CTPECC ISSUE PAPER

SUSTAINABLE GROWTH IN THE ASIA PACIFIC

ADVANCE THE SUSTAINABLE FUTURE
CHRISTINE CHIANG, HPE

DISTRIBUTIONAL IMPACT OF MARKET POWER AND ITS IMPLICATIONS FOR INCLUSIVE GROWTH IN KOREA
MINSOO HAN, KIEP

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Issue Paper

CTPECC holds a number of forums and seminars annually based on current issues in the global political economy. Inspired by these events, the *CTPECC Issue Paper* seeks to address opportunities and challenges in future regional development. *Issue Paper* also provides valuable information and perspectives, delivering the insightful views of experts.

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Introduction

As host economy of APEC 2022, Thailand has identified BCG – the Bio, Circular, Green Economic Model for inclusive and sustainable growth – as key in making APEC open to all opportunities, connected in all dimensions, and balanced in all aspects. APEC Thailand 2022 is thus holding discussions on "sustainable growth" and the facilitation of a socially-inclusive economic recovery. PECC, as APEC's policy think tank, is conducting research to formulate statements in support of those discussions.

Two experts on sustainable growth have contributed essays to this issue of the *CTPECC Issue Paper*. Ms Christine Chiang is Senior Manager of Social and Environmental Responsibility for Asia Pacific and Japan. Her essay, *Advance the Sustainable Future,* analyses current trends in sustainability issues experienced by leading companies in the Asia-Pacific region. Dr Minsoo Han is Head of the International Macroeconomics Team at the Korea Institute for International Economic Policy. His essay, *Distributional Impact of Market Power and its Implications for Inclusive Growth in Korea,* outlines recent academic research into economic inclusivity, especially the impact of pro-competition policies.

Advance the Sustainable Future

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Hewlett Packard Enterprise

The Trends of Sustainability in Taiwan and APAC 2022 by the Taiwan CSRone research team was published in this March. CSRone is a private company. However, the research team comes from representative NGOs, academia and universities. It is an annual report published every March in Taiwan.

This report analysed a total of 740 reports that includes 653 Taiwanese and 87 APAC companies' corporate sustainability reporting, using 898 indicators and taking 8 months by 40 researchers. It covers the public website sustainability information of the top 10 companies in each of the following 10 countries: Australia, China, Hong Kong, India, Japan, S. Korea, Malaysia, Singapore, Taiwan and Thailand. The report uses the Forbes 2021 *Global 2,000* Enterprise Survey and Taiwanese databases to select sustainability reports from a list of Asia Pacific representing companies. The report also refers to the experience of sustainability professional organizations and Asian companies' sustainability practices to formulate three aspects of environmental, social and corporate governance (ESG). Those reports have obtained 56.7% of Third-Party Assurance, as well as representing paid-in capital 2-5 billion TWSE & TPEx-listed 271 companies. There are 8 major sustainability indicators to be evaluated: corporate governance, energy conservation, carbon reduction, waste management, education and training, employee care, social investment, and human rights and SDGs (Sustainable Development Goals).

Table 1: Companies Sampled From Each Country

Singapore	**Malaysia**
OCBC Bank	Maybank
DBS Bank	Tenaga Nasional
Wilmar International	Public Bank Berhad
United Overseas Bank	CIMB
Singtel	RHB Bank
Flex	Hong Leong Financial
Singapore Airlines	Top Glove
CapitaLand	Petronas Chemicals
Olam International	

Thailand	Australia
PTT	Commonwealth Bank
Siam Cement Group	BHP
Kasikornbank	Rio Tinto
Siam Commercial Bank	ANZ
CP All	Westpac
Charoen Pokphand Foods	National Australia Bank
Bangkok Bank	Macquarie Group
ThaiBev	Fortescue Metals Group
Krungthai Bank	Woolworths Group
Advanced Info Service	Wesfarmers

South Korea	Taiwan
Samsung Electronics	TSMC
Hyundai Motor Group	Foxconn
SK Hynix	Cathay Financial Holdings
KB Financial Group	Fubon Financial
Shinhan Financial Group	CTBC Financial
Kia	MediaTek
POSCO	Nan Ya Plastics
LG Electronics	Quanta Computer
Korea Electric Power	ASE Technology Holding
Hyundai Mobis	Formosa Petrochemical

Japan	China
Toyota Motor	ICBC
SoftBank	China Construction Bank
Sony	Ping An Insurance
NTT	Agricultural Bank of China
Mitsubishi UFJ Financial	Bank of China
Honda Motor	China Merchants Bank
Sumitomo Mitsui Financial	Alibaba Group
Japan Post Holdings	Postal Savings Bank of China
KDDI	Tencent Holdings
Mitsubishi	Sinopec

Hong Kong	India
China Mobile	Reliance Industries
AIA Group	State Bank of India
CITIC	HDFC Bank
CK Hutchison Holdings	ICICI Bank
CNOOC	HDFC
China Resources Land	Tata Consultancy Services
SHKP	Larsen & Toubro
China Unicom	Kotak Mahindra Bank
Lenovo Group	Infosys
Shimao Group Holdings	NTPC

Table 2: Sustainability Temperature Index Y-to-Y

Rank	2019	2020	2021	Change From 2020
1	S. Korea	Taiwan	Singapore	△ 4
2	Thailand	Australia	Taiwan	▼ 1
3	Australia	S. Korea	Thailand	△ 1
4	Taiwan	Thailand	Australia	▼ 2
5	Singapore	Singapore	S. Korea	▼ 2
6	Japan	Japan	Japan	-
7	India	Malaysia	Malaysia	-
8	Malaysia	Hong Kong	India	△ 2
9	Hong Kong	China	Hong Kong	▼ 1
10	China	India	China	▼ 1

Table 3: Carbon Information Disclosure by Country

Country	Carbon Pricing	Carbon Trading	Carbon Neutrality	Carbon Rights
Australia	30%	20%	100%	70%
China	0%	30%	90%	0%
Hong Kong	0%	20%	60%	0%
India	0%	10%	70%	10%
Japan	10%	0%	90%	10%
S. Korea	10%	80%	100%	80%
Malaysia	0%	0%	50%	10%
Singapore	10%	10%	40%	10%
Taiwan	50%	50%	30%	30%
Thailand	20%	30%	40%	30%

The key finding of the report is that the global climate crisis is imminent. The International Panel on Climate Change (IPCC) released its latest survey report on February 28, re-emphasizing that if global warming exceeds 1.5 degrees Celsius, environment and ecology, human life and work will be greatly threatened. In order to further understand the general situation of enterprises in the Asia-Pacific region in response to net-zero emission reduction, the research team specifically focused on the four carbon disclosure indicators of “Internal Carbon Pricing Information”, “Carbon Trading Information”, “Carbon Neutrality Information” and “Carbon Rights Information”. Identifying information responses and disclosure profiles of Asia-Pacific companies on carbon issues, it was found that “Carbon Neutrality Information” ranked first in the disclosure of Asia-Pacific countries. In recent years, in response to the impact of climate change and the epidemic, sustainable development has become a prominent feature in the global capital market. ESG issues have prompted companies and organizations to scramble to join international initiatives and chanting “net-zero emissions reductions” commitments. For Taiwan, an island country, driven by the current mainstream trend that requires human beings to significantly reduce carbon

emissions, it is even more necessary to demonstrate our determination to the market and stakeholders through action plans such as “emission reduction” and “carbon neutrality” transformation.

The Top Three Key Sustainability Issues in the Asia-Pacific are: a) Energy Conservation & Carbon Reduction, which has been the top concern for three consecutive years; b) SDGs, which jumped from the 8th ranking last year to the 2nd ranking this year; c) Social Investment, which is getting more and more attention from stakeholders.

In the face of extreme climate events brought about by global warming, millions of people have been harmed and hundreds of billions of dollars are being lost every year. International organizations and governments are re-evaluating petrochemical and coal-fired investment and financing options, and accelerated the promulgation or tightening of relevant regulations.

As an important supply chain location for global industries, the Asia-Pacific region is more vulnerable to extreme climate impacts. Therefore, Asia-Pacific companies are paying special attention to the issue of “energy saving and carbon reduction” for three consecutive years. Moreover, it is worth mentioning that, from the analysis results of this year, it is found that since the United Nations officially launched the 17 Sustainable Development Goals (SDGs) on January 1, 2016, enterprises have been facing more challenges in accelerating the core of their own operations and action plans towards international sustainability goals.

With this regard, SDGs topics have jumped to the second rank since last year (2020). They were at the bottom of the list in the past. In particular, Singapore, Australia, Thailand, and Japan are among the countries which performed the best. The last one is social investment, which is getting more and more attention from stakeholders, in particular for the human rights of migrant workers. The RBA (Responsible Business Alliance) is putting a lot of effort to push manufacturers to give human rights back to migrant workers.

Given the results from this report, we believe sustainability is now a force for good and a resource of business value with following reasons: a) Now more than ever, being a force for good is also a source of business value – continuous innovation, increased profitability, and accelerated global impact; b) Companies with a sustainability strategy are outperforming their peers that do not and are attracting investors. C) Organizations that demonstrate and communicate their dedication to sustainability are gaining market share.

Additionally, industries are focusing on digital transformation to reduce cost and increase efficiencies (e.g., reduction in carbon and energy use, materials, and waste) As enterprises harness more data to achieve their objectives, the expanding computing and analytic needs are constrained by resource limitations such as power, space, cooling, and financial flexibility, making the need for efficient IT more critical than

ever. At the same time, the acceleration of digital transformation to reduce costs and increase efficiencies is also helping companies meet their sustainability goals.

The unprecedented disruption of the pandemic (COVID-19) is accelerating the urgency for agility, adaptability, and transformation. Companies are looking to recover and keep their business running while adapting to the growing sense of global responsibility. According to ICR (Strategic Communications and Advisory), “COVID-19 will accelerate this trend [towards ESG] even further, creating a greater sense of urgency and responsibility toward everything from consumer behavior to climate change, supply-chain practices and potentially alter the nature of the investment process as a result.”

Solving these constraints through improved monitoring and efficiency can significantly reduce OPEX and CAPEX while improving operational efficiencies for equipment, staff, and infrastructure. Approaches to IT efficiency include: a) Energy efficiency; b) Delivering an optimum level of compute, storage, and connectivity with the lowest input of energy possible; c) Equipment efficiency, d) Increasing IT processing power and storage capabilities with fewer IT assets.

To fully realize the value of sustainability, we must overcome three types of challenges:

1. The insatiable demand for technology and resources:
As companies harness more data to achieve their business objectives, the expanding computing and analytic needs are constrained by resource limitations such as power, space, cooling, and financial flexibility, making the need for efficient IT more critical than ever. In addition to cost savings, uncovering new efficiencies enables the business to scale while reducing the environmental impact of IT infrastructure. With the right direction such as looking for the right partner and the right business model, companies can overcome their resource limitations. As COVID-19 puts pressure on organizations to reduce costs, the ability to scale and procure IT infrastructure as-a-service is critical.

2. Navigating the complexity of sustainability:
As time progresses, so do the regulations and societal expectations. Tightening requirements and reputational risks, from human rights and labor laws to authenticating parts and waste management, create the need for transparency and integrity in entire digital supply chain. Yet executing a sustainable IT strategy effectively, and ensuring it returns value to business bottom-line, can be challenging. So, businesses need trusted partners with expertise and a global partner ecosystem to help them mitigate their risks.

3. Shifting stakeholder expectations:
Executives are facing increasing pressures (and increasing opportunities) to lead with purpose. They influence how organizations focus on sustainability for societal and environmental impact. Companies are driven by enrolling their stakeholders in their success: the more they lead with purpose the more competitive they become in the marketplace and in attracting the best talent.

Moreover, how do we make resources more efficient? By engineering products to work efficiently from edge to cloud while requiring the least amount of support, staff, and equipment for power conversion, cooling, and resiliency, software efficiency, writing efficient code, and using intelligent software to automate environments, drive efficiencies, and improve management practices.

With those challenges, when companies look to progress its sustainable business, they need the right partner to help them to achieve their goals, like Hewlett Packard Enterprise. HPE can help enterprises develop an end-to-end sustainable IT strategy that helps eliminate waste and reallocates resources to accelerate business objectives, such as:

1. Sustainably achieve digital transformation: Modernize, reduce enterprise footprint and energy use, and create an ongoing model that helps optimize enterprise operations and lowers cost. 89% of surveyed organizations say they want to lower overall IT energy consumption and monitor it. [i]

2. Reduce risk and cultivate a circular economy: Mitigate the operational, compliance, and reputational risks inherent in IT supply chain—from human rights and labor laws, to climate and waste management. 90% of surveyed organizations say they want the ability to refurbish and recycle retired assets. [ii]

3. Accelerate innovation for global impact: Capture new market opportunities by leveraging technology to build a more sustainable world. 84% of executives agree business transformation will have greater success if integrated with purpose.

The benefits to having a trustworthy and capable supplier that can deliver the best performance to enterprises include:

1. Lowering CAPEX and OPEX

2. Reducing footprint and energy use with real-time visibility and automation

3. Recovering end-of-use value to fund innovation projects and embrace the circular economy

4. Gaining operational efficiencies while freeing staff

5. Protecting brand value with confidence and resilience in supply chains

6. Aligning enterprise practices with customers' values

Why HPE? HPE are the purpose-driven partner to build sustainable innovation into our customers' strategies to enhance their brand, reputation, and fuel their purpose. HPE believe that our customers' global responsibilities should not distract them from their purpose—they should enhance it:

1. Our heritage builds on 30 years of proven leadership in sustainability. HPE recycling programs were launched in 1987, and our Design for Environment (DfE) launched in 1992 to build efficiency into our product portfolio. We have been committed to corporate citizenship since our founding.

2. HPE lead by not simply following best practices, but developing them. HPE set ambitious targets and standards: HPE were one of the first IT companies to align our operational and supply chain climate targets to the global Paris climate accord and were the first IT company to require the direct employment of foreign migrant workers in our supply chain, a critical practice in the fight against forced labour. Our ESG strategy is also tied to executive compensation to incentivize action.

3. Innovation is what HPE do. HPE are one of the leading companies focused on transformational low-carbon technologies with over 6000 patents filed since 2000 with low-carbon benefits. These include patents related to: a) Photonics, which enable faster IT systems at ten times the lower power, significantly reducing power costs for our customers thereby reducing carbon emissions; and b) Non-volatile memory, which scales performance in line with processing requirements, consumes no energy when idle, and is invulnerable to power interruptions, allowing customers to do more with less.

4. HPE have been widely recognised. Leading analysts rank HPE in the top IT companies for reducing forced labour in our supply chain, for corporate action on climate change, and for being the industry leader in corporate sustainability globally. Please visit: https://www.hpe.com/us/en/living-progress/awards.html.

With the above, HPE can help enterprises to:

1. Sustainably achieve digital transformation by modernizing, reducing footprint and energy usage, and creating an ongoing model that optimizes operations today and funds the future.

2. Reduce risk and cultivate a circular economy: As a leader in corporate sustainability, ranking in the top 1% of global supply chains across any industry, HPE has the expertise and global partner ecosystem to mitigate the operational, compliance, and reputational risks inherent in your IT supply chain—from human rights and labor laws, to climate and waste management. [iii]

3. Accelerate innovation for global impact: HPE believe in advancing the way people live and work. HPE are not settling for the status quo, HPE are living our purpose through our every action from how HPE design, manufacture, and offer our products help solve some of humanity's toughest challenges.

4. HPE help customers around the globe in a wide variety of industries capture the market opportunities of building a more sustainable world, such as working to ensure a resilient food supply, accelerating vaccine research for COVID-19, or implementing IoT technologies to create a low carbon economy.

For more information, please visit the HPE Living Progress website (https://www.hpe.com/us/en/living-progress.html) for more information. From there, you will learn and understand more how we HPE help our customers build an end-to-end sustainability strategy individually.

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[i] HPE customer survey, April 2020

[ii] Ibid.

[iii] Based on the 2020 EcoVadis score, the leading global sustainable procurement scorecard.

Distributional Impact of Market Power and Its Implications for Inclusive Growth in Korea

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Identifying the causes of rising income inequality has become one of the biggest socioeconomic topics in many developed and major emerging economies. The most plausible explanations among both policy makers and analysts have to date been dominated by the textbook story of globalization and skill-biased technical change. Until recently, only a few studies have pointed to the role played by market power and corporate rent-seeking in rising income inequality. More specifically, in the absence of competition, market power and corporate rent-seeking lead to an increase in prices relative to marginal costs (markups). Since extra profits are distributed in proportion to current firm ownership claims, these higher prices hurt consumers who pay higher prices than would have prevailed had the industry been competitive, but benefit business owners, corporate managers, and executives. Indeed, these individuals with firm ownership claims are concentrated at the top of the income distribution. Therefore, market power and corporate rent-seeking lead to a redistribution of income from consumers to firm owners. In the long-run, the accumulated redistribution from consumers to firm owners helps top-income groups accumulate more firm ownership claims, thereby raising their income even more disproportionately.[i] As a result, the lack of competition is associated with rising income inequality.

In a recent article (Han and Pyun 2021), Ju Hyun Pyun and I empirically explore the multi-faceted aspects of the increase in market power. In our baseline estimation, we find that an increase in market power is positively associated with rising income inequality. In particular, for every 1 percentage point increase in markups, the inverted Pareto-Lorenz coefficient increases by 0.37 percentage points. More interestingly, we also find that not only is the increase in markups positively associated with the income shares of the top-income group, but also that the association is higher for higher top-income groups. For example, for every 1 percentage point increase in markups, the top 10%, 5%, 1%, and 0.1% income shares increase by 0.09, 0.13, 0.26, and 1.15 percentage points, respectively. This result implies that the extra profits from higher markups not only accrue to the top-income groups, but also that within the top-income groups (top 10%), the higher top-income earners (top 1%, for instance) tend to benefit disproportionately more than the lower top-income earners (top 5% or 10%). Our main findings are robust with alternative estimation methods, data, and other control variables that could influence income inequality, such as financial openness, trade liberalization, technological progress, financial market development, government expenditure, and a democracy index.

Accompanied by the findings of the previous studies that rising income inequality poses a serious challenge to economic growth, we are tempted to conclude that every source of market power is harmful for sustained growth in and of itself. In order for new ideas to be discovered, however, an inventor should be compensated for his original research that led to the discovery. Therefore there should be a wedge between price and marginal cost. The presumption is that, as Paul Romer suggested in his celebrated paper in 1990, the key to sustained growth is the discovery of new ideas and increasing returns are one of the crucial features of the economics of ideas. Consequently, it is fair to state that many sources of market power such as intellectual property rights can still be strong contributory factors to sustained growth.

Our findings on the association between growing market power and rising income inequality are nonetheless suggestive of the recent debate on sustainable and inclusive growth initiatives in many countries. Recent studies have shown that the accumulation of disadvantages for certain societal groups could have adverse effects not only on prosperity and well-being, but also on productivity and economic growth (e.g., Galor and Zeira, 1993; Persson and Tabellini, 1994; Berg, Ostry, Tsangarides, and Yakhshilikov, 2018). To be sustainable, hence, these studies argue that growth should be distributed fairly across society and create opportunities for all members. Until recently, however, only pro-labor distributional policies including a tax-and-transfer system have entered the public discourse in a highly visible way. To be more effective, our results suggest that sustainable growth initiatives would shift from a narrow focus on redistribution through a tax-and-transfer system to a more comprehensive approach that considers the risks of corporate rent-seeking and the restrictive business practices that lead to a rise in markups.

To this end, anti-trust registration and enforcement measures aimed at curtailing corporate abuses of power—together with pro-labor policies and a tax-and-transfer system—might need to be re-designed in a mutually reinforcing manner to ensure sustainable and inclusive growth with an explicit distributional objective and to be better aligned with the evolution of the economy. To the degree that rising inequality is the result of the current antitrust standards that might not be well aligned with the evolution of the economy and therefore have made the creation, the abuse, and the leveraging of market power easier, the offending policies could require modification and revision. In the case of the US economy, for example, Stiglitz (2017) argues that even though some of the increase in market power in the US is the natural result of the evolution of the US economy, much of it stems from the failure of policies to keep up with the evolution. To be better aligned with the evolution of the economy, a range of policy instruments might need to entail a more vigorous enforcement of antitrust policies, limits on the ever-expanding scope of intellectual property protections, and an effort to reduce regulations that create barriers to entry or reduce mobility for both workers and firms, such as land use restrictions and occupational licensing.

At the same time, our results identify caveats for the development and industrial policies actively pursued by developing countries. With ambitions to accelerate growth, governments at early stages of development have often abandoned policy neutrality, suppressed wages, and tilted incentives and support for firms and business owners, thereby accelerating wealth accumulation. Some prominent examples are the pro-business development policies in East Asian countries such as Korea, Malaysia, Singapore, Taiwan, and Thailand. In particular, the common characteristics in these examples are bans or restrictions on unionization and other forms of organized labor, explicit upper bounds on wage growth, bargaining power shifted toward employers and away from labor in wage negotiation (e.g., see Galenson, 1992; Kim and Topel, 1995; Kuruvilla, 1996; Huff, 1997; Song, 1997; Akkemik, 2009). Our findings suggest that although some pro-business policies might be necessary to accelerate capital accumulation and speed up transition at the earlier stage of development, the policies could indirectly increase inequality through the channel of markups. To bear on sustainable and inclusive growth, as highlighted in the above-mentioned, previous studies, our findings imply that policies might need to switch to being pro-labor with the implementation of the statutory protection and power of labor unions, generous unemployment benefits, and mandatory minimum wages at a certain stage of development.

Our results on the association between market power and inequality are also particularly of interest to the debate on sustainable and inclusive growth agenda In Korea. Since President Moon Jae-In took office in 2017, a series of inclusive growth policy actions have been implemented, commonly referred to as the “Income-led growth model.” The main proposition of this approach is to raise the disposable income of low and middle income individuals whose consumption elasticities are larger than high income individuals, thereby triggering short-term demand driven growth. In recent years, however, discussion has been conducted mainly on a minimum wage increase. In addition, some analysts have argued that deregulations need to be expedited in order to empower the private corporations to play a bigger role, along with structural reforms in the labor market.

Gauging the size of corporate rent in Korea is a challenging task which requires a clear conceptual definition and appropriate data. In this context, nevertheless, one natural starting point could be to revisit much of the regulatory structure, which either has been dismantled in the past or is expected to be in the future, and to update and restore it, if necessary.

My article with Yungshin Jang (Han and Jang 2022) is one such analysis in that direction. In this study, we empirically analyze the effect of Korea's competition policies on the industrial concentration and factor income gap across firms. To do that, we combine the Korean firm-level data with data about competition policy actions practiced by the Korea Fair Trade Commissionand then estimate the effect of the policy actions. In particular, we divide the Korea Fair Trade Commission’s implementation of competition policies into four categories: traditional competition promotion policies, economic power concentration suppression policies, consumer

policies, and fair trade policies for large and small firms. Then we regress the changes in the industrial concentration, profitability gap, and factor income gap across firms on the four categories, using a multivariate fixed-effect regression model. We find that among other policy actions, the fair trade policies for large and small firms apparently and consistently alleviates industrial concentration and leads to relatively lower profitability of large firms than that of small firms. We also find that strengthening law enforcement in the fair trade policies for large and small firms alleviates factor income gap across firms. Based on our findings, we argue that it is necessary to re-examine the importance of competition policies and re-establish the purpose of the policies to consider not only consumer welfare and economic efficiency—which are standard objectives of the competition policies—but also social welfare and inclusiveness.

In sum, based on the findings, I argue that sustainable and inclusive growth initiatives must shift from a narrow focus on redistribution through pro-labor policies such as a minimum wage increase and a tax-and-transfer system to a more comprehensive approach that consider various aspects of corporate practices and regulations. Based on another study, I also argue that the fair trade policies for large and small firms would be one such policy action.

Nevertheless, I caution that, to be more concrete, we need to gauge the size of each firm's corporate rents and then link the change in rent to the change in the income distribution of employees. This task is challenging on both the data-related andconceptual aspects. Previous studies, such as those by Barth et al. (2016) and Song et al. (2019), have made relevant contributions, although their focus is not on the increase in market power and its implications for income inequality. I believe that sustainable and inclusive growth initiatives must be guided by an analysis that better captures the relationship between market power and inequality using a new employer-employee matched dataset, which would serve as an important avenue for future research.

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[i] This mechanism was first proposed by Comanor and Smiley (1975).

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Conclusion

Advance the Sustainable Future outlined recent trends in sustainability issues among companies in the Asia-Pacific. Ms Chiang pointed out that companies are facing increasing normative pressure to disclose their commitments to social and environmental sustainability. One way to improve sustainable practices is to work with experienced and innovative business partners such as Hewlett Packard Enterprise (HPE).

Distributional Impact of Market Power and its Implications for Inclusive Growth in Korea took us for a deeper look into one of the causes for widening income gaps. Dr Han pointed to corporate concentration as a primary suspect, suggesting that pro-competition policies are beneficial to sustainable and inclusive economic growth in the long run.

These two essays show but two approaches to the issue of sustainable growth: improving business practices in the private sector, and enforcing government policies that promote market inclusivity. There are undoubtedly many more unique aspects, each with their own challenges and opportunities.

Time is running out for our planet and its people. But by collaborating across sector divisions and international borders, industry, government, and academia are discovering more and more innovative solutions. CTPECC hopes that this issue of the *CTPECC Issue Paper* instils readers with renewed urgency and hope - there are both empirical and normative reasons for optimism.

END