 3).

The economy is designed to deliver inclusion
The ways that our institutions, governance mechanisms, laws and regulations operate determine what is prioritised and privileged and, ultimately, what the economy delivers. For an economy to deliver inclusion, the economy and the associated institutions need to be actively designed to that end, that is, systemic changes are needed to deliver an inclusive economy.

There is equitable distribution of the benefits of the economy
An inclusive economy is one where the distribution of the benefits, or outputs, of the economy is equitably distributed across the population. This can be encapsulated in two concepts: horizontal equity, where there are no systematic differences in distribution related to population characteristics such as age, sex, income, place of residence or ethnicity; and vertical equity, where the accumulation of resources within certain groups is redistributed across the population, for example, through progressive taxation. Both of these are crucial and inter-related for an inclusive economy.

The publications we reviewed emphasised different outputs of the economy but none defined the totality of what the economy delivers. To categorise the different outputs of the economy in a way most relevant to health and inequalities, we draw on theory around origins of power28 and class29 and identified four distinct types of economic output: goods and services, economic participation, economic assets and value ascribed. This is unlikely to be a comprehensive list of economic outputs but was able to capture the concepts identified in the reviewed definitions. Equitable distribution is discussed in relation to each of these four outputs.

(a) Equitable distribution of essential goods and services
An inclusive economy is one where the population is able to purchase or access the necessary goods and services to participate meaningfully in society, such as water, electricity, housing and digital connectivity. In addition, people should not be denied or have limited access to essential goods and services because of personal characteristics, such as where they live (eg, affordable postal service) or gender (eg, membership of clubs). A social safety net was considered an important service delivered by the broader economy; the economy should provide a sufficient safety net to support individuals when they are unable to take up paid employment, for example, because of ill health, disability, or caring responsibilities, or because of insufficient job availability.

(b) Equitable distribution of economic inclusion
An inclusive economy is one where everyone is able to participate in the paid and unpaid economy. Being active within the paid economy confers social and financial benefits, such as an adequate income and stable employment. This would mean that population groups, such as females, ethnic minorities, those with a disability or from a certain socioeconomic group, are not excluded from the paid economy by virtue of having these characteristics. Equally, access to the unpaid economy (eg, caring, child rearing and community work) should also be available and shared (eg, housework) with those less likely to participate in the unpaid economy (eg, men).

(c) Equitable distribution of assets that confer economic power
An inclusive economy is one where there is equitable distribution of economic assets, such as wealth, capital and social connections. These assets confer power to determine one’s individual circumstances, such as type of work, conditions and pay, and also allow people to shape systemic factors such as economic policy. Unequal distribution of power in the population results in exploitation, economic domination and discrimination of/ towards groups with less power.
(d) Different parts of the economy are valued
An inclusive economy is one where different parts of the economy are valued and this has an impact on the financial, political and societal returns for that aspect of the economy. For example, sectors and activities that are female dominated tend to be less valued than others, resulting in lower pay, worse conditions and less status, related to these sectors. In addition, much of unpaid production in our society is undervalued and female dominated (eg, housework, caring, child rearing, volunteering, etc).

There is equitable access to resources needed to participate in the economy
An inclusive economy is one where the resources needed to be economically active are equitably distributed across the population. People require certain resources and skills to be able to participate in the economy in a meaningful way. Factors such as early years’ experiences, health and education affect people’s ability to participate in the economy and these are not equitably distributed across the population. Structural, social and cultural barriers affect some population groups more than others, for example, females, ethnic minorities, those with a disability and those brought up in deprived neighbourhoods.

The economy operates within planetary boundaries
An inclusive economy is one where the production and distribution of goods and services is such that the finite planetary resources are not depleted and levels of waste products produced are within the levels that the planet and its inhabitants, including future generations, can manage. In an inclusive economy, the full environmental costs of economic activity are included (internalised) in the cost of production and distribution of goods and services. Large changes in the levels of production, the types of goods produced and ways in which goods are produced are needed to ensure that our economies operate within planetary boundaries.

Ultimately, the specific criteria for defining when equity has been reached will need to be decided by society and may change over time. For example, it might be decided that equity is reached when there are no systematic health inequalities, or when the level of health inequalities is at an ‘acceptably’ low level. Alternatively, a metric of income distribution or child- hood well-being might be used to define equity.

HOW TO USE THESE ATTRIBUTES
These four attributes of an inclusive economy are distinct from the various metrics or dashboards of economic and social performance, such as the Oxfam Humankind Index or SDGs. Many of these dashboards aim to define the totality of success from the various metrics or dashboards of economic and social performance, such as the Oxfam Humankind Index or SDGs. These four attributes of an inclusive economy are distinct

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